

Together We Move Mpumalanga forward

# ***Estimates of the Provincial Revenue and Expenditure 2017/18***



provincial treasury  
**MPUMALANGA PROVINCE**  
REPUBLIC OF SOUTH AFRICA



## FOREWORD

We table the 2017/18 Provincial Budget mindful that the global economic environment remains uncertain.

While the National and Provincial economies are expected to improve slightly in the next coming years, the downside risk remains. We are however hopeful that our economy will improve as indications show that the country is entering a period of recovery with an anticipated economic growth rate of 1.3 percent in 2017 compared to 0.3 percent in 2016.

Mpumalanga experienced an average growth rate of 2.5 percent per annum between 1995 and 2014 and an average annual growth rate of 1.7 percent is forecast for 2015 -2020 period. This is much lower than the 5 percent growth required in terms of the Mpumalanga Growth and Economic Development Path (MEGDP) and Provincial Vision 2030. We need to strengthen our partnerships with all stakeholders, and unite our forces to address the prevailing socio-economic challenges that affect our people, especially the poor.

The coming financial year will be characterized by diminishing budgets, largely as a result of slow global economic recovery and the country's dwindling current and projected Gross Domestic Product (GDP) figures.

The reality is that the Provincial Government will face an extremely tight fiscal environment over the 2017 Medium Term Expenditure Framework (MTEF) period. Poor economic performance, relatively high interest rates and inflation places additional pressure on government spending programmes.

We acknowledge our shared responsibility to contribute to the stabilization of the growth of national debt and restore fiscal sustainability, but the government will remain pro- poor in its orientation, and use the provincial budget to respond to social needs for social protection, education and improving public health care for all.

As we mark the Year of Oliver Tambo, we wish to call on all our people to unite in action to sustain our hard earned freedom of 23 years by continuing to build a non-sexist, non-racial and prosperous South Africa for all who lives in it, Black and White.



**Mr. SE KHOLWANE, MPL**

**MEC FOR FINANCE, ECONOMIC DEVELOPMENT AND TOURISM**

## **CONTENTS**

|  |           |
|--|-----------|
| Overview of Provincial Revenue and Expenditure .....                     | 8         |
| 1. SOCIO-ECONOMIC REVIEW AND OUTLOOK OF MPUMALANGA.....                  | 10        |
| 2. BUDGET STRATEGY AND AGGREGATES.....                                   | 58        |
| 3. BUDGET PROCESS AND THE MEDIUM-TERM EXPENDITURE FRAMEWORK (MTEF) ..... | 59        |
| 4. RECEIPTS .....  | 59        |
| 5. PAYMENTS .....  | 62        |
| Annexure to the Overview of Provincial Revenue and Expenditure .....     | 68        |
| <b>VOTE 01: Office of the Premier.....</b>                               | <b>76</b> |
| 1. Overview .....  | 76        |
| 2. Review of the current financial year (2016/17) .....                  | 79        |
| 3. Outlook for the coming financial year (2017/18) .....                 | 80        |
| 4. Reprioritisation .....  | 80        |
| 5. Procurement .....   | 81        |
| 6. Receipts and financing.....   | 81        |
| 7. Payment Summary .....   | 82        |
| 8. Programme description .....   | 83        |
| 9. Other programme information .....                                     | 87        |
| Annexure to the Estimates of Provincial Revenue and Expenditure .....    | 88        |
| <b>VOTE 02: Mpumalanga Provincial Legislature .....</b>                  | <b>94</b> |
| 1. Overview .....  | 94        |
| 2. Review of the current financial year (2016/17) .....                  | 98        |
| 3. Outlook for the coming financial year (2017/18) .....                 | 99        |
| 4. Reprioritisation .....  | 99        |
| 5. Procurement .....   | 99        |
| 6. Receipts and financing.....   | 100       |

|    |   |            |
|----|---|------------|
| 7. | Payment summary .....   | 101        |
| 8. | Receipts and retentions: Provincial legislatures .....                | 104        |
| 9. | Programme description .....   | 105        |
|    | Annexure to the Estimates of Provincial Revenue and Expenditure ..... | 109        |
|    | <b>VOTE 03:Provincial Treasury .....</b>                              | <b>117</b> |
| 1. | Overview .....  | 117        |
| 2. | Review of the current financial year (2016/17) .....                  | 120        |
| 3. | Outlook for the coming financial year (2017/18) .....                 | 121        |
| 4. | Reprioritization .....  | 123        |
| 5. | Procurement .....   | 123        |
| 6. | Receipts and financing.....   | 124        |
| 7. | Payment summary .....   | 125        |
| 8. | Programme Description.....  | 126        |
| 9  | Other Programme information .....                                     | 130        |
|    | Annexure to the Estimates of Provincial Revenue and Expenditure ..... | 132        |
|    | <b>VOTE 04: Co-operative Governance and Traditional Affairs .....</b> | <b>140</b> |
| 1. | Overview .....  | 140        |
| 2. | Review of the current financial year (2016/17) .....                  | 142        |
| 3. | Outlook for the coming financial year (2017/18) .....                 | 142        |
| 4. | Reprioritisation .....  | 143        |
| 5. | Procurement .....   | 144        |
| 6. | Receipts and financing.....   | 144        |
| 7. | Payment summary .....   | 144        |
| 8. | Programme Description.....  | 147        |
| 9  | Other programme information .....                                     | 152        |
|    | Annexure to the Estimates of Provincial Revenue and Expenditure ..... | 153        |

## **VOTE 05: Agriculture, Rural Development, Land and Environmental Affairs..... 163**

|   |     |
|---|-----|
| 1. Overview .....   | 163 |
| 2. Review of the current financial year (2016/17) .....               | 166 |
| 3. Outlook for the coming financial year (2017/18) .....              | 167 |
| 4. Reprioritisation .....   | 168 |
| 5. Procurement .....  | 168 |
| 6. Receipts and financing.....  | 169 |
| 7. Payment summary .....  | 170 |
| 8. Programme Description.....   | 172 |
| 9. Other programme information .....                                  | 181 |
| Annexure to the Estimates of Provincial Revenue and Expenditure ..... | 182 |

## **VOTE 06: Economic Development and Tourism ..... 202**

|   |     |
|---|-----|
| 1. Overview .....   | 202 |
| 2. Review of the current financial year (2016/17) .....               | 204 |
| 3. Outlook for the coming financial year (2017/18) .....              | 205 |
| 4. Reprioritisation .....   | 206 |
| 5. Procurement .....  | 207 |
| 6. Receipts and financing.....  | 207 |
| 7. Payment summary .....  | 208 |
| 8. Programme description .....  | 211 |
| 9. Other programme information .....                                  | 218 |
| Annexure to the Estimates of Provincial Revenue and Expenditure ..... | 219 |

## **VOTE 07: Education..... 229**

|  |     |
|--|-----|
| 1. Overview .....  | 229 |
| 2. Review of the current financial year (2016/17) .....  | 231 |
| 3. Outlook for the coming financial year (2017/18) ..... | 231 |

|    |   |     |
|----|---|-----|
| 4. | Reprioritisation .....  | 231 |
| 5. | Procurement .....   | 232 |
| 6. | Receipts and financing.....   | 232 |
| 7. | Payment summary .....   | 233 |
| 8  | Programme description .....   | 236 |
| 9. | Other programme information .....                                     | 244 |
|    | Annexure to the Estimates of Provincial Revenue and Expenditure ..... | 245 |

## **VOTE 08: Public Works, Roads and Transport ..... 286**

|    |   |     |
|----|---|-----|
| 1. | Overview .....  | 286 |
| 2. | Review of the current financial year (2016/17) .....                  | 288 |
| 3. | Outlook for the coming financial year (2017/18) .....                 | 290 |
| 4. | Reprioritisation .....  | 291 |
| 5. | Procurement .....   | 291 |
| 6. | Receipts and financing.....   | 292 |
| 7. | Payment summary .....   | 293 |
| 8. | Programme description .....   | 295 |
| 9. | Other programme information .....                                     | 300 |
|    | Annexure to the Estimates of Provincial Revenue and Expenditure ..... | 301 |

## **VOTE 09: Community Safety, Security and Liaison ..... 316**

|    |   |     |
|----|---|-----|
| 1. | Overview .....  | 316 |
| 2. | Review of the current financial year (2016/17) .....  | 317 |
| 3. | Outlook for the coming financial year (2017/18) ..... | 318 |
| 4. | Reprioritisation .....                                | 319 |
| 5. | Procurement .....                                     | 319 |
| 6. | Receipts and financing.....                           | 320 |
| 7. | Payment summary .....                                 | 321 |

|  |   |            |
|--|---|------------|
| 8.   | Programme description .....   | 323        |
| 9.   | Other programme description .....                                     | 327        |
|  | Annexure to the Estimates of Provincial Revenue and Expenditure ..... | 329        |
| <b>VOTE 10: Health.....</b>                        |   | <b>340</b> |
| 1.   | Overview .....  | 340        |
| 2.   | Review of the current financial year (2016/17) .....                  | 344        |
| 3.   | Outlook for the coming financial year (2017/18) .....                 | 345        |
| 4.   | Reprioritisation .....  | 346        |
| 5.   | Procurement .....   | 347        |
| 6.   | Receipts and financing.....   | 347        |
| 7.   | Payment summary .....   | 349        |
| 8.   | Programme description .....   | 355        |
| 9.   | Other programme information .....                                     | 365        |
|  | Annexure to the Estimates of Provincial Revenue and Expenditure ..... | 366        |
| <b>VOTE 11: Culture, Sport and Recreation.....</b> |   | <b>392</b> |
| 1.   | Overview .....  | 392        |
| 2.   | Review of the current financial year (2016/17) .....                  | 396        |
| 3.   | Outlook for the coming financial year (2017/18) .....                 | 397        |
| 4.   | Reprioritisation. ....  | 398        |
| 6.   | Receipts and financing.....   | 399        |
| 7.   | Payment summary .....   | 400        |
| 8.   | Programme description .....   | 402        |
| 9.   | Other programme information .....                                     | 406        |
|  | Annexure to the Estimates of Provincial Revenue and Expenditure ..... | 408        |
| <b>VOTE 12: Social Development.....</b>            |   | <b>423</b> |
| 1.   | Overview .....  | 423        |

|    |  |            |
|----|--|------------|
| 2  | Review of the current financial year 2016/17 .....                     | 429        |
| 3. | Outlook for the coming financial year 2017/18 .....                    | 433        |
| 4. | Reprioritisation .....   | 437        |
| 5. | Procurement .....  | 437        |
| 6. | Receipts and financing.....  | 438        |
| 7. | Payment summary .....  | 439        |
| 8. | Programme description .....  | 441        |
| 9. | Other programme information .....                                      | 446        |
|    | Annexures to the Estimates of Provincial.....                          | 448        |
|    | Revenue and Expenditure .....  | 448        |
|    | <b>VOTE 13: Human Settlements.....</b>                                 | <b>463</b> |
| 1  | Overview .....   | 463        |
| 2  | Review of the current financial year (2016/17) .....                   | 468        |
| 3  | Outlook for the coming financial year (2017/18) .....                  | 468        |
| 4  | Reprioritisation .....   | 471        |
| 5  | Procurement .....  | 471        |
| 6. | Receipts and financing.....  | 472        |
| 7. | Payment summary .....  | 472        |
| 8. | Programme description .....  | 474        |
| 9. | Other Programme Information.....                                       | 479        |
|    | Annexures to the Estimates of Provincial Revenue and Expenditure ..... | 480        |



## Overview of Provincial Revenue and Expenditure

The 2017 budget is tabled under difficult conditions of contracted economy and the government is required to reduce its spending while on the other hand it has to create a healthy environment for business to operate so as to create employment and also improve tax base for the government. On the other hand the government has to account to the electorate on how their taxes are used and how the promises that are made are being implemented.

The Premier in his State of the Province address emphasised on the following areas that the government has to focus on:

“As for the Provincial Government, let us remind ourselves of the contents of our mandate as raised in the 2014 Election Manifesto of the African National Congress, the Mpumalanga Economic Growth and Development Path, our Medium Term Strategic Framework as well as the National Development Plan.

We promised our electorate that we will focus on;

- Growing the economy and creating decent employment to address the triple challenge of unemployment, poverty, and inequality
- Improving the quality of education
- Improving our health care system to ensure that we increase life expectancy and mitigate the negative impact of HIV and AIDS, and opportunistic diseases
- Ensuring that our people have access to basic services to improve their quality of life”

The Province is continuing with the moratorium on filling of vacant posts to contain expenditure in consumption and divert those into investment. The budget for infrastructure over the MTEF has increased especially in the social infrastructure, namely, in education and health sectors. Funds have been set aside for school infrastructure as well as health facilities to provide better education and health services. The same has been done in providing funds for improving road infrastructure in the Province.

The Premier further said that ‘despite the economic headwinds we have faced in the recent past, economic data shows that the South African economy avoided a recession in 2015, but barely grew in 2016. Within this overall pattern of declining growth, limited domestic investment in the economy by the private sector has negatively impacted on the labour market and constrained our ability to create jobs. At this difficult time, we call upon the private sector invest in the economy, and join hands with government as we navigate challenging economic conditions”

This has led to current budget estimates to reductions in spending levels in an attempt by government to reduce government debt that comes in the form of borrowing and related interest payments.

The Premier also indicated that there are stronger linkages between service delivery departments on bigger infrastructure projects that will be rolled out as planned and that will be managed by the Provincial Project Management Unit that will be coordinated by the Office of the Premier.

In an effort to achieve cost effectiveness and efficiencies the Premier announced that there are a range of products and services for which transversal contracts will be crafted whilst ensuring that this move will create entrance into mainstream economy. Those items will include services like cleaning material and detergents; school and office furniture, printing of government material; meeting and conference facilities, travel and accommodation services, etc. This will go a long way in saving resources to be diverted to infrastructure investment and also the creation of opportunities for the locals.

# 1. SOCIO-ECONOMIC REVIEW AND OUTLOOK OF MPUMALANGA

This section reflects on important socio-economic statistics in Mpumalanga. Information used in this section was collected from approved and credible sources to provide a realistic picture of the socio-economic conditions in the Province. The socio-economic outlook is crucial in the planning and budget process to ensure that any measures introduced by the provincial government, are in line with the ever-changing socio-economic dynamics. Placing Mpumalanga on a shared growth and integrated development trajectory requires a coherent and co-ordinated public sector response to the Province's socio-economic opportunities and challenges.

## 1.1 DEMOGRAPHICS

### 1.1.1 Population figures and growth

According to Statistics South Africa's *Community Survey (CS) 2016*, Mpumalanga's population was 4.3 million or 7.8 percent of the national total (Table 1.1). Mpumalanga registered the sixth largest share among the provinces. Gauteng (24.1 percent) was the province with the largest share of the national population, followed by KwaZulu-Natal with a 19.9 percent share. Northern Cape recorded the lowest percentage share of the national population at 2.1 percent. Mpumalanga's population increased by 296 025 from 4.04 million in 2011, whilst the share of the national total remained constant at 7.8 percent. Mpumalanga was one of two provinces where the shares remained unchanged, whilst the shares of four provinces decreased and three increased.

**Table 1.1: Population in South Africa by province, 2001, 2011 & 2016**

| Region        | Census     |                     |            |                     | CS 2016    |                     |
|---------------|------------|---------------------|------------|---------------------|------------|---------------------|
|               | 2001       |                     | 2011       |                     |            |                     |
|               | Number     | % share of national | Number     | % share of national | Number     | % share of national |
| Western Cape  | 4 524 335  | 10.1                | 5 822 734  | 11.2                | 6 279 730  | 11.3                |
| Eastern Cape  | 6 278 651  | 14.0                | 6 562 053  | 12.7                | 6 996 976  | 12.6                |
| Northern Cape | 991 919    | 2.2                 | 1 145 861  | 2.2                 | 1 193 780  | 2.1                 |
| Free State    | 2 706 775  | 6.0                 | 2 754 590  | 5.3                 | 2 834 714  | 5.1                 |
| KwaZulu-Natal | 9 584 129  | 21.4                | 10 267 300 | 19.8                | 11 065 240 | 19.9                |
| North West    | 2 984 097  | 6.7                 | 3 509 953  | 6.8                 | 3 748 436  | 6.7                 |
| Gauteng       | 9 388 855  | 20.9                | 12 272 263 | 23.7                | 13 399 724 | 24.1                |
| Mpumalanga    | 3 365 554  | 7.5                 | 4 039 939  | 7.8                 | 4 335 964  | 7.8                 |
| Limpopo       | 4 995 462  | 11.1                | 5 404 868  | 10.4                | 5 799 090  | 10.4                |
| Total         | 44 819 777 | 100.0               | 51 770 560 | 100.0               | 55 653 655 | 100.0               |

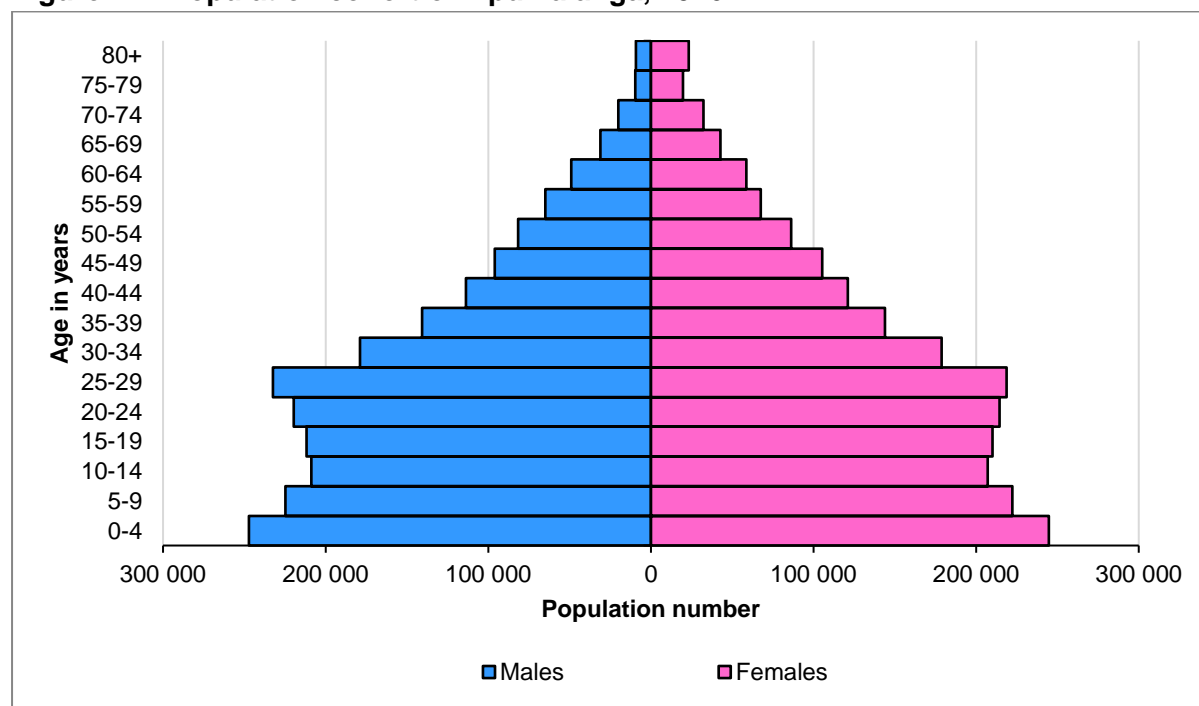
**Source: Statistics South Africa – Census 2011**

**Statistics South Africa – Community Survey (CS) 2016**

Figure 1.2 shows the population cohort of Mpumalanga according to the CS 2016. Females constituted 2.2 million or 50.7 percent of the provincial population distribution and males 2.14 million (49.3 percent). The youth cohort (0-34 years) made up 69.6 percent of the total population in the province and the age group 60 years and older, only 6.8 percent. The age cohort of 0-4 years represented the most populous age cohort with 491 791 individuals or some 11.3 percent of the provincial population. In South Africa, the youth cohort made up 66.4 percent of the total population and the age group 60 years and older, 8.1 percent. Nationally the most populous age cohort was also the 0-4 years group that represented some 10.7 percent of the population.

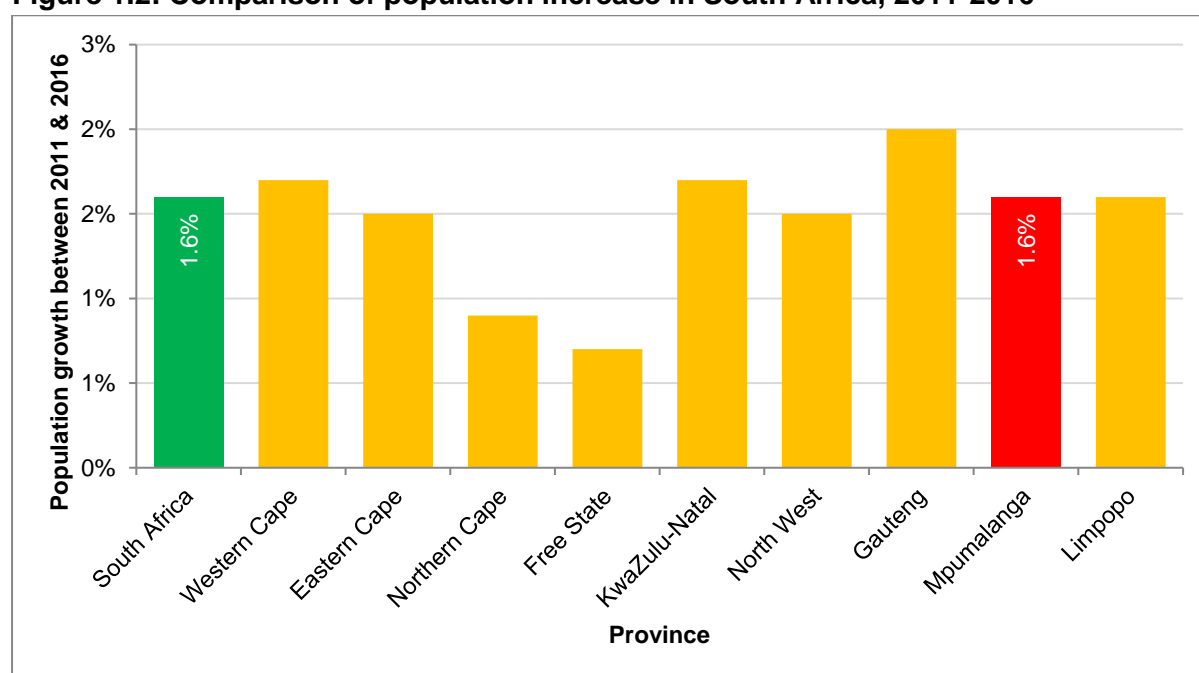
Between 2011 and 2016, the population of South Africa increased by 7.5 percent and that of Mpumalanga by 7.3 percent. This was marginally lower than South Africa's population increase and the joint fourth largest population increase behind Gauteng (9.2 percent), Western Cape (7.8 percent) and KwaZulu-Natal (7.8 percent) over the period under review. The population of Free State increased by only 2.9 percent over the same period. Expressed in annual average growth, Mpumalanga's population increased by 1.6 percent per annum between 2011 and 2016, as is evident from Figure 1.2.

**Figure 1.1: Population cohort of Mpumalanga, 2016**



**Source: Statistics South Africa – CS 2016**

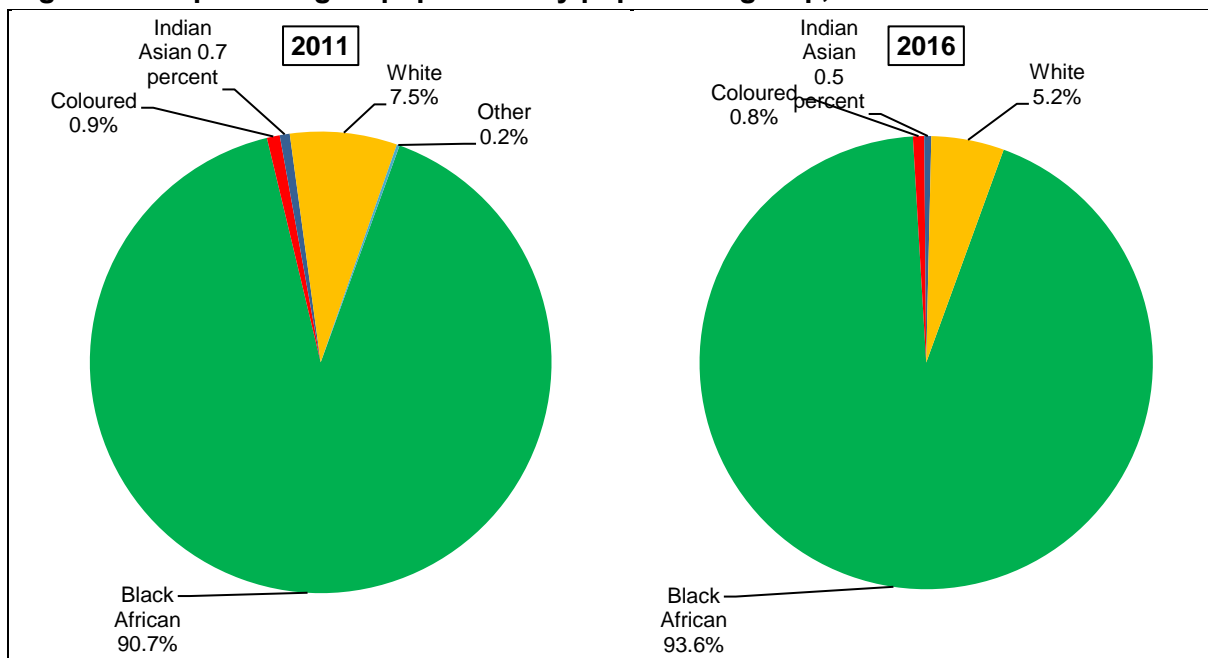
**Figure 1.2: Comparison of population increase in South Africa, 2011-2016**



**Source: Statistics South Africa – CS 2016**

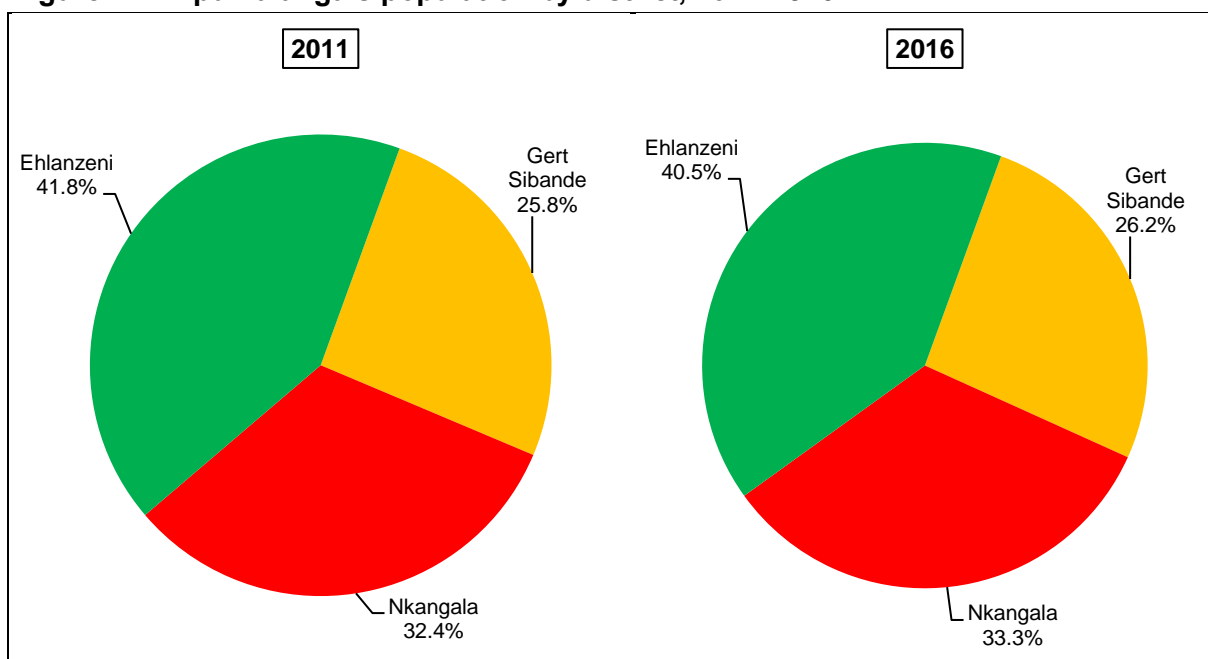
The breakdown by population group for Mpumalanga in 2011 and 2016, is presented in Figure 1.3. The majority of Mpumalanga's population in 2016 was Black Africans (93.6 percent) with Whites contributing 5.2 percent. Coloureds (0.8 percent) and Asians (0.5 percent) jointly contributed 1.3 percent to the total population in 2016.

**Figure 1.3: Mpumalanga's population by population group, 2011-2016**



**Source:** *Statistics South Africa – Census 2011*  
*Statistics South Africa – CS 2016*

**Figure 1.4: Mpumalanga's population by district, 2011-2016**



**Source:** *Statistics South Africa – Census 2011*  
*Statistics South Africa – CS 2016*

In 2016, 40.5 percent of Mpumalanga's population resided in Ehlanzeni, 33.3 percent in Nkangala and 26.2 percent in Gert Sibande (Figure 1.4). Females were in the majority in

both Ehlanzeni (51.9 percent) and Gert Sibande (50.3 percent), whereas males formed the bulk of Nkangala's population with a share of 50.5 percent. In 2016, 72.2 percent of Ehlanzeni's population was younger than 35 years of age, followed by Gert Sibande (68.6 percent) and Nkangala (67.4 percent).

### 1.1.2 Fertility

The fertility rate is defined as the number of children the average women would have in her lifetime. According to the *Mid-year Population Estimates 2016*, Mpumalanga's average fertility rate for the period 2001 to 2006 was 2.99, for the period 2006 to 2011 it was 2.85 and 2.53 in the period 2011 to 2016. When compared with the other provinces Mpumalanga registered the fifth highest fertility rate for the period 2011 to 2016, Eastern Cape (3.06) the highest and Western Cape the lowest (2.21).

### 1.1.3 Life expectancy

Mpumalanga's male life expectancy at birth was 51.0 years for both the periods 2001 to 2006 and 2006 to 2011. The projections for the period 2011 to 2016, according to the *Mid-year Population Estimates 2016*, report that it increased to 55.0 years. Mpumalanga's male life expectancy for the period 2011 to 2016 is expected to be the fifth highest/lowest. Western Cape (64.2 years) is expected to have the highest/best male life expectancy with Free State (52.5 years) the lowest.

Mpumalanga's female life expectancy for the periods 2001 to 2006 and 2006 to 2011 were 52.5 years and 52.8 years, respectively. The provincial figure is projected to increase to 60.6 years for the period 2011 to 2016, which will leave Mpumalanga with the fifth highest/lowest female life expectancy. Western Cape (69.0 years) is expected to have the highest/best female life expectancy and Free State (58.0 years) the lowest. The NDP targets both average male and female life expectancy at birth to improve to 70 years by 2030.

### 1.1.4 Migration

Table 1.2 shows the net migration streams of the provinces over two periods, 2011 and 2016. The data was sourced from the *Mid-year Population Estimates 2016*. Gauteng and Western Cape have the highest number of persons who move into these provinces as shown by the net migration 2006 to 2011 and 2011 to 2016. Mpumalanga registered positive net migration of 46 442 in 2006 to 2011 and positive net migration of 61 000 in 2011 to 2016. Eastern Cape and Limpopo recorded the largest net outflows throughout.

**Table 1.2: Net migration in South Africa, 2006-2011 & 2011-2016**

| Region        | Net migration |           |
|---------------|---------------|-----------|
|               | 2006-2011     | 2011-2016 |
| Western Cape  | 150 847       | 168 786   |
| Eastern Cape  | -70 486       | -52 930   |
| Northern Cape | -2 359        | -3 154    |
| Free State    | -11 010       | -4 319    |
| KwaZulu-Natal | -12 068       | -684      |
| North West    | 83 925        | 95 598    |
| Gauteng       | 530 401       | 585 211   |
| Mpumalanga    | 46 442        | 61 000    |
| Limpopo       | -63 256       | -38 279   |

**Source: Statistics South Africa – Mid-year population estimates 2016**

### 1.1.5 Disability

Statistics South Africa's questions on disability require each person in the household to rate their ability level for a range of activities such as seeing, hearing, walking a kilometre or climbing a flight of steps, remembering and concentrating, self-care, and communicating in his/her most commonly used language, including sign language. During the analysis, individuals who said that they had some difficulty with two or more of the activities or had a lot of difficulty, or were unable to perform any one activity, were then classified as disabled.

Table 1.3 presents the findings of *Census 2011* and *CS 2016* on disability in South Africa. Using the described classification system, 7.5 percent of South Africans aged 5 years and older were classified as disabled in 2011 and 7.7 percent in 2016. Mpumalanga's percentage of persons aged 5 years and older with disability was 7.0 percent in 2011 and 7.5 percent in 2016. Mpumalanga recorded the sixth largest share of people with disability compared with the other eight provinces. Free State (11.0 percent) recorded the highest share and Western Cape (6.3 percent) the lowest.

**Table 1.3: Percentage of persons aged 5 years and older with disability by province, 2011-16**

| Region        | Census 2011 | CS 2016 |
|---------------|-------------|---------|
| Western Cape  | 5.4%        | 6.3%    |
| Eastern Cape  | 9.6%        | 8.5%    |
| Northern Cape | 11.0%       | 10.7%   |
| Free State    | 11.1%       | 11.0%   |
| KwaZulu-Natal | 8.4%        | 8.6%    |
| North West    | 10.0%       | 8.7%    |
| Gauteng       | 5.3%        | 6.7%    |
| Mpumalanga    | 7.0%        | 7.5%    |
| Limpopo       | 6.9%        | 6.4%    |
| South Africa  | 7.5%        | 7.7%    |

**Source: Statistics South Africa – CS 2016**

## 1.2 LABOUR PROFILE

### 1.2.1 Labour force profile

The labour force comprises of all the employed and the unemployed population in a region. The national labour force of 21.8 million individuals was 638 474 more at the end of the fourth quarter 2016 than a year earlier. The number of employed in South Africa increased by 50 544 while the unemployed increased by 587 930, or by 11.3 percent, between the end of the fourth quarter 2015 and the end of the fourth quarter 2016.

As a result, the strict unemployment rate for South Africa increased from 24.5 percent to 26.5 percent between the fourth quarter 2015 and the fourth quarter 2016. The national labour absorption rate was 43.5 percent at the end of the fourth quarter 2016, which was lower than the 44.2 percent registered a year earlier. The labour force participation rate at the end of the fourth quarter 2016 (59.2 percent) was slightly higher than the rate recorded at the end of the fourth quarter 2015.

The provincial labour force of around 1.67 million individuals was 69 391 more at the end of the fourth quarter 2016 than a year earlier (Table 1.4). The number of employed at 1 155 314 at the end of the fourth quarter 2016 was 35 938 less than at the end of the fourth quarter 2015. This is the lowest recorded number of employed since the first quarter 2015. The number of employed was also 18 817 lower than the 1 174 132 in the previous quarter. The number of unemployed increased by 105 329 to 518 043 between the end of the fourth

quarter 2015 and the end of the fourth quarter 2016. This is the highest recorded number of unemployed since the inception of the QLFS in 2008. The number of discouraged workers decreased by 39 878 to 226 597 over the last four quarters.

The unemployment rate (strict definition) was 5.3 percentage points higher at the end of the fourth quarter 2016 (31.0 percent) than a year earlier (25.7 percent). This is the highest it has been since the introduction of the QLFS in 2008. The unemployment rate according to the expanded definition also increased/deteriorated to 42.1 percent at the end of the fourth quarter 2016, up from 39.4 percent a year earlier. This is the highest the expanded unemployment rate has been since the second quarter of 2014. Over the last four quarters, the labour absorption rate declined/weakened to 40.9 percent, whereas the labour force participation rate rose/improved to 59.2 percent.

**Table 1.4: Labour force profile of Mpumalanga, 2015-2016**

| Indicator                                     | Q4 2015 | Q3 2016 | Q4 2016 | Q3 2016 to<br>Q4 2016<br>change | Year-on-<br>year<br>change |
|---|---------|---------|---------|---------------------------------|----------------------------|
|   | '000    | '000    | '000    | '000                            | '000                       |
| <b>Working age population (15-64 years)</b>   | 2 776   | 2 815   | 2 828   | 13                              | 52                         |
| <b>Not economically active</b>                | 1 172   | 1 128   | 1 155   | 26                              | -17                        |
| <b>Labour Force/EAP</b>                       | 1 604   | 1 687   | 1 673   | -14                             | 69                         |
| <b>Employed</b>                               | 1 191   | 1 174   | 1 155   | -19                             | -36                        |
| <b>Unemployed</b>                             | 413     | 513     | 518     | 5                               | 105                        |
| <b>Discouraged work seekers</b>               | 266     | 211     | 227     | 16                              | -40                        |
| <b>Rates</b>                                  | %       | %       | %       | %                               | %                          |
| - Unemployment rate (strict definition)       | 25.7    | 30.4    | 31.0    | 0.6                             | 5.3                        |
| - Unemployment rate (expanded definition)     | 39.4    | 41.4    | 42.1    | 0.7                             | 2.7                        |
| - Employed/population ratio (absorption rate) | 42.9    | 41.7    | 40.9    | -0.8                            | -2.0                       |
| - Labour force participation rate             | 57.8    | 59.9    | 59.2    | -0.7                            | 1.4                        |

**Source: Statistics South Africa – QLFS, 2017**

**Note: Due to rounding numbers do not necessarily add up to totals or change**

### 1.2.2 Employment

The national labour market gained 50 544 jobs between the end of the fourth quarter 2015 and the end of the fourth quarter 2016 (Table 1.5). On an annual basis, Limpopo added 102 771 more jobs, the most among the provinces, whilst Mpumalanga recorded 35 938 less in employment. Between the end of the third quarter 2016 and the end of the fourth quarter 2016, Mpumalanga's employment numbers decreased by 18 817 along with Free State (-23 544) and Northern Cape (-10 072). Total employment in Mpumalanga constituted 7.2 percent of employment in the country, lower than the 7.5 percent share of a year earlier.

Over the past 33 quarters (8 years and 3 months) since before the recession, the highest and lowest number of employed in the province was measured at the end of the fourth quarter 2015 (1 191 252) and the end of the fourth quarter 2010 (959 514), respectively. The change in Mpumalanga's total employment from the end of the third quarter 2008 (before the recession) to the fourth quarter 2016 is displayed in Figure 1.5.

The latest employment level, at the end of the fourth quarter 2016, of 1 155 314 was 122 091 above the pre-recession level and some 158 912 more jobs than the post-recession level. When compared with the lowest level of employment at the end of the fourth quarter 2010, 195 800 more individuals were employed at the end of the fourth quarter 2016. In annual terms, the 195 800 translates to 32 633 more individuals employed every year.

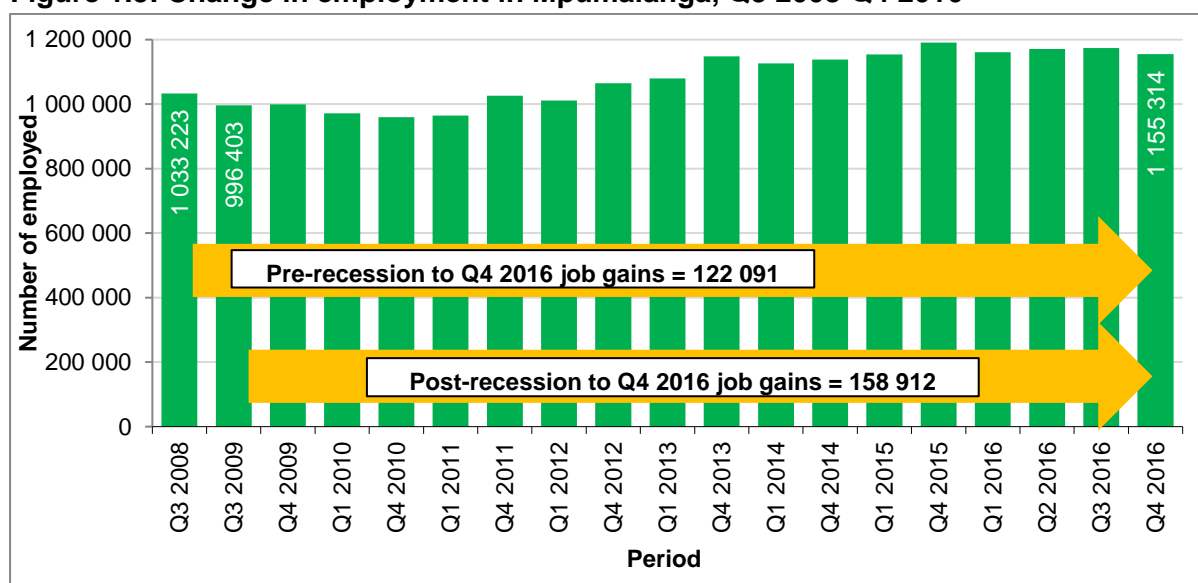


**Table 1.5: Changes in employment in South Africa and provinces, 2015-2016**

| Region        | Q4 2015 | Q3 2016 | Q4 2016 | Q3 2016 – Q4 2016<br>change<br>'000 | Year-on-year<br>change<br>'000 |
|---------------|---------|---------|---------|-------------------------------------|--------------------------------|
|               | '000    | '000    | '000    |                                     |                                |
| Western Cape  | 2 266   | 2 315   | 2 386   | 70                                  | 6                              |
| Eastern Cape  | 1 350   | 1 443   | 1 447   | 5                                   | 36                             |
| Northern Cape | 303     | 308     | 298     | -10                                 | -14                            |
| Free State    | 797     | 781     | 757     | -24                                 | -68                            |
| KwaZulu-Natal | 2 479   | 2 496   | 2 541   | 45                                  | 12                             |
| North West    | 915     | 900     | 959     | 60                                  | -10                            |
| Gauteng       | 4 942   | 5 068   | 5 111   | 44                                  | 22                             |
| Mpumalanga    | 1 171   | 1 174   | 1 155   | -19                                 | -36                            |
| Limpopo       | 1 324   | 1 349   | 1 414   | 64                                  | 103                            |
| South Africa  | 15 545  | 15 833  | 16 069  | 235                                 | 51                             |

**Source: Statistics South Africa – QLFS, 2017**

**Note: Due to rounding numbers do not necessarily add up to totals or change**

**Figure 1.5: Change in employment in Mpumalanga, Q3 2008-Q4 2016**

**Source: Statistics South Africa – QLFS, 2016**

For the past seventeen quarters, Mpumalanga's employment numbers have consistently exceeded the pre-recession number. South Africa's employment number has exceeded the national pre-recession employment level for the last sixteen quarters. At the end of the fourth quarter 2016, the employment numbers of Free State (-76 719), Northern Cape (-18 647) and KwaZulu-Natal (-224) were, however, lower than their pre-recession levels.

#### *Employment target*

The NDP targets a decline in the national unemployment rate to 14.0 percent by 2020 and 6.0 percent by 2030. Similarly, the Provincial Vision 2030 targets a decline in the provincial unemployment rate to 15.0 percent by 2020 and 6.0 percent by 2030. In order to reach the unemployment rate target by 2030, some 1.17 million new, sustainable jobs must be created.

The 1.17 million jobs equates to more or less 83 500 jobs per annum or an annual average employment growth of 5.1 percent per annum. Figure 1.6 depicts historical employment numbers and required employment growth in Mpumalanga. It is evident from the illustration

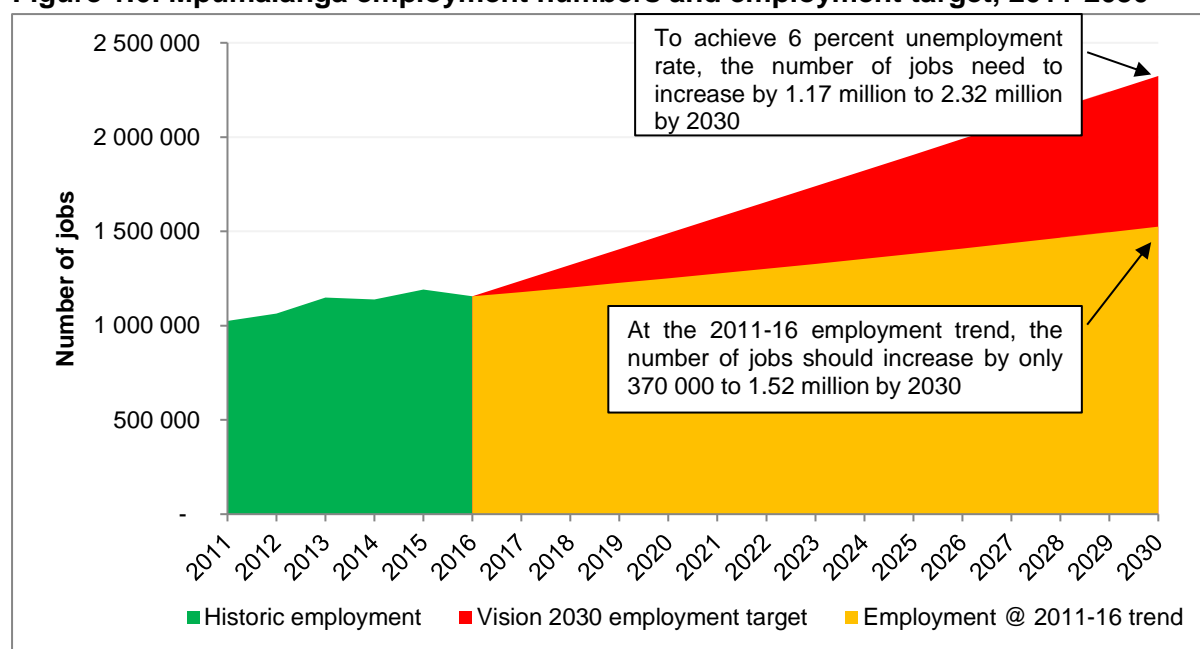
that employment growth of 2.0 percent per annum – the employment growth between 2011 and 2016 – will not be sufficient to reach the employment target of 2.32 million jobs by 2030.

### Aggregate employment

Table 1.6 shows the aggregated employment composition of employment in South Africa and the province from the end of the fourth quarter 2015 to the end of the fourth quarter 2016. In Mpumalanga, the formal employees' share of total employment decreased from 63.6 percent at end of the fourth quarter 2015 to 61.9 percent at the end of the fourth quarter 2016. The formal sector in Mpumalanga recorded a smaller share of total employment than was the case nationally (69.4 percent).

In Mpumalanga, the informal sector's share increased from 20.3 percent to 21.7 percent on an annual basis. Agriculture's share decreased marginally from 7.7 percent to 7.6 percent and private households' share increased to 8.8 percent. In Mpumalanga, agriculture and the informal sector registered larger shares of total employment in the fourth quarter of 2016, than was the case nationally.

**Figure 1.6: Mpumalanga employment numbers and employment target, 2011-2030**



Source: Statistics South Africa – QLFS, 2017

**Table 1.6: Aggregate employment in South Africa & Mpumalanga, 2015-2016**

| Sector                       | Q4 2015 |        | Q3 2016 |        | Q4 2016 |        |
|------------------------------|---------|--------|---------|--------|---------|--------|
|                              | SA      | MP     | SA      | MP     | SA      | MP     |
| Formal sector                | 69.8%   | 63.6%  | 69.7%   | 62.5%  | 69.4%   | 61.9%  |
| Informal sector <sup>1</sup> | 16.8%   | 20.3%  | 16.7%   | 21.1%  | 16.8%   | 21.7%  |
| Agriculture <sup>2</sup>     | 5.4%    | 7.7%   | 5.6%    | 8.5%   | 5.7%    | 7.6%   |
| Private households           | 8.1%    | 8.3%   | 8.1%    | 7.9%   | 8.1%    | 8.8%   |
| Total                        | 100.0%  | 100.0% | 100.0%  | 100.0% | 100.0%  | 100.0% |

Source: Statistics South Africa – QLFS, 2017

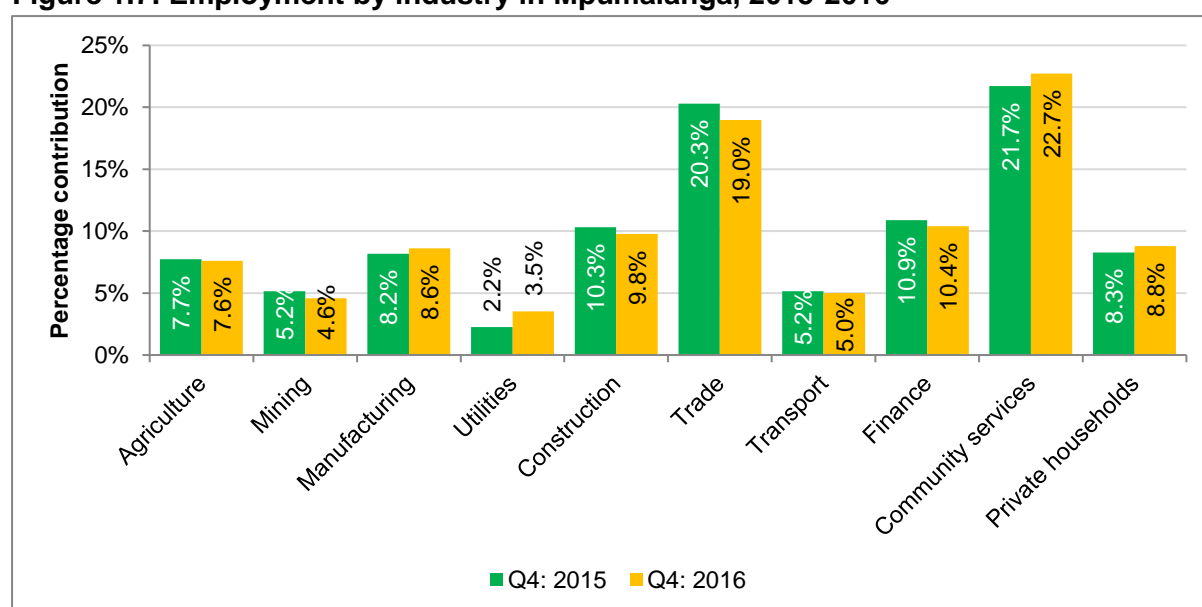
<sup>1</sup> The informal sector comprises i) Employees working in establishments that employ less than 5 employees, who do not deduct income tax from their salaries & ii) Employers, own-account workers and persons helping unpaid in their household business who are not registered for either income tax or value-added tax.

<sup>2</sup> An additional 136 903 citizens were involved in subsistence farming (non-market activities) in the province.

### Employment by industry

Figure 1.7 depicts employment by industry in Mpumalanga in the fourth quarters of 2015 and 2016, respectively. Community services employed the largest share of individuals in the province with 22.7 percent at the end of the fourth quarter 2016. This was also larger than the 21.7 percent share registered 12 months earlier. The trade industry (19.0 percent) was the second biggest employer and recorded a smaller share than at the end of the fourth quarter 2015 (20.3 percent). The contribution by industries to total employment in Mpumalanga changed considerably since 2012. For example, by the end of the second quarter 2012, community services contributed 15.8 percent and trade 26.0 percent, respectively. The utilities industry was the smallest in both years while mining was the second smallest industry in the third quarter of 2016. By the end of the second quarter 2014, mining still contributed 8.8 percent to provincial employment. Over the course of the last year, trade recorded the largest percentage point decline and utilities the largest increase.

**Figure 1.7: Employment by industry in Mpumalanga, 2015-2016**



**Source: Statistics South Africa – QLFS, 2017**

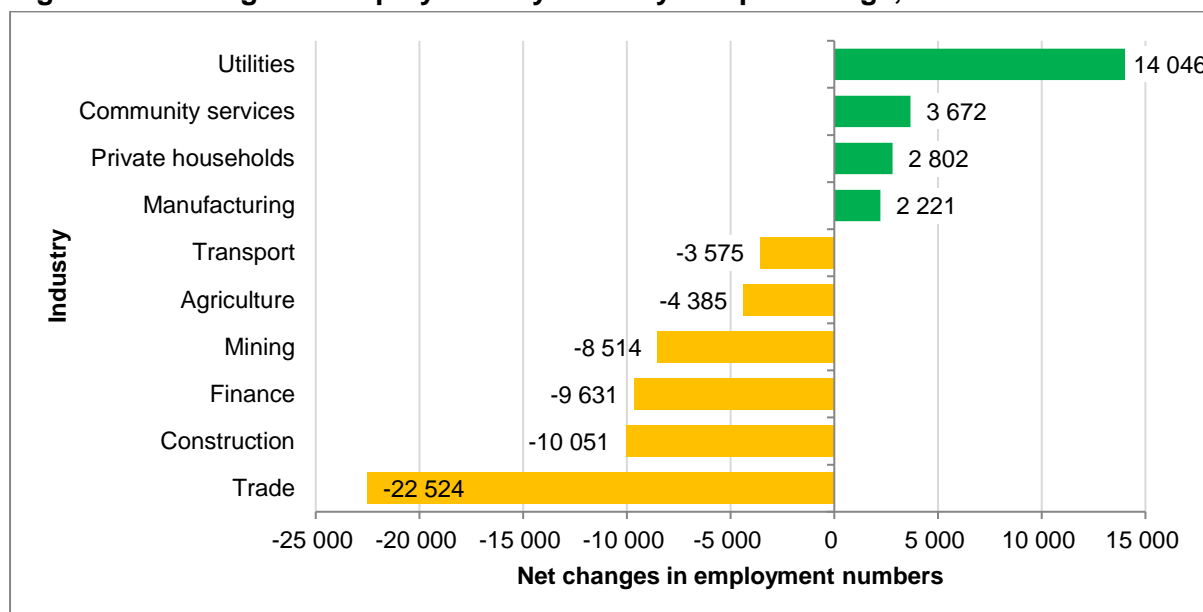
According to Figure 1.8, utilities (14 046), community services (3 672) and private households (2 802), were the three industries in Mpumalanga that recorded the highest employment increase from the fourth quarter 2015 to the end of the fourth quarter 2016. Over the last two years (eight quarters), community services recorded employment increases in six of the eight quarters. Trade (-22 524), construction (-10 051) and finance (-9 631) were the three industries that recorded the highest job losses over the one year period. Over the last two years, finance and trade recorded reduced employment numbers in five and six of the eight quarters, respectively.

### Employment by gender and age

More males than females were employed in Mpumalanga with a share of 56.1 percent at the end of the fourth quarter 2016. Male employment numbers decreased by 44 043 to 648 370 over the last twelve months. Female employment numbers increased by 8 104 to 506 944 and recorded a higher share at the end of the fourth quarter 2016 (43.9 percent) than a year

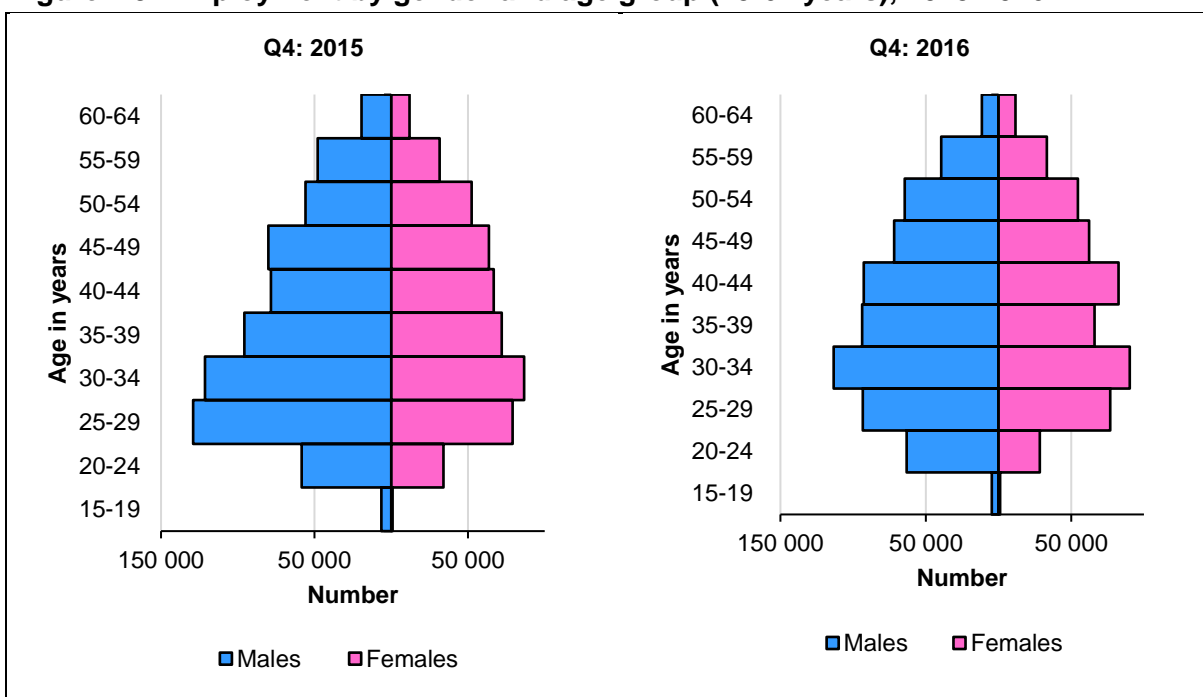
earlier (41.9 percent). Figure 1.9 displays the employment by gender and age for the fourth quarters of 2015 and 2016, respectively.

**Figure 1.8: Changes in employment by industry in Mpumalanga, 2015-2016**



**Source: Statistics South Africa – QLFS, 2017**

**Figure 1.9: Employment by gender and age group (15-64 years), 2015-2016**



**Source: Statistics South Africa – QLFS, 2017**

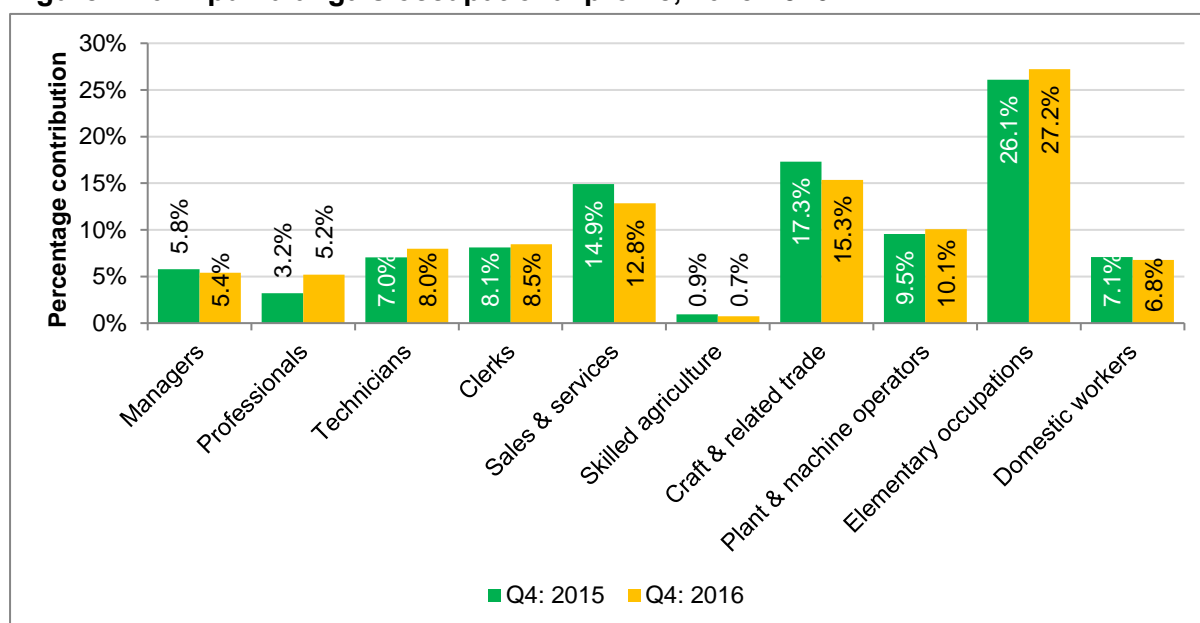
At the end of the fourth quarter 2016, adults (35-64 years) held the majority (59.2 percent) of jobs in Mpumalanga. Adult employment numbers increased by 8 600 from the end of the fourth quarter 2015 and the share increased from 56.7 percent to 59.2 percent. The main reason for the increase in share, is that youth (15-34 years) employment numbers decreased by 44 539 thus pushing the youth share down to 40.8 percent at the end of the fourth quarter 2016.

### 1.2.3 Occupational profile

The occupational profile is an indicator of the quality of the labour force. It provides information on the proficiency levels and assists in identifying the shortage of skills in the economy, by matching the demand for labour with its relative supply. Figure 1.10 illustrates the occupational profile of Mpumalanga in the fourth quarters of 2015 and 2016, respectively.

The occupational profile was skewed towards semi- and unskilled occupations in both years. The share of skilled occupations (managers, professionals and technicians) was 18.6 percent in the fourth quarter of 2016, which was higher than the 16.0 percent share a year earlier. The share of semi-skilled occupations decreased slightly to 47.4 percent over the period under review. The combined share of elementary occupations and domestic workers (unskilled occupations) was 34.0 percent at the end of the fourth quarter 2016, higher than the share of one year earlier.

**Figure 1.10: Mpumalanga's occupational profile, 2015-2016**



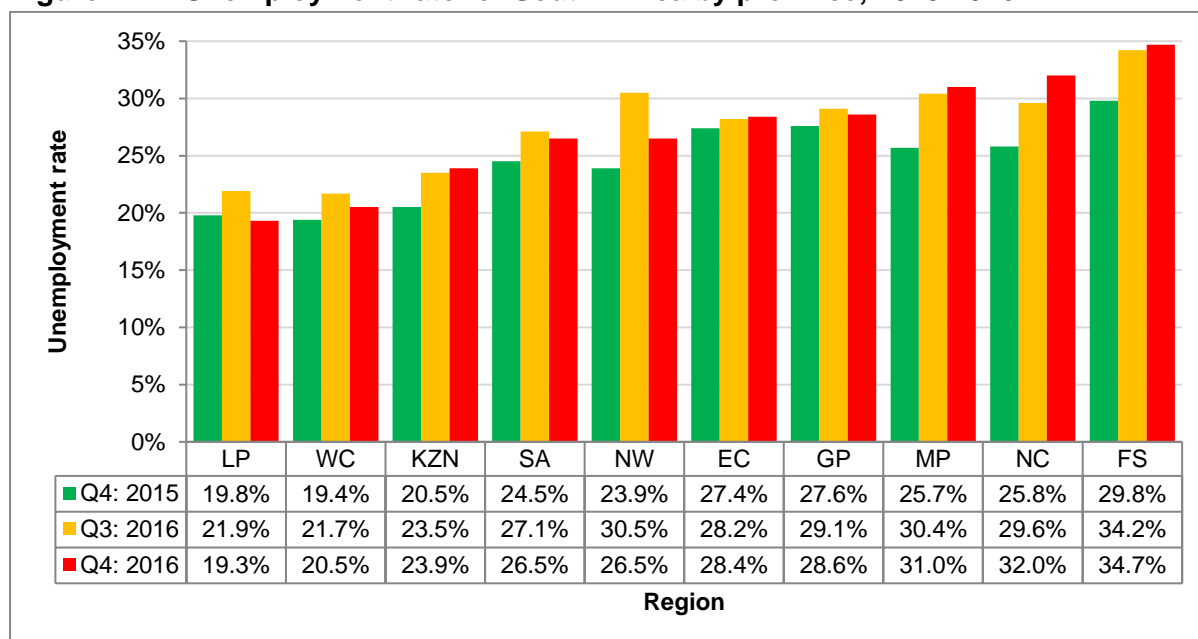
**Source: Statistics South Africa – QLFS, 2017**

### 1.2.4 Unemployment

According to Statistics South Africa's QLFS, the unemployment rate in Mpumalanga was 31.0 percent at the end of the fourth quarter 2016, which was alarmingly higher than the 25.7 percent recorded at the end of the fourth quarter 2015 (Figure 1.11). This was higher than the national average of 26.5 percent at the end of the fourth quarter 2016. This is the highest it has been since the introduction of the QLFS in 2008 and the third increase in four quarters.

Mpumalanga, recorded the third highest unemployment rate among the nine provinces with Free State (34.7 percent) registering the highest unemployment rate. Mpumalanga's unemployment rate increased along with four other provinces from the end of the fourth quarter 2015 to the end of the fourth quarter 2016.

**Figure 1.11: Unemployment rate for South Africa by province, 2015-2016**



**Source: Statistics South Africa – QLFS, 2016**

#### *Unemployed by gender and age*

At the end of the fourth quarter 2016, the unemployment rate of males (27.8 percent) was lower than the female unemployment rate of 34.7 percent. The unemployment rate of youth of working age (15-34 years<sup>1</sup>) in Mpumalanga was 44.1 percent, whilst the unemployment rate of adults (35-64 years) was 17.6 percent. The female youth unemployment rate was 49.9 percent compared with the male youth unemployment rate of 39.1 percent.

Figure 1.12 displays the employment by gender and age for the fourth quarters of 2015 and 2016, respectively. At the end of the fourth quarter 2016, females contributed 51.9 percent to the number of unemployed, which was more than males (48.1 percent). This was higher than twelve months earlier when females contributed 50.6 percent. The youth added 71.9 percent to the total number of unemployed in the province, which was marginally lower than the 72.1 percent at the end of the fourth quarter 2015.

#### *Target unemployment rate*

The Vision 2030 target unemployment rate for Mpumalanga is 6 percent by 2030. A significant unemployment rate sub-target is a reduction to 15.0 percent by 2020 (MEGDP). If 1.17 million jobs are to be created up to 2030, the unemployment rate should, in all probability, drop to 6 percent as is displayed in Figure 1.13. If jobs, however, are to be created at the annual average increase between 2011 and 2016, the unemployment rate should in all probability increase to 38 percent by 2030.

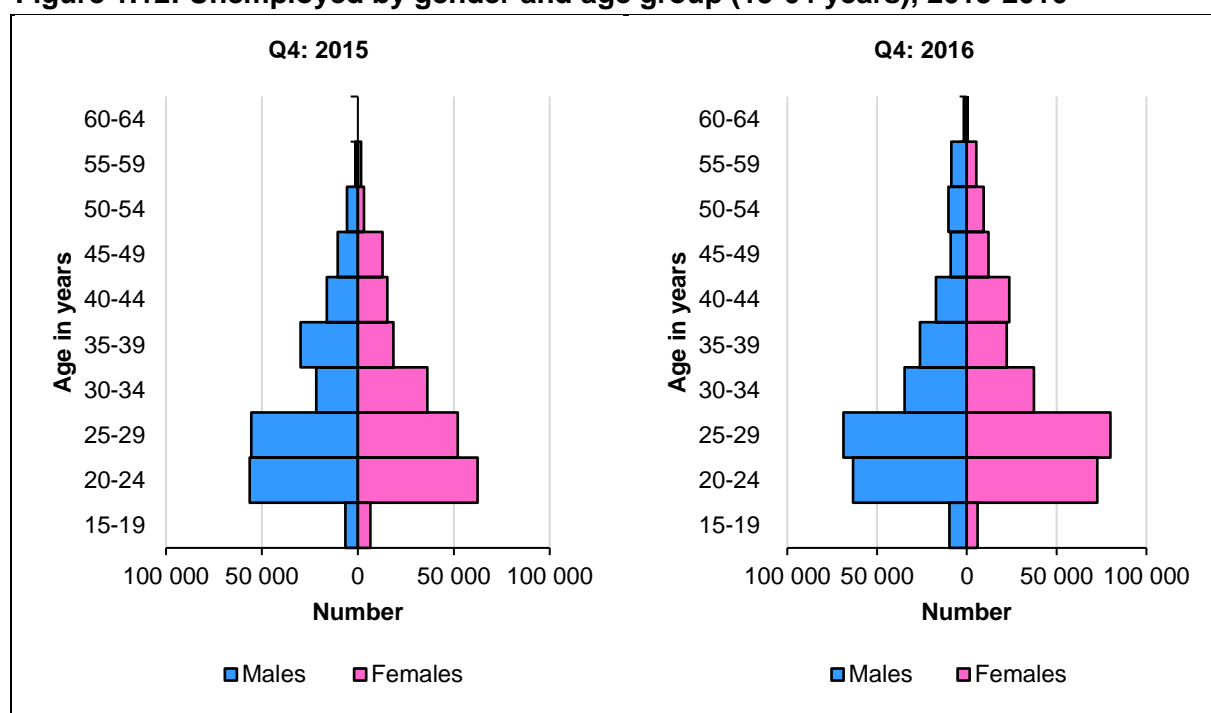
#### *Duration of unemployment*

The incidence of long-term unemployment (1 year and longer) in Mpumalanga decreased between the end of the fourth quarter 2015 and the end of the fourth quarter 2016. The

<sup>1</sup> The International Labour Organization defines youth as individuals between the ages of 15 to 24 years, with 15 being the minimum school-leaving age and legal employment age. It is important to note, however, that Statistics South Africa utilizes a broader definition, covering individuals between the ages of 15 and 34 years.

share of the unemployed in Mpumalanga that indicated they were unemployed in excess of 12 months, decreased from 70.9 percent to 64.7 percent (Table 1.7). This can directly be attributed to the loss of 35 938 jobs over the last four quarters.

**Figure 1.12: Unemployed by gender and age group (15-64 years), 2015-2016**



**Source: Statistics South Africa – QLFS, 2017**

**Figure 1.13: Mpumalanga's unemployment rate and unemployment rate target, 2011-2030**



**Source: Statistics South Africa – QLFS, 2017**

The number of females and males in long-term unemployment increased over the last twelve months. The incidence of long-term unemployment was highest among females in both

2015 and 2016. Both the number of males and females in short-term unemployment increased. The youth cohort contributed 72.3 percent to the number of unemployed that has been struggling to secure employment for more than 12 months.

**Table 1.7: Duration of unemployment in Mpumalanga, 2015-2016**

| Duration          | Q4 2015 |         |                     | Q4 2016 |         |                     |
|-------------------|---------|---------|---------------------|---------|---------|---------------------|
|                   | Males   | Females | Share of unemployed | Males   | Females | Share of unemployed |
| 1 year and longer | 133 666 | 158 926 | 70.9%               | 149 949 | 185 070 | 64.7%               |
| Less than 1 year  | 70 178  | 49 945  | 29.1%               | 99 282  | 83 742  | 35.3%               |
| Total             | 203 844 | 208 871 | 100.0%              | 249 231 | 268 812 | 100.0%              |

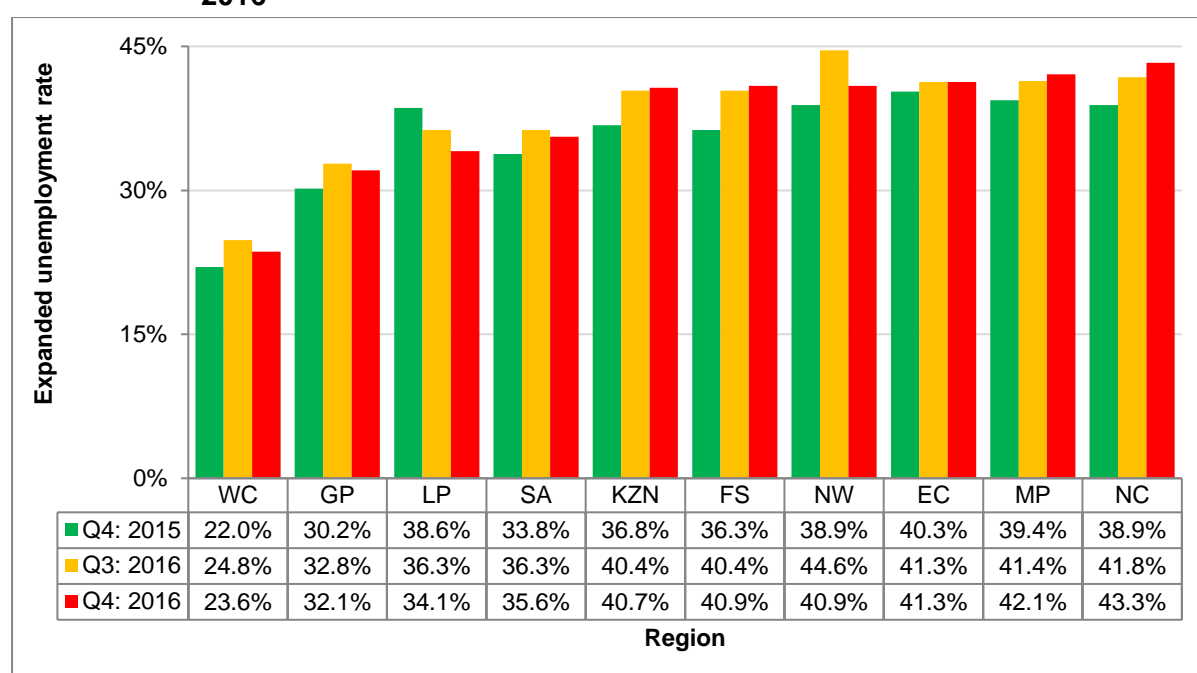
**Source: Statistics South Africa – QLFS, 2017**

#### *Expanded definition of unemployment*

The expanded unemployment rate takes into account everybody who was available for work even if they did not search for work. In essence, it includes all persons who are unemployed according to the official definition plus part of the inactive population (according to official definition) who indicated that they were available, regardless of the reason they gave for not looking for work.

Figure 1.14 shows that South Africa's expanded unemployment rate was recorded at 33.8 percent at the end of the fourth quarter 2015 and increased/deteriorated to 35.6 percent at the end of the fourth quarter 2016. Mpumalanga's expanded unemployment rate was 42.1 percent at the end of the fourth quarter 2016, higher than the reading of a year earlier (39.4 percent). It was higher than the national average and the second highest expanded unemployment rate among the nine provinces. It is notable how much higher the respective expanded unemployment rate of KwaZulu-Natal (40.7 percent) is than their strict unemployment rate as depicted in Figure 1.11.

**Figure 1.14: Expanded rate of unemployment in South Africa and provinces, 2015-2016**



**Source: Statistics South Africa – QLFS, 2017**

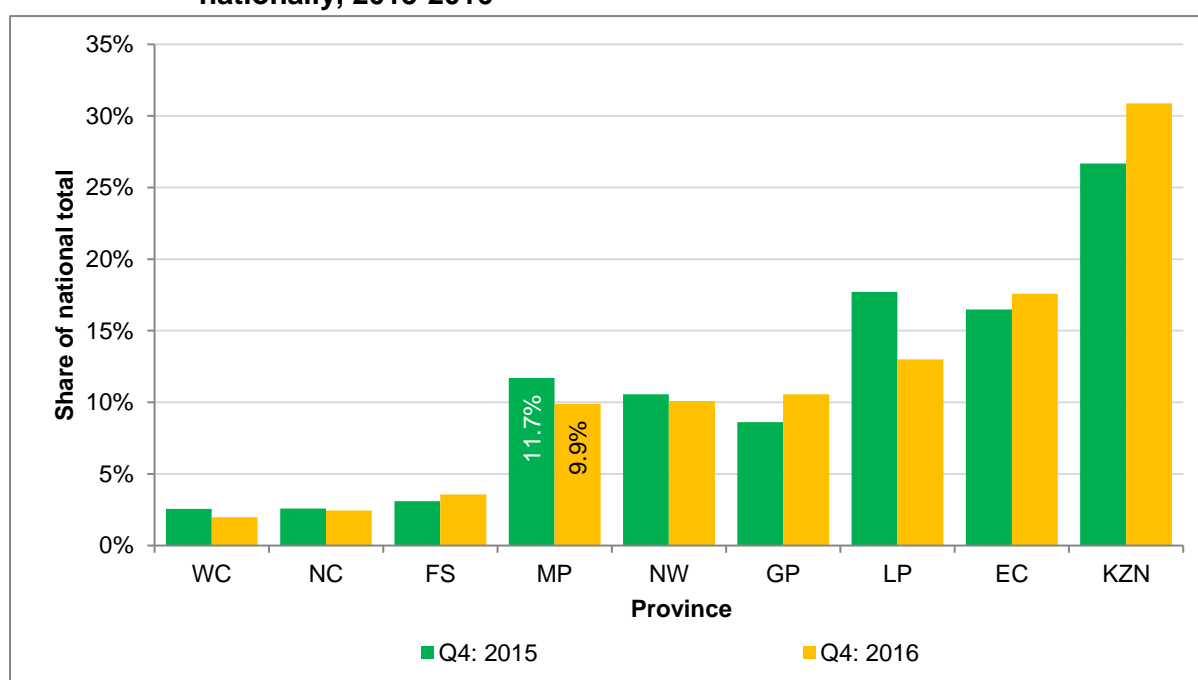


### *Discouraged work seekers*

Statistics South Africa defines a discouraged work-seeker as a person, who was not employed during the reference period, wanted to work, was available to work or start a business but did not take active steps to find work during the four week that preceded the reference period.

South Africa had approximately 2.29 million discouraged workers by the end of the fourth quarter 2016. This represents an increase of 13 535 over the end of the fourth quarter 2015. Figure 1.15 indicates that Mpumalanga's share was 226 597 or some 9.9 percent of South Africa's discouraged work seekers at the end of the fourth quarter 2016, down from an 11.7 percent share a year earlier. The number of discouraged work seekers in Mpumalanga decreased by 39 878 from the end of the fourth quarter 2015 to the end of the fourth quarter 2016. When compared with other provinces, Mpumalanga registered the fourth lowest share of discouraged workers nationally.

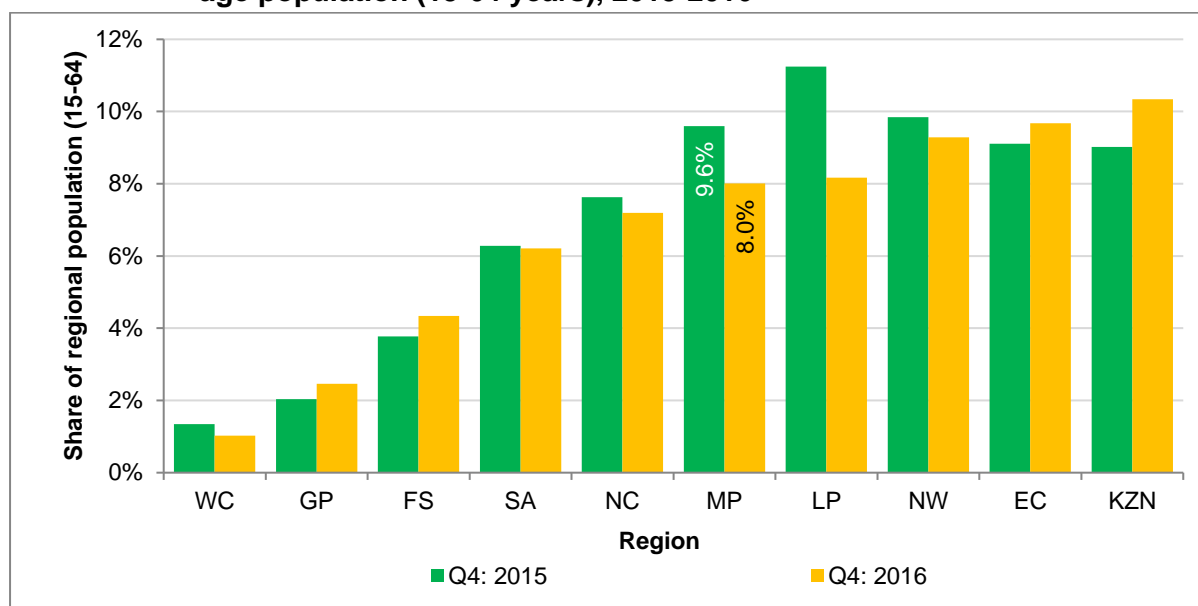
**Figure 1.15: Provincial contribution to number of discouraged work seekers nationally, 2015-2016**



**Source: Statistics South Africa – QLFS, 2017**

It is evident from Figure 1.16 that Mpumalanga's discouraged work seekers as a percentage of the provincial working age population (15-64 years) declined between the fourth quarter 2015 and the end of the fourth quarter 2016. Despite improving between the fourth quarter 2015 and the fourth quarter 2016, the discouraged work seekers' share of working age population in Mpumalanga (8.0 percent) was larger than the national share (6.2 percent) at the end of the fourth quarter 2016. Discouraged work seekers in four provinces constituted a larger share of the working age population than in Mpumalanga at the end of the fourth quarter 2016.

**Figure 1.16: Comparison of discouraged work seekers as a ratio of regional working age population (15-64 years), 2015-2016**



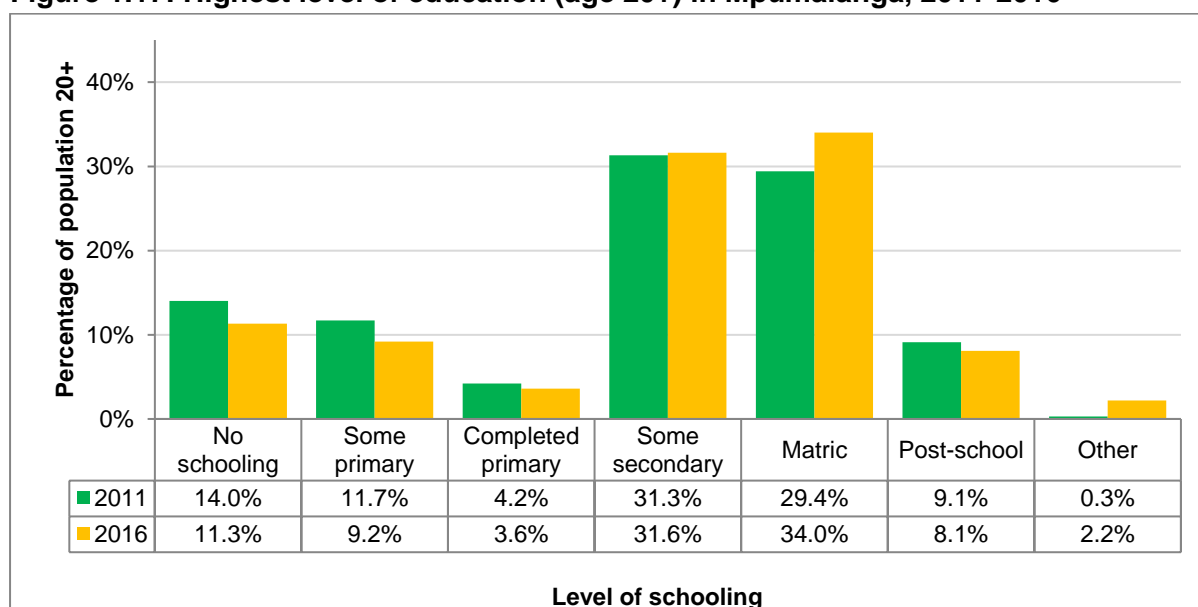
Source: Statistics South Africa – QLFS, 2017

### 1.3 EDUCATION PROFILE

#### Level of education

When the highest level of schooling in 2016 is compared with figures of 2011, it is evident that the situation regarding the level of education in Mpumalanga improved over the 5-year period in general. For example in 2016, 11.3 percent of the people 20 years and older have not received any schooling compared to 14.0 percent in 2011 (Figure 1.17). The percentage of the population that obtained a matric increased from 29.4 percent in 2011 to 34.0 percent in 2016. The share of the population that obtained a post-school qualification was the only significant deterioration with a decline from 9.1 percent in 2011 to 8.1 percent in 2016.

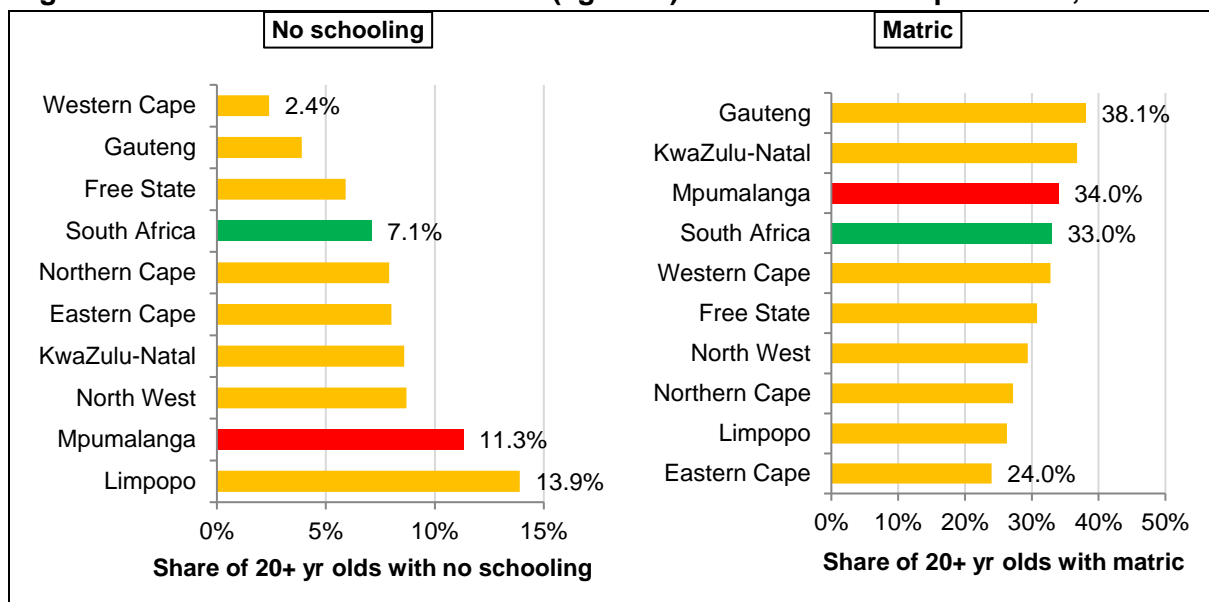
**Figure 1.17: Highest level of education (age 20+) in Mpumalanga, 2011-2016**



Sources: Statistics South Africa – Census 2011  
Statistics South Africa – CS 2016

Despite an improvement between 2011 and 2016 it is evident from Figure 1.18, that Mpumalanga (11.3 percent) registered the second highest (worst) share of people 20 years and older with no schooling. It was 4.2 percentage points higher/worse than the national share of 7.1 percent in 2016. Mpumalanga (34.0 percent) recorded the third highest/best share of people 20 years and older with matric among the nine provinces, which was also higher than the national share of 33.0 percent.

**Figure 1.18: Selected education levels (age 20+) in South Africa & provinces, 2016**



**Source: Statistics South Africa – CS 2016**

#### *Adult literacy*

Literacy rates are used as a key social indicator of development by government and international development agencies. Although a simple definition of literacy is the ability to read and write, its simplicity is confounded by questions such as: “Read and write what, how well and to what purpose?” Because it is so difficult to measure literacy, Statistics South Africa has historically measured adult literacy rates based on an individual completing at least Grade 7. Since a specific educational achievement is, however, not necessarily a good reflection of an individual’s literacy ability, a question that directly measures literacy was introduced in 2009. The question requires respondents to indicate whether they have 'no difficulty', 'some difficulty', 'a lot of difficulty' or are 'unable to' read newspapers, magazines and books in at least one language; or write a letter in at least one language.

The regional picture, presented in Figure 1.19, reflects the literacy rates in South Africa and the provinces of adults aged 20 and above. In 2011, the literacy rate in Mpumalanga was 87.6 percent and it improved to 90.2 percent by 2015. Mpumalanga’s adult literacy rate was lower than the national rate of 93.7 percent in 2015 and the fourth lowest among the provinces. In 2015, Western Cape registered the highest adult literacy rate of 97.8 percent and Northern Cape the lowest at 88.0 percent.

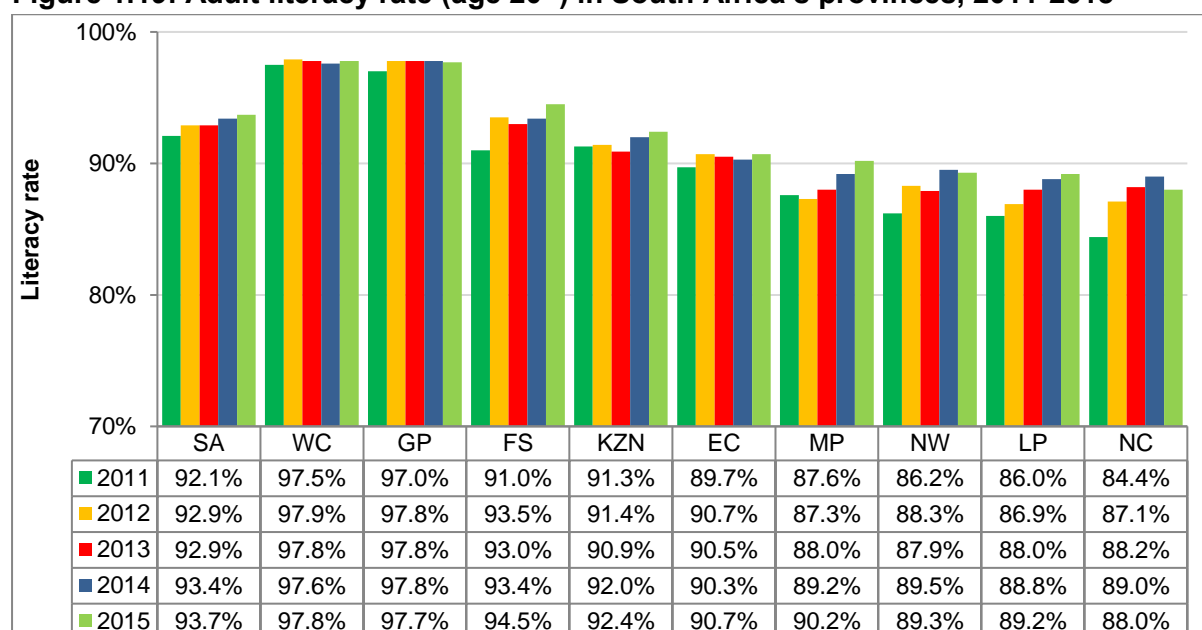
#### *Grade 12 results*

The NDP is very clear that the throughput<sup>1</sup> rate should be between 80 and 90 percent by

<sup>1</sup> Learners writing Grade 12 examinations within 12 years of starting school in Grade 1.

2030 and that at least 80 percent of them should successfully pass the exit exams. When Mpumalanga's throughput rate for 2016 is calculated, it is evident that 61.2 percent of the number of 2005 grade ones wrote grade 12 examinations in 2016.

**Figure 1.19: Adult literacy rate (age 20+) in South Africa's provinces, 2011-2015**



**Source: Statistics South Africa – General Household Survey (GHS) 2015**

Table 1.8 compares the grade 12 pass rates among the various provinces from 2011 to 2016. The national pass rate of matriculants increased from 70.7 percent in 2015 to 72.5 percent in 2016. Mpumalanga's Grade 12 pass rate declined from 78.6 percent in 2015 to 77.1 percent in 2016. Between 2015 and 2016, only Mpumalanga and Limpopo recorded a decline in pass rate. Mpumalanga improved from the province with the third lowest pass rate in 2011 to the province with the fourth lowest pass rate in 2016. Free State (88.2 percent) recorded the highest Grade 12 pass rate in 2016 and Eastern Cape (59.3 percent) the lowest.

**Table 1.8: Comparative grade 12 pass rate for South Africa and provinces, 2011-2016**

| Province      | 2011  | 2012  | 2013  | 2014  | 2015  | 2016  |
|---------------|-------|-------|-------|-------|-------|-------|
| Eastern Cape  | 58.1% | 61.6% | 64.9% | 65.4% | 56.8% | 59.3% |
| Free State    | 75.7% | 81.1% | 87.4% | 82.8% | 81.6% | 88.2% |
| Gauteng       | 81.1% | 83.9% | 87.0% | 84.7% | 84.2% | 85.1% |
| KwaZulu-Natal | 68.1% | 73.1% | 77.4% | 69.7% | 60.7% | 66.4% |
| Limpopo       | 63.9% | 66.9% | 71.8% | 72.9% | 65.9% | 62.5% |
| Mpumalanga    | 64.8% | 70.0% | 77.6% | 79.0% | 78.6% | 77.1% |
| North West    | 77.8% | 79.5% | 87.2% | 84.6% | 81.5% | 82.5% |
| Northern Cape | 68.8% | 74.6% | 74.5% | 76.4% | 69.4% | 78.7% |
| Western Cape  | 82.9% | 82.8% | 85.1% | 82.2% | 84.7% | 86.0% |
| National      | 70.2% | 73.9% | 78.2% | 75.8% | 70.7% | 72.5% |

**Source: Department of Basic Education - National Senior Certificate Examinations Report 2016**

A comparison of Grade 12 pass rates among the four education districts from 2011 to 2016 is presented in Table 1.9. Gert Sibande was the only district that recorded an improvement between 2015 and 2016. Ehlanzeni and Nkangala (both 79.5 percent) jointly registered the highest Grade 12 pass rate in 2016 and Bohlabela (72.3 percent) the lowest. The two

highest pass rates among the local municipal areas were recorded in Thaba Chweu (88.8 percent) and Emalahleni (88.0 percent) with the lowest registered in Dr Pixley Ka Isaka Seme (64.5 percent). In 2016, Mkhondo, Dipaleseng and Dr Pixley Ka Isaka Seme were the only three municipal areas with a pass rate below 70 percent.

**Table 1.9: Comparative grade 12 pass rate for education districts in Mpumalanga, 2011-2016**

| Education district     | % Pass rate |      |      |      |      |      |
|------------------------|-------------|------|------|------|------|------|
|                        | 2011        | 2012 | 2013 | 2014 | 2015 | 2016 |
| Bohlabela <sup>1</sup> | 52.7        | 62.5 | 72.0 | 76.8 | 76.7 | 72.3 |
| Ehlanzeni <sup>2</sup> | 72.1        | 74.0 | 82.8 | 82.1 | 82.4 | 79.5 |
| Gert Sibande           | 65.4        | 69.0 | 76.4 | 77.1 | 72.6 | 75.9 |
| Nkangala               | 67.9        | 73.0 | 77.5 | 78.8 | 81.7 | 79.5 |

**Source: Mpumalanga Department of Education, 2017**

### *Education ratios*

According to the Department of Basic Education's *Education Realities* report of 2016, there were 1 074 352 learners in ordinary public and independent schools in Mpumalanga, who attended 1 847 schools and were served by 34 404 educators. The learner-educator ratio (LER) in public schools of Mpumalanga improved from 33.5 learners per educator in 2005 to 31.8 in 2016 (Table 1.10). This was slightly lower (better) than the national level of 32.5 learners per educator. The learner-school ratio (LSR) in public schools of Mpumalanga was higher than the national figure of 521 in 2016 and increased from 479 learners per school in 2005 to 607 in 2016. According to the educator-school ratio (ESR), the number of educators per public school increased from 14 per school in 2005 to 19 in 2016. The latter ratio was also higher than the national level for 2016 of 16 educators per public school.

**Table 1.10: Comparison of education ratios in public schools for South Africa and provinces, 2005-2016**

| Province      | LER <sup>3</sup> |      | LSR  |      | ESR  |      |
|---------------|------------------|------|------|------|------|------|
|               | 2005             | 2016 | 2005 | 2016 | 2005 | 2016 |
| Eastern Cape  | 33.0             | 32.5 | 349  | 347  | 11   | 11   |
| Free State    | 29.4             | 29.9 | 356  | 553  | 12   | 19   |
| Gauteng       | 31.6             | 32.5 | 843  | 963  | 27   | 30   |
| KwaZulu-Natal | 34.3             | 33.1 | 473  | 480  | 14   | 15   |
| Limpopo       | 34.1             | 33.0 | 450  | 441  | 13   | 13   |
| Mpumalanga    | 33.5             | 31.8 | 479  | 607  | 14   | 19   |
| Northern Cape | 31.9             | 32.5 | 492  | 529  | 15   | 16   |
| North West    | 31.1             | 32.6 | 413  | 551  | 13   | 17   |
| Western Cape  | 31.5             | 32.0 | 653  | 733  | 21   | 23   |
| National      | 32.8             | 32.5 | 464  | 521  | 14   | 16   |

**Source: Department of Education – 2005 & 2016 Education Realities**

### *School nutrition programme*

According to the *GHS 2015*, 84.8 percent of children attending public schools in Mpumalanga benefitted from the school nutrition programme in 2015. This was higher than the national average (76.2 percent) and Mpumalanga ranked joint third highest among the nine provinces.

<sup>1</sup> The Bohlabela education district includes schools in Bushbuckridge and Thaba Chweu

<sup>2</sup> The Ehlanzeni education district includes schools in Mbombela, Umjindi and Nkomazi

<sup>3</sup> State paid and School Governing Body paid educators

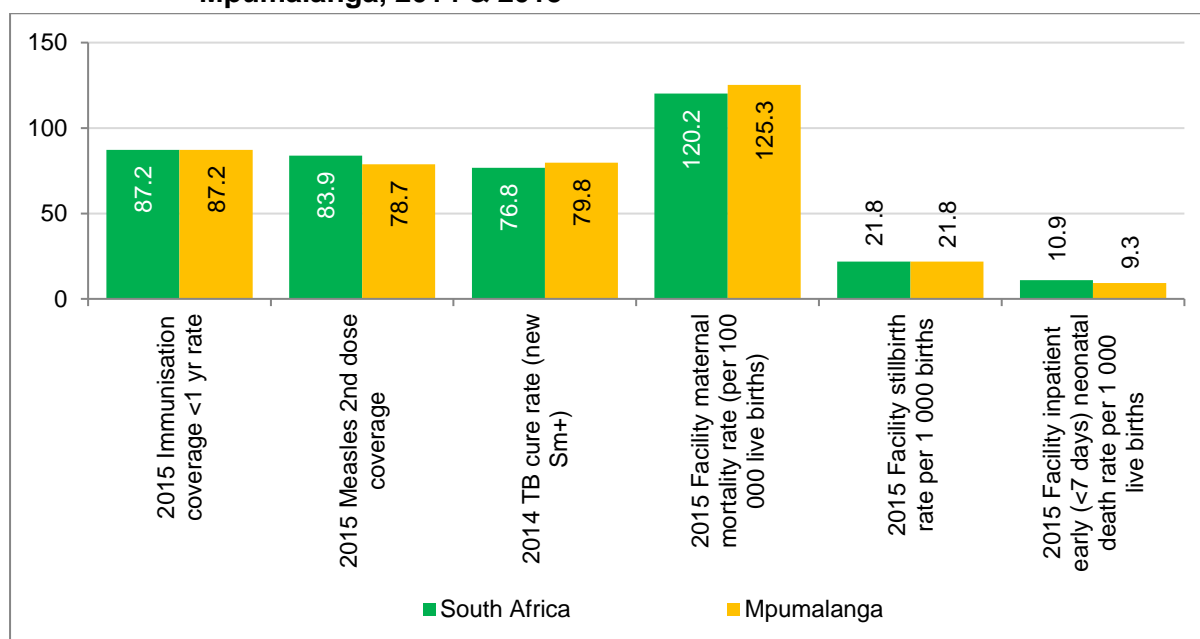
## Early Childhood Development

One of the most important educational priorities is to reach children of the age group 0–4 years with the intention of having universal access to Early Childhood Development (ECD) services by 2030. According to the *GHS 2015*, 26.1 percent of the provincial population aged 0-4 years attended an ECD centre, which was marginally higher than the 2014 figure of 25.1 percent but lower than the national level of 31.6 percent in 2015.

### 1.4 HEALTH AND SOCIAL SERVICES

The immunisation coverage (<1 year) in Mpumalanga of 87.2 percent was equal to the national level and the third highest/best in 2015. Mpumalanga's 2015 measles 2<sup>nd</sup> dose coverage was the third lowest/worst in the country at 78.7 percent. The TB cure rate of 79.8 percent in 2014 was better than the national average and the second highest/best in the country. Mpumalanga's maternal mortality rate of 125.3 was higher/worse than the national rate of 120.2 and the fifth highest/lowest among the provinces. In 2015, the province's stillbirth rate was recorded at 21.8 per 1 000 births, which was equal to the national rate. The inpatient early neonatal<sup>1</sup> death rate in facility of 9.3 per 1 000 live births was lower/better than the national rate and the second lowest among the provinces. Figure 1.20 compares some of Mpumalanga's health indicators with the national average level.

**Figure 1.20: Comparison of selected health indicators between South Africa & Mpumalanga, 2014 & 2015**



**Source: Health Systems Trust – District Health Barometer 2015/16**

#### HIV incidence and prevalence

According to the District Health Information System (DHIS) of the Department of Health, the 2014 HIV incidence (the number of new infections for a specific year as measured by the antenatal client HIV 1<sup>st</sup> test positive rate<sup>2</sup>) was 15.2 percent in South Africa and 21.0 percent

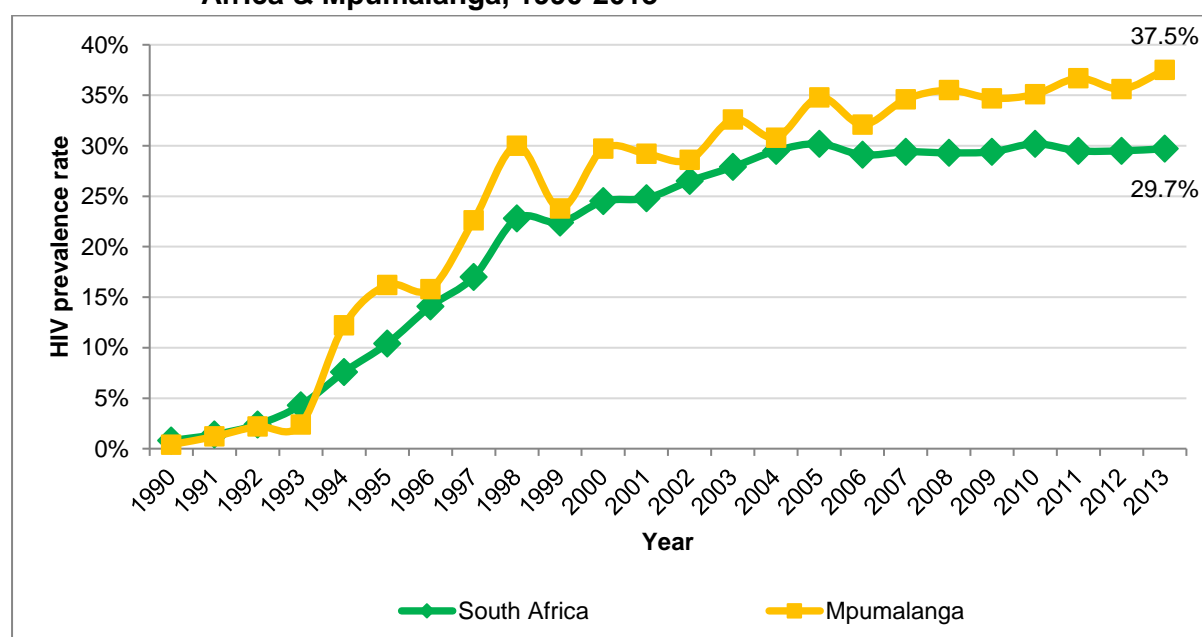
<sup>1</sup> This rate measures the number of deaths of live born babies that occur within 7 completed days after birth per 1 000 live births. It includes only neonatal deaths when the foetus is of 26 or more weeks' gestational age and/or weighs 500g or more.

<sup>2</sup> The share of antenatal clients that tested HIV positive as a proportion of antenatal clients tested for HIV for the first time during their current pregnancy.

in Mpumalanga. Mpumalanga recorded the highest HIV 1<sup>st</sup> positive rate and Western Cape (6.1 percent) the lowest.

Changes in the HIV prevalence (the total number of people or segment of people living with HIV at a given point in time) between 1990 and 2013 of the female population distribution for the 15–49 age group in the province and nationally is depicted in Figure 1.21. All pregnant women attending selected antenatal clinics for the first time during their current pregnancy were eligible for inclusion. The estimated overall prevalence rate for this group in 2013 was 29.7 percent for South Africa and 37.3 percent for Mpumalanga. Mpumalanga's prevalence rate increased to 37.3 percent in 2013. With the exception of the first few results in the early nineties, the prevalence rate in Mpumalanga was consistently higher than the average recorded nationally.

**Figure 1.21: Comparison of HIV prevalence rate among females aged 15-49 in South Africa & Mpumalanga, 1990-2013**

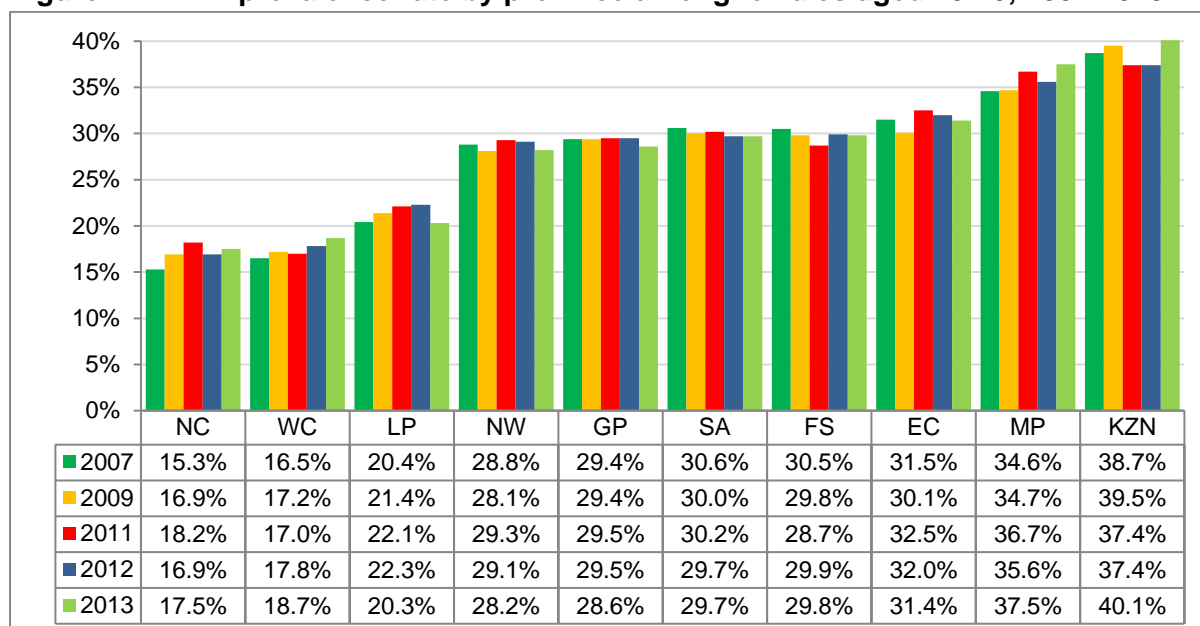


**Sources: National Department of Health – 2013 National Antenatal Sentinel HIV & Herpes Simplex Type-2 Prevalence Survey in South Africa**

Figure 1.22 compares the HIV prevalence rate for female aged 15-49 in the various provinces. The 2013 prevalence rate in Mpumalanga was the second highest after KwaZulu-Natal (40.1 percent). Mpumalanga was one of four provinces where the prevalence rate increased between 2012 and 2013, recording the second largest increase behind KwaZulu-Natal. Mpumalanga's prevalence rate was the highest ever recorded in this annual study.

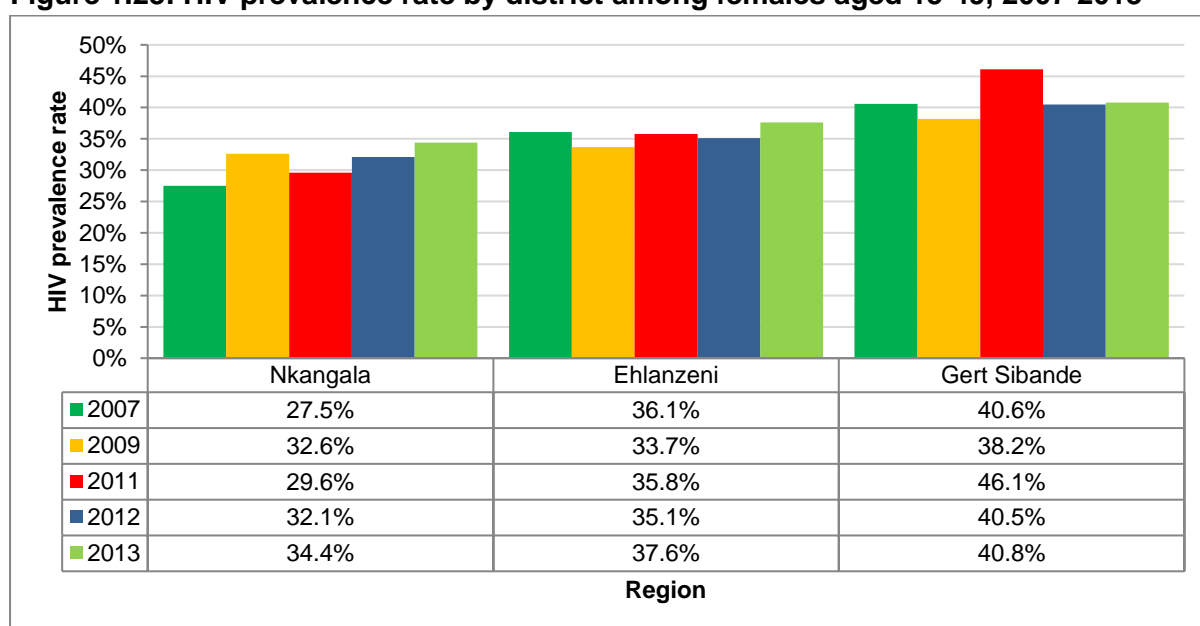
When comparing districts (Figure 1.23), the highest HIV prevalence rate for females aged 15-49 in Mpumalanga was recorded in Gert Sibande (40.8 percent) and the lowest in Nkangala (34.4 percent). The prevalence rates for all three districts increased between 2012 and 2013. Gert Sibande's prevalence rate was the 5<sup>th</sup> highest amongst 52 district municipal areas nationally, followed by Ehlanzeni in 10<sup>th</sup> position and Nkangala in 15<sup>th</sup>.

**Figure 1.22: HIV prevalence rate by province among females aged 15-49, 2007-2013**



**Source:** *National Department of Health – 2013 National Antenatal Sentinel HIV & Herpes Simplex Type-2 Prevalence Survey in South Africa*

**Figure 1.23: HIV prevalence rate by district among females aged 15-49, 2007-2013**



**Sources:** *National Department of Health – 2013 National Antenatal Sentinel HIV & Herpes Simplex Type-2 Prevalence Survey in South Africa*

## 1.5 HOUSEHOLD SERVICES

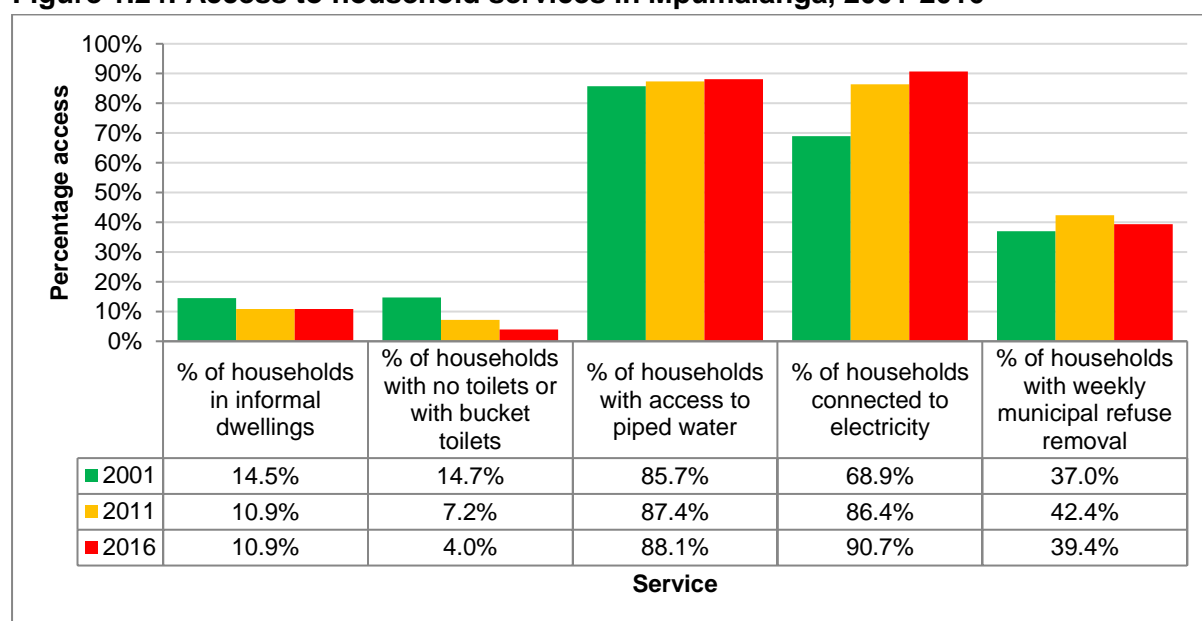
According to Figure 1.24, the same share of households in Mpumalanga occupied informal dwellings (10.9 percent) in 2016 than did so in 2011. Fewer households had no access to toilets (4.0 percent) in 2016 than 5 years earlier. The proportion of Mpumalanga's



households with access to piped water<sup>1</sup> (88.1 percent) and connected to electricity<sup>2</sup> (90.7 percent) was higher in 2016 than in 2011. Households with weekly municipal refuse removal (39.4 percent) declined between 2011 and 2016.

It is clear from Table 1.11 that 147 969 households in Mpumalanga still lacked access to piped water in any form and 135 039 households were still in informal dwellings (135 039). The number of households that were not connected to electricity numbered 103 933, whereas 49 218 households still had no access to toilets.

**Figure 1.24: Access to household services in Mpumalanga, 2001-2016**



**Sources:** *Statistics South Africa – Census 2011*  
*Statistics South Africa – CS 2016*

**Table 1.11: Household services backlog number in Mpumalanga, 2016**

| Household service   | Backlog number |
|---|----------------|
| Informal dwellings  | 135 039        |
| No toilet or bucket system (whether emptied by municipality or household) | 49 218         |
| Other sources of water for drinking                                       | 147 969        |
| No electricity connection   | 103 933        |

**Source:** *Statistics South Africa – CS 2016*

A relatively small percentage of households in Mpumalanga (10.9 percent) occupied informal dwellings in 2016, compared to the national figure of 13.0 percent. Mpumalanga ranked fourth lowest (best) among the nine provinces (Figure 1.25). The percentage of households in Mpumalanga without toilets and still using bucket toilets improved to 4.0 percent in 2016 and was slightly lower than the national level of 4.7 percent. Figure 1.25 further reveals that Mpumalanga had the second lowest (best) share of households without access to toilets or still using bucket toilets.

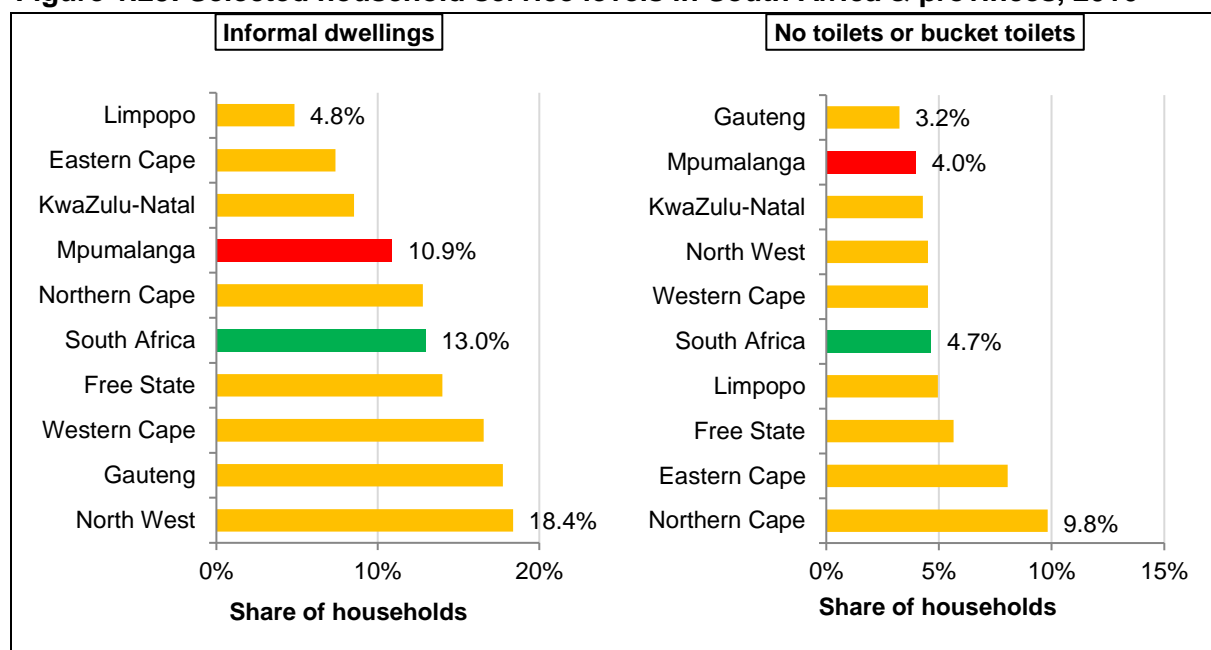
In 2016, the percentage of households connected to piped water recorded a relatively

<sup>1</sup> The CS 2016 question on piped water was not phrased in the same way as in Census 2011; therefore the results are not completely comparable.

<sup>2</sup> The CS 2016 groupings for electricity were different than for Census 2011; therefore the results are not completely comparable.

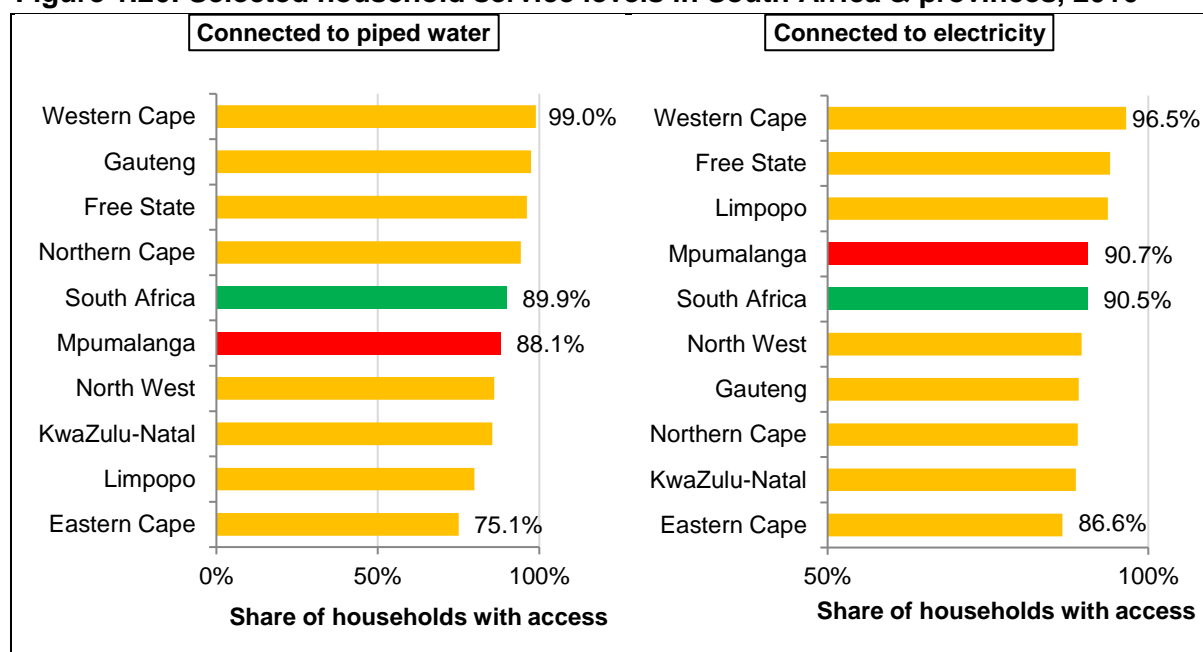
moderate level of delivery in Mpumalanga at 88.1 percent (Figure 1.26). This was the fifth lowest/highest among the nine provinces and lower than the national level of 89.9 percent. The percentage of households connected to electricity was recorded at 90.7 percent in 2016. A larger share of households in Mpumalanga had access to electricity for lighting in 2016, than five other provinces and South Africa.

**Figure 1.25: Selected household service levels in South Africa & provinces, 2016**



**Source: Statistics South Africa – CS 2016**

**Figure 1.26: Selected household service levels in South Africa & provinces, 2016**



**Source: Statistics South Africa – CS 2016**

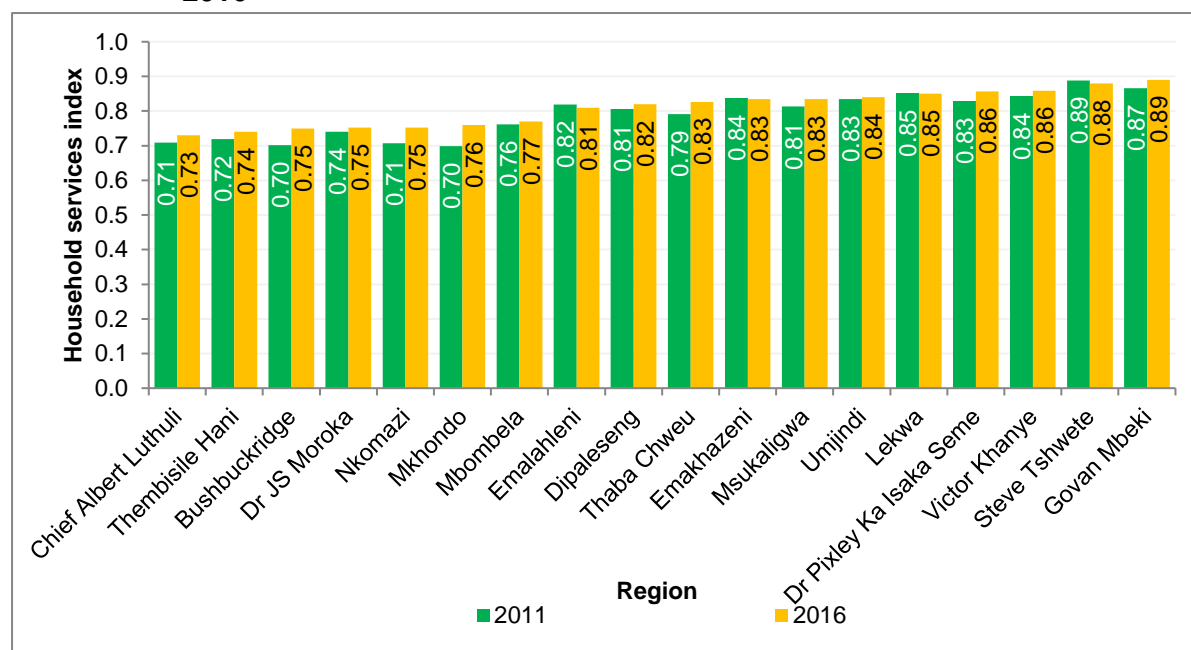
#### Household services index

The access to household services index is a household adjusted, access to services-weighted index, which measures a region's overall access to services. The index ranges

from 0 to 1, where 0 implies that no household in the region has access to any household service surveyed, and 1 implying that every household in the region has access to all the household services surveyed.

Figure 1.27 compares the household services index values of 2011 with that of 2016 for Mpumalanga's local municipal areas. In 2016, the highest index value of access to household services was recorded in Govan Mbeki and the lowest in Chief Albert Luthuli. Between 2011 and 2016, Mkhondo recorded the largest improvement in the household services index value and Emalahleni as well as Steve Tshwete the largest deterioration.

**Figure 1.27: Household services index in Mpumalanga's local municipal areas, 2011 & 2016**



**Sources:** *Statistics South Africa – Census 2011*  
*Statistics South Africa – CS 2016*

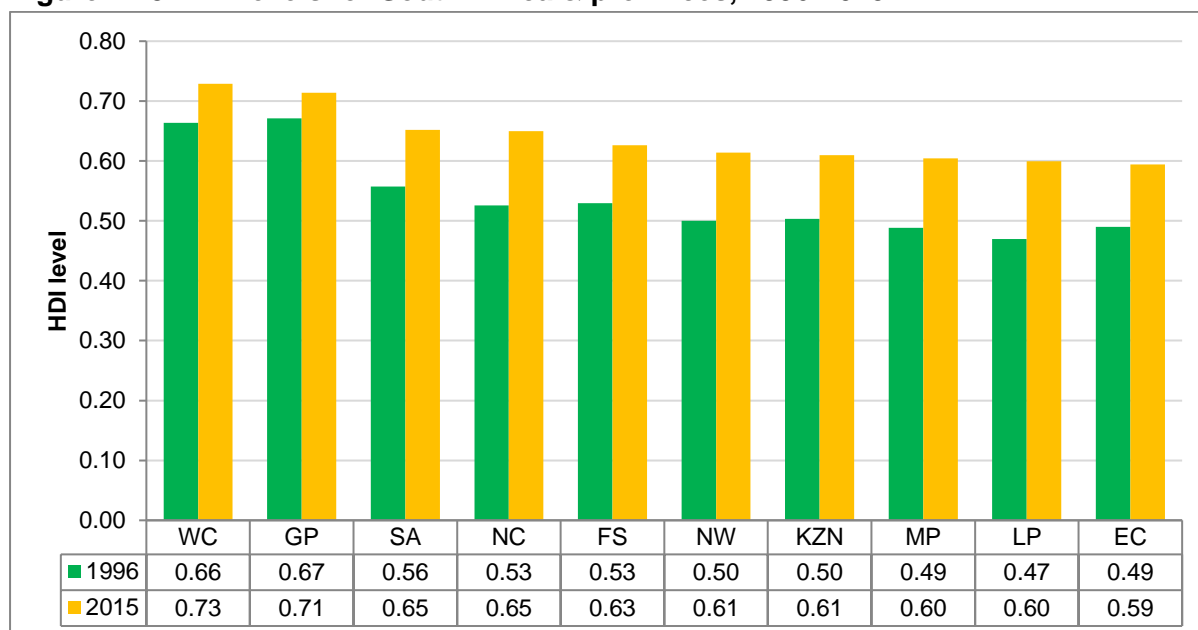
## 1.6 DEVELOPMENT AND INCOME ASPECTS

### 1.6.1 Human development index

The Human development index (HDI) is a composite, relative index that attempts to quantify the extent of human development of a community. It is based on measures of life expectancy, literacy and income. According to the United Nations, the HDI is considered high when it is 0.8 and higher, medium when it ranges between 0.5 to 0.8 and an index value of 0.5 and lower, will be considered as a low rating.

Mpumalanga's HDI level improved from 0.49 in 1996 to 0.60 in 2015 (Figure 1.28). Despite improving between 1996 and 2015, it was still lower than the national level of 0.65 in 2015. Mpumalanga recorded the third lowest HDI level among the nine provinces in 2015 with Western Cape (0.73) the highest. Between the three districts in the province, Nkangala recorded the highest HDI level of 0.62 in 2015 and Ehlanzeni the lowest at 0.59 (Table 1.12). When the HDI levels of the various population groups in Mpumalanga are analysed, it is evident that the White population recorded the highest HDI level of 0.88 in 2015. Asians and Coloureds followed with HDI levels of 0.79 and 0.68, respectively. The Black African population registered the lowest HDI level of 0.57 (Table 1.13).

**Figure 1.28: HDI levels for South Africa & provinces, 1996-2015**



**Source: IHS Markit – Regional eXplorer (ReX), October 2016**

**Table 1.12: HDI levels for South Africa, Mpumalanga & districts, 1996-2015**

| Region       | 1996 | 2001 | 2006 | 2011 | 2015 |
|--------------|------|------|------|------|------|
| South Africa | 0.56 | 0.53 | 0.55 | 0.61 | 0.65 |
| Mpumalanga   | 0.49 | 0.45 | 0.48 | 0.55 | 0.60 |
| Gert Sibande | 0.49 | 0.45 | 0.49 | 0.56 | 0.60 |
| Nkangala     | 0.52 | 0.48 | 0.50 | 0.57 | 0.62 |
| Ehlanzeni    | 0.46 | 0.42 | 0.45 | 0.53 | 0.59 |

**Source: IHS Markit – ReX, October 2016**

**Table 1.13: HDI level by population group in Mpumalanga, 1996-2015**

| Population group | 1996 | 2001 | 2006 | 2011 | 2015 |
|------------------|------|------|------|------|------|
| Black African    | 0.43 | 0.39 | 0.42 | 0.51 | 0.57 |
| White            | 0.84 | 0.84 | 0.86 | 0.86 | 0.88 |
| Coloured         | 0.57 | 0.61 | 0.64 | 0.67 | 0.68 |
| Asian            | 0.74 | 0.76 | 0.78 | 0.75 | 0.79 |
| Total            | 0.49 | 0.45 | 0.48 | 0.55 | 0.60 |

**Source: IHS Markit – ReX, October 2016**

## 1.6.2 Income inequality

### *Gini-coefficient*

The Gini-coefficient is one of the most commonly used measures of income inequality. The Gini-coefficient is derived from the Lorenz curve, which is a graphical depiction of income distribution. The Lorenz curve is a graphical presentation of the relationship between the cumulative percentage of income and the cumulative percentage of population. The coefficient varies from 0 (in the case of perfect equality where all households earn equal income) to 1 (in the case where one household earns all the income).

South Africa has one of the highest imbalanced income distributions in the world. The national Gini-coefficient was calculated to be 0.63 in 2015 (Table 1.14). Despite improving (declining) from a level of 0.66 in 2001, the most recent national level still reflects a more unequal income distribution than was the case in 1996.

**Table 1.14: Gini-coefficient for South Africa, Mpumalanga & districts, 1996-2015**

| Region       | 1996 | 2001 | 2006 | 2011 | 2015 |
|--------------|------|------|------|------|------|
| South Africa | 0.61 | 0.66 | 0.65 | 0.64 | 0.63 |
| Mpumalanga   | 0.59 | 0.64 | 0.63 | 0.62 | 0.61 |
| Gert Sibande | 0.59 | 0.64 | 0.64 | 0.62 | 0.61 |
| Nkangala     | 0.58 | 0.63 | 0.62 | 0.61 | 0.60 |
| Ehlanzeni    | 0.58 | 0.63 | 0.62 | 0.61 | 0.61 |

**Source: IHS Markit – ReX, October 2016**

The provincial income distribution followed the national trend and was still more unequal in 2015 than in 1996, however, in 2015 (0.61) it was lower/better than the 2001 level of 0.64. Among the provinces, Mpumalanga (0.61) registered the fifth lowest level of income inequality in 2015, with Limpopo on 0.59, the lowest inequality and Gauteng (0.64) the most unequal. In 2015, Ehlanzeni and Gert Sibande jointly registered the highest Gini-coefficient of 0.61 among the three districts.

#### *Share of income*

The NDP targets that the poorest 40 percent of households in South Africa must earn at least 10 percent of total income by 2030. In practise, one is able to calculate that the poorest 40 percent of households in Mpumalanga earned 8.0 percent of income in 2015 (Table 1.15). This was higher/better than the national figure of 6.9 percent for 2015, but still lower than the 9.1 percent share achieved in 1996. Among the provinces, Mpumalanga registered the joint fifth highest share behind Limpopo (9.3 percent) in first place. In 2015, Ehlanzeni (8.6 percent) registered the highest share of income by the poorest 40 percent in Mpumalanga, whereas the poorest 40 percent in Nkangala and Gert Sibande reached shares of 7.8 percent, respectively.

**Table 1.15: Share of income earned by poorest 40 % in South Africa, Mpumalanga & districts, 1996-2015**

| Region       | 1996 | 2001 | 2006 | 2011 | 2015 |
|--------------|------|------|------|------|------|
| South Africa | 7.8% | 5.8% | 6.3% | 6.6% | 6.9% |
| Mpumalanga   | 9.1% | 7.2% | 7.3% | 7.8% | 8.0% |
| Gert Sibande | 8.9% | 6.9% | 6.8% | 7.5% | 7.8% |
| Nkangala     | 8.6% | 6.8% | 7.0% | 7.7% | 7.8% |
| Ehlanzeni    | 9.7% | 7.7% | 7.9% | 8.5% | 8.6% |

**Source: IHS Markit – ReX, October 2016**

#### *Palma ratio*

The Palma ratio is a recently developed measure of inequality that can also assist in measuring the effectiveness of poverty reduction strategies. The ratio compares the top 10 percent of population's share of gross income with the poorest 40 percent of the population's share of income. Internationally, a Palma ratio of more than 3 would place a region in the most unequal quartile and a Palma of less than 1.5 in the least unequal quartile.

Table 1.16 displays the Palma ratio for South Africa, Mpumalanga and the districts over the period 1996 to 2015. South Africa's high Palma ratio of 7.36 in 2015 is comparable to the 7.05 calculated by Cobham and Sumner (2013) using World Bank indicators of 2010. The interpretation of South Africa's high Palma reveals that for every R1 of total income that the poorest 40 percent received, the richest 10 percent received R7.36. Unequal as it is, the ratio has declined from a high of 9.26 in 2001 to the most recent level, suggesting that income inequality reduction strategies are bearing fruit.

Mpumalanga's Palma ratio of 6.16 in 2015 was lower than the national total, however, it was still unacceptably high according to international standards. Mpumalanga's ratio was the fifth lowest among the provinces with the lowest/best ratio in Limpopo (5.34) and the highest in Gauteng (8.55). Mpumalanga's 2015 ratio is still higher than the 1996 ratio, although it is considerably lower than the 2001 level. Ehlanzeni (5.82) was the least unequal among the three districts, whereas Gert Sibande (6.30) ended 2015 with the highest Palma ratio.

**Table 1.16: Palma ratio in South Africa, Mpumalanga & districts, 1996-2015**

| Region       | 1996 | 2001 | 2006 | 2011 | 2015 |
|--------------|------|------|------|------|------|
| South Africa | 6.12 | 9.26 | 8.23 | 7.76 | 7.36 |
| Mpumalanga   | 5.23 | 7.40 | 7.11 | 6.27 | 6.16 |
| Gert Sibande | 5.31 | 7.79 | 7.68 | 6.56 | 6.30 |
| Nkangala     | 5.19 | 7.35 | 7.15 | 6.19 | 6.09 |
| Ehlanzeni    | 5.00 | 7.02 | 6.62 | 5.96 | 5.82 |

**Source: IHS Markit – ReX, October 2016**

### 1.6.3 Poverty aspects

#### *Poverty lines*

In 2012, Statistics South Africa published a set of three national poverty lines based on expenditure data collected. The three lines were described as the food poverty line (FPL<sub>1</sub>), lower-bound poverty line (LBPL<sub>2</sub>) and upper-bound poverty line (UBPL<sub>3</sub>). The NDP refers to the LBPL when it states that the proportion of citizens in poverty must reduce from 39 percent to zero by 2030.

It is evident from Table 1.17 that the share of South Africa's population below the LBPL declined from 51.4 percent in 1996 to 33.1 percent in 2015. In terms of numbers, it was a reduction from 21.8 million in 1996 to 18.2 million in 2015. Mpumalanga's population below the LBPL also declined over the 19-year period from 2.0 million to 1.5 million or from 58.3 percent to 36.3 percent. Mpumalanga's share was, however, still the fourth highest among the provinces with Eastern Cape (41.7 percent) registering the highest share and Western Cape (21.7 percent) the lowest.

**Table 1.17: Share of population below the LBPL in South Africa & provinces, 1996-2015**

| Region        | % of population |       |       |       |       |
|---------------|-----------------|-------|-------|-------|-------|
|               | 1996            | 2001  | 2006  | 2011  | 2015  |
| Western Cape  | 27.9%           | 31.3% | 26.4% | 19.3% | 21.7% |
| Eastern Cape  | 65.3%           | 67.3% | 57.5% | 44.3% | 41.7% |
| Northern Cape | 53.3%           | 51.9% | 39.6% | 26.6% | 26.6% |
| Free State    | 51.7%           | 54.8% | 44.3% | 33.0% | 33.8% |
| KwaZulu-Natal | 60.2%           | 61.2% | 52.5% | 42.0% | 40.2% |
| North West    | 53.0%           | 56.9% | 47.6% | 33.8% | 32.6% |
| Gauteng       | 28.2%           | 32.4% | 29.5% | 22.4% | 24.5% |
| Mpumalanga    | 58.3%           | 60.3% | 50.8% | 37.6% | 36.3% |
| Limpopo       | 68.7%           | 69.8% | 58.9% | 44.8% | 40.6% |
| South Africa  | 51.4%           | 53.2% | 44.9% | 33.8% | 33.1% |

**Source: IHS Markit – ReX, October 2016**

<sup>1</sup> The level of consumption below which individuals are unable to purchase sufficient food to provide them with an adequate diet and amounted to R417 per capita per month in 2015.

<sup>2</sup> Includes expenditure on non-food items, but requires that individuals sacrifice food in order to obtain it and amounted to R575 per capita per month in 2015.

<sup>3</sup> Includes expenditure on adequate food and non-food items and amounted to R805 per capita per month in 2015.

Nkangala (31.1 percent) recorded the lowest share of population below the LBPL in 2015 followed by Gert Sibande (36.3 percent). In 2015, Ehlanzeni recorded the highest share and the largest number of people below the LBPL with 40.4 percent and 715 370, respectively (Table 1.18). Ehlanzeni, however, recorded the largest decrease (improvement) in terms of percentage change (23.7 percentage points) and number (227 522) between 1996 and 2015.

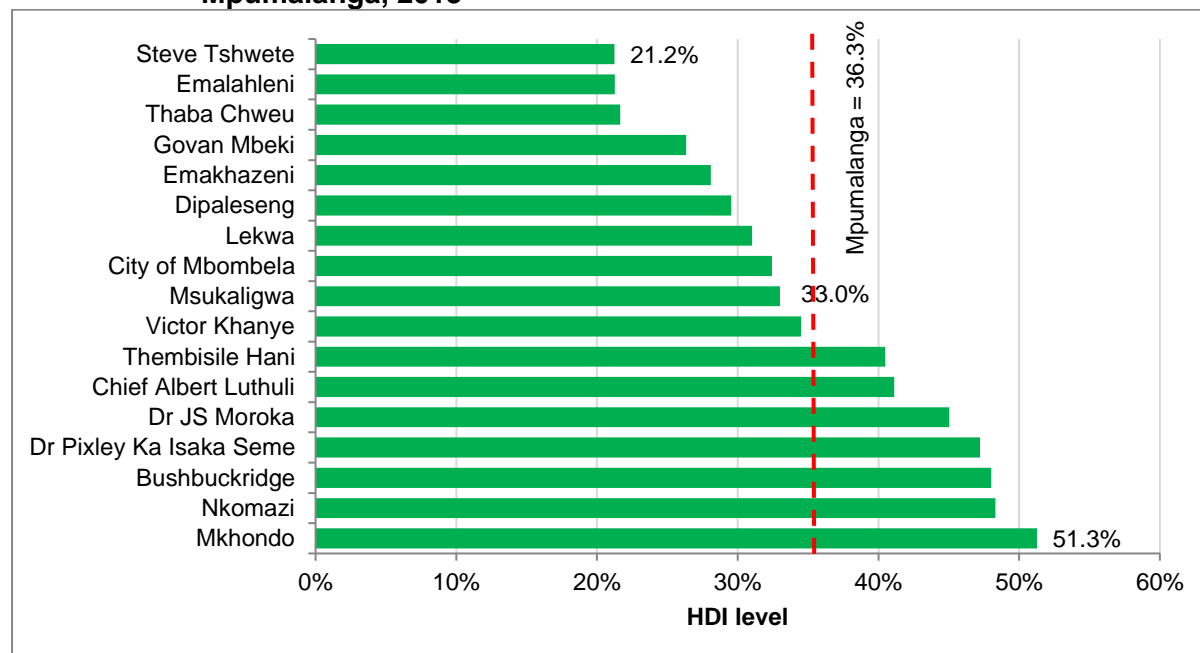
**Table 1.18: Share of population below the LBPL in Mpumalanga's districts, 1996-2015**

| Region       | % of population |       |       |       |       |
|--------------|-----------------|-------|-------|-------|-------|
|              | 1996            | 2001  | 2006  | 2011  | 2015  |
| Gert Sibande | 55.9%           | 59.3% | 49.9% | 36.0% | 36.3% |
| Nkangala     | 51.8%           | 53.9% | 45.0% | 31.9% | 31.1% |
| Ehlanzeni    | 64.2%           | 65.5% | 55.6% | 43.0% | 40.4% |
| Mpumalanga   | 58.3%           | 60.3% | 50.8% | 37.6% | 36.3% |

**Source: IHS Markit – ReX, October 2016**

Figure 1.29 displays the share of population below the LBPL of all eighteen local municipal areas in Mpumalanga. In 2015, Steve Tshwete's share of population below the LBPL of 21.2 percent was the lowest (best) and that of Mkhondo (51.3 percent) the highest. Seven of the seventeen local municipal areas recorded higher/worst shares of population below the LBPL than Mpumalanga's share of 36.3 percent. All the local areas recorded percentage point declines in the shares of population below the LBPL, with Chief Albert Luthuli (33.3 percentage points) registering the largest decrease and Emalahleni (9.9 percentage points) the smallest decrease.

**Figure 1.29: Share of population below the LBPL by local municipal area in Mpumalanga, 2015**



**Source: IHS Markit – ReX, October 2016**

Bushbuckridge recorded 154 504 less people below the LBPL in 2015 than in 1996, the largest decline among the local municipalities. Mkhondo recorded 22 787 more people below the LBPL in 2015 than in 1996. Steve Tshwete (9 569) as well as Emalahleni (13 458) also registered higher numbers of people below the LBPL in 2015 than in 1996.

### *Multidimensional poverty*

Poverty is often defined by income or expenditure. While this provides a very useful way of measuring absolute poverty, it does not fully capture all the aspects that constitute poverty. Multidimensional poverty constitutes several factors that amount to the poor's experience of deprivation such as poor health, lack of education, inadequate living standards, lack of income and lack of decent work.

The South African Multidimensional Poverty Index (SAMPI), published by Statistics South Africa provides multidimensional poverty data at provincial and municipal levels. It was not intended to replace the poverty headcount using the poverty lines that were developed and should rather be seen as a complementary measure to these money-metric measures. It is an index that is constructed using eleven indicators across four dimensions, namely health, education, living standards and economic activity. The poverty headcount shows the proportion of households that are considered to be multidimensionally poor. The intensity of poverty is the average proportion of indicators in which poor households are deprived.

In 2011, the poverty headcount showed that 7.9 percent of households in Mpumalanga were multidimensionally poor, with the average intensity at 41.8 percent amongst the poor households (Table 1.19). By 2016, the fraction of poor households decreased/improved to 7.8 percent and the average intensity was higher/worse at 42.7 percent. Mpumalanga's 2016 poverty headcount was the sixth lowest/fourth highest and higher than the national headcount. Mpumalanga's intensity of poverty was the seventh lowest/third highest but lower than the national indicator.

**Table 1.19: Multidimensional poverty in South Africa & provinces, 2011-2016**

| Province      | Census 2011 |           | CS 2016   |           |
|---------------|-------------|-----------|-----------|-----------|
|               | Headcount   | Intensity | Headcount | Intensity |
| Western Cape  | 3.6%        | 42.6%     | 2.7%      | 40.1%     |
| Eastern Cape  | 14.4%       | 41.9%     | 12.7%     | 43.3%     |
| Northern Cape | 7.1%        | 42.1%     | 6.6%      | 42.0%     |
| Free State    | 5.5%        | 42.2%     | 5.5%      | 41.7%     |
| KwaZulu-Natal | 10.9%       | 42.0%     | 7.7%      | 42.5%     |
| North West    | 9.2%        | 42.0%     | 8.8%      | 42.5%     |
| Gauteng       | 4.8%        | 43.8%     | 4.6%      | 44.1%     |
| Mpumalanga    | 7.9%        | 41.8%     | 7.8%      | 42.7%     |
| Limpopo       | 10.1%       | 41.6%     | 11.5%     | 42.3%     |
| South Africa  | 8.0%        | 42.3%     | 7.0%      | 42.8%     |

**Source: Statistics South Africa – CS 2016**

Nkangala (8.2 percent) recorded the highest poverty headcount in 2016 and was the only district to register a higher headcount in 2016 than in 2011 (Table 1.20). In 2016, the average intensity among poor households in Nkangala (43.5 percent) was the highest and in Ehlanzeni (41.8 percent) the lowest. Between 2011 and 2016, the poverty intensity increased in all three districts.

**Table 1.20: Multidimensional poverty in Mpumalanga & districts, 2011-2016**

| District     | Census 2011 |           | CS 2016   |           |
|--------------|-------------|-----------|-----------|-----------|
|              | Headcount   | Intensity | Headcount | Intensity |
| Gert Sibande | 8.4%        | 41.6%     | 7.2%      | 43.1%     |
| Nkangala     | 6.3%        | 42.6%     | 8.2%      | 43.5%     |
| Ehlanzeni    | 8.9%        | 41.5%     | 7.8%      | 41.8%     |
| Mpumalanga   | 7.9%        | 41.8%     | 7.8%      | 42.7%     |

**Source: Statistics South Africa – CS 2016**



Table 1.21 displays the multi-dimensional poverty indicators of all eighteen local municipal areas in Mpumalanga. In 2016, Govan Mbeki's (3.9 percent) headcount was the lowest and that of Mkhondo (11.9 percent) the highest. Eight of the eighteen local municipal areas recorded lower/better poverty headcounts than the provincial headcount. The largest improvement in the 5-year period was recorded in Mkhondo (3.9 percentage points lower), whilst the largest deterioration was recorded in Dr JS Moroka (4.2 percentage points higher). In 2016, Dr JS Moroka (41.0 percent) registered the lowest intensity and Emalahleni (45.4 percent) the highest. Eleven of the eighteen local municipal areas recorded a lower/better intensity than the provincial indicator. Between 2011 and 2016, only four local municipal areas registered an improvement in multidimensional poverty intensity.

**Table 1.21: Multidimensional poverty by local municipal area in Mpumalanga, 2011-2016**

| Local Municipal Area    | Census 2011 |           | CS 2016   |           |
|-------------------------|-------------|-----------|-----------|-----------|
|                         | Headcount   | Intensity | Headcount | Intensity |
| Chief Albert Luthuli    | 10.9%       | 41.3%     | 10.3%     | 41.8%     |
| Msukaligwa              | 9.2%        | 41.4%     | 6.7%      | 45.0%     |
| Mkhondo                 | 15.8%       | 41.5%     | 11.9%     | 43.7%     |
| Dr Pixley Ka Isaka Seme | 9.2%        | 41.8%     | 10.2%     | 41.8%     |
| Lekwa                   | 4.5%        | 41.5%     | 5.0%      | 42.8%     |
| Dipaleseng              | 8.3%        | 42.3%     | 8.4%      | 45.3%     |
| Govan Mbeki             | 4.5%        | 42.0%     | 3.9%      | 42.5%     |
| Victor Khanye           | 6.9%        | 43.1%     | 4.7%      | 41.2%     |
| Emalahleni              | 8.0%        | 43.6%     | 10.9%     | 45.4%     |
| Steve Tshwete           | 4.3%        | 42.0%     | 5.1%      | 41.7%     |
| Emakhazeni              | 6.4%        | 41.3%     | 8.7%      | 43.1%     |
| Thembisile Hani         | 5.6%        | 42.2%     | 6.1%      | 42.4%     |
| Dr JS Moroka            | 6.0%        | 41.1%     | 10.2%     | 41.0%     |
| Thaba Chweu             | 6.6%        | 40.9%     | 5.5%      | 42.3%     |
| Mbombela                | 6.0%        | 42.0%     | 5.9%      | 42.1%     |
| Umjindi                 | 9.1%        | 42.3%     | 8.5%      | 43.0%     |
| Nkomazi                 | 10.4%       | 41.7%     | 9.3%      | 41.1%     |
| Bushbuckridge           | 11.8%       | 41.0%     | 9.7%      | 41.8%     |
| Mpumalanga              | 7.9%        | 41.8%     | 7.8%      | 42.7%     |

**Source: Statistics South Africa – CS 2016**

#### 1.6.4 Ownership of household goods

Figure 1.30 compares the ownership levels of certain household goods in Mpumalanga between 2011 and 2016. It is evident that more households in Mpumalanga owned the specific assets in 2016 than in 2011. The ownership of refrigerators (8.5 percentage point increase) increased the most between 2011 and 2016, followed by televisions (7.8 percentage point increase).

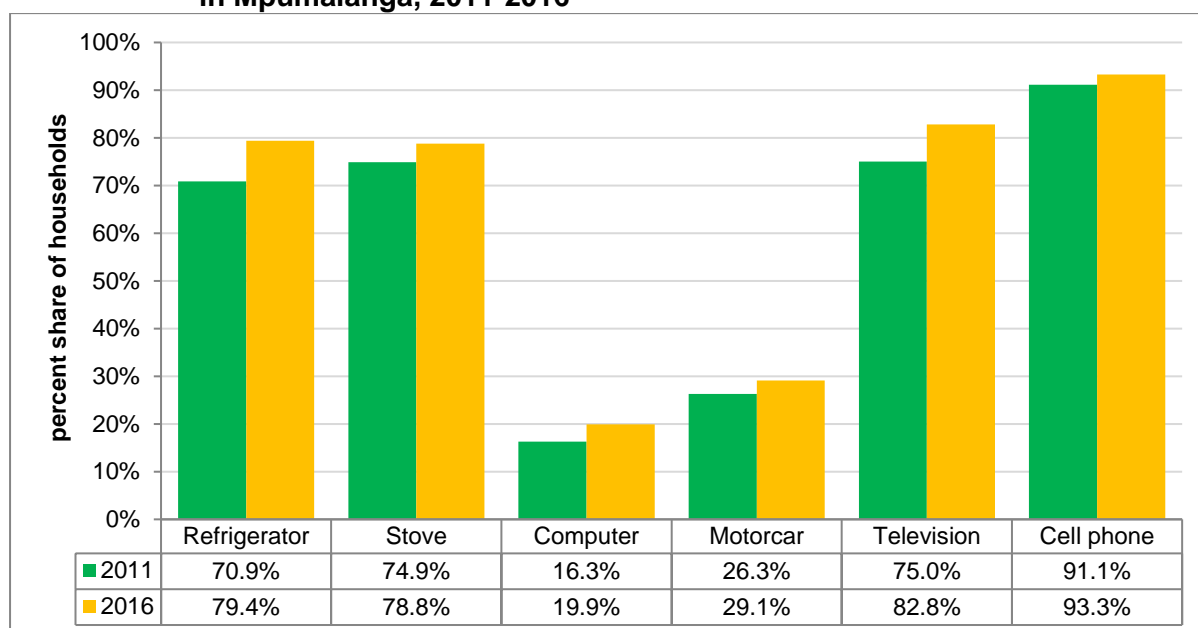
##### *Ownership of household goods index*

The ownership of household goods index is a household adjusted, ownership of goods-weighted index, which measures a region's overall ownership of certain household goods. The index ranges from 0 to 1, where 0 implies that no household in the region owns any of the household goods surveyed, and 1 implying that every household in the region owns all the household goods surveyed.

In 2016, the highest ownership of household goods index value was recorded in Mbombela and the lowest in Mkhondo. Between 2011 and 2016, Nkomazi recorded the largest improvement in the household goods index and Emalahleni the largest decline. Figure 1.31

compares the household goods index values of 2011 with that of 2016 for Mpumalanga's local municipal areas.

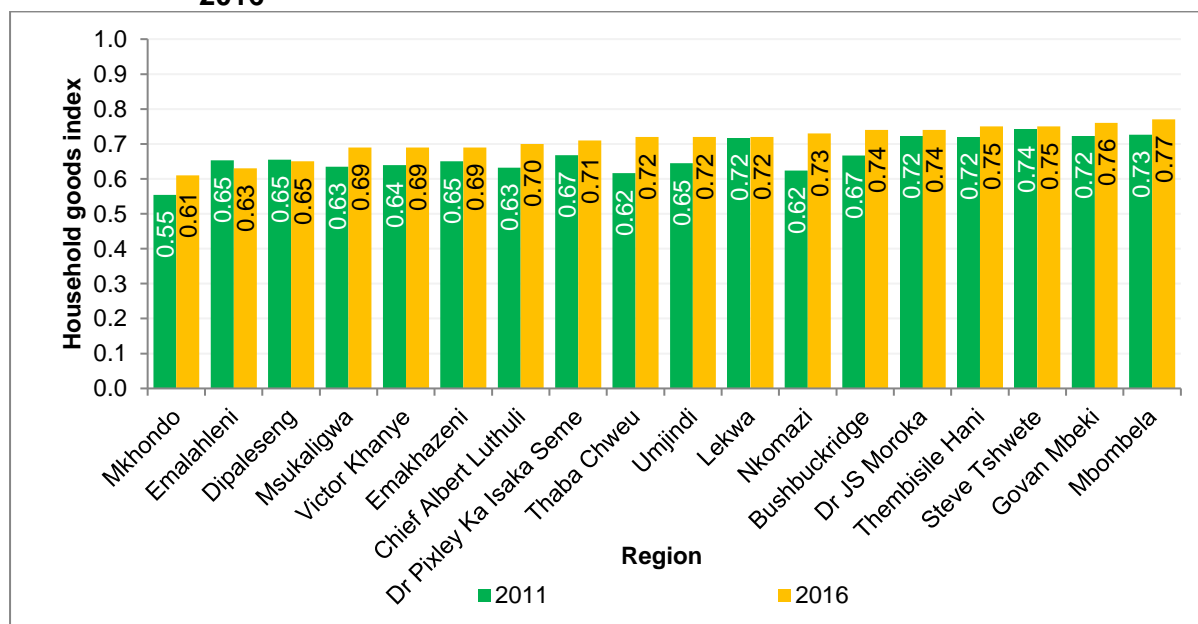
**Figure 1.30: Percentage distribution of households owning various household goods in Mpumalanga, 2011-2016**



**Sources: Statistics South Africa – Census 2011**

**Statistics South Africa – CS 2016**

**Figure 1.31: Household goods index in Mpumalanga's local municipal areas, 2011-2016**



**Sources: Statistics South Africa – Census 2011**

**Statistics South Africa – CS 2016**

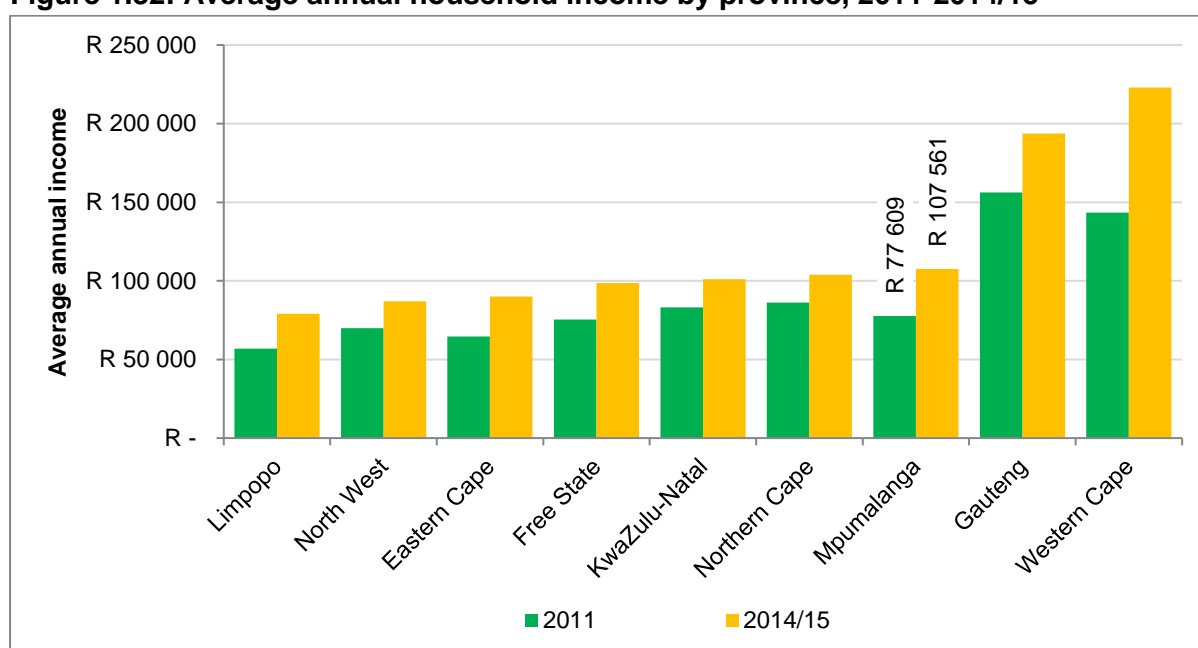
### 1.6.5 Income and expenditure aspects

#### *Household income*

According to the *Living Conditions of Households 2014/15*, the average annual household income for all households in South Africa increased from R103 204 per annum in 2011 (*Census 2011*) to R138 168 per annum (R11 514 per month) in 2014/15. Average household income in Mpumalanga increased from R77 609 per annum in 2011 to R107 561 per annum (R8 963 per month) in 2014/15 (Figure 1.32).

Mpumalanga's average household income was the fifth highest in 2011 and the third highest in 2014/15. In 2014/15, the average household income of Western Cape households (R222 959 per annum) was the highest and that of Limpopo households (R79 152 per annum) the lowest.

**Figure 1.32: Average annual household income by province, 2011-2014/15**



**Sources: Statistics South Africa – Census 2011**

**Statistics South Africa – Living Conditions of Households 2014/15**

#### *Expenditure categories*

In the *GHS 2015*, respondents indicated what expenditure category best describes the monthly household expenditure in 2015. The results of this question for South Africa and Mpumalanga is summarised in Table 1.22. It is evident that the major share of households in Mpumalanga (58.3 percent) indicated expenditure of less than R2 500 per month. The major share of households in South Africa (50.6 percent) also indicated expenditure of less than R2 500 per month. Some 15.2 percent of households in South Africa indicated expenditure of more than R10 000 per month compared with 10.9 percent of households in Mpumalanga.

#### *Household income sources*

The majority of households in South Africa are dependent on incomes from salaries. Nationally, 72.6 percent of household income was received as compensation for work in 2014/15. In Mpumalanga 75.9 percent of household income came from salaries. In

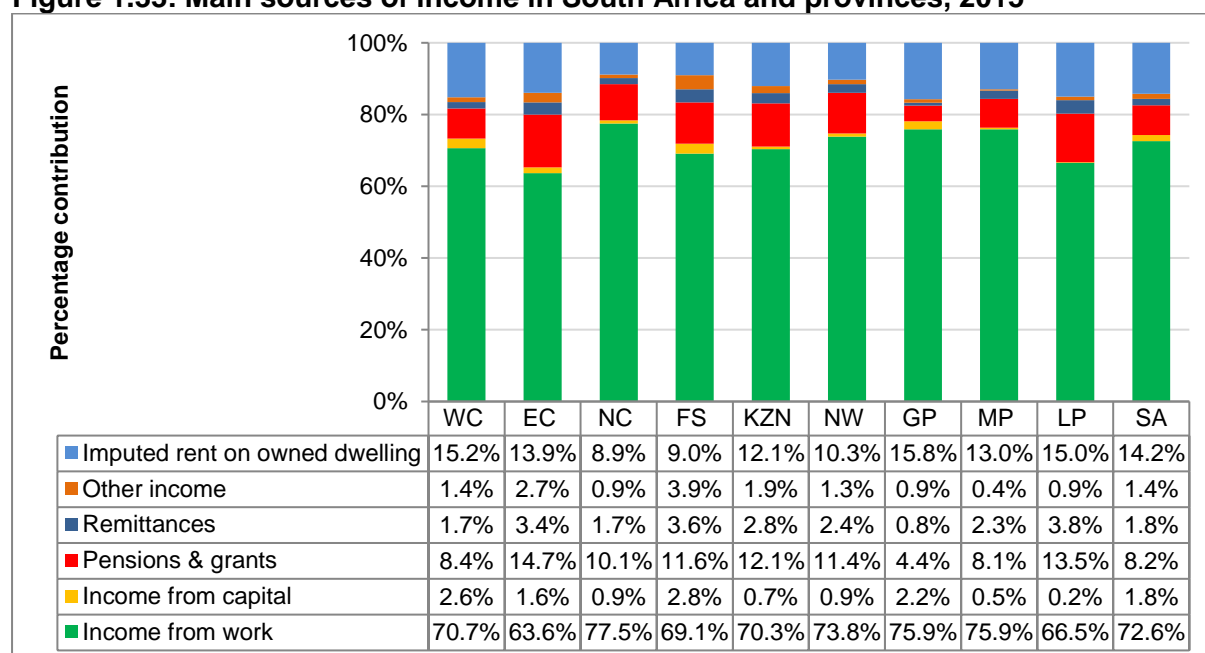
2014/15, 14.2 percent and 13.0 percent of household income in South Africa and Mpumalanga, respectively, were from imputed rent on the dwellings they owned. Some 8.1 percent of household income in Mpumalanga was from pensions and grants whilst it was 8.2 percent in South Africa. Comparative figures of household income sources are presented in Figure 1.33.

**Table 1.22: Household expenditure in South Africa & Mpumalanga, 2015**

| Expenditure category | Mpumalanga |              | South Africa |              |
|----------------------|------------|--------------|--------------|--------------|
|                      | % of total | Cumulative % | % of total   | Cumulative % |
| R0                   | 0.2%       | 0.2%         | 0.4%         | 0.4%         |
| R1-R199              | 1.1%       | 1.2%         | 0.7%         | 1.1%         |
| R200-R399            | 2.1%       | 3.3%         | 2.5%         | 3.6%         |
| R400-R799            | 9.4%       | 12.7%        | 8.2%         | 11.8%        |
| R800-R1 199          | 13.1%      | 25.8%        | 10.8%        | 22.6%        |
| R1 200-R1 799        | 17.0%      | 42.8%        | 14.8%        | 37.4%        |
| R1 800-R2 499        | 15.5%      | 58.3%        | 13.2%        | 50.6%        |
| R2 500-R4 999        | 18.1%      | 76.4%        | 18.2%        | 68.8%        |
| R5 000-R9 999        | 11.1%      | 87.5%        | 12.9%        | 81.8%        |
| R10 000 or more      | 10.9%      | 98.4%        | 15.2%        | 97.0%        |
| Do not know          | 0.5%       | 98.9%        | 1.9%         | 98.9%        |
| Refused              | 0.1%       | 99.0%        | 0.4%         | 99.3%        |
| Unspecified          | 1.0%       | 100.0%       | 0.7%         | 100.0%       |
| Total                | 100.0%     | -            | 100.0%       | -            |

**Source: Statistics South Africa – GHS 2015**

**Figure 1.33: Main sources of income in South Africa and provinces, 2015**



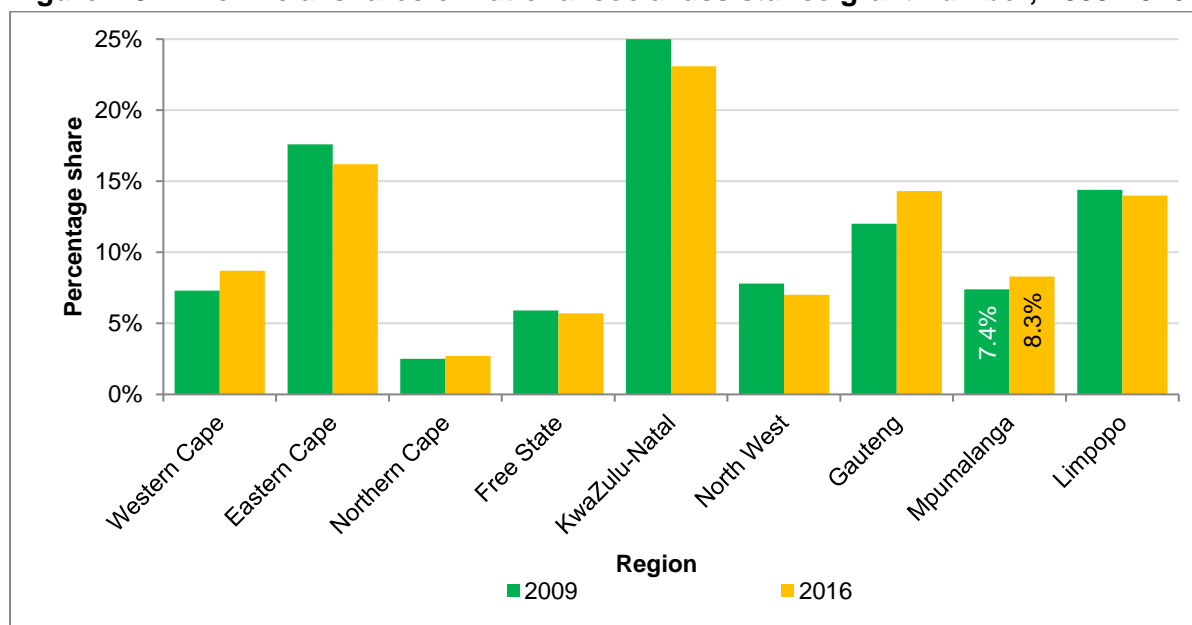
**Source: Statistics South Africa – Living Conditions of Households 2014/15**

#### *Social assistance grants*

Together with providing income security to certain income insecure groups, the payments of grants made a positive impact on poverty and income inequality in Mpumalanga. Grants assisted to reduce poverty and redistribute income in Mpumalanga and its sub regions through the provision of income security. According to the South African Social Security Agency (SASSA), the number of South Africans that received social assistance grants increased from nearly 13.8 million in March 2009 to nearly 16.9 million by March 2016. In

March 2009, 1.02 million citizens of Mpumalanga received social assistance grants. This was equal to a 7.4 percent share of the total national grant recipients in 2009. By March 2016, the number of recipients in Mpumalanga increased to 1.4 million or 8.3 percent of the total number of national grant recipients. Mpumalanga registered the sixth highest number of social assistance recipients among the nine provinces (Figure 1.34). KwaZulu-Natal (3.9 million) registered the highest number of grant recipients by March 2016 and Northern Cape (452 938) the lowest.

**Figure 1.34: Provincial shares of national social assistance grant number, 2009-2016**

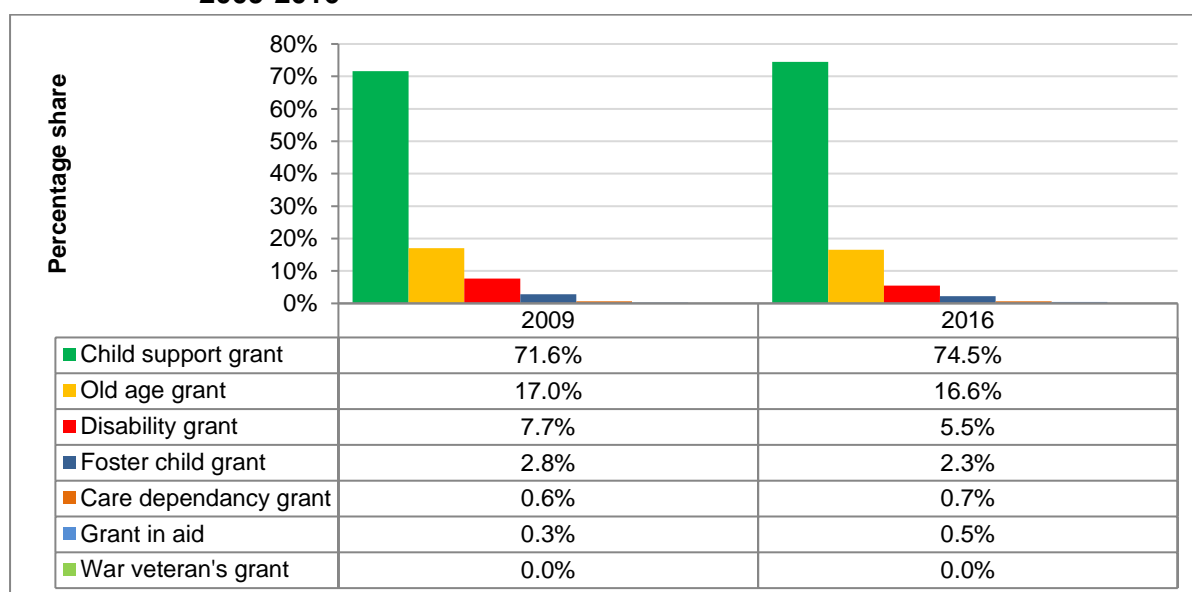


**Source: SASSA - SOCPEN system, 2016**

Despite the positive impact of social assistance grants on income distribution and poverty, skills development and employment creation remain the most important factors to improve the livelihoods of people. Skills constraints push up the premium for skilled labour, inducing large differences between salaries of skilled and unskilled people and thus raising levels of inequality. Income inequality can therefore most effectively be reduced by improving the labour force's skill levels and thus removing the premium for skilled labour. Poverty can also be reduced by building and developing capabilities of the workforce on a broad scale in order to increase employment creation through increased labour productivity and economic growth.

It is evident from Figure 1.35, that 74.5 percent of Mpumalanga's total social assistance grants in March 2016 were child support grants, which was higher than the 71.6 percent share in 2009. In actual numbers, child support grant beneficiaries increased from 735 648 in 2009 to 1 050 864 in 2016. Although the number of old age grant beneficiaries increased from 174 343 in 2009 to 233 725 in 2016, the share of the total number of grant beneficiaries decreased from 17.0 percent in 2009 to 16.6 percent in 2016. Disability grant recipients decreased marginally in number from 79 244 in 2009 to 76 983 in 2016 and recorded a smaller share in 2016 (5.5 percent) of the total number of assistance grant beneficiaries than in 2009 (7.7 percent).

**Figure 1.35: Distribution of various types of social assistance grants in Mpumalanga, 2009-2016**



**Source: SASSA - SOCPEN system, 2016**

## 1.7 ECONOMIC SECTORS AND PERFORMANCE

### 1.7.1 GDP growth

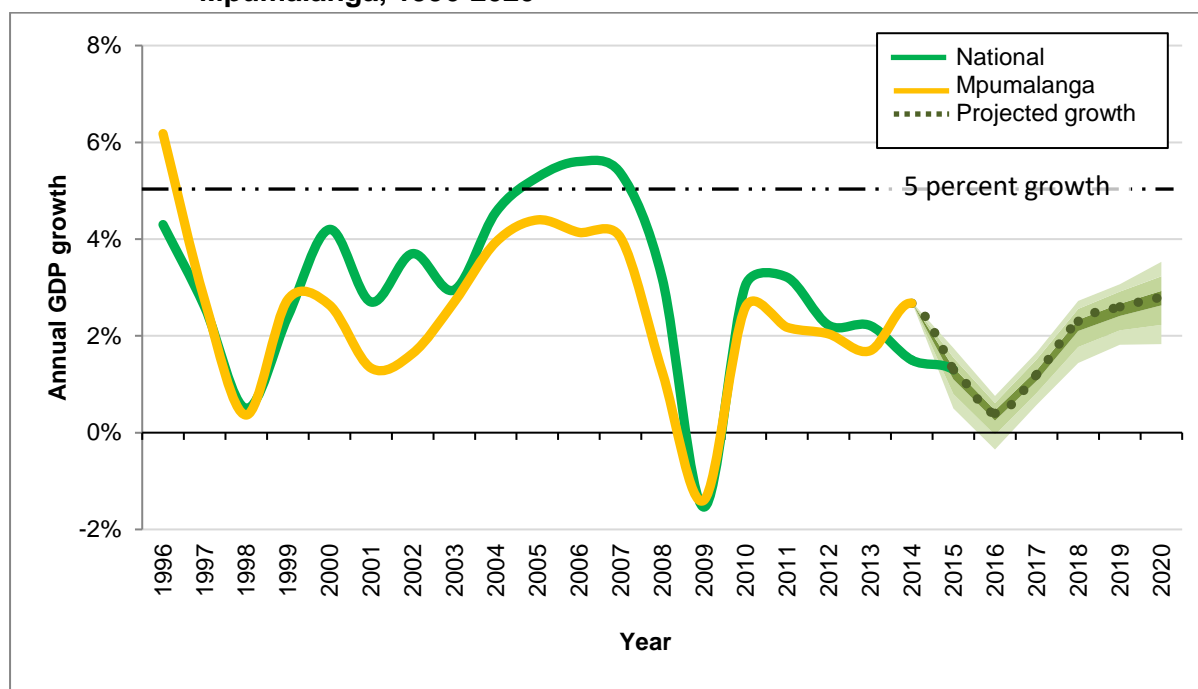
It is estimated that in 2014<sup>1</sup>, Mpumalanga contributed some R286.3 billion in current prices or some 7.5 percent to the GDP of South Africa. Mpumalanga's contribution in constant 2010 prices was R221.6 billion. According to estimates, Mpumalanga's contribution in constant 2010 prices was the fifth largest among the nine provinces and registered a decrease from an 8.1 percent contribution in 1995, to 7.3 percent in 2014.

For the first two years under review, the economic growth of the province, as measured by real GDP growth, was higher than the national rate. However, since then the provincial economy has outperformed the national economy in terms of GDP growth only in 1999, 2009 and 2014. The forecasted annual growth rates for South Africa and Mpumalanga are projected to remain low and average less than 2 percent annually between 2015 and 2020 as portrayed in Figure 1.36. Table 1.23 displays GDP growth in South Africa and Mpumalanga for the period 2008 to 2015. The NDP targets average annual national GDP growth above 5 percent up to 2030.

Because of the moderate economic growth experienced in South Africa over the last 19 years, the South African economy has not doubled in size over this period. From Figure 1.37 it is also evident that no provincial economy by 2014 was double its size of 1995. By 2014, the Western Cape economy, which grew the fastest between 1995 and 2014, was 188.6 percent of its 1995 size. Mpumalanga's economy was 160.6 percent of its 1995 size and registered the sixth highest/fourth lowest increase. For an economy to double in size over a 19-year period that economy needs to grow at an annual average growth rate of 3.7 percent.

<sup>1</sup> The latest official data on sub-national level is for 2014, according to the GDP release of Statistics South Africa. This will therefore form the basis of provincial analysis and comparisons. Statistics South Africa do not publish data on sub-provincial level and therefore IHS Markit data for 2015 is used for district and local municipal analysis and comparison.

**Figure 1.36: GDP (constant 2010 prices) growth rates for South Africa and Mpumalanga, 1996-2020**



**Sources:** *Statistics South Africa – GDP, 2016 (Historic growth)*  
*IHS Markit - ReX, October 2016 (Future growth)*

**Table 1.23: GDP (constant 2010 prices) growth rates for South Africa & Mpumalanga, 2008-2015**

| Year | South Africa | Mpumalanga |
|------|--------------|------------|
| 2008 | 3.2%         | 1.3%       |
| 2009 | -1.5%        | -1.4%      |
| 2010 | 3.0%         | 2.6%       |
| 2011 | 3.2%         | 2.2%       |
| 2012 | 2.2%         | 2.1%       |
| 2013 | 2.2%         | 1.9%       |
| 2014 | 1.5%         | 2.7%       |
| 2015 | 1.3%         | 1.3%*      |

**Sources:** *Statistics South Africa – GDP, 2016*

**Note:** \* *Forecasted growth*

#### *GDP per capita*

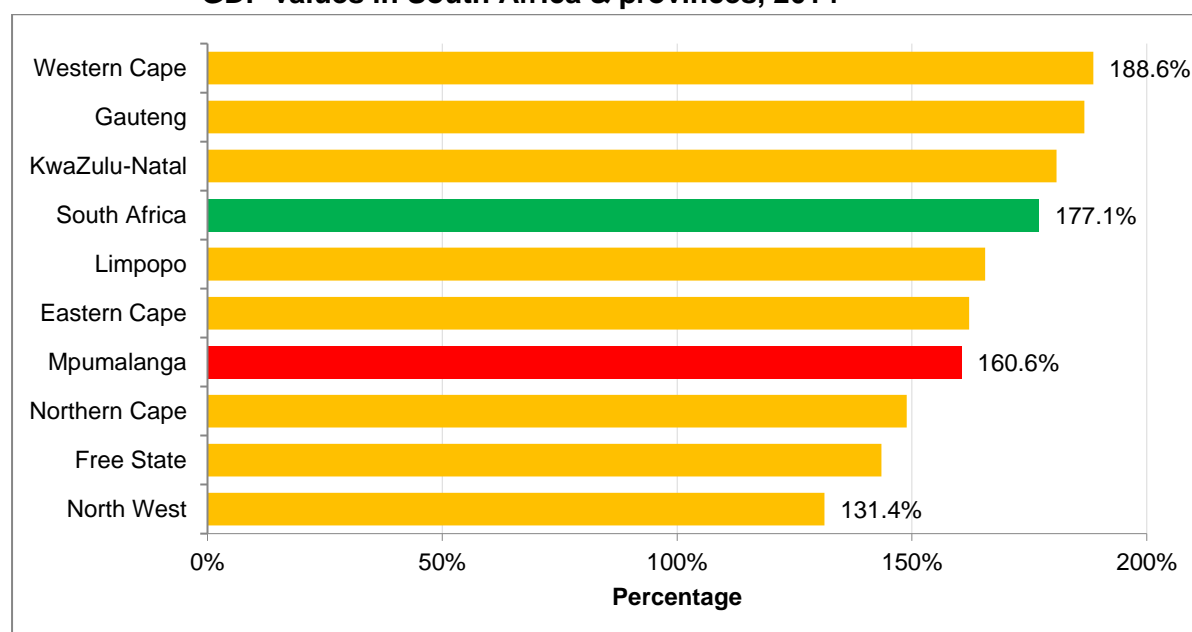
GDP per capita is often considered an indicator of a region's standard of living on the rationale that all citizens would benefit from the region's increased economic production. GDP per capita expressed in constant prices must increase from approximately R51 000 in 2010 to R110 000 by 2030. In 2014, the provincial GDP per capita was equal to approximately R51 600. Sustained annual average GDP growth above 5 percent is necessary to achieve this target.

#### *Fixed investment*

Investment in infrastructure builds economic capacity and enhances competitiveness, while contributing to the quality of life of poor people. In 2015, the gross domestic fixed investment (GDFI) in Mpumalanga amounted to R58.1 billion which was equal to 9.1 percent

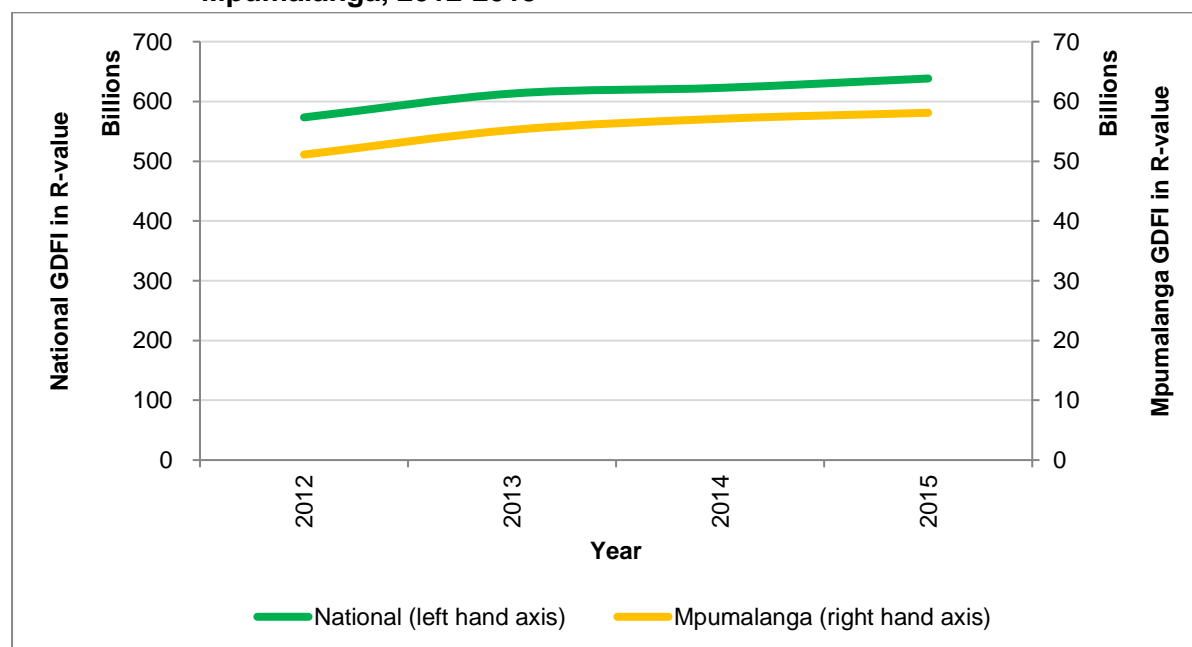
of total GDFI in South Africa (Figure 1.38). From 2012 to 2015, GDFI in South Africa grew on average by 3.6 percent per annum and by 4.4 percent annually in Mpumalanga.

**Figure 1.37: 2014 GDP (constant 2010 prices) expressed as a percentage of 1995 GDP values in South Africa & provinces, 2014**



**Source: Statistics South Africa – GDP, 2016**

**Figure 1.38: Comparison of GDFI (constant 2010 prices) in South Africa and Mpumalanga, 2012-2015**



**Source: Quantec, 2016**

According to the NDP, public infrastructure investment must be equal to 10 percent of GDP by 2030. In 2014, expenditure by the Mpumalanga Provincial Government (MPG) on infrastructure was equal to approximately 1.8 percent of provincial GDP. If the 2014 Municipal Infrastructure Grant (MIG) expenditure by municipalities is added to MPG



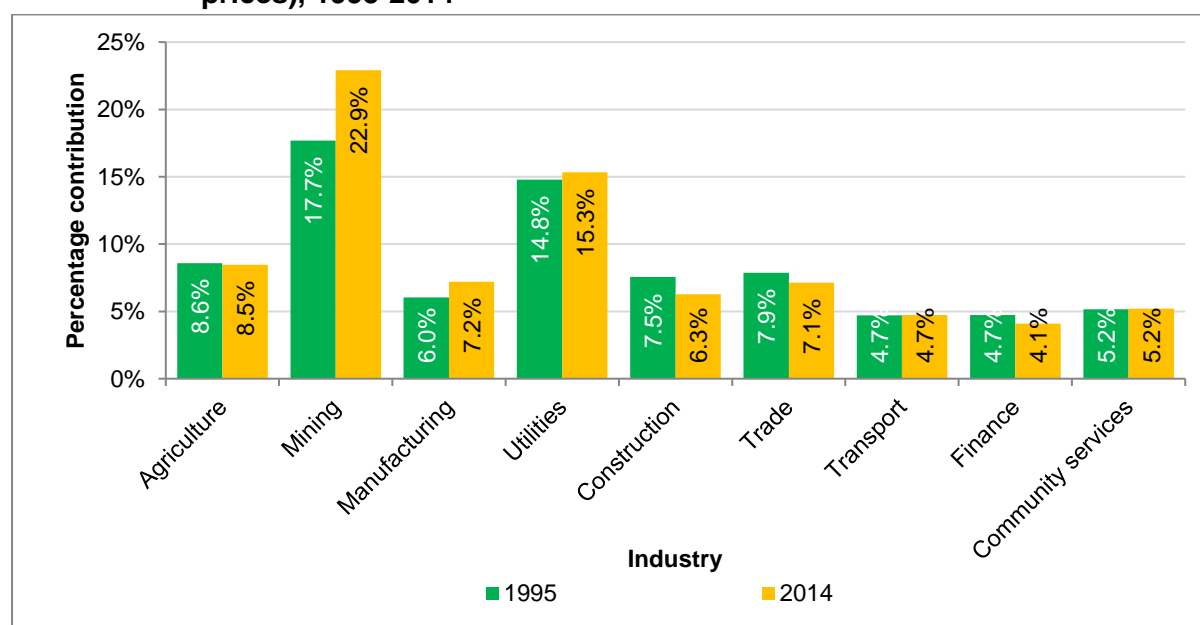
infrastructure expenditure, then public expenditure on infrastructure was equal to 2.6 percent<sup>1</sup>. In order to reach the stated Vision 2030 goal of 10 percent of GDP by 2030 in Mpumalanga, public expenditure on infrastructure in Mpumalanga has to increase by at least 11.6 percent per annum up to 2030.

### 1.7.2 Regional contribution

The economic industries are classified according to the International Standard Industrial Classification of all Economic Activities (ISIC). This classification system, employed by Statistics South Africa, groups together economic activities that are closely related. Statistical information is then collected and classified according to the categories of economic activities, which are as homogenous as possible.

Figure 1.39 depicts the contribution of each of the economic industries in Mpumalanga to the corresponding national industry in 1995 and 2014. It is estimated that in 2014, the province was a substantial role-player in the national mining and utilities (mainly electricity) industries, with respective shares of 22.9 percent and 15.3 percent. It is noticeable that the contribution by mining, manufacturing and utilities increased between 1995 and 2014, whilst the other industries' contribution to the national figure either declined or remained constant.

**Figure 1.39: Mpumalanga's contribution to South Africa's industries (constant 2010 prices), 1995-2014**



**Sources: Statistics South Africa – GDP, 2016**

Table 1.24 exhibits the contribution by each of the three districts to the provincial industries in 1996 and 2015. Nkangala was the largest contributor to the provincial GVA with a share of 40.9 percent in 1996 and 42.0 percent in 2015. In 2015, the contribution by Gert Sibande was 29.6 percent and that of Ehlanzeni 28.4 percent. Nkangala made considerable contributions to the province's mining (72.4 percent) and utilities (54.0 percent) industries in 2015. In 2015, Gert Sibande was the main contributor to Mpumalanga's manufacturing (49.8 percent), whilst Ehlanzeni played a major role in the province's tertiary industries.

<sup>1</sup> The estimate for 2015 is 2.6 per cent.

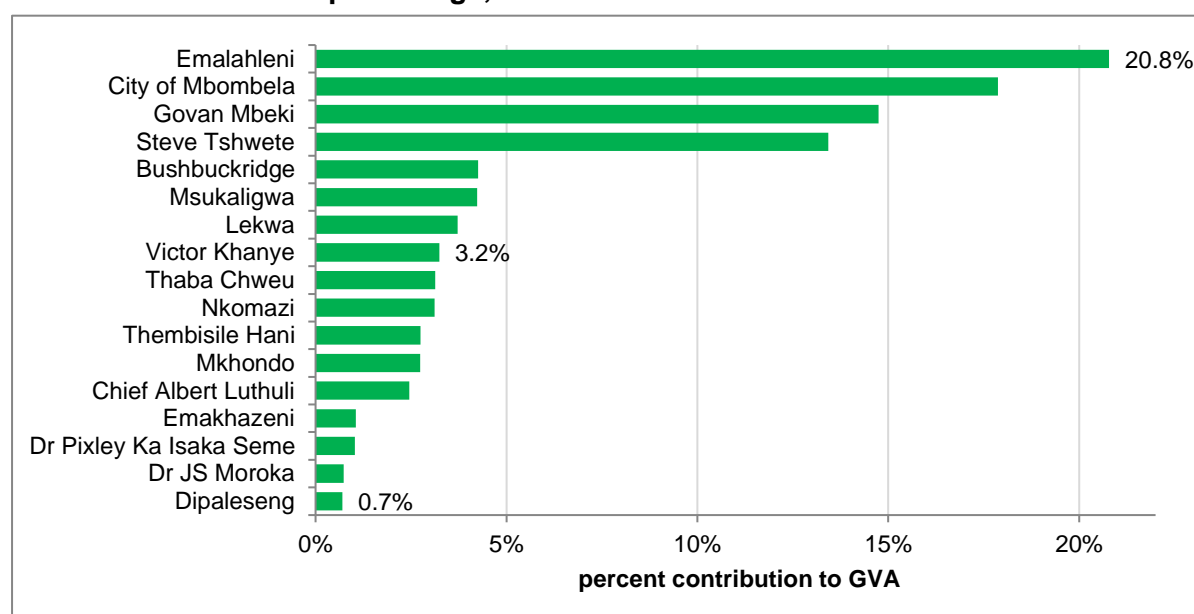
Figure 1.40 depicts the percentage contribution by the eighteen local municipal areas to the provincial GVA in 2015. In 2015, Emalahleni (20.8 percent), City of Mbombela (17.9 percent), Govan Mbeki (14.7 percent) and Steve Tshwete (13.4 percent) contributed 66.8 percent to the Mpumalanga economy. Dipaleseng (0.7 percent) made the smallest contribution to the provincial economy.

**Table 1.24: Regional contribution to Mpumalanga's industries (GVA at constant 2010 prices), 1996-2015**

| Industry           | Gert Sibande |              | Nkangala     |              | Ehlanzeni    |              |
|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                    | 1996         | 2015         | 1996         | 2015         | 1996         | 2015         |
| Agriculture        | 37.1%        | 38.5%        | 23.9%        | 24.5%        | 39.0%        | 37.0%        |
| Mining             | 40.7%        | 23.6%        | 52.6%        | 72.4%        | 6.7%         | 4.0%         |
| Manufacturing      | 37.9%        | 49.8%        | 37.0%        | 29.1%        | 25.1%        | 21.1%        |
| Utilities          | 23.6%        | 26.2%        | 55.1%        | 54.0%        | 21.3%        | 19.8%        |
| Construction       | 24.0%        | 26.4%        | 35.1%        | 32.4%        | 41.0%        | 41.1%        |
| Trade              | 26.7%        | 29.0%        | 31.7%        | 29.6%        | 41.6%        | 41.4%        |
| Transport          | 29.0%        | 31.2%        | 34.5%        | 32.9%        | 36.4%        | 35.8%        |
| Finance            | 18.6%        | 23.7%        | 37.6%        | 33.1%        | 43.8%        | 43.2%        |
| Community services | 23.4%        | 26.7%        | 31.2%        | 28.1%        | 45.3%        | 45.2%        |
| <b>Total</b>       | <b>31.3%</b> | <b>29.6%</b> | <b>40.9%</b> | <b>42.0%</b> | <b>27.7%</b> | <b>28.4%</b> |

**Source: IHS Markit – ReX, October 2016**

**Figure 1.40: Contribution to provincial GVA (constant 2010 prices) by local municipal area in Mpumalanga, 2015**



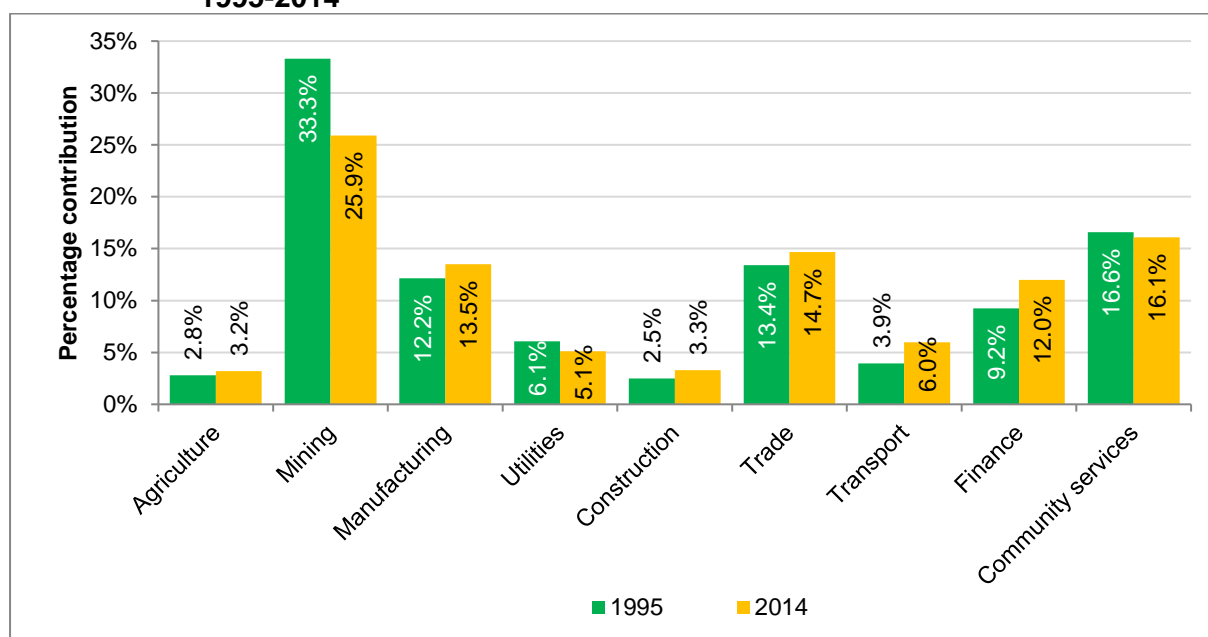
**Source: IHS Markit – ReX, October 2016**

### 1.7.3 Sectoral contribution and performance

#### Contribution

It is estimated that in 2014, the primary sector in Mpumalanga contributed 29.1 percent, the secondary sector 22.0 percent and the tertiary sector 48.9 percent to the provincial GDP at basic prices. Although the economy depended less on the primary sector in 2014 than in 1995 (36.1 percent), it continued to stand in contrast to the national primary sector's small contribution of 11.0 percent in 2014. Nationally, the secondary sector added 20.2 percent and the tertiary sector 68.8 percent in 2014.

**Figure 1.41: Contribution to Mpumalanga GDP (constant 2010 prices) by industry, 1995-2014**

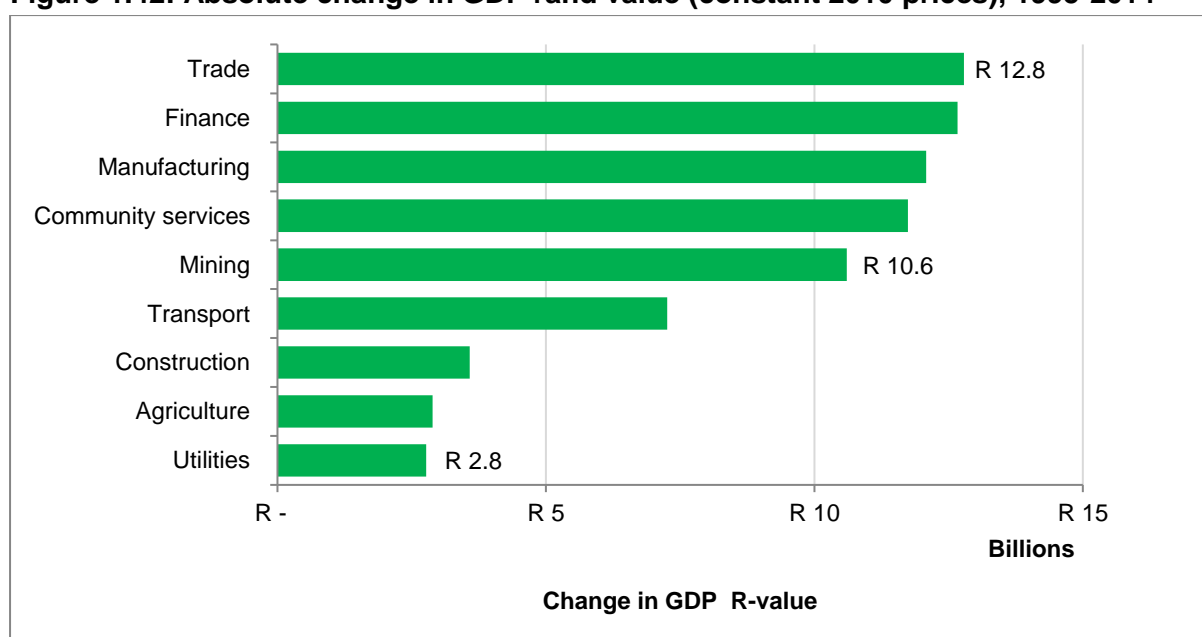


**Source: Statistics South Africa – GDP, 2016**

Figure 1.41 displays the share of each economic industry in the provincial economy in 1995 and 2014. It is estimated that in 2014, the three largest contributors to the provincial economy were mining (25.9 percent), community services (16.1 percent) and trade (14.7 percent). This was unchanged from 1995, when mining (33.1 percent) was also the leading industry followed by community services (16.6 percent) and trade (13.4 percent).

Figure 1.42 illustrates the change in monetary terms by industry from 1995 to 2014. The real value of all nine industries increased between 1995 and 2014. The trade industry (R12.8 billion) registered the largest absolute change over the 19-year period and the utilities industry (R2.8 million) the smallest.

**Figure 1.42: Absolute change in GDP rand value (constant 2010 prices), 1995-2014**



**Source: Statistics South Africa – GDP, 2016**

Table 1.25 displays the share of each economic industry in the three districts' economies in 1996 and 2015. The manufacturing industry led the district economy of Gert Sibande in 2015 with a 23.0 percent share. Mining activities dominated the Nkangala economy as it added 43.8 percent to the district's economy in 2015. The largest contributing industry in Ehlanzeni in 2015 was community services with a share of 25.9 percent.

**Table 1.25: Contribution to individual districts' GVA (constant 2010 prices) by industry, 1996-2015**

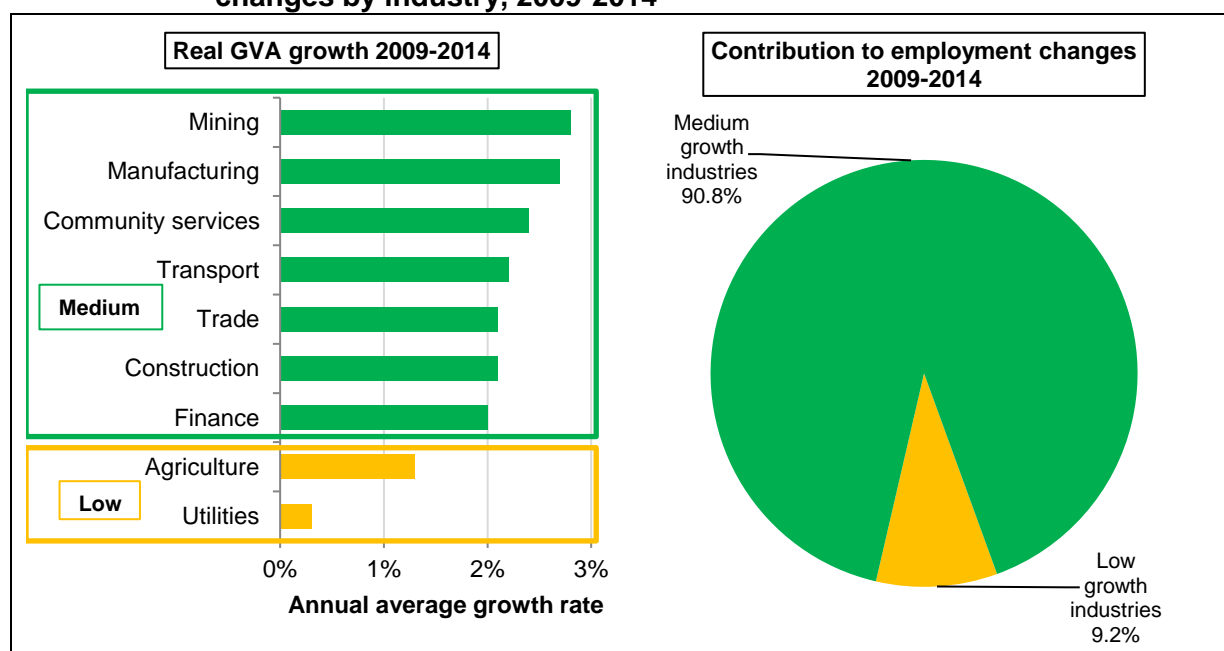
| Industry                    | Gert Sibande  |               | Nkangala      |               | Ehlanzeni     |               |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                             | 1996          | 2015          | 1996          | 2015          | 1996          | 2015          |
| Agriculture                 | 4.3%          | 3.9%          | 2.1%          | 1.7%          | 5.2%          | 3.9%          |
| Mining                      | 41.3%         | 20.2%         | 40.8%         | 43.8%         | 7.7%          | 3.6%          |
| <b>Primary industries</b>   | <b>45.6%</b>  | <b>24.1%</b>  | <b>42.9%</b>  | <b>45.5%</b>  | <b>12.9%</b>  | <b>7.5%</b>   |
| Manufacturing               | 14.4%         | 23.0%         | 10.8%         | 9.5%          | 10.8%         | 10.2%         |
| Utilities                   | 5.0%          | 4.5%          | 8.9%          | 6.6%          | 5.1%          | 3.6%          |
| Construction                | 1.8%          | 3.0%          | 2.0%          | 2.6%          | 3.5%          | 4.9%          |
| <b>Secondary industries</b> | <b>21.2%</b>  | <b>30.5%</b>  | <b>21.7%</b>  | <b>18.6%</b>  | <b>19.4%</b>  | <b>18.6%</b>  |
| Trade                       | 11.1%         | 14.5%         | 10.1%         | 10.4%         | 19.7%         | 21.6%         |
| Transport                   | 3.8%          | 6.5%          | 3.4%          | 4.8%          | 5.3%          | 7.7%          |
| Finance                     | 6.0%          | 9.8%          | 9.3%          | 9.7%          | 16.0%         | 18.7%         |
| Community services          | 12.2%         | 14.6%         | 12.5%         | 10.9%         | 26.7%         | 25.9%         |
| <b>Tertiary industries</b>  | <b>33.1%</b>  | <b>45.4%</b>  | <b>35.3%</b>  | <b>35.8%</b>  | <b>67.7%</b>  | <b>73.9%</b>  |
| <b>Total industries</b>     | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> |

**Source: IHS Markit – ReX, October 2016**

### Performance and employment

Figure 1.43 depicts the real GVA growth per industry over the period 2009 to 2014 in the left-hand diagram and the contribution to changes in employment numbers over the same period in the right-hand diagram. Over the 5-year period mining, manufacturing and community services achieved the highest annual average growth rates, whereas utilities and agriculture recorded the lowest average annual growth.

**Figure 1.43: Real GVA growth (constant 2010 prices) and contribution to employment changes by industry, 2009-2014**



**Sources: Statistics South Africa – GDP, 2016  
Statistics South Africa – QLFS, 2016**

In 2014, some 136 900 more people were employed by the nine industries in Mpumalanga than in 2009. In the right hand diagram, it is observable that the medium growth industries (between 2 and 4 percent average annual growth) contributed 90.8 percent to the increased number of employed. The low growth industries, with growth of less than 2 percent per annum, contributed 9.2 percent. Based on the two diagrams, it is evident that an industry makes a larger contribution to employment growth when it achieves a medium to high growth rate, than when it grows at a low growth rate.

#### **1.7.4 Diversification of the economy**

The Tress Index measures the level of concentration or diversification in an economy. An index score of zero represents a much diversified economy, while a number closer to 100 indicates a high level of concentration.

In 2014, the economy of Mpumalanga appears to be more diversified than that of South Africa with an index score of 35.8 compared to a national score of 39.2. Among the nine provinces, Mpumalanga ranked second in terms of the most diversified economy, behind Free State (35.6) and ahead of KwaZulu-Natal (39.8).

#### **1.7.5 Comparative advantage of the economy**

The location quotient is an indication of the comparative advantage of an economy. An economy has a location quotient larger (smaller) than one, or a comparative advantage (disadvantage) in a particular industry when the share of that industry in the provincial economy is greater (less) than the share of the same industry in the national economy.

In Mpumalanga, agriculture (1.22), mining (2.88), manufacturing (1.03) and utilities (2.06) held a comparative advantage over the same industry in the national economy in 2014. Table 1.26 provides the location quotients of the various industries, indicating their respective comparative advantages.

#### **1.7.6 Labour intensity**

Labour intensive industries are identified by comparing the output generation capacity with the utilisation of labour by each of the industries. In 2014, the following four industries in Mpumalanga exhibited higher employment shares relative to their output shares, thereby indicating a high level of labour intensity: agriculture, construction, trade and community services. Nationally the same four industries revealed a high labour intensity. Table 1.26 provides a comparison of employment with output at industry level for 2014.

#### **1.7.7 Employment elasticity**

The rate of employment growth in an economy, or in any industry of it, is determined by many factors operating simultaneously, one of which is how fast the economy grows. Employment elasticity provides an indication of the historic rate of employment growth as determined by the historic economic growth. Such an employment elasticity of an industry can be calculated by dividing the observed growth rate of employment during any past period by the observed economic growth rate during the same past period.

In Mpumalanga, the agriculture industry recorded the highest employment elasticity of 3.20 over the period 2009 to 2014. Therefore, on average over the 5-year period, every 1 percent of real GVA growth in the province's agriculture industry translated into a 3.2 percent

increase in employment in the agriculture industry. The employment growth in utilities was negative over the 5-year period and therefore it recorded negative employment elasticity – or jobless growth. Table 1.26 provides the historic employment elasticities of the various industries.

### 1.7.8 Labour productivity

Productivity can be measured by relating changes in output to changes in one or more input to production. Should an industry achieve a score of more than unity (1) then that industry is regarded as experiencing higher labour productivity than all industries combined. When comparing Mpumalanga's industry specific labour productivity with that of the province's total industries, it is evident that five industries (mining, manufacturing, utilities, transport and finance) achieved higher labour productivity than the total industries combined in 2014 (Table 1.26).

**Table 1.26: Essential economic ratio's by industry in Mpumalanga, 2009-2014**

| Industry           | Comparative advantage | Labour intensity | Employment elasticity | Labour productivity |
|--------------------|-----------------------|------------------|-----------------------|---------------------|
|                    | 2014                  | 2014             | 2009-2014             | 2014                |
| Agriculture        | 1.22                  | 2.78             | 3.20                  | 0.36                |
| Mining             | 2.88                  | 0.47             | 2.04                  | 4.63                |
| Manufacturing      | 1.03                  | 0.66             | 0.56                  | 1.50                |
| Utilities          | 2.06                  | 0.22             | -17.66                | 2.14                |
| Construction       | 0.82                  | 3.47             | 1.77                  | 0.29                |
| Trade              | 0.98                  | 1.51             | 0.01                  | 0.66                |
| Transport          | 0.68                  | 0.94             | 1.58                  | 1.06                |
| Finance            | 0.53                  | 0.98             | 3.16                  | 1.02                |
| Community services | 0.70                  | 1.45             | 1.56                  | 0.69                |
| Total              | -                     | -                | 1.70                  | 1.00                |

**Sources:** *Statistics South Africa – GDP, 2016*

*IHS Markit - ReX, October 2016*

*Statistics South Africa – QLFS, 2016*

### 1.7.9 Tourism

Because tourism is not a clearly defined industry in the SIC, it was therefore the first economic activity to use Satellite Account<sup>1</sup> standards to measure its impact on national economies – as approved by the United Nations (UN) in March 2000. According to Statistics South Africa's Tourism Satellite Account (TSA), the national tourism sector was simulated to have contributed some 3.1 percent to GDP in 2015. Some 711 746 persons were directly engaged in producing goods and services purchased by visitors, which accounted for 4.5 percent of total employment in 2015.

The current lack of sufficient baseline data of tourism supply on a provincial level makes an assessment of the supply side, and therefore a similar exercise such as the TSA for South Africa on a provincial basis, impossible. It is, however, possible to express tourism spend as a percentage of regional GDP in order to indicate how large an impact it makes and whether its contribution is growing. In terms of this indicator, tourism spend in 2001 was equal to 6.1 percent and 5.9 percent of South Africa and Mpumalanga's GDP, respectively. By 2015, tourism spend in South Africa decreased to 5.8 percent of GDP, whilst in Mpumalanga it

<sup>1</sup> A Satellite Account is a term developed by the UN to measure the size of economic sectors that are not defined as industries in national accounts.

increased to 6.4 percent of the provincial GDP. Among the nine provinces, Western Cape (10.2 percent) registered the largest tourism spend to GDP share (Table 1.27).

**Table 1.27: Tourism spend in South Africa and provinces, 2015**

| Province      | Total tourism spend<br>R-million | Tourism spend as % of GDP (current<br>prices) |
|---------------|----------------------------------|---|
| Western Cape  | 55 968                           | 10.2%   |
| Eastern Cape  | 11 733                           | 3.8%  |
| Northern Cape | 3 426                            | 4.1%  |
| Free State    | 9 520                            | 4.9%  |
| KwaZulu-Natal | 41 214                           | 6.3%  |
| North West    | 11 189                           | 4.7%  |
| Gauteng       | 58 178                           | 4.1%  |
| Mpumalanga    | 19 161                           | 6.4%  |
| Limpopo       | 23 729                           | 8.4%  |
| <b>Total</b>  | <b>234 118</b>                   | <b>5.8%</b>                                   |

**Source: IHS Markit – ReX, October 2016**

According to Tourism South Africa's 2015 *Annual Tourism Report*, Mpumalanga was the fourth most visited province by foreign visitors in 2015, with a share of 14.6 percent of total foreign arrivals visiting the province. This was up from 12.0 percent of total foreign arrivals in 2014. In 2015, Mpumalanga captured 10.6 percent of the total bed-nights spent by all foreign tourists in South Africa. This was lower than the 10.8 percent in 2014. Mpumalanga attracted 9 percent of domestic tourists in 2015.

#### **1.7.10 Inflation**

The most common way to measure inflation is by reference to a CPI, which measures the changes in prices of a basket of goods and services purchased by a representative set of households. Mpumalanga's average annual inflation rate for 2016 was 6.4 percent, which was equal to the average for South Africa as well as the joint fifth lowest overall.

In January 2017, Mpumalanga recorded an inflation measurement of 6.5 percent. Mpumalanga's inflation rate decreased from 6.9 percent in December 2016. The 6.5 percent was above the upper limit of the inflation target zone for the twelfth consecutive month. and higher than the national average in January 2017. Mpumalanga's inflation rate was slightly lower than the national rate for the first time since June 2016. Mpumalanga recorded the third lowest inflation measurement among the nine provinces in January 2017. The comparative percentage change in the CPI for South Africa and Mpumalanga from January 2003 to January 2017 is displayed in Figure 1.44.

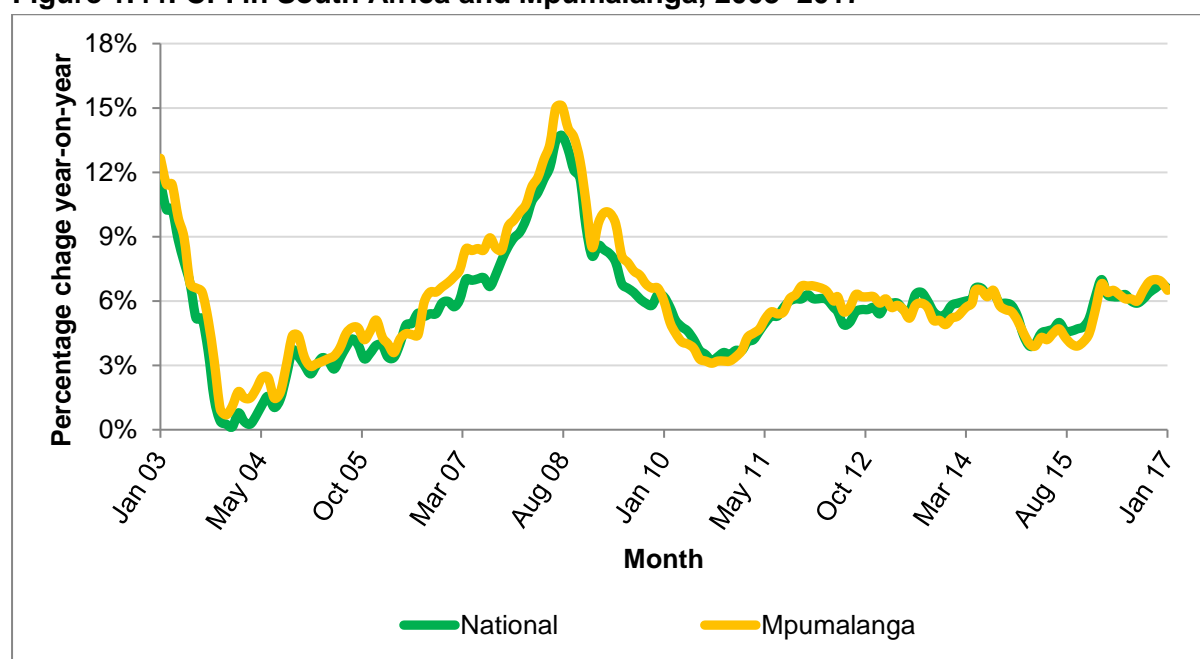
The main determinants of inflation in Mpumalanga based on their respective weightings, as provided in Table 1.28, are price changes in food and non-alcoholic beverages (FNAB), housing and utilities, transport as well as miscellaneous goods and services (MGS). These four broad determinants, in terms of the weighting, contribute more than 72 percent to the level of inflation and inflation movements in Mpumalanga.

It appears from Table 1.28, that the FNAB index was accountable for 43.7 percent of the average price increase in Mpumalanga during January 2017, whereas the transport index was responsible for 16.9 percent of the average price increase. The MGS index as well as the housing and utilities index were accountable for 14.6 percent and 8.3 percent, respectively.

When the impact of the more volatile FNAB and petrol prices are excluded from the consumer price index as in Figure 1.45, the underlying annual inflation amounted to

4.6 percent in January 2017. If electricity prices are also excluded from the calculation of headline CPI inflation, the resultant core inflation would have been 4.4 percent in January 2017.

**Figure 1.44: CPI in South Africa and Mpumalanga, 2003–2017**



**Source: Statistics South Africa – CPI, 2017**

**Table 1.28: Mpumalanga's CPI group indices, weights, percentage change & contribution to inflation, January 2017**

| Index description                | Weight | % change       |              | Estimated contribution to inflation |
|----------------------------------|--------|----------------|--------------|-------------------------------------|
|                                  |        | Month-on-month | Year-on-year |                                     |
| Food & non-alcoholic beverages   | 21.24  | +2.8           | +13.4        | 43.7%                               |
| Alcoholic beverages and tobacco  | 5.17   | +0.2           | +4.0         | 3.2%                                |
| Clothing and footwear            | 4.97   | +0.3           | +6.4         | 4.9%                                |
| Housing and utilities            | 20.08  | +0.5           | +2.7         | 8.3%                                |
| Household contents and services  | 3.69   | +0.2           | +4.2         | 2.4%                                |
| Health                           | 0.55   | +0.0           | +7.1         | 0.6%                                |
| Transport                        | 18.71  | +1.1           | +5.9         | 16.9%                               |
| Communication                    | 2.59   | +0.0           | -0.3         | -0.1%                               |
| Recreation and culture           | 5.14   | +0.1           | +1.5         | 1.2%                                |
| Education                        | 1.84   | +0.1           | +5.9         | 1.7%                                |
| Restaurants and hotels           | 3.83   | +0.2           | +4.7         | 2.8%                                |
| Miscellaneous goods and services | 12.19  | +1.0           | +7.8         | 14.6%                               |
| All items                        | 100.0  | +0.6           | +6.5         | 100.0%                              |

**Source: Statistics South Africa – CPI Additional Tables, 2017**

## 1.8 INTERNATIONAL TRADE

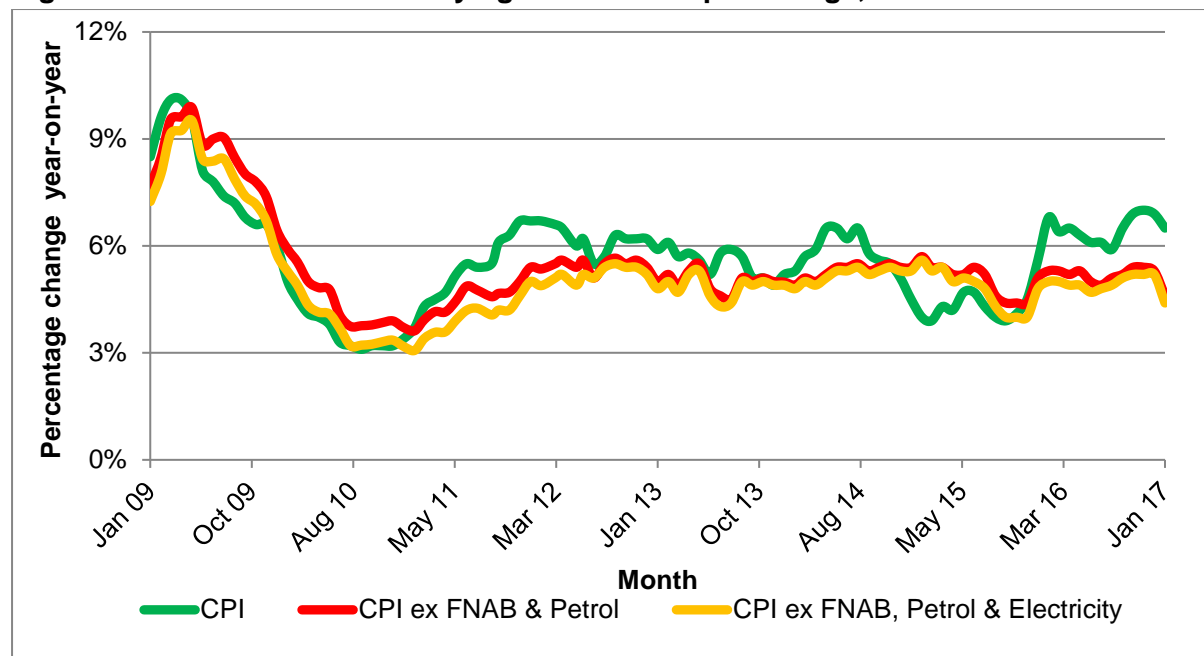
Mpumalanga's contribution to total national trade was 1.2 percent in 2015, unchanged from the 1.2 percent contribution in 1996. The two leading provinces, in terms of total trade contribution in 2015, were Gauteng with a share of 63.8 percent and Western Cape (15.1 percent). Mpumalanga contributed 1.8 percent and 0.6 percent to national exports and national imports, respectively.

Mpumalanga recorded vigorous average annual growth in terms of exports (11.5 percent)



and imports (11.9 percent) from 1996 to 2014. The province's exports grew at the same pace as the national exports and slightly slower than national imports at 12.3 percent. Mpumalanga occupied the sixth position in terms of export growth and the fourth position in terms of import growth.

**Figure 1.45: Measures of underlying inflation in Mpumalanga, 2009–2017**



**Source: Statistics South Africa – CPI Additional Tables, 2017**

Mpumalanga registered a positive trade balance of R12.6 billion in 2015, continuing the trend of exports exceeding imports since the start of the period under review in 1996. During the same period, the trade balance of South Africa fluctuated between positive and negative territory, finishing 2015 with a deficit of R34.5 billion. Mpumalanga was the province with the third highest positive trade balance in 2015 after North West and Limpopo.

Among the three districts, Ehlanzeni (46.1 percent) was the main contributor to provincial exports in 2015 followed by Nkangala and Gert Sibande with respective contributions of 25.8 percent and 28.1 percent (Table 1.29). Exports from Gert Sibande (19.3 percent) recorded the highest growth since 1996 and those from Nkangala the slowest (7.9 percent). Ehlanzeni attracted 42.2 percent of Mpumalanga's imports in 2015, followed by Nkangala and Gert Sibande. Imports flowing to Ehlanzeni recorded the highest growth rate (19.3 percent) over the 19-year period and those to Gert Sibande the lowest (7.7 percent).

**Table 1.29: Mpumalanga districts' contribution to provincial exports and imports, 2015**

| District     | Exports                  |                        | Imports                  |                        |
|--------------|--------------------------|------------------------|--------------------------|------------------------|
|              | Share of Mpumalanga 2015 | Growth per annum 96-15 | Share of Mpumalanga 2015 | Growth per annum 96-15 |
| Gert Sibande | 28.1%                    | 19.3%                  | 29.8%                    | 7.7%                   |
| Nkangala     | 25.8%                    | 7.9%                   | 28.1%                    | 12.3%                  |
| Ehlanzeni    | 46.1%                    | 11.9%                  | 42.2%                    | 19.3%                  |

**Source: IHS Markit – ReX, October 2016**

Among the three districts, Ehlanzeni recorded the largest positive trade balance of R6.1 billion in 2015, followed by Gert Sibande (R3.4 billion). Gert Sibande is the only district in Mpumalanga that, from time to time, records a negative trade balance.

## 1.9 CRIME RATES

Crime in South Africa occupies centre stage in the hearts and minds of the public. Unacceptably high levels of crime, especially serious and violent crimes, result in people in South Africa living in fear and feeling unsafe. It also impacts negatively on the country's economic development, undermines the wellbeing of people in the country and hinders their ability to achieve their potential.

Violent and property crimes decreased between 2011/12 and 2015/16 in South Africa as well as in Mpumalanga (Table 1.30). Over the same period, Western Cape recorded increases in the violent crimes index. Three provinces registered increases in the property crimes index. In 2015/16, Mpumalanga registered the second lowest violent crimes index and the fourth lowest property crimes index.

Some progress has been made in Mpumalanga in reducing the levels of most violent and property crimes between 2011/12 and 2015/16, however, increases were recorded in four of the selected crime categories, namely murder, burglary at business premises, shoplifting and drug-related crime (Table 1.31).

**Table 1.30: Violent and property crime indices in South Africa and provinces, 2011/12-2015/16**

| Provinces     | Violent crimes index<br>(weighted average/100 000 people) |              | Property crimes index<br>(weighted average/100 000 people) |               |
|---------------|---|--------------|--|---------------|
|               | 2011/12   | 2015/16      | 2011/12  | 2015/16       |
| Western Cape  | 136.29  | 151.84       | 381.19   | 373.18        |
| Eastern Cape  | 100.18  | 87.81        | 166.77   | 144.34        |
| Northern Cape | 138.44  | 135.51       | 193.57   | 209.97        |
| Free State    | 146.41  | 123.93       | 252.64   | 221.06        |
| KwaZulu-Natal | 87.52   | 77.58        | 174.29   | 163.91        |
| North-West    | 92.73   | 84.04        | 183.06   | 175.40        |
| Gauteng       | 108.93  | 105.73       | 263.90   | 236.98        |
| Mpumalanga    | 77.41   | 65.47        | 181.06   | 169.54        |
| Limpopo       | 60.03   | 59.78        | 115.84   | 121.30        |
| <b>Total</b>  | <b>100.52</b>   | <b>95.42</b> | <b>216.89</b>  | <b>203.61</b> |

**Source: IHS Markit – ReX, October 2016**

**Table 1.31: Crime rates (crimes/100 000 people) of selected crime categories in Mpumalanga, 2011/12-2015/16**

| Indicator                                 | 2011/12 | 2015/16 |
|---|---------|---------|
| <b>Violent crimes</b>                     |         |         |
| 1. Murder                                 | 18.2    | 20.3    |
| 2. Sexual crimes                          | 99.28   | 78.7    |
| 3. Neglect & ill-treatment of children    | 3.4     | -       |
| 4. Assault with intent                    | 326.8   | 268.3   |
| 5. Common assault                         | 230.5   | 180.7   |
| 6. Robbery with aggravating circumstances | 142.5   | 141.8   |
| 7. Common robbery                         | 83.4    | 64.9    |
| <b>Property crimes</b>                    |         |         |
| 8. Commercial crime                       | 135.6   | 111.7   |
| 9. Burglary at business premises          | 137.2   | 142.0   |
| 10. Burglary at residential premises      | 454.3   | 428.8   |
| 11. Theft of motor vehicles               | 67.8    | 52.4    |
| 12. Stock-theft                           | 62.3    | 55.1    |
| 13. Shoplifting                           | 80.1    | 80.2    |
| 14. Drug-related crime                    | 103.7   | 231.7   |

**Source: IHS Markit – ReX, October 2016**

## 2. BUDGET STRATEGY AND AGGREGATES

### 2.1 Introduction

The 2017 MTEF budget is tabled under difficult economic situation in which resources in government, in all spheres of government have become very scarce due to the low growth in the economy of the Country.

The Premier in his State of the Province announced a number of initiatives in order to address issues of unemployment, poverty and inequality. Departments are called on to shift funds from consumption to investments. This could be evidenced by increased infrastructure budgets as compared to the previous years in improving especially health and education facilities as well as basic services in schools. Roads infrastructure is also given attention. More funds have been invested in the coal haulage projects, which is of national importance.

The Premier has emphasised the importance of addressing targets set out in National Development Plan, such as creating work opportunities. At the same time there are plans to release funds from consumption to investments. There are plans to establish transversal contracts that will set-up acceptable levels of prices that could be acceptable in the Province to reduce wastage that has been observed in the different sectors of Government.

During the Executive Council Lekgotla held in February 2017, departments presented their plans for the 2017 MTEF period and direction was provided by the Executive Council Lekgotla on services that are to be delivered by different sector departments.

The Province is placing more emphasis on development of Mpumalanga community by providing bursaries for both employees and non-employees. The bigger part in this provision is made for the non-employees in an attempt to relieve the needy families in funding their kids at tertiary institutions.

### 2.2 Summary of budget aggregates

**Table 1.6: Provincial budget summary**

| R thousand                                | Outcome           |                   |                   | Main appropriation | Adjusted appropriation 2016/17 | Revised estimate  | Medium-term estimates |                   |                   |
|---|-------------------|-------------------|-------------------|--------------------|--------------------------------|-------------------|-----------------------|-------------------|-------------------|
|   | 2013/14           | 2014/15           | 2015/16           |                    |                                |                   | 2017/18               | 2018/19           | 2019/20           |
| <b>Provincial receipts</b>                |                   |                   |                   |                    |                                |                   |                       |                   |                   |
| Transfer receipts from national           | 33 157 580        | 35 798 918        | 38 158 313        | 40 436 539         | 40 839 744                     | 40 839 744        | 43 264 220            | 45 427 017        | 48 627 503        |
| Equitable share                           | 27 360 539        | 29 396 392        | 31 336 643        | 33 449 947         | 33 794 139                     | 33 794 139        | 36 081 680            | 38 488 634        | 41 214 352        |
| Conditional grants                        | 5 797 041         | 6 402 526         | 6 821 670         | 6 986 592          | 7 045 605                      | 7 045 605         | 7 182 540             | 6 938 383         | 7 413 151         |
| Provincial own receipts                   | 689 753           | 702 727           | 821 638           | 864 798            | 864 798                        | 864 797           | 1 180 947             | 1 237 489         | 1 307 978         |
| <b>Total provincial receipts</b>          | <b>33 847 333</b> | <b>36 501 645</b> | <b>38 979 951</b> | <b>41 301 337</b>  | <b>41 704 542</b>              | <b>41 704 541</b> | <b>44 445 167</b>     | <b>46 664 506</b> | <b>49 935 481</b> |
| <b>Provincial payments</b>                |                   |                   |                   |                    |                                |                   |                       |                   |                   |
| Current payments                          | 26 727 986        | 28 479 368        | 30 647 530        | 32 437 049         | 32 610 313                     | 32 794 022        | 35 059 254            | 37 397 332        | 39 868 921        |
| Transfers and subsidies                   | 3 912 393         | 4 663 835         | 5 134 522         | 5 462 793          | 5 639 136                      | 5 737 923         | 5 516 273             | 5 851 398         | 5 897 768         |
| Payments for capital assets               | 2 768 001         | 2 986 689         | 3 534 620         | 3 401 495          | 3 455 093                      | 3 438 289         | 3 961 348             | 3 412 936         | 3 580 135         |
| Payments for financial assets             | 2 553             | 28 521            | 2 295             | -                  | -                              | 62                | -                     | -                 | -                 |
| Unallocated contingency reserve           |                   |                   |                   |                    |                                |                   |                       |                   |                   |
| <b>Total provincial payments</b>          | <b>33 410 933</b> | <b>36 158 413</b> | <b>39 318 967</b> | <b>41 301 337</b>  | <b>41 704 542</b>              | <b>41 970 296</b> | <b>44 536 875</b>     | <b>46 661 666</b> | <b>49 346 824</b> |
| <b>Surplus/(deficit) before financing</b> | <b>436 400</b>    | <b>343 232</b>    | <b>(339 016)</b>  | <b>-</b>           | <b>-</b>                       | <b>(265 755)</b>  | <b>(91 708)</b>       | <b>2 839</b>      | <b>588 657</b>    |
| <b>Financing</b>                          |                   |                   |                   |                    |                                |                   |                       |                   |                   |
| Provincial roll-overs                     | 65 160            | 177 271           | 229 137           |                    |                                |                   | 91 200                |                   |                   |
| Provincial cash reserves                  | 272 997           | 349 319           | 453 020           |                    |                                |                   |                       |                   |                   |
| Donor Funding                             | 25                | 40 000            | 29 219            |                    |                                |                   |                       |                   |                   |
| Other (Specify)                           |                   |                   |                   |                    |                                |                   |                       |                   |                   |
| <b>Surplus/(deficit) after financing</b>  | <b>774 582</b>    | <b>909 822</b>    | <b>372 360</b>    | <b>-</b>           | <b>-</b>                       | <b>(265 755)</b>  | <b>(508)</b>          | <b>2 839</b>      | <b>588 657</b>    |

The above table indicates provincial receipts, payments and budget and surplus is only reflected in the outer year for allocation later during the MTEF period. The numbers included in 2016/17 under the revised estimates column refer to the estimated actual position, which includes the actual expenditure and collection as at 31 December and projected expenditure up to 31 March.

### 3. BUDGET PROCESS AND THE MEDIUM-TERM EXPENDITURE FRAMEWORK (MTEF)

Departments began their budget process in July 2016 in which period they had sessions to review their plans. Budgets were reviewed by Provincial Treasury and feedback provided to departments. In October 2016 Medium Term Expenditure Committee sessions were conducted with all votes to assess their budgets comparing their 2015/16 outcomes, reviewing their 2016/17 financial performance and 2017/18 estimates. Recommendations were made to each Vote to improve their budgets.

In February 2017 an Executive Council Lekgotla was held in which each sector presented their plans on their deliverables in the 2017 MTEF period.

### 4. RECEIPTS

#### 4.1 Overall position

The above table reflects all receipts by the Province, including Equitable Share, conditional grants as well as provincial own receipts. The prominent improvement in the revenue estimates is to be realised in motor vehicle licences. This was as a result of the Province taking a decision to take over this function from some municipalities that defaulted in transferring this revenue to the Province.

| R thousand  | Outcome           |                   |                   | Main appropriation | Adjusted appropriation 2016/17 | Revised estimate  | Medium-term estimates |                   |                   |
|---|-------------------|-------------------|-------------------|--------------------|--------------------------------|-------------------|-----------------------|-------------------|-------------------|
|   | 2013/14           | 2014/15           | 2015/16           |                    |                                |                   | 2017/18               | 2018/19           | 2019/20           |
| <b>Transfer receipts from National</b>                |                   |                   |                   |                    |                                |                   |                       |                   |                   |
| Equitable share                                       | 27 397 015        | 29 477 481        | 31 727 029        | 33 449 947         | 33 794 139                     | 33 845 951        | 36 081 680            | 38 488 634        | 40 627 826        |
| Conditional grants                                    | 5 688 466         | 6 331 537         | 6 851 055         | 6 986 592          | 7 024 421                      | 7 045 605         | 7 182 540             | 6 938 383         | 7 413 150         |
| <b>Total transfer receipts from National</b>          | <b>33 085 481</b> | <b>35 809 018</b> | <b>38 578 084</b> | <b>40 436 539</b>  | <b>40 818 560</b>              | <b>40 891 556</b> | <b>43 264 220</b>     | <b>45 427 017</b> | <b>48 040 976</b> |
| <b>Provincial own receipts</b>                        |                   |                   |                   |                    |                                |                   |                       |                   |                   |
| Tax receipts  | 491 715           | 453 462           | 510 696           | 538 491            | 538 491                        | 530 800           | 821 401               | 862 997           | 914 465           |
| Casino taxes  | 64 048            | 72 006            | 75 608            | 79 388             | 79 388                         | 77 296            | 83 357                | 88 192            | 93 484            |
| Horse racing taxes                                    | 9 947             | 7 936             | 8 332             | 9 176              | 9 176                          | 16 349            | 9 635                 | 10 193            | 10 805            |
| Liquor licences                                       | 2 112             | 2 218             | 17 861            | 19 361             | 19 361                         | 6 589             | 8 409                 | 8 612             | 8 816             |
| Motor vehicle licences                                | 415 608           | 371 302           | 408 895           | 430 566            | 430 566                        | 430 566           | 720 000               | 756 000           | 801 360           |
| Sales of goods and services other than capital assets | 127 684           | 121 479           | 116 610           | 125 017            | 125 017                        | 129 609           | 146 125               | 153 222           | 161 523           |
| Transfers received                                    | -                 | -                 | 1 049             | -                  | -                              | 12                | -                     | -                 | -                 |
| Fines, penalties and forfeits                         | 32 475            | 63 674            | 90 254            | 90 175             | 90 175                         | 88 926            | 70 321                | 73 687            | 78 062            |
| Interest, dividends and rent on land                  | 76 261            | 98 806            | 92 690            | 94 022             | 94 022                         | 129 965           | 128 951               | 132 328           | 138 053           |
| Sales of capital assets                               | 11 925            | 3 758             | 6 113             | 4 561              | 4 561                          | 3 611             | 4 710                 | 5 070             | 5 544             |
| Financial transactions in assets and liabilities      | 31 214            | 13 671            | 18 349            | 12 531             | 12 531                         | 14 562            | 9 438                 | 10 185            | 10 331            |
| <b>Total provincial own receipts</b>                  | <b>771 274</b>    | <b>754 850</b>    | <b>835 761</b>    | <b>864 798</b>     | <b>864 798</b>                 | <b>897 485</b>    | <b>1 180 947</b>      | <b>1 237 489</b>  | <b>1 307 978</b>  |
| <b>Other funding</b>                                  | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>           | <b>-</b>                       | <b>-</b>          | <b>-</b>              | <b>-</b>          | <b>-</b>          |
| <b>Total provincial receipts</b>                      | <b>33 856 755</b> | <b>36 563 868</b> | <b>39 413 845</b> | <b>41 301 337</b>  | <b>41 683 358</b>              | <b>41 789 041</b> | <b>44 445 167</b>     | <b>46 664 506</b> | <b>49 348 954</b> |

#### 4.2 Equitable share

| <b>Table 1.7(a): Summary of provincial equitable share by Vote</b> |                   |                   |                   |                           |   |                         |                              |                   |                   |
|--|-------------------|-------------------|-------------------|---------------------------|---|-------------------------|------------------------------|-------------------|-------------------|
| <b>R thousand</b>  | <b>Outcome</b>    |                   |                   | <b>Main appropriation</b> | <b>Adjusted appropriation<br/>2016/17</b> | <b>Revised estimate</b> | <b>Medium-term estimates</b> |                   |                   |
|  | <b>2013/14</b>    | <b>2014/15</b>    | <b>2015/16</b>    |                           |   |                         | <b>2017/18</b>               | <b>2018/19</b>    | <b>2019/20</b>    |
| Vote 01: Office of the Premier                                     | 278 427           | 216 820           | 267 649           | 245 071                   | 263 071                                   | 263 071                 | 289 769                      | 280 472           | 293 712           |
| Vote 02: Provincial Legislature                                    | 215 656           | 254 937           | 282 383           | 258 847                   | 282 966                                   | 282 966                 | 275 802                      | 304 326           | 309 577           |
| Vote 03: Provincial Treasury                                       | 255 005           | 258 108           | 269 386           | 278 211                   | 278 211                                   | 278 211                 | 280 919                      | 302 460           | 316 191           |
| Vote 04: Co-operative Governance and Traditional Affairs           | 425 709           | 478 622           | 473 659           | 495 344                   | 613 844                                   | 613 844                 | 447 044                      | 468 627           | 489 719           |
| Vote 05: Agriculture, Rural Development, Land and Environment      | 746 617           | 767 575           | 776 586           | 742 160                   | 742 160                                   | 742 160                 | 906 928                      | 950 716           | 993 505           |
| Vote 06: Economic Development and Tourism                          | 830 678           | 760 732           | 796 343           | 990 231                   | 998 231                                   | 998 231                 | 1 126 572                    | 1 179 612         | 1 236 351         |
| Vote 07: Education   | 13 132 758        | 14 002 624        | 15 404 319        | 16 234 327                | 16 242 595                                | 16 242 595              | 17 647 785                   | 19 151 658        | 20 230 266        |
| Vote 08: Public Works, Roads and Transport                         | 1 975 200         | 2 081 000         | 2 135 144         | 2 409 885                 | 2 362 682                                 | 2 362 682               | 2 417 879                    | 2 552 698         | 2 667 745         |
| Vote 09: Community Safety, Security and Liaison                    | 1 103 729         | 1 098 349         | 1 199 254         | 1 030 146                 | 1 142 535                                 | 1 142 137               | 1 062 462                    | 1 114 753         | 1 165 844         |
| Vote 10: Health  | 6 806 164         | 7 523 357         | 8 120 059         | 8 628 677                 | 8 571 677                                 | 8 571 677               | 9 710 239                    | 10 172 792        | 10 823 945        |
| Vote 11: Culture, Sport and Recreation                             | 253 270           | 275 941           | 246 180           | 242 687                   | 262 687                                   | 262 687                 | 297 020                      | 311 360           | 325 373           |
| Vote 12: Social Development  | 1 169 633         | 1 214 297         | 1 275 424         | 1 388 910                 | 1 370 285                                 | 1 370 285               | 1 368 953                    | 1 436 780         | 1 501 425         |
| Vote 13: Human Settlements   | 204 169           | 545 119           | 480 643           | 505 451                   | 663 195                                   | 715 405                 | 250 308                      | 262 380           | 274 173           |
| <b>Total provincial own receipts by Vote</b>                       | <b>27 397 015</b> | <b>29 477 481</b> | <b>31 727 029</b> | <b>33 449 947</b>         | <b>33 794 139</b>                         | <b>33 845 951</b>       | <b>36 081 680</b>            | <b>38 488 634</b> | <b>40 627 826</b> |

The equitable share from National Government is reflected in this table. There has been slight decrease from 2016/17 baseline for 2017 MTEF period as a result of the shrinking revenue in the national fiscus and as such the nominal and percentage increase from 2016/17 to 2017/18 and over the MTEF is below inflation rate.

## 4.3 Conditional grants

| R thousand   | Outcome          |                  |                  | Main appropriation | Adjusted appropriation 2016/17 | Revised estimate | Medium-term estimates |                  |                  |
|--|------------------|------------------|------------------|--------------------|--------------------------------|------------------|-----------------------|------------------|------------------|
|  | 2013/14          | 2014/15          | 2015/16          |                    |                                |                  | 2017/18               | 2018/19          | 2019/20          |
| <b>Vote 04: Co-operative Governance and Traditional Affairs</b>                | -                | 2 000            | 2 633            | 2 762              | 2 762                          | 2 762            | 2 000                 | -                | -                |
| Expanded Public Works Programme Incentive Grant for Provinces                  | -                | 2 000            | 2 633            | 2 762              | 2 762                          | 2 762            | 2 000                 | -                | -                |
| <b>Vote 05: Agriculture, Rural Development, Land and Environmental Affairs</b> | 190 699          | 213 951          | 226 038          | 231 973            | 231 973                        | 231 973          | 217 873               | 228 129          | 256 984          |
| Agricultural Disaster Management Grant   | -                | 14 700           | -                | -                  | -                              | -                | -                     | -                | -                |
| Comprehensive Agricultural Support Programme Grant                             | 130 986          | 135 810          | 169 684          | 172 414            | 172 414                        | 172 414          | 155 447               | 162 907          | 187 902          |
| Ilma/Letsame Projects Grant  | 43 845           | 46 062           | 46 270           | 49 136             | 49 136                         | 49 136           | 52 213                | 58 242           | 61 504           |
| Land Care Programme Grant: Poverty Relief and Infrastructure Development       | 10 249           | 6 105            | 5 948            | 6 208              | 6 208                          | 6 208            | 6 608                 | 6 980            | 7 578            |
| Expanded Public Works Programme Incentive Grant for Provinces                  | 5 619            | 11 274           | 4 136            | 4 215              | 4 215                          | 4 215            | 3 605                 | -                | -                |
| <b>Vote 06: Economic Development and Tourism</b>                               | 1 431            | 3 561            | 3 138            | 3 911              | 3 911                          | 3 911            | 3 505                 | -                | -                |
| Expanded Public Works Programme Incentive Grant for Provinces                  | 1 431            | 3 561            | 3 138            | 3 911              | 3 911                          | 3 911            | 3 505                 | -                | -                |
| <b>Vote 07: Education</b>  | 1 090 779        | 1 217 553        | 1 473 456        | 1 442 126          | 1 454 362                      | 1 454 362        | 1 443 601             | 1 526 470        | 1 612 275        |
| Dinaledi Schools Grant   | 9 675            | 10 228           | -                | -                  | -                              | -                | -                     | -                | -                |
| Education Infrastructure Grant   | 536 370          | 623 602          | 857 247          | 788 153            | 792 655                        | 792 655          | 750 184               | 782 861          | 826 701          |
| HIV and Aids (Life Skills Education) Grant                                     | 18 015           | 19 404           | 19 631           | 18 798             | 19 342                         | 19 342           | 20 102                | 21 267           | 22 458           |
| National School Nutrition Programme Grant                                      | 496 661          | 524 913          | 545 910          | 574 843            | 582 033                        | 582 033          | 615 071               | 651 036          | 683 588          |
| Occupation Specific Dispensation for Education Sector Therapists Grant         | -                | 1 072            | 337              | -                  | -                              | -                | -                     | -                | -                |
| Technical Secondary Schools Recapitalisation Grant                             | 27 058           | 28 682           | -                | -                  | -                              | -                | -                     | -                | -                |
| Maths, Science and Technology Grant  | -                | -                | 39 136           | 41 639             | 41 639                         | 41 639           | 39 756                | 39 984           | 42 243           |
| Learners with Profound Intellectual Disabilities Grant                         | -                | -                | -                | -                  | -                              | -                | 12 883                | 31 322           | 37 285           |
| Expanded Public Works Programme Incentive Grant for Provinces                  | 3 000            | 3 340            | 2 453            | 3 066              | 3 066                          | 3 066            | 2 597                 | -                | -                |
| Social Sector Expanded Public Works Programme Incentive Grant for Provinces    | -                | 6 312            | 8 742            | 15 627             | 15 627                         | 15 627           | 3 008                 | -                | -                |
| <b>Vote 08: Public Works, Roads and Transport</b>                              | 1 973 010        | 2 134 806        | 2 237 728        | 2 208 501          | 2 208 501                      | 2 208 501        | 2 059 932             | 1 502 157        | 1 599 923        |
| Expanded Public Works Programme Incentive Grant for Provinces                  | 20 691           | 12 798           | 16 038           | 20 504             | 20 504                         | 20 504           | 16 729                | -                | -                |
| Provincial Roads Maintenance Grant   | 1 489 393        | 1 630 590        | 1 719 418        | 1 638 865          | 1 638 865                      | 1 638 865        | 1 461 269             | 893 029          | 956 684          |
| Public Transport Operations Grant  | 462 926          | 491 418          | 502 272          | 549 132            | 549 132                        | 549 132          | 581 934               | 609 128          | 643 239          |
| <b>Vote 09: Community Safety, Security and Liaison</b>                         | 819              | 2 580            | 1 000            | 4 307              | 4 307                          | 4 307            | 1 482                 | -                | -                |
| Social Sector Expanded Public Works Programme Incentive Grant for Provinces    | 819              | 2 580            | 1 000            | 4 307              | 4 307                          | 4 307            | 1 482                 | -                | -                |
| <b>Vote 10: Health</b>   | 1 186 647        | 1 367 865        | 1 422 915        | 1 531 329          | 1 531 329                      | 1 552 513        | 1 774 305             | 1 938 033        | 2 110 365        |
| Comprehensive HIV and Aids Grant   | 690 591          | 818 836          | 927 214          | 1 032 055          | 1 032 055                      | 1 032 055        | 1 188 073             | 1 349 924        | 1 489 344        |
| Hospital Facility Revitalisation Grant   | 306 433          | 343 509          | 287 942          | 281 174            | 281 174                        | 289 730          | 325 617               | 339 676          | 358 696          |
| Health Professions Training and Development Grant                              | 89 894           | 95 288           | 97 460           | 101 646            | 101 646                        | 101 646          | 108 014               | 114 279          | 120 678          |
| National Tertiary Services Grant   | 91 879           | 97 116           | 99 311           | 103 597            | 103 597                        | 114 451          | 110 103               | 116 489          | 122 993          |
| National Health Insurance Grant  | 4 850            | 7 000            | 7 206            | 7 546              | 7 546                          | 9 320            | -                     | -                | -                |
| Human Papillomavirus Vaccine Grant   | -                | -                | -                | -                  | -                              | -                | -                     | 17 665           | 18 654           |
| Expanded Public Works Programme Incentive Grant for Provinces                  | 3 000            | 2 732            | 2 264            | 2 311              | 2 311                          | 2 311            | 2 000                 | -                | -                |
| Social Sector Expanded Public Works Programme Incentive Grant for Provinces    | -                | 3 384            | 1 518            | 3 000              | 3 000                          | 3 000            | 40 498                | -                | -                |
| <b>Vote 11: Culture, Sport and Recreation</b>                                  | 118 985          | 166 519          | 197 711          | 209 220            | 234 813                        | 234 813          | 214 212               | 222 546          | 234 714          |
| Community Library Services Grant   | 72 521           | 114 781          | 150 325          | 155 289            | 183 182                        | 183 182          | 162 777               | 171 804          | 181 167          |
| Expanded Public Works Programme Incentive Grant for Provinces                  | 550              | 2 199            | 2 148            | 2 000              | 2 000                          | 2 000            | 2 000                 | -                | -                |
| Social Sector Expanded Public Works Programme Incentive Grant for Provinces    | 1 142            | 2 580            | 1 199            | 2 888              | 2 888                          | 2 888            | 3 083                 | -                | -                |
| Mass Participation and Sport Development Grant                                 | 44 772           | 46 959           | 44 039           | 49 043             | 46 743                         | 46 743           | 46 352                | 50 742           | 53 547           |
| <b>Vote 12: Social Development</b>   | -                | 6 012            | 19 274           | 35 806             | 35 806                         | 35 806           | 69 856                | 56 166           | 59 705           |
| Expanded Public Works Programme Incentive Grant for Provinces                  | -                | 2 024            | 2 000            | 2 074              | 2 074                          | 2 074            | 2 000                 | -                | -                |
| Social Sector Expanded Public Works Programme Incentive Grant for Provinces    | -                | 3 988            | 17 274           | 33 732             | 33 732                         | 33 732           | 27 109                | -                | -                |
| Early Childhood Development Grant  | -                | -                | -                | -                  | -                              | -                | 25 799                | 39 989           | 42 223           |
| Social Workers Employment Grant  | -                | -                | -                | -                  | -                              | -                | 14 948                | 16 177           | 17 482           |
| <b>Vote 13: Human Settlements</b>  | 1 126 096        | 1 216 690        | 1 267 162        | 1 316 657          | 1 316 657                      | 1 316 657        | 1 395 774             | 1 464 882        | 1 539 184        |
| Human Settlements Development Grant  | 1 126 096        | 1 216 690        | 1 267 162        | 1 314 645          | 1 314 645                      | 1 314 645        | 1 395 774             | 1 464 882        | 1 539 184        |
| Expanded Public Works Programme Incentive Grant for Provinces                  | -                | -                | 2 000            | 2 012              | 2 012                          | 2 012            | -                     | -                | -                |
| <b>Total conditional grants</b>  | <b>5 688 466</b> | <b>6 331 537</b> | <b>6 851 055</b> | <b>6 986 592</b>   | <b>7 024 421</b>               | <b>7 045 605</b> | <b>7 182 540</b>      | <b>6 938 383</b> | <b>7 413 150</b> |

The table includes the following three new conditional grants:

- Learners with Profound Intellectual Disabilities Grant in education sector to provide the necessary support, resources and equipment to identified care centres and schools for the provision of education to children with severe to profound intellectual disabilities (SPID)
- Early Childhood Development Grant for Social development sector to increase the number of poor children accessing subsidised ECD services through partial care facilities and to assist existing conditionally registered partial care facilities providing an ECD programme to meet basic requirements in order to attain full registration, and
- Social Worker Employment Grant to reduce the backlog in the number of social work graduates that remain unemployed.

## 4.4 Total provincial own receipts (own revenue)

**Table 1.9: Summary of provincial own receipts by Vote**

| R thousand  | Outcome        |                |                | Main appropriation | Adjusted appropriation 2016/17 | Revised estimate | Medium-term estimates |                  |                  |
|---|----------------|----------------|----------------|--------------------|--------------------------------|------------------|-----------------------|------------------|------------------|
|   | 2013/14        | 2014/15        | 2015/16        |                    |                                |                  | 2017/18               | 2018/19          | 2019/20          |
| Vote 01: Office of the Premier                                  | 1 937          | 816            | 961            | 480                | 480                            | 591              | 495                   | 524              | 553              |
| Vote 02: Provincial Legislature                                 | 1 090          | 956            | 1 674          | 1 289              | 1 289                          | 2 160            | 1 354                 | 1 432            | 1 512            |
| Vote 03: Provincial Treasury                                    | 60 921         | 68 226         | 56 199         | 59 571             | 59 571                         | 89 854           | 112 722               | 114 808          | 119 549          |
| Vote 04: Co-operative Governance and Traditional Affairs        | 1 464          | 1 464          | 2 072          | 1 406              | 1 406                          | 1 406            | 1 478                 | 1 564            | 1 564            |
| Vote 05: Agriculture, Rural Development, Land and Environmental | 6 010          | 3 607          | 17 821         | 4 339              | 4 339                          | 5 908            | 3 641                 | 3 674            | 3 880            |
| Vote 06: Economic Development and Tourism                       | 79 300         | 83 963         | 103 706        | 109 495            | 109 495                        | 102 915          | 103 049               | 108 741          | 115 153          |
| Vote 07: Education  | 29 752         | 27 048         | 24 282         | 25 570             | 25 570                         | 25 570           | 26 394                | 28 305           | 28 992           |
| Vote 08: Public Works, Roads and Transport                      | 23 970         | 21 357         | 22 346         | 23 531             | 23 531                         | 27 676           | 24 708                | 25 114           | 26 520           |
| Vote 09: Community Safety, Security and Liaison                 | 487 372        | 470 683        | 535 683        | 562 776            | 562 776                        | 562 776          | 826 391               | 867 711          | 919 773          |
| Vote 10: Health   | 70 762         | 70 662         | 63 215         | 70 470             | 70 470                         | 70 470           | 74 628                | 79 034           | 83 458           |
| Vote 11: Culture, Sport and Recreation                          | 1 816          | 1 115          | 2 717          | 1 370              | 1 370                          | 1 641            | 1 438                 | 1 522            | 1 607            |
| Vote 12: Social Development                                     | 3 330          | 2 775          | 2 973          | 2 203              | 2 203                          | 2 203            | 2 313                 | 2 447            | 2 584            |
| Vote 13: Human Settlements                                      | 3 550          | 2 178          | 2 112          | 2 298              | 2 298                          | 4 315            | 2 335                 | 2 613            | 2 833            |
| <b>Total provincial own receipts by Vote</b>                    | <b>771 274</b> | <b>754 850</b> | <b>835 761</b> | <b>864 798</b>     | <b>864 798</b>                 | <b>897 485</b>   | <b>1 180 947</b>      | <b>1 237 489</b> | <b>1 307 978</b> |

The table above reflects an improved projections on revenue collection by the Department of Community Safety, Security and Liaison specifically on motor vehicle licences as a result of takeover of collection of this revenue from some municipalities that have been defaulting in transferring that revenue to the Province as well as the increases in the licence fees.

## 4.5 Donor funding

There are no reported donors currently.

## 5. PAYMENTS

### 5.1 Overall position

The Province is continuing with the moratorium on appointments of staff where there are vacancies. Professional employees are provided with priority in reviewing their replacement when they exit departments. The Province has shifted more funds to infrastructure in the 2017 MTEF to improve investments.

### 5.2 Payments by Vote

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

| R thousand  | Outcome           |                   |                   | Main appropriation | Adjusted appropriation 2016/17 | Revised estimate  | Medium-term estimates |                   |                   |
|---|-------------------|-------------------|-------------------|--------------------|--------------------------------|-------------------|-----------------------|-------------------|-------------------|
|   | 2013/14           | 2014/15           | 2015/16           |                    |                                |                   | 2017/18               | 2018/19           | 2019/20           |
| Vote 01: Office of the Premier                                    | 274 248           | 211 586           | 262 393           | 245 071            | 263 071                        | 263 071           | 289 769               | 280 472           | 293 712           |
| Vote 02: Provincial Legislature                                   | 250 877           | 288 670           | 295 621           | 298 360            | 322 479                        | 322 479           | 317 291               | 347 889           | 354 883           |
| Vote 03: Provincial Treasury                                      | 267 160           | 275 329           | 273 091           | 287 466            | 287 466                        | 285 582           | 289 945               | 311 941           | 326 050           |
| Vote 04: Co-operative Governance and Traditional Affairs          | 396 929           | 447 005           | 476 080           | 498 106            | 616 606                        | 616 606           | 510 044               | 490 866           | 513 203           |
| Vote 05: Agriculture, Rural Development, Land and Environmental A | 1 007 100         | 1 004 444         | 1 005 346         | 974 133            | 974 133                        | 974 133           | 1 124 801             | 1 178 845         | 1 250 489         |
| Vote 06: Economic Development and Tourism                         | 739 257           | 764 536           | 795 227           | 994 142            | 1 002 142                      | 1 000 349         | 1 130 077             | 1 179 612         | 1 236 351         |
| Vote 07: Education  | 14 653 069        | 15 674 968        | 17 098 289        | 17 916 783         | 17 937 287                     | 18 136 250        | 19 322 742            | 20 921 129        | 22 095 256        |
| Vote 08: Public Works, Roads and Transport                        | 3 947 153         | 4 241 161         | 4 390 245         | 4 647 031          | 4 599 828                      | 4 599 828         | 4 765 747             | 4 295 997         | 4 521 844         |
| Vote 09: Community Safety, Security and Liaison                   | 1 099 184         | 1 003 379         | 1 245 917         | 1 069 370          | 1 181 759                      | 1 181 361         | 1 153 099             | 1 211 932         | 1 267 850         |
| Vote 10: Health   | 8 046 982         | 8 858 526         | 10 080 392        | 10 642 144         | 10 606 328                     | 10 624 087        | 12 020 037            | 12 688 869        | 13 552 612        |
| Vote 11: Culture, Sport and Recreation                            | 373 622           | 411 103           | 423 084           | 451 907            | 497 500                        | 498 397           | 511 232               | 533 906           | 560 087           |
| Vote 12: Social Development                                       | 1 136 357         | 1 220 303         | 1 270 653         | 1 454 716          | 1 436 091                      | 1 436 091         | 1 456 009             | 1 492 946         | 1 561 130         |
| Vote 13: Human Settlements  | 1 218 995         | 1 757 403         | 1 702 629         | 1 822 108          | 1 979 852                      | 2 032 062         | 1 646 082             | 1 727 262         | 1 813 357         |
| <b>Total provincial payments and estimates by Vote</b>            | <b>33 410 933</b> | <b>36 158 413</b> | <b>39 318 967</b> | <b>41 301 337</b>  | <b>41 704 542</b>              | <b>41 970 296</b> | <b>44 536 875</b>     | <b>46 661 666</b> | <b>49 346 824</b> |

### 5.3 Payments by economic classification

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

|   | Outcome           |                   |                   | Main appropriation | Adjusted appropriation | Revised estimate  | Medium-term estimates |                   |                   |
|---|-------------------|-------------------|-------------------|--------------------|------------------------|-------------------|-----------------------|-------------------|-------------------|
| R thousand  | 2013/14           | 2014/15           | 2015/16           |                    | 2016/17                |                   | 2017/18               | 2018/19           | 2019/20           |
| <b>Current payments</b>                             | <b>26 727 986</b> | <b>28 479 368</b> | <b>30 647 530</b> | <b>32 437 049</b>  | <b>32 610 313</b>      | <b>32 794 022</b> | <b>35 059 254</b>     | <b>37 397 332</b> | <b>39 868 921</b> |
| Compensation of employees                           | 19 704 426        | 21 233 017        | 22 836 945        | 24 558 156         | 24 577 990             | 24 744 752        | 27 073 799            | 28 833 522        | 30 907 410        |
| Goods and services                                  | 7 023 099         | 7 240 936         | 7 809 486         | 7 878 893          | 8 032 323              | 8 047 919         | 7 985 456             | 8 563 810         | 8 961 511         |
| Interest and rent on land                           | 461               | 5 415             | 1 099             | —                  | —                      | 1 351             | —                     | —                 | —                 |
| <b>Transfers and subsidies</b>                      | <b>3 912 393</b>  | <b>4 663 835</b>  | <b>5 134 522</b>  | <b>5 462 793</b>   | <b>5 639 136</b>       | <b>5 737 923</b>  | <b>5 516 273</b>      | <b>5 851 398</b>  | <b>5 897 768</b>  |
| Provinces and municipalities                        | 188 637           | 399 192           | 402 121           | 404 011            | 134 445                | 198 441           | 171 826               | 181 997           | 191 658           |
| Departmental agencies and accounts                  | 372 251           | 408 364           | 424 714           | 451 603            | 467 266                | 466 155           | 437 128               | 510 359           | 538 187           |
| Universities and technikons                         | —                 | —                 | —                 | —                  | —                      | —                 | —                     | —                 | —                 |
| Foreign governments and international organisations | —                 | —                 | —                 | —                  | —                      | —                 | —                     | —                 | —                 |
| Public corporations and private enterprises         | 668 923           | 709 877           | 734 974           | 963 898            | 967 024                | 967 024           | 1 079 584             | 1 141 058         | 1 200 286         |
| Non-profit institutions                             | 1 300 951         | 1 389 145         | 1 710 138         | 1 760 437          | 1 721 132              | 1 734 522         | 1 822 314             | 1 861 084         | 1 808 924         |
| Households  | 1 381 631         | 1 757 257         | 1 862 575         | 1 882 844          | 2 349 269              | 2 371 781         | 2 005 421             | 2 156 900         | 2 158 713         |
| <b>Payments of capital assets</b>                   | <b>2 768 001</b>  | <b>2 986 689</b>  | <b>3 534 620</b>  | <b>3 401 495</b>   | <b>3 455 093</b>       | <b>3 438 289</b>  | <b>3 961 348</b>      | <b>3 412 936</b>  | <b>3 580 135</b>  |
| Buildings and other fixed structures                | 2 507 640         | 2 589 051         | 3 093 792         | 3 088 672          | 3 062 374              | 3 055 024         | 3 629 209             | 3 127 593         | 3 240 310         |
| Machinery and equipment                             | 231 078           | 384 218           | 389 308           | 312 105            | 372 459                | 363 005           | 307 180               | 284 637           | 339 081           |
| Heritage assets                                     | —                 | —                 | 28 484            | —                  | —                      | —                 | —                     | —                 | —                 |
| Specialised military assets                         | —                 | —                 | —                 | —                  | —                      | —                 | —                     | —                 | —                 |
| Biological assets                                   | 50                | —                 | 28                | —                  | —                      | —                 | —                     | —                 | —                 |
| Land and sub-soil assets                            | 21 300            | —                 | 1 336             | —                  | —                      | —                 | —                     | —                 | —                 |
| Software and other intangible assets                | 7 933             | 13 420            | 21 672            | 718                | 20 260                 | 20 260            | 24 959                | 706               | 744               |
| <b>Payments for financial assets</b>                | <b>2 553</b>      | <b>28 521</b>     | <b>2 295</b>      | <b>—</b>           | <b>—</b>               | <b>62</b>         | <b>—</b>              | <b>—</b>          | <b>—</b>          |
| <b>Total economic classification</b>                | <b>33 410 933</b> | <b>36 158 413</b> | <b>39 318 967</b> | <b>41 301 337</b>  | <b>41 704 542</b>      | <b>41 970 296</b> | <b>44 536 875</b>     | <b>46 661 666</b> | <b>49 346 824</b> |

Table 1.11 (a): Summary of provincial compensation of employees by Vote

|   | Outcome           |                   |                   | Main appropriation | Adjusted appropriation | Revised estimate  | Medium-term estimates |                   |                   |
|---|-------------------|-------------------|-------------------|--------------------|------------------------|-------------------|-----------------------|-------------------|-------------------|
| R thousand  | 2013/14           | 2014/15           | 2015/16           |                    | 2016/17                |                   | 2017/18               | 2018/19           | 2019/20           |
| Vote 01: Office of the Premier                                  | 108 215           | 118 236           | 122 680           | 129 850            | 130 533                | 130 533           | 143 892               | 153 938           | 164 341           |
| Vote 02: Provincial Legislature                                 | 101 616           | 115 908           | 129 156           | 157 181            | 150 501                | 150 501           | 170 947               | 182 301           | 196 649           |
| Vote 03: Provincial Treasury                                    | 148 314           | 142 059           | 151 406           | 163 786            | 161 576                | 161 321           | 171 006               | 181 561           | 195 414           |
| Vote 04: Co-operative Governance and Traditional Affairs        | 294 397           | 319 399           | 341 176           | 368 919            | 360 266                | 360 266           | 378 677               | 405 164           | 436 691           |
| Vote 05: Agriculture, Rural Development, Land and Environmental | 500 535           | 498 615           | 514 929           | 563 231            | 549 728                | 549 728           | 609 517               | 657 560           | 707 622           |
| Vote 06: Economic Development and Tourism                       | 107 317           | 112 823           | 118 581           | 121 928            | 121 928                | 118 689           | 130 470               | 140 337           | 150 221           |
| Vote 07: Education  | 11 618 763        | 12 406 448        | 13 211 515        | 14 003 938         | 14 031 000             | 14 229 963        | 15 589 577            | 16 523 267        | 17 847 553        |
| Vote 08: Public Works, Roads and Transport                      | 804 836           | 839 217           | 877 477           | 973 250            | 948 229                | 925 890           | 1 013 078             | 1 104 827         | 1 191 256         |
| Vote 09: Community Safety, Security and Liaison                 | 336 397           | 366 644           | 398 808           | 422 181            | 463 620                | 461 583           | 498 107               | 542 325           | 579 172           |
| Vote 10: Health   | 4 970 826         | 5 516 897         | 6 102 017         | 6 722 932          | 6 722 932              | 6 719 097         | 7 329 114             | 7 847 371         | 8 286 825         |
| Vote 11: Culture, Sport and Recreation                          | 125 533           | 145 187           | 151 669           | 157 033            | 161 450                | 160 884           | 173 097               | 172 589           | 191 368           |
| Vote 12: Social Development                                     | 450 592           | 500 387           | 556 022           | 606 202            | 606 202                | 606 202           | 681 424               | 721 858           | 750 591           |
| Vote 13: Human Settlements                                      | 137 085           | 151 197           | 161 509           | 167 725            | 170 025                | 170 095           | 184 893               | 200 424           | 209 707           |
| <b>Total provincial payments and estimates by Vote</b>          | <b>19 704 426</b> | <b>21 233 017</b> | <b>22 836 945</b> | <b>24 558 156</b>  | <b>24 577 990</b>      | <b>24 744 752</b> | <b>27 073 799</b>     | <b>28 833 522</b> | <b>30 907 410</b> |

Table 1.11 (b): Summary of provincial goods and services by Vote

|   | Outcome          |                  |                  | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  |
|---|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| R thousand  | 2013/14          | 2014/15          | 2015/16          |                    | 2016/17                |                  | 2017/18               | 2018/19          | 2019/20          |
| Vote 01: Office of the Premier                                  | 152 628          | 84 032           | 125 757          | 105 048            | 101 203                | 100 937          | 116 277               | 117 044          | 119 350          |
| Vote 02: Provincial Legislature                                 | 110 798          | 130 287          | 99 972           | 97 273             | 101 420                | 101 420          | 101 451               | 103 564          | 101 577          |
| Vote 03: Provincial Treasury                                    | 110 151          | 123 550          | 107 028          | 119 457            | 110 929                | 109 297          | 112 409               | 126 103          | 126 150          |
| Vote 04: Co-operative Governance and Traditional Affairs        | 65 676           | 72 447           | 66 970           | 70 918             | 111 466                | 111 466          | 61 722                | 61 709           | 51 617           |
| Vote 05: Agriculture, Rural Development, Land and Environmental | 223 768          | 195 639          | 256 412          | 195 490            | 228 973                | 228 973          | 258 515               | 256 537          | 263 667          |
| Vote 06: Economic Development and Tourism                       | 57 879           | 89 845           | 77 619           | 69 448             | 62 398                 | 63 844           | 106 291               | 84 834           | 82 100           |
| Vote 07: Education  | 1 608 599        | 1 568 464        | 1 755 591        | 1 661 594          | 1 729 518              | 1 729 380        | 1 404 139             | 1 803 517        | 1 767 433        |
| Vote 08: Public Works, Roads and Transport                      | 1 283 696        | 1 414 320        | 1 469 124        | 1 585 679          | 1 470 679              | 1 470 679        | 1 801 424             | 1 838 172        | 1 911 220        |
| Vote 09: Community Safety, Security and Liaison                 | 730 701          | 541 394          | 567 863          | 520 151            | 600 624                | 616 032          | 632 143               | 647 137          | 665 013          |
| Vote 10: Health   | 2 243 510        | 2 639 473        | 2 902 264        | 3 042 240          | 3 073 988              | 3 075 515        | 2 990 076             | 3 113 938        | 3 414 318        |
| Vote 11: Culture, Sport and Recreation                          | 153 366          | 147 167          | 157 029          | 167 799            | 204 431                | 204 431          | 185 110               | 184 714          | 224 003          |
| Vote 12: Social Development                                     | 234 582          | 183 229          | 173 640          | 186 736            | 185 954                | 185 954          | 161 424               | 173 129          | 180 073          |
| Vote 13: Human Settlements                                      | 47 745           | 51 089           | 50 217           | 57 060             | 50 740                 | 49 991           | 54 475                | 53 412           | 54 990           |
| <b>Total provincial payments and estimates by Vote</b>          | <b>7 023 099</b> | <b>7 240 936</b> | <b>7 809 486</b> | <b>7 878 893</b>   | <b>8 032 323</b>       | <b>8 047 919</b> | <b>7 985 456</b>      | <b>8 563 810</b> | <b>8 961 511</b> |

Table 1.11 (d): Summary of provincial transfers and subsidies by Vote

|   | Outcome          |                  |                  | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  |
|---|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| R thousand  | 2013/14          | 2014/15          | 2015/16          |                    | 2016/17                |                  | 2017/18               | 2018/19          | 2019/20          |
| Vote 01: Office of the Premier                                  | 4 051            | 8 516            | 11 382           | 7 363              | 6 775                  | 6 775            | 6 950                 | 9 000            | 9 504            |
| Vote 02: Provincial Legislature                                 | 37 149           | 37 819           | 58 731           | 40 954             | 53 554                 | 53 554           | 42 948                | 60 496           | 55 044           |
| Vote 03: Provincial Treasury                                    | 3 860            | 6 646            | 3 580            | 1 261              | 2 887                  | 2 887            | 705                   | 602              | 605              |
| Vote 04: Co-operative Governance and Traditional Affairs        | 13 469           | 22 816           | 21 658           | 25 546             | 78 346                 | 78 346           | 28 465                | 23 544           | 24 830           |
| Vote 05: Agriculture, Rural Development, Land and Environmental | 225 314          | 230 798          | 195 018          | 194 163            | 150 300                | 150 300          | 235 800               | 234 424          | 247 181          |
| Vote 06: Economic Development and Tourism                       | 571 734          | 556 540          | 595 417          | 800 866            | 815 916                | 815 916          | 889 945               | 950 821          | 998 681          |
| Vote 07: Education  | 729 643          | 893 163          | 1 153 464        | 1 277 916          | 1 269 857              | 1 271 718        | 1 258 153             | 1 455 214        | 1 283 474        |
| Vote 08: Public Works, Roads and Transport                      | 621 689          | 642 975          | 687 569          | 718 902            | 718 999                | 741 338          | 793 862               | 837 880          | 882 597          |
| Vote 09: Community Safety, Security and Liaison                 | 2 327            | 2 986            | 2 637            | 2 776              | 3 276                  | 3 225            | 3 823                 | 3 006            | 3 173            |
| Vote 10: Health   | 278 279          | 264 468          | 479 149          | 298 307            | 272 876                | 294 470          | 335 280               | 303 144          | 320 119          |
| Vote 11: Culture, Sport and Recreation                          | 10 675           | 8 720            | 8 344            | 10 466             | 9 732                  | 10 492           | 10 199                | 10 615           | 11 210           |
| Vote 12: Social Development                                     | 394 792          | 453 208          | 441 177          | 494 749            | 499 589                | 499 589          | 510 526               | 493 815          | 517 989          |
| Vote 13: Human Settlements                                      | 1 019 411        | 1 535 180        | 1 476 396        | 1 589 524          | 1 757 029              | 1 809 313        | 1 399 617             | 1 468 837        | 1 543 361        |
| <b>Total provincial payments and estimates by Vote</b>          | <b>3 912 393</b> | <b>4 663 835</b> | <b>5 134 522</b> | <b>5 462 793</b>   | <b>5 639 136</b>       | <b>5 737 923</b> | <b>5 516 273</b>      | <b>5 851 398</b> | <b>5 897 768</b> |



Table 1.11 (e): Summary of provincial payments of capital assets by Vote

| R thousand  | Outcome          |                  |                  | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  |
|---|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
|   | 2013/14          | 2014/15          | 2015/16          |                    | 2016/17                |                  | 2017/18               | 2018/19          | 2019/20          |
| Vote 01: Office of the Premier                                  | 9 354            | 802              | 2 562            | 2 810              | 24 560                 | 24 826           | 22 650                | 490              | 517              |
| Vote 02: Provincial Legislature                                 | 1 314            | 4 656            | 7 500            | 2 952              | 17 004                 | 17 004           | 1 945                 | 1 528            | 1 613            |
| Vote 03: Provincial Treasury                                    | 4 835            | 3 070            | 11 065           | 2 962              | 12 074                 | 12 074           | 5 825                 | 3 675            | 3 881            |
| Vote 04: Co-operative Governance and Traditional Affairs        | 23 213           | 32 343           | 45 845           | 32 723             | 66 528                 | 66 528           | 41 180                | 449              | 65               |
| Vote 05: Agriculture, Rural Development, Land and Environmental | 57 352           | 78 705           | 38 987           | 21 249             | 45 132                 | 45 132           | 20 969                | 30 324           | 32 019           |
| Vote 06: Economic Development and Tourism                       | 2 319            | 5 328            | 3 610            | 1 900              | 1 900                  | 1 900            | 3 371                 | 3 620            | 5 349            |
| Vote 07: Education  | 695 932          | 780 092          | 977 693          | 973 335            | 906 912                | 905 166          | 1 070 873             | 1 139 131        | 1 196 796        |
| Vote 08: Public Works, Roads and Transport                      | 1 235 142        | 1 343 558        | 1 355 461        | 1 369 200          | 1 461 921              | 1 461 921        | 1 157 384             | 515 118          | 536 771          |
| Vote 09: Community Safety, Security and Liaison                 | 29 759           | 92 322           | 275 842          | 124 262            | 114 239                | 100 521          | 19 026                | 19 464           | 20 492           |
| Vote 10: Health   | 554 038          | 434 074          | 595 955          | 578 665            | 536 532                | 533 677          | 1 365 567             | 1 424 416        | 1 531 350        |
| Vote 11: Culture, Sport and Recreation                          | 84 048           | 108 323          | 106 042          | 116 609            | 121 887                | 122 531          | 142 826               | 165 988          | 133 506          |
| Vote 12: Social Development                                     | 56 061           | 83 479           | 99 719           | 167 029            | 144 346                | 144 346          | 102 635               | 104 144          | 112 477          |
| Vote 13: Human Settlements                                      | 14 634           | 19 937           | 14 339           | 7 799              | 2 058                  | 2 663            | 7 097                 | 4 589            | 5 299            |
| <b>Total provincial payments and estimates by Vote</b>          | <b>2 768 001</b> | <b>2 986 689</b> | <b>3 534 620</b> | <b>3 401 495</b>   | <b>3 455 093</b>       | <b>3 438 289</b> | <b>3 961 348</b>      | <b>3 412 936</b> | <b>3 580 135</b> |

## 5.4 Payments by functional area

Table 1.12: Summary of provincial payments and estimates by functional area

| R thousand  | Outcome           |                   |                   | Main appropriation | Adjusted appropriation | Revised estimate  | Medium-term estimates |                   |                   |
|---|-------------------|-------------------|-------------------|--------------------|------------------------|-------------------|-----------------------|-------------------|-------------------|
|   | 2013/14           | 2014/15           | 2015/16           |                    | 2016/17                |                   | 2017/18               | 2018/19           | 2019/20           |
| General public services                                     | 2 002 265         | 2 040 613         | 2 205 034         | 2 413 163          | 2 469 246              | 2 468 360         | 2 481 533             | 2 533 406         | 2 651 317         |
| Public order and safety                                     | 1 099 184         | 1 003 379         | 1 245 917         | 1 069 370          | 1 181 759              | 1 181 361         | 1 153 099             | 1 211 932         | 1 267 850         |
| Economic affairs  | 4 714 199         | 5 071 144         | 5 186 801         | 5 420 805          | 5 484 062              | 5 481 271         | 5 807 059             | 5 430 353         | 5 715 440         |
| Environmental protection                                    | 94 969            | 69 438            | 85 777            | 92 962             | 94 962                 | 94 962            | 112 733               | 102 824           | 109 526           |
| Housing and community amenities                             | 1 218 995         | 1 757 403         | 1 702 629         | 1 822 108          | 1 979 852              | 2 032 062         | 1 646 082             | 1 727 262         | 1 813 357         |
| Health  | 7 892 129         | 8 684 557         | 9 869 929         | 10 422 003         | 10 392 080             | 10 409 839        | 11 772 865            | 12 419 022        | 13 267 653        |
| Recreation, culture and religion                            | 373 622           | 411 103           | 423 084           | 451 907            | 497 500                | 498 397           | 511 232               | 533 906           | 560 087           |
| Education   | 14 879 213        | 15 900 473        | 17 329 143        | 18 154 303         | 18 168 990             | 18 367 953        | 19 596 263            | 21 210 015        | 22 400 464        |
| Social protection   | 1 136 357         | 1 220 303         | 1 270 653         | 1 454 716          | 1 436 091              | 1 436 091         | 1 456 009             | 1 492 946         | 1 561 130         |
| <b>Total provincial payments and estimates by function:</b> | <b>33 410 933</b> | <b>36 158 413</b> | <b>39 318 967</b> | <b>41 301 337</b>  | <b>41 704 542</b>      | <b>41 970 296</b> | <b>44 536 875</b>     | <b>46 661 666</b> | <b>49 346 824</b> |

## 5.5 Infrastructure payments

Table 1.13(a): Summary of provincial infrastructure payments and estimates by Vote

| R thousand  | Outcome          |                  |                  | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  |
|---|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
|   | 2013/14          | 2014/15          | 2015/16          |                    | 2016/17                |                  | 2017/18               | 2018/19          | 2019/20          |
| Vote 02: Provincial Legislature                                 | 3 318            | 3 968            | 4 361            | 729                | 729                    | 729              | 397                   | 417              | 438              |
| Vote 03: Provincial Treasury                                    | —                | 4 085            | 3 776            | 4 888              | 4 805                  | 4 805            | 4 425                 | 4 814            | 4 928            |
| Vote 04: Co-operative Governance and Traditional Affairs        | 19 489           | 44 070           | 10 602           | 37 896             | 37 896                 | 37 896           | 6 807                 | 7 202            | 7 635            |
| Vote 05: Agriculture, Rural Development, Land and Environmental | 171 921          | 228 316          | 78 837           | 200 976            | 191 423                | 191 423          | 174 335               | 198 284          | 214 434          |
| Vote 06: Economic Development and Tourism                       | —                | —                | 7 360            | 12 358             | 12 358                 | 12 358           | 12 972                | 13 616           | 14 056           |
| Vote 07: Education  | 707 810          | 909 971          | 1 089 388        | 1 003 909          | 1 008 411              | 1 008 411        | 1 202 491             | 1 234 067        | 1 305 832        |
| Vote 08: Public Works, Roads and Transport                      | 1 492 167        | 1 891 753        | 1 918 809        | 2 012 806          | 2 016 058              | 2 016 058        | 1 752 257             | 1 658 545        | 1 164 525        |
| Vote 09: Community Safety, Security and Liaison                 | 36 182           | 100 778          | 266 079          | 116 702            | 110 702                | 89 955           | 22 500                | 24 669           | 22 000           |
| Vote 10: Health   | 503 517          | 446 612          | 582 102          | 531 570            | 590 392                | 601 902          | 1 352 966             | 1 386 998        | 1 450 588        |
| Vote 11: Culture, Sport and Recreation                          | 73 153           | 99 180           | 91 996           | 97 060             | 111 483                | 99 188           | 146 442               | 144 796          | 105 631          |
| Vote 12: Social Development                                     | 53 582           | 89 912           | 92 837           | 178 043            | 178 043                | 178 043          | 123 854               | 125 419          | 136 414          |
| Vote 13: Human Settlements                                      | —                | 7 002            | 6 583            | 6 239              | 6 295                  | 6 070            | 8 654                 | 9 155            | 9 667            |
| <b>Total</b>  | <b>3 061 139</b> | <b>3 825 647</b> | <b>4 152 730</b> | <b>4 203 176</b>   | <b>4 268 595</b>       | <b>4 246 838</b> | <b>4 808 100</b>      | <b>4 807 982</b> | <b>4 436 148</b> |

Table 1.13(b): Summary of provincial infrastructure payments and estimates by Category

| R thousand  | Outcome          |                  |                  | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  |
|---|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
|   | 2013/14          | 2014/15          | 2015/16          |                    | 2016/17                |                  | 2017/18               | 2018/19          | 2019/20          |
| <b>New infrastructure assets</b>  | <b>703 902</b>   | <b>990 749</b>   | <b>1 174 090</b> | <b>620 655</b>     | <b>674 348</b>         | <b>696 543</b>   | <b>1 173 205</b>      | <b>980 531</b>   | <b>996 980</b>   |
| <b>Existing infrastructure assets</b>                                     | <b>2 189 939</b> | <b>2 494 153</b> | <b>2 764 259</b> | <b>3 246 690</b>   | <b>3 258 901</b>       | <b>3 215 977</b> | <b>3 304 658</b>      | <b>3 475 099</b> | <b>3 061 316</b> |
| Upgrading and additions   | 666 548          | 567 302          | 753 770          | 1 280 534          | 967 059                | 1 038 931        | 1 601 354             | 1 736 121        | 1 466 632        |
| Rehabilitation, renovations and refurbishment                             | 993 192          | 1 263 018        | 1 279 638        | 975 825            | 1 189 567              | 1 086 087        | 899 858               | 989 995          | 860 241          |
| Maintenance and repairs   | 530 199          | 663 833          | 730 851          | 990 331            | 1 102 275              | 1 090 959        | 803 446               | 748 983          | 734 443          |
| <b>Infrastructure transfers</b>   | <b>153 186</b>   | <b>208 075</b>   | <b>67 837</b>    | <b>123 475</b>     | <b>100 922</b>         | <b>100 314</b>   | <b>107 655</b>        | <b>99 715</b>    | <b>104 865</b>   |
| Current   | 133 697          | 169 783          | 67 837           | 123 475            | 100 922                | 100 314          | 107 655               | 99 715           | 104 865          |
| Capital   | 19 489           | 38 292           | —                | —                  | —                      | —                | —                     | —                | —                |
| <b>Infrastructure payments for financial assets</b>                       | <b>—</b>         | <b>—</b>         | <b>—</b>         | <b>—</b>           | <b>—</b>               | <b>—</b>         | <b>—</b>              | <b>—</b>         | <b>—</b>         |
| Infrastructure leases   | 14 112           | 132 670          | 146 544          | 149 355            | 171 423                | 171 003          | 179 198               | 192 710          | 206 895          |
| <b>Total provincial infrastructure payments and estimates<sup>2</sup></b> | <b>3 061 139</b> | <b>3 825 647</b> | <b>4 152 730</b> | <b>4 203 176</b>   | <b>4 268 595</b>       | <b>4 246 838</b> | <b>4 808 100</b>      | <b>4 807 982</b> | <b>4 436 148</b> |

## 5.5.1. Infrastructure per category

| Table 1.13(b)(i): Summary of provincial infrastructure payments and estimates by category and Vote |                  |                  |                  |                    |                        |                  |                       |                  |                  |
|--|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
|  | Outcome          |                  |                  | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  |
| R thousand   | 2013/14          | 2014/15          | 2015/16          |                    | 2016/17                |                  | 2017/18               | 2018/19          | 2019/20          |
| <b>New infrastructure assets</b>   |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Vote 04: Co-operative Governance and Traditional Affairs   | –                | –                | 4 500            | 14 452             | 14 452                 | 14 452           | –                     | –                | –                |
| Vote 05: Agriculture, Rural Development, Land and Environmental                                    | 23 680           | 29 325           | –                | –                  | –                      | 769              | –                     | –                | –                |
| Vote 07: Education   | 439 350          | 645 879          | 668 662          | 79 548             | 223 389                | 223 389          | 725 503               | 499 412          | 528 051          |
| Vote 08: Public Works, Roads and Transport   | 59 698           | 40 136           | 85 159           | 25 864             | 25 053                 | 72 428           | 35 897                | 26 008           | 27 110           |
| Vote 09: Community Safety, Security and Liaison  | 27 321           | 92 912           | 256 395          | 103 000            | 97 000                 | 78 444           | 10 000                | 10 000           | 10 000           |
| Vote 10: Health  | 42 120           | 27 489           | 2 462            | 160 930            | 70 170                 | 70 170           | 185 885               | 215 638          | 229 292          |
| Vote 11: Culture, Sport and Recreation   | 70 216           | 93 679           | 86 558           | 84 577             | 92 000                 | 84 607           | 121 715               | 135 521          | 100 804          |
| Vote 12: Social Development  | 41 517           | 61 329           | 70 354           | 152 284            | 152 284                | 152 284          | 94 205                | 93 952           | 101 723          |
| <b>Sub-total: New infrastructure assets</b>  | <b>703 902</b>   | <b>990 749</b>   | <b>1 174 090</b> | <b>620 655</b>     | <b>674 348</b>         | <b>696 543</b>   | <b>1 173 205</b>      | <b>980 531</b>   | <b>996 980</b>   |
| <b>Upgrading and additions</b>   |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Vote 05: Agriculture, Rural Development, Land and Environmental                                    | –                | –                | –                | –                  | 1 500                  | 271              | 2 500                 | –                | –                |
| Vote 07: Education   | 87 136           | 131 782          | 266 990          | 714 001            | 549 160                | 549 160          | 320 981               | 597 093          | 340 492          |
| Vote 08: Public Works, Roads and Transport   | 160 233          | 221 172          | 193 778          | 362 789            | 223 700                | 223 700          | 218 833               | 232 093          | 186 768          |
| Vote 10: Health  | 418 010          | 213 798          | 291 231          | 194 911            | 183 866                | 256 967          | 1 048 000             | 906 935          | 939 372          |
| Vote 11: Culture, Sport and Recreation   | 1 004            | 550              | 1 771            | 8 833              | 8 833                  | 8 833            | 11 040                | –                | –                |
| Vote 12: Social Development  | 165              | –                | –                | –                  | –                      | –                | –                     | –                | –                |
| <b>Sub-total: Upgrade and additions</b>  | <b>666 548</b>   | <b>567 302</b>   | <b>753 770</b>   | <b>1 280 534</b>   | <b>967 059</b>         | <b>1 038 931</b> | <b>1 601 354</b>      | <b>1 736 121</b> | <b>1 466 632</b> |
| <b>Rehabilitation, renovations and refurbishment</b>   |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Vote 04: Co-operative Governance and Traditional Affairs   | –                | –                | –                | 17 000             | 17 000                 | 17 000           | –                     | –                | –                |
| Vote 05: Agriculture, Rural Development, Land and Environmental                                    | 13 735           | 12 549           | –                | –                  | 11 500                 | 11 156           | 7 000                 | 21 000           | 21 000           |
| Vote 07: Education   | 156 019          | 93 664           | 31 445           | 88 319             | 98 821                 | 98 821           | 61 573                | 35 444           | 326 955          |
| Vote 08: Public Works, Roads and Transport   | 823 438          | 1 085 570        | 1 088 160        | 780 984            | 886 672                | 859 405          | 801 282               | 754 139          | 305 746          |
| Vote 10: Health  | –                | 71 235           | 160 033          | 89 522             | 175 574                | 99 705           | 30 003                | 179 412          | 206 540          |
| <b>Sub-total: Rehabilitation, renovations and refurbishment</b>                                    | <b>993 192</b>   | <b>1 263 018</b> | <b>1 279 638</b> | <b>975 825</b>     | <b>1 189 567</b>       | <b>1 086 087</b> | <b>899 858</b>        | <b>989 995</b>   | <b>860 241</b>   |
| <b>Maintenance and repairs</b>   |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Vote 05: Agriculture, Rural Development, Land and Environmental                                    | 809              | 6 758            | 1 000            | 3 500              | 3 500                  | 3 020            | 1 500                 | 4 500            | 5 000            |
| Vote 06: Economic Development and Tourism  | –                | –                | 1 000            | 500                | 500                    | 500              | 500                   | 525              | 525              |
| Vote 07: Education   | 25 305           | 8 230            | 79 875           | 75 741             | 90 741                 | 90 741           | 41 300                | 43 737           | 46 186           |
| Vote 08: Public Works, Roads and Transport   | 448 798          | 523 200          | 527 869          | 816 941            | 849 418                | 829 310          | 668 374               | 616 790          | 613 733          |
| Vote 10: Health  | 43 387           | 116 317          | 114 994          | 86 207             | 143 674                | 157 952          | 73 033                | 67 907           | 57 478           |
| Vote 11: Culture, Sport and Recreation   | –                | 1 851            | 1 481            | 1 400              | 8 400                  | 3 428            | 11 187                | 6 675            | 2 177            |
| Vote 12: Social Development  | 11 900           | 7 477            | 4 578            | 5 842              | 5 842                  | 5 842            | 7 342                 | 8 628            | 9 111            |
| Vote 13: Human Settlements   | –                | –                | 54               | 200                | 200                    | 166              | 210                   | 221              | 233              |
| <b>Sub-total: Maintenance and repairs</b>  | <b>530 199</b>   | <b>663 833</b>   | <b>730 851</b>   | <b>990 331</b>     | <b>1 102 275</b>       | <b>1 090 959</b> | <b>803 446</b>        | <b>748 983</b>   | <b>734 443</b>   |
| <b>Infrastructure transfers - Current</b>  |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Vote 05: Agriculture, Rural Development, Land and Environmental                                    | 133 697          | 169 783          | 67 837           | 123 475            | 100 922                | 100 314          | 107 655               | 99 715           | 104 865          |
| <b>Sub-total: Infrastructure transfers</b>   | <b>133 697</b>   | <b>169 783</b>   | <b>67 837</b>    | <b>123 475</b>     | <b>100 922</b>         | <b>100 314</b>   | <b>107 655</b>        | <b>99 715</b>    | <b>104 865</b>   |
| <b>Infrastructure transfers - Capital</b>  |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Vote 04: Co-operative Governance and Traditional Affairs   | 19 489           | 38 292           | –                | –                  | –                      | –                | –                     | –                | –                |
| <b>Sub-total: Infrastructure transfers</b>   | <b>19 489</b>    | <b>38 292</b>    | <b>–</b>         | <b>–</b>           | <b>–</b>               | <b>–</b>         | <b>–</b>              | <b>–</b>         | <b>–</b>         |
| <b>Infrastructure payments for financial assets</b>  |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| <b>Sub-total: Infrastructure payments for financial assets</b>                                     | <b>–</b>         | <b>–</b>         | <b>–</b>         | <b>–</b>           | <b>–</b>               | <b>–</b>         | <b>–</b>              | <b>–</b>         | <b>–</b>         |
| <b>Infrastructure leases</b>   |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Vote 02: Provincial Legislature  | 3 318            | 3 968            | 4 361            | 729                | 729                    | 729              | 397                   | 417              | 438              |
| Vote 03: Provincial Treasury   | –                | 4 085            | 3 776            | 4 888              | 4 805                  | 4 805            | 4 425                 | 4 814            | 4 928            |
| Vote 04: Co-operative Governance and Traditional Affairs   | –                | 5 778            | 6 102            | 6 444              | 6 444                  | 6 444            | 6 807                 | 7 202            | 7 635            |
| Vote 05: Agriculture, Rural Development, Land and Environmental                                    | –                | 9 901            | 10 000           | 11 000             | 11 000                 | 12 892           | 14 500                | 15 500           | 20 000           |
| Vote 06: Economic Development and Tourism  | –                | –                | 6 360            | 11 858             | 11 858                 | 11 858           | 12 472                | 13 091           | 13 531           |
| Vote 07: Education   | –                | 30 416           | 42 416           | 46 300             | 46 300                 | 46 300           | 50 930                | 56 023           | 61 625           |
| Vote 08: Public Works, Roads and Transport   | –                | 21 675           | 23 843           | 26 228             | 31 215                 | 31 215           | 27 871                | 29 515           | 31 168           |
| Vote 09: Community Safety, Security and Liaison  | 8 861            | 7 866            | 9 684            | 13 702             | 13 702                 | 11 511           | 12 500                | 14 669           | 12 000           |
| Vote 10: Health  | –                | 17 773           | 13 382           | –                  | 17 108                 | 17 108           | 16 045                | 17 106           | 17 906           |
| Vote 11: Culture, Sport and Recreation   | 1 933            | 3 100            | 2 186            | 2 250              | 2 250                  | 2 320            | 2 500                 | 2 600            | 2 650            |
| Vote 12: Social Development  | –                | 21 106           | 17 905           | 19 917             | 19 917                 | 19 917           | 22 307                | 22 839           | 25 580           |
| Vote 13: Human Settlements   | –                | 7 002            | 6 529            | 6 039              | 6 095                  | 5 904            | 8 444                 | 8 934            | 9 434            |
| <b>Sub-total: Infrastructure leases</b>  | <b>14 112</b>    | <b>132 670</b>   | <b>146 544</b>   | <b>149 355</b>     | <b>171 423</b>         | <b>171 003</b>   | <b>179 198</b>        | <b>192 710</b>   | <b>206 895</b>   |
| <b>Non-Infrastructure</b>  |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| Vote 05: Agriculture, Rural Development, Land and Environmental                                    | –                | –                | –                | 63 001             | 63 001                 | 63 001           | 41 180                | 57 569           | 63 569           |
| Vote 07: Education   | –                | –                | –                | –                  | –                      | –                | 2 204                 | 2 358            | 2 523            |
| <b>Sub-total: Non infrastructure</b>   | <b>–</b>         | <b>–</b>         | <b>–</b>         | <b>63 001</b>      | <b>63 001</b>          | <b>63 001</b>    | <b>43 384</b>         | <b>59 927</b>    | <b>66 092</b>    |
|  |                  |                  |                  |                    |                        |                  |                       |                  |                  |
| <b>Total provincial infrastructure payments and estimates</b>                                      | <b>3 041 650</b> | <b>3 787 355</b> | <b>4 152 730</b> | <b>4 203 176</b>   | <b>4 268 595</b>       | <b>4 246 838</b> | <b>4 808 100</b>      | <b>4 807 982</b> | <b>4 436 148</b> |
| 1. Total provincial infrastructure is the sum of "Capital" plus "Recurrent maintenance".           |                  |                  |                  |                    |                        |                  |                       |                  |                  |

The table above reflects infrastructure by category, which includes maintenance as well as transfers, and all other categories

## 5.6 Provincial Public-Private Partnership (PPP) projects

Not applicable.

## 5.7 Transfers

### 5.7.1. Transfers to public entities

A summary of all transfers to public entities is presented and summarised by transferring department. The details thereof are to be presented in the relevant Vote as referred to in Section 5.6.1 of Estimates of Provincial Revenue and Expenditure in this document.

| R thousand  | Outcome        |                |                | Main appropriation | Adjusted appropriation<br>2016/17 | Revised estimate | Medium-term estimates |                  |                  |
|---|----------------|----------------|----------------|--------------------|-----------------------------------|------------------|-----------------------|------------------|------------------|
|   | 2013/14        | 2014/15        | 2015/16        |                    |                                   |                  | 2017/18               | 2018/19          | 2019/20          |
| Vote 01: Office of the Premier                            | -              | -              | -              | -                  | -                                 | -                | -                     | -                | -                |
| Vote 02: Provincial Legislature                           | -              | -              | -              | -                  | -                                 | -                | -                     | -                | -                |
| Vote 03: Provincial Treasury                              | -              | -              | -              | -                  | -                                 | -                | -                     | -                | -                |
| Vote 04: Co-operative Governance and Traditional Affairs  | -              | -              | -              | -                  | -                                 | -                | -                     | -                | -                |
| Vote 05: Agriculture, Rural Development, Land and Environ | -              | -              | -              | -                  | -                                 | -                | -                     | -                | -                |
| Vote 06: Economic Development and Tourism                 | 531 740        | 537 046        | 520 297        | 798 001            | 806 201                           | 806 201          | 860 459               | 943 435          | 990 863          |
| Vote 07: Education  | 98 000         | 87 650         | 100 000        | 228 815            | 228 815                           | 228 815          | 228 000               | 221 197          | 233 584          |
| Vote 08: Public Works, Roads and Transport                | -              | -              | -              | -                  | -                                 | -                | -                     | -                | -                |
| Vote 09: Community Safety, Security and Liaison           | -              | -              | -              | -                  | -                                 | -                | -                     | -                | -                |
| Vote 10: Health   | -              | -              | -              | -                  | -                                 | -                | -                     | -                | -                |
| Vote 11: Culture, Sport and Recreation                    | -              | -              | -              | -                  | -                                 | -                | -                     | -                | -                |
| Vote 12: Social Development                               | -              | -              | -              | -                  | -                                 | -                | -                     | -                | -                |
| Vote 13: Human Settlements                                | -              | -              | -              | -                  | -                                 | -                | -                     | -                | -                |
| <b>Total provincial transfers to public entities</b>      | <b>629 740</b> | <b>624 696</b> | <b>620 297</b> | <b>1 026 816</b>   | <b>1 035 016</b>                  | <b>1 035 016</b> | <b>1 088 459</b>      | <b>1 164 632</b> | <b>1 224 447</b> |

### 5.7.2. Transfers to other entities

| R thousand  | Outcome        |                |                | Main appropriation | Adjusted appropriation<br>2016/17 | Revised estimate | Medium-term estimates |                |                |
|---|----------------|----------------|----------------|--------------------|-----------------------------------|------------------|-----------------------|----------------|----------------|
|   | 2013/14        | 2014/15        | 2015/16        |                    |                                   |                  | 2017/18               | 2018/19        | 2019/20        |
| Vote 01: Office of the Premier                            | -              | -              | -              | -                  | -                                 | -                | -                     | -              | -              |
| Vote 02: Provincial Legislature                           | 36 904         | 37 894         | 58 493         | 40 954             | 53 554                            | 53 554           | 42 948                | 60 496         | 55 044         |
| Vote 03: Provincial Treasury                              | -              | -              | -              | -                  | -                                 | -                | -                     | -              | -              |
| Vote 04: Co-operative Governance and Traditional Affairs  | 10 736         | 11 590         | 19 520         | 24 705             | 24 705                            | 24 705           | 21 350                | 22 610         | 23 875         |
| Vote 05: Agriculture, Rural Development, Land and Environ | -              | -              | -              | -                  | -                                 | -                | -                     | -              | -              |
| Vote 06: Economic Development and Tourism                 | 36 904         | 37 894         | 58 493         | 40 954             | 40 954                            | 40 954           | 43 002                | 45 496         | 48 044         |
| Vote 07: Education  | -              | -              | -              | -                  | -                                 | -                | -                     | -              | -              |
| Vote 08: Public Works, Roads and Transport                | -              | -              | -              | -                  | -                                 | -                | -                     | -              | -              |
| Vote 09: Community Safety, Security and Liaison           | -              | -              | -              | -                  | -                                 | -                | -                     | -              | -              |
| Vote 10: Health   | 170 401        | 202 567        | 240 706        | 226 762            | 187 331                           | 181 009          | 228 702               | 200 460        | 211 686        |
| Vote 11: Culture, Sport and Recreation                    | 9 570          | 7 080          | 6 942          | 9 834              | 9 100                             | 9 822            | 9 536                 | 9 914          | 10 470         |
| Vote 12: Social Development                               | -              | -              | -              | -                  | -                                 | -                | -                     | -              | -              |
| Vote 13: Human Settlements                                | -              | -              | -              | -                  | -                                 | -                | -                     | -              | -              |
| <b>Total provincial transfers to other entities</b>       | <b>264 515</b> | <b>297 025</b> | <b>384 154</b> | <b>343 209</b>     | <b>315 644</b>                    | <b>310 044</b>   | <b>345 538</b>        | <b>338 976</b> | <b>349 119</b> |

## 5.7.3. Transfers to local government

**Table 1.17: Summary of provincial transfers to local government by category**

| R thousand  | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                |                |
|---|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|
|   | 2013/14        | 2014/15        | 2015/16        |                    | 2016/17                |                  | 2017/18               | 2018/19        | 2019/20        |
| Category A  | -              | -              | -              | -                  | -                      | -                | -                     | -              | -              |
| Category B  | 188 447        | 392 905        | 398 613        | 403 377            | 133 811                | 197 988          | 171 250               | 181 353        | 190 977        |
| Category C  | 57             | 17 175         | 3 000          | -                  | -                      | -                | -                     | -              | -              |
| Unallocated   | 133            | 112            | 515            | 634                | 634                    | 453              | 576                   | 645            | 681            |
| <b>Total provincial transfers to local government</b> | <b>188 637</b> | <b>410 192</b> | <b>402 128</b> | <b>404 011</b>     | <b>134 445</b>         | <b>198 441</b>   | <b>171 826</b>        | <b>181 998</b> | <b>191 658</b> |

## 5.8 Personnel numbers and costs

In Table 1.18 below, provincial treasuries should provide a summary of personnel numbers and the cost thereof by Vote. A further breakdown by programme will be required in Estimates of Provincial Revenue and Expenditure (Section 9.3.1).

**Table 1.18: Summary of personnel numbers and costs by component**

| Personnel numbers                              | Actual                         |                   |                                |                   |                                |                   | Revised estimate |                  |                                |                   | Medium-term expenditure estimate |                   |                                |                   |                                |                   | Average annual growth over MTEF |                   |                  |
|--|--------------------------------|-------------------|--------------------------------|-------------------|--------------------------------|-------------------|------------------|------------------|--------------------------------|-------------------|----------------------------------|-------------------|--------------------------------|-------------------|--------------------------------|-------------------|---------------------------------|-------------------|------------------|
|  | 2013/14                        |                   | 2014/15                        |                   | 2015/16                        |                   | 2016/17          |                  |                                |                   | 2017/18                          |                   | 2018/19                        |                   | 2019/20                        |                   | 2016/17 - 2019/20               |                   |                  |
|  | Personnel numbers <sup>1</sup> | Costs             | Personnel numbers <sup>1</sup> | Costs             | Personnel numbers <sup>1</sup> | Costs             | Filled posts     | Additional posts | Personnel numbers <sup>1</sup> | Costs             | Personnel numbers <sup>1</sup>   | Costs             | Personnel numbers <sup>1</sup> | Costs             | Personnel numbers <sup>1</sup> | Costs             | Personnel growth rate           | Costs growth rate | % Costs of Total |
| <b>Vote</b>                                    |                                |                   |                                |                   |                                |                   |                  |                  |                                |                   |                                  |                   |                                |                   |                                |                   |                                 |                   |                  |
| Vote 01: Office of the Premier                 | 278                            | 108 215           | 269                            | 118 236           | 246                            | 122 680           | 249              | -                | 249                            | 130 533           | 263                              | 143 892           | 263                            | 153 938           | 273                            | 164 341           | 3.1%                            | 8.0%              | 0.5%             |
| Vote 02: Provincial Legislature                | 176                            | 101 616           | 194                            | 115 908           | 221                            | 129 156           | 206              | 26               | 232                            | 150 501           | 232                              | 170 947           | 232                            | 182 301           | 232                            | 196 649           | -                               | 9.3%              | 0.6%             |
| Vote 03: Provincial Treasury                   | 382                            | 148 314           | 370                            | 142 059           | 348                            | 151 406           | 291              | 28               | 319                            | 161 321           | 385                              | 171 006           | 349                            | 181 561           | 349                            | 195 414           | 3.0%                            | 6.6%              | 0.6%             |
| Vote 04: Co-operative Governance and Tradition | 1 244                          | 294 397           | 1 253                          | 319 399           | 1 336                          | 341 176           | 455              | 881              | 1 336                          | 368 766           | 1 336                            | 395 621           | 1 336                          | 426 547           | 1 408                          | 458 608           | 1.8%                            | 7.5%              | 1.5%             |
| Vote 05: Agriculture, Rural Development, Lan   | 1 848                          | 500 535           | 1 777                          | 498 615           | 1 510                          | 514 929           | 1 365            | -                | 1 365                          | 549 728           | 1 365                            | 609 517           | 1 365                          | 657 560           | 1 365                          | 707 622           | -                               | 8.8%              | 2.3%             |
| Vote 06: Economic Development and Tourism      | 283                            | 107 317           | 279                            | 112 823           | 3 265                          | 118 581           | 255              | -                | 255                            | 118 689           | 247                              | 130 470           | 247                            | 140 337           | 247                            | 150 221           | -1.1%                           | 8.2%              | 0.5%             |
| Vote 07: Education                             | 45 411                         | 11 618 763        | 46 287                         | 12 406 448        | 42 535                         | 13 211 515        | 42 535           | -                | 42 535                         | 14 202 901        | 43 101                           | 15 580 911        | 42 687                         | 16 511 399        | 45 074                         | 17 847 353        | 2.0%                            | 7.9%              | 57.5%            |
| Vote 08: Public Works, Roads and Transport     | 3 863                          | 804 836           | 3 542                          | 839 217           | 3 508                          | 877 477           | 3 509            | -                | 3 509                          | 925 890           | 3 511                            | 1 013 078         | 3 510                          | 1 104 827         | 3 703                          | 1 191 256         | 1.8%                            | 8.8%              | 3.8%             |
| Vote 09: Community Safety, Security and Lia    | 2 106                          | 336 397           | 2 046                          | 366 644           | 1 845                          | 398 808           | 1 838            | 16               | 1 854                          | 461 583           | 1 945                            | 498 107           | 1 947                          | 542 325           | 2 143                          | 579 172           | 4.9%                            | 7.9%              | 1.9%             |
| Vote 10: Health                                | 18 800                         | 4 970 826         | 19 290                         | 5 516 897         | 19 852                         | 6 102 017         | 20 267           | -                | 20 267                         | 6 719 097         | 21 012                           | 7 329 114         | 21 881                         | 7 847 371         | 21 881                         | 8 286 825         | 2.6%                            | 7.2%              | 27.1%            |
| Vote 11: Culture, Sport and Recreation         | 517                            | 125 533           | 511                            | 145 187           | 592                            | 151 669           | 650              | 219              | 869                            | 161 450           | 446                              | 166 398           | 591                            | 172 589           | 621                            | 191 368           | -10.6%                          | 5.8%              | 0.6%             |
| Vote 12: Social Development                    | 1 901                          | 450 592           | 2 057                          | 500 387           | 1 987                          | 556 022           | 1 709            | 267              | 1 976                          | 606 202           | 1 937                            | 681 424           | 1 937                          | 679 500           | 1 937                          | 679 500           | -0.7%                           | 3.9%              | 2.3%             |
| Vote 13: Human Settlements                     | 399                            | 137 085           | 389                            | 151 197           | 381                            | 161 509           | 362              | 19               | 381                            | 170 095           | 364                              | 184 893           | 364                            | 200 424           | 364                            | 209 707           | -1.5%                           | 7.2%              | 0.7%             |
| <b>Total provincial personnel numbers</b>      | <b>77 208</b>                  | <b>19 704 426</b> | <b>78 264</b>                  | <b>21 233 017</b> | <b>77 626</b>                  | <b>22 836 945</b> | <b>73 691</b>    | <b>1 456</b>     | <b>75 147</b>                  | <b>24 726 756</b> | <b>76 144</b>                    | <b>27 075 378</b> | <b>76 709</b>                  | <b>28 800 679</b> | <b>79 597</b>                  | <b>30 858 036</b> | <b>1.9%</b>                     | <b>7.7%</b>       | <b>100.0%</b>    |

<sup>1</sup> Personnel numbers includes all filled posts together with those posts additional to the approved establishment

*Personnel numbers includes all filled posts together with those posts additional to the approved establishment*

## 5.9 Payments on training

**Table 1.19: Summary of provincial payments on training by Vote**

| R thousand  | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                |                |
|---|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|
|   | 2013/14        | 2014/15        | 2015/16        |                    | 2016/17                |                  | 2017/18               | 2018/19        | 2019/20        |
| Vote 01: Office of the Premier                    | 1 486          | 1 226          | 1 419          | 1 434              | 1 434                  | 1 434            | 1 455                 | 1 539          | 1 626          |
| Vote 02: Provincial Legislature                   | 1 016          | 1 159          | 1 329          | 1 571              | 1 571                  | 1 571            | 1 701                 | 1 809          | 1 910          |
| Vote 03: Provincial Treasury                      | 4 710          | 4 565          | 5 304          | 5 285              | 5 285                  | 5 285            | 6 104                 | 6 458          | 6 820          |
| Vote 04: Co-operative Governance and Traditional  | 2 196          | 2 591          | 3 038          | 4 331              | 4 331                  | 4 331            | 2 642                 | 2 815          | 1 223          |
| Vote 05: Agriculture, Rural Development, Land and | -              | 3 666          | 3 700          | 3 738              | 3 738                  | 3 738            | 3 925                 | 4 153          | 4 387          |
| Vote 06: Economic Development and Tourism         | 2 976          | 3 346          | 1 628          | 1 930              | 1 930                  | 1 930            | 2 027                 | 2 144          | 2 252          |
| Vote 07: Education                                | 35 929         | 37 790         | 85 373         | 41 371             | 41 371                 | 41 371           | 107 772               | 115 101        | 121 546        |
| Vote 08: Public Works, Roads and Transport        | 56 830         | 31 770         | 31 202         | 32 080             | 32 080                 | 32 080           | 33 684                | 35 638         | 37 634         |
| Vote 09: Community Safety, Security and Liaison   | 1 031          | 1 041          | 1 051          | 1 062              | 1 062                  | 1 062            | 1 115                 | 1 180          | 1 246          |
| Vote 10: Health                                   | 39 360         | 39 495         | 42 096         | 45 926             | 45 926                 | 45 926           | 14 546                | 13 420         | 15 346         |
| Vote 11: Culture, Sport and Recreation            | 830            | 874            | 919            | 1 057              | 1 057                  | 1 057            | 1 147                 | 1 214          | 1 281          |
| Vote 12: Social Development                       | 5 600          | 5 897          | 6 192          | 6 520              | 6 520                  | 6 520            | 6 846                 | 7 243          | 7 649          |
| Vote 13: Human Settlements                        | 2 533          | 3 137          | 790            | 3 340              | 3 340                  | 3 340            | 3 507                 | 3 710          | 3 918          |
| <b>Total provincial payments on training</b>      | <b>154 497</b> | <b>136 557</b> | <b>184 041</b> | <b>149 645</b>     | <b>149 645</b>         | <b>149 645</b>   | <b>186 471</b>        | <b>196 423</b> | <b>206 838</b> |

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

**Table A.1: Details of total provincial own receipts**
**Table A.1: Details of total provincial own receipts**

| R thousand   | Outcome        |                |                | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates |                  |                  |
|--|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
|  | 2013/14        | 2014/15        | 2015/16        |                    |                        |                  | 2017/18               | 2018/19          | 2019/20          |
| <b>Tax receipts</b>  | <b>491 715</b> | <b>453 462</b> | <b>510 696</b> | <b>538 491</b>     | <b>538 491</b>         | <b>530 800</b>   | <b>821 401</b>        | <b>862 997</b>   | <b>914 465</b>   |
| Casino taxes   | 64 048         | 72 006         | 75 608         | 79 388             | 79 388                 | 77 296           | 83 357                | 88 192           | 93 484           |
| Horse racing taxes   | 9 947          | 7 936          | 8 332          | 9 176              | 9 176                  | 16 349           | 9 635                 | 10 193           | 10 805           |
| Liquor licences  | 2 112          | 2 218          | 17 861         | 19 361             | 19 361                 | 6 589            | 8 409                 | 8 612            | 8 816            |
| Motor vehicle licences   | 415 608        | 371 302        | 408 895        | 430 566            | 430 566                | 430 566          | 720 000               | 756 000          | 801 360          |
| <b>Sales of goods and services other than capital assets</b>       | <b>127 684</b> | <b>121 479</b> | <b>116 610</b> | <b>125 017</b>     | <b>125 017</b>         | <b>129 609</b>   | <b>146 125</b>        | <b>153 222</b>   | <b>161 523</b>   |
| Sales of goods and services produced by department (e)             | <b>127 462</b> | <b>121 134</b> | <b>116 610</b> | <b>124 888</b>     | <b>124 888</b>         | <b>129 479</b>   | <b>145 870</b>        | <b>152 943</b>   | <b>161 229</b>   |
| Sales by market establishments                                     | 67 980         | 64 149         | 102 572        | 69 639             | 69 639                 | 74 237           | 74 529                | 78 549           | 82 550           |
| Administrative fees  | 14 178         | 14 577         | 13 438         | 14 238             | 14 238                 | 14 248           | 15 486                | 16 703           | 17 630           |
| Other sales  | 45 304         | 42 408         | 600            | 41 011             | 41 011                 | 40 994           | 55 855                | 57 691           | 61 049           |
| Of which   |                |                |                |                    |                        |                  |                       |                  |                  |
| Health patient fees  | 35 583         | 33 427         | 30 280         | 29 000             | 29 000                 | 29 000           | 18 916                | 19 862           | 20 855           |
| 0  | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                |
| 0  | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                |
| 0  | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                |
| Sales of scrap, waste, arms and other used current goods           | 222            | 345            | —              | 130                | 130                    | 130              | 255                   | 279              | 294              |
| <b>Transfers received from:</b>                                    | <b>—</b>       | <b>—</b>       | <b>1 049</b>   | <b>—</b>           | <b>—</b>               | <b>12</b>        | <b>—</b>              | <b>—</b>         | <b>—</b>         |
| Other governmental units (Excl. Equitable share and contributions) | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                |
| Higher education institutions                                      | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                |
| Foreign governments  | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                |
| International organisations  | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                |
| Public corporations and private enterprises                        | —              | —              | 350            | —                  | —                      | 12               | —                     | —                | —                |
| Households and non-profit institutions                             | —              | —              | 699            | —                  | —                      | —                | —                     | —                | —                |
| <b>Fines, penalties and forfeits</b>                               | <b>32 475</b>  | <b>63 674</b>  | <b>90 254</b>  | <b>90 175</b>      | <b>90 175</b>          | <b>88 926</b>    | <b>70 321</b>         | <b>73 687</b>    | <b>78 062</b>    |
| <b>Interest, dividends and rent on land</b>                        | <b>76 261</b>  | <b>98 806</b>  | <b>92 690</b>  | <b>94 022</b>      | <b>94 022</b>          | <b>129 965</b>   | <b>128 951</b>        | <b>132 328</b>   | <b>138 053</b>   |
| Interest   | 76 261         | 98 806         | 92 595         | 94 022             | 94 022                 | 129 965          | 128 951               | 132 328          | 138 053          |
| Dividends  | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                |
| Rent on land   | —              | —              | 95             | —                  | —                      | —                | —                     | —                | —                |
| <b>Sales of capital assets</b>                                     | <b>11 925</b>  | <b>3 758</b>   | <b>6 113</b>   | <b>4 561</b>       | <b>4 561</b>           | <b>3 611</b>     | <b>4 710</b>          | <b>5 070</b>     | <b>5 544</b>     |
| Land and sub-soil assets   | —              | —              | —              | —                  | —                      | —                | —                     | —                | —                |
| Other capital assets   | 11 925         | 3 758          | 6 113          | 4 561              | 4 561                  | 3 611            | 4 710                 | 5 070            | 5 544            |
| <b>Financial transactions in assets and liabilities</b>            | <b>31 214</b>  | <b>13 671</b>  | <b>18 349</b>  | <b>12 531</b>      | <b>12 531</b>          | <b>14 562</b>    | <b>9 438</b>          | <b>10 185</b>    | <b>10 331</b>    |
| <b>Total departmental receipts</b>                                 | <b>771 274</b> | <b>754 850</b> | <b>835 761</b> | <b>864 798</b>     | <b>864 798</b>         | <b>897 485</b>   | <b>1 180 947</b>      | <b>1 237 489</b> | <b>1 307 978</b> |

## Table A.2: Details of information relating to Conditional Grants

| Table A.2: Information relating to Conditional Grants                          |         |                        |                 |                     |                        |                 |                     |                        |                 |                     |                    |                           |                     |                               |
|--|---------|------------------------|-----------------|---------------------|------------------------|-----------------|---------------------|------------------------|-----------------|---------------------|--------------------|---------------------------|---------------------|-------------------------------|
| Vote and Grant   | Purpose | Adjusted appropriation | Actual transfer | Audited expenditure | Adjusted appropriation | Actual transfer | Audited expenditure | Adjusted appropriation | Actual transfer | Audited expenditure | Main appropriation | Revised transfer estimate | Revised expenditure | Medium-term estimates         |
| R thousand   |         | 2013/14                |                 |                     | 2014/15                |                 |                     | 2015/16                |                 |                     |                    | 2016/17                   |                     | 2017/18 2018/19 2019/20       |
| <b>Vote 04: Co-operative Governance and Traditional Affairs</b>                |         | -                      | -               | -                   | -                      | -               | 2 000               | 2 000                  | 2 000           | 2 633               | 2 762              | 2 762                     | 2 762               | 2 000 - -                     |
| Expanded Public Works Programme Incentive Grant for Provinces                  |         | -                      | -               | -                   | -                      | -               | 2 000               | 2 000                  | 2 000           | 2 633               | 2 762              | 2 762                     | 2 762               | 2 000 - -                     |
| <b>Vote 05: Agriculture, Rural Development, Land and Environmental Affairs</b> |         | 171 356                | 171 356         | 190 699             | 190 699                | 190 699         | 213 951             | 213 951                | 187 042         | 226 038             | 231 973            | 231 973                   | 231 973             | 217 873 228 129 256 984       |
| Agricultural Disaster Management Grant   |         | -                      | -               | -                   | -                      | -               | 14 700              | 14 700                 | 14 700          | -                   | -                  | -                         | -                   | - - -                         |
| Comprehensive Agricultural Support Programme Grant                             |         | 114 829                | 114 829         | 130 986             | 130 986                | 130 986         | 135 810             | 135 810                | 108 901         | 169 684             | 172 414            | 172 414                   | 172 414             | 155 447 162 907 187 902       |
| Ilima/Letsema Projects Grant   |         | 42 000                 | 42 000          | 43 845              | 43 845                 | 43 845          | 46 062              | 46 062                 | 46 062          | 46 270              | 49 136             | 49 136                    | 49 136              | 52 213 58 242 61 504          |
| Land Care Programme Grant: Poverty Relief and Infrastructure Development       |         | 10 958                 | 10 958          | 10 249              | 10 249                 | 10 249          | 6 105               | 6 105                  | 6 105           | 5 948               | 6 208              | 6 208                     | 6 208               | 6 608 6 980 7 578             |
| Expanded Public Works Programme Incentive Grant for Provinces                  |         | 3 569                  | 3 569           | 5 619               | 5 619                  | 5 619           | 11 274              | 11 274                 | 11 274          | 4 136               | 4 215              | 4 215                     | 4 215               | 3 605 - -                     |
| <b>Vote 06: Economic Development and Tourism</b>                               |         | 1 000                  | 1 000           | 1 431               | 1 431                  | 1 431           | 3 561               | 3 561                  | 3 561           | 3 138               | 3 911              | 3 911                     | 3 911               | 3 505 - -                     |
| Expanded Public Works Programme Incentive Grant for Provinces                  |         | 1 000                  | 1 000           | 1 431               | 1 431                  | 1 431           | 3 561               | 3 561                  | 3 561           | 3 138               | 3 911              | 3 911                     | 3 911               | 3 505 - -                     |
| <b>Vote 07: Education</b>  |         | 1 106 261              | 1 105 901       | 1 090 779           | 1 102 651              | 1 102 651       | 1 217 553           | 1 233 204              | 1 233 204       | 1 473 456           | 1 442 126          | 1 454 362                 | 1 454 362           | 1 443 601 1 526 470 1 612 275 |
| Dinaledi Schools Grant   |         | 9 802                  | 9 802           | 9 675               | 9 675                  | 9 675           | 10 228              | 10 228                 | 10 228          | -                   | -                  | -                         | -                   | - - -                         |
| Education Infrastructure Grant   |         | 530 711                | 530 711         | 536 370             | 536 370                | 536 370         | 623 602             | 623 602                | 623 602         | 857 247             | 788 153            | 792 655                   | 792 655             | 750 184 782 861 826 701       |
| HIV and Aids (Life Skills Education) Grant                                     |         | 17 896                 | 17 896          | 18 015              | 18 015                 | 18 015          | 19 404              | 19 404                 | 19 404          | 19 631              | 18 798             | 19 342                    | 19 342              | 20 102 21 267 22 458          |
| National School Nutrition Programme Grant                                      |         | 506 561                | 506 201         | 496 661             | 504 835                | 504 835         | 524 913             | 541 636                | 541 636         | 545 910             | 574 843            | 582 033                   | 582 033             | 615 071 651 036 683 588       |
| Occupation Specific Dispensation for Education Sector Therapists Grant         |         | -                      | -               | -                   | -                      | -               | 1 072               | -                      | -               | 337                 | -                  | -                         | -                   | - - -                         |
| Technical Secondary Schools Recapitalisation Grant                             |         | 25 678                 | 25 678          | 27 058              | 30 756                 | 30 756          | 28 682              | 28 682                 | 28 682          | -                   | -                  | -                         | -                   | - - -                         |
| Maths, Science and Technology Grant  |         | -                      | -               | -                   | -                      | -               | -                   | -                      | -               | 39 136              | 41 639             | 41 639                    | 41 639              | 39 756 39 984 42 243          |
| Learners with Profound Intellectual Disabilities Grant                         |         | -                      | -               | -                   | -                      | -               | -                   | -                      | -               | -                   | -                  | -                         | -                   | 12 883 31 322 37 285          |
| Expanded Public Works Programme Incentive Grant for Provinces                  |         | 3 000                  | 3 000           | 3 000               | 3 000                  | 3 000           | 3 340               | 3 340                  | 3 340           | 2 453               | 3 066              | 3 066                     | 3 066               | 2 597 - -                     |
| Social Sector Expanded Public Works Programme Incentive Grant for Provinces    |         | 12 613                 | 12 613          | -                   | -                      | -               | 6 312               | 6 312                  | 6 312           | 8 742               | 15 627             | 15 627                    | 15 627              | 3 008 - -                     |
| <b>Vote 08: Public Works, Roads and Transport</b>                              |         | 1 773 184              | 1 773 184       | 1 973 010           | 1 973 010              | 1 973 010       | 2 134 806           | 2 099 056              | 2 099 056       | 2 237 728           | 2 208 501          | 2 208 501                 | 2 208 501           | 2 059 932 1 502 157 1 599 923 |
| Devolution of Property Rate Funds Grant to Provinces                           |         | 76 870                 | 76 870          | -                   | -                      | -               | -                   | -                      | -               | -                   | -                  | -                         | -                   | - - -                         |
| Expanded Public Works Programme Incentive Grant for Provinces                  |         | 16 617                 | 16 617          | 20 691              | 20 691                 | 20 691          | 12 798              | 12 798                 | 12 798          | 16 038              | 20 504             | 20 504                    | 20 504              | 16 729 - -                    |
| Provincial Roads Maintenance Grant   |         | 1 240 694              | 1 240 694       | 1 489 393           | 1 489 393              | 1 489 393       | 1 630 590           | 1 594 840              | 1 594 840       | 1 719 418           | 1 638 865          | 1 638 865                 | 1 638 865           | 1 461 269 893 029 956 684     |
| Public Transport Operations Grant  |         | 439 003                | 439 003         | 462 926             | 462 926                | 462 926         | 491 418             | 491 418                | 502 272         | 502 272             | 549 132            | 549 132                   | 549 132             | 581 934 609 128 643 239       |
| <b>Vote 09: Community Safety, Security and Liaison</b>                         |         | 522                    | 522             | 819                 | 819                    | 819             | 2 580               | 2 580                  | 2 580           | 1 000               | 4 307              | 4 307                     | 4 307               | 1 482 - -                     |
| Social Sector Expanded Public Works Programme Incentive Grant for Provinces    |         | 522                    | 522             | 819                 | 819                    | 819             | 2 580               | 2 580                  | 2 580           | 1 000               | 4 307              | 4 307                     | 4 307               | 1 482 - -                     |
| <b>Vote 10: Health</b>   |         | 1 260 185              | 1 260 185       | 1 186 647           | 1 186 647              | 1 185 747       | 1 367 865           | 1 373 568              | 1 373 568       | 1 422 915           | 1 531 329          | 1 552 513                 | 1 552 513           | 1 774 305 1 938 033 2 110 365 |
| Comprehensive HIV and Aids Grant   |         | 586 097                | 586 097         | 690 591             | 690 591                | 690 591         | 818 836             | 818 836                | 818 836         | 927 214             | 1 032 055          | 1 032 055                 | 1 032 055           | 1 188 073 1 349 924 1 489 344 |
| Hospital Facility Revitalisation Grant   |         | 483 803                | 483 803         | 306 433             | 306 433                | 306 433         | 343 509             | 343 509                | 343 509         | 287 942             | 281 174            | 289 730                   | 289 730             | 325 617 339 676 358 696       |
| Health Professions Training and Development Grant                              |         | 85 837                 | 85 837          | 89 894              | 89 894                 | 89 894          | 95 288              | 95 288                 | 95 288          | 97 460              | 101 646            | 101 646                   | 101 646             | 108 014 114 279 120 678       |
| National Tertiary Services Grant   |         | 91 879                 | 91 879          | 91 879              | 91 879                 | 91 879          | 97 116              | 102 049                | 102 049         | 99 311              | 103 597            | 114 451                   | 114 451             | 110 103 116 489 122 993       |
| National Health Insurance Grant  |         | 11 500                 | 11 500          | 4 850               | 4 850                  | 4 850           | 7 000               | 7 770                  | 7 770           | 7 206               | 7 546              | 9 320                     | 9 320               | - 17 665 18 654               |
| Human Papillomavirus Vaccine Grant   |         | -                      | -               | -                   | -                      | -               | -                   | -                      | -               | -                   | -                  | -                         | -                   | - - -                         |
| Expanded Public Works Programme Incentive Grant for Provinces                  |         | 1 069                  | 1 069           | 3 000               | 3 000                  | 2 100           | 2 732               | 2 732                  | 2 732           | 2 264               | 2 311              | 2 311                     | 2 311               | 2 000 - -                     |
| Social Sector Expanded Public Works Programme Incentive Grant for Provinces    |         | -                      | -               | -                   | -                      | -               | 3 384               | 3 384                  | 3 384           | 1 518               | 3 000              | 3 000                     | 3 000               | 40 498 - -                    |
| <b>Vote 11: Culture, Sport and Recreation</b>                                  |         | 114 112                | 110 229         | 118 985             | 126 237                | 126 237         | 166 519             | 167 635                | 167 635         | 197 711             | 209 220            | 234 813                   | 234 813             | 214 212 222 546 234 714       |
| Community Library Services Grant   |         | 72 705                 | 68 822          | 72 521              | 77 405                 | 77 405          | 114 781             | 115 897                | 115 897         | 150 325             | 155 289            | 183 182                   | 183 182             | 162 777 171 804 181 167       |
| Expanded Public Works Programme Incentive Grant for Provinces                  |         | 1 000                  | 1 000           | 550                 | 550                    | 550             | 2 199               | 2 199                  | 2 199           | 2 148               | 2 000              | 2 000                     | 2 000               | 2 000 - -                     |
| Social Sector Expanded Public Works Programme Incentive Grant for Provinces    |         | 524                    | 524             | 1 142               | 1 142                  | 1 142           | 2 580               | 2 580                  | 2 580           | 1 199               | 2 888              | 2 888                     | 2 888               | 3 083 - -                     |
| Mass Participation and Sport Development Grant                                 |         | 39 883                 | 39 883          | 44 772              | 47 140                 | 47 140          | 46 959              | 46 959                 | 46 959          | 44 039              | 49 043             | 46 743                    | 46 743              | 46 352 50 742 53 547          |
| <b>Vote 12: Social Development</b>   |         | -                      | -               | -                   | -                      | -               | 6 012               | 6 012                  | 6 012           | 19 274              | 35 806             | 35 806                    | 35 806              | 69 856 56 166 59 705          |
| Expanded Public Works Programme Incentive Grant for Provinces                  |         | -                      | -               | -                   | -                      | -               | 2 024               | 2 024                  | 2 024           | 2 000               | 2 074              | 2 074                     | 2 074               | 2 000 - -                     |
| Social Sector Expanded Public Works Programme Incentive Grant for Provinces    |         | -                      | -               | -                   | -                      | -               | 3 988               | 3 988                  | 3 988           | 17 274              | 33 732             | 33 732                    | 33 732              | 27 109 - -                    |
| Early Childhood Development Grant  |         | -                      | -               | -                   | -                      | -               | -                   | -                      | -               | -                   | -                  | -                         | -                   | 25 799 39 989 42 223          |
| Social Workers Employment Grant  |         | -                      | -               | -                   | -                      | -               | -                   | -                      | -               | -                   | -                  | -                         | -                   | 14 948 16 177 17 482          |
| <b>Vote 13: Human Settlements</b>  |         | 980 263                | 965 127         | 1 126 096           | 1 126 096              | 1 126 096       | 1 216 690           | 1 327 960              | 1 327 960       | 1 267 162           | 1 316 657          | 1 316 657                 | 1 316 657           | 1 395 774 1 464 882 1 539 184 |
| Housing Disaster Relief Grant  |         | 15 136                 | -               | -                   | -                      | -               | -                   | -                      | -               | -                   | -                  | -                         | -                   | - - -                         |
| Human Settlements Development Grant  |         | 965 127                | 965 127         | 1 126 096           | 1 126 096              | 1 126 096       | 1 216 690           | 1 327 960              | 1 327 960       | 1 265 162           | 1 314 645          | 1 314 645                 | 1 314 645           | 1 395 774 1 464 882 1 539 184 |
| Expanded Public Works Programme Incentive Grant for Provinces                  |         | -                      | -               | -                   | -                      | -               | -                   | -                      | -               | 2 000               | 2 012              | 2 012                     | 2 012               | - - -                         |
| <b>Total conditional grants</b>  |         | 5 406 883              | 5 387 504       | 5 688 466           | 5 707 590              | 5 706 690       | 6 331 537           | 6 429 527              | 6 402 618       | 6 851 055           | 6 986 592          | 7 045 605                 | 7 045 605           | 7 182 540 6 938 383 7 413 150 |

# Table A.3: Details of information on provincial payments and estimates

## Table A.3(a): Summary of provincial goods and services payments and estimates

| Table A.3(a): Summary of provincial goods and services payments and estimates |           |           |           |                    |                        |                  |             |           |           |
|---|-----------|-----------|-----------|--------------------|------------------------|------------------|-------------|-----------|-----------|
|   | Outcome   |           |           | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term |           |           |
| R thousand  | 2013/14   | 2014/15   | 2015/16   |                    | 2016/17                |                  | 2017/18     | 2018/19   | 2019/20   |
| Current payments  |           |           |           |                    |                        |                  |             |           |           |
| .....   |           |           |           |                    |                        |                  |             |           |           |
| Goods and services  | 7 023 099 | 7 240 936 | 7 809 486 | 7 878 893          | 8 032 323              | 8 047 919        | 7 985 456   | 8 563 810 | 8 961 511 |
| Administrative fees   | 27 490    | 16 453    | 41 921    | 19 240             | 86 256                 | 151 891          | 74 608      | 96 734    | 119 574   |
| Advertising   | 48 114    | 29 982    | 32 817    | 32 092             | 32 409                 | 40 835           | 32 549      | 36 943    | 36 948    |
| Minor Assets  | 36 861    | 47 357    | 36 948    | 44 415             | 40 061                 | 48 155           | 31 008      | 33 508    | 39 123    |
| Audit cost: External  | 76 048    | 79 971    | 83 499    | 83 613             | 89 624                 | 85 074           | 83 749      | 89 571    | 77 576    |
| Bursaries: Employees  | 85 832    | 20 575    | 15 286    | 24 243             | 22 950                 | 26 203           | 22 871      | 24 220    | 25 577    |
| Catering: Departmental activities   | 76 817    | 52 945    | 45 213    | 36 813             | 49 422                 | 47 586           | 50 989      | 45 421    | 45 840    |
| Communication (G&S)   | 152 766   | 148 583   | 142 331   | 145 796            | 133 804                | 141 405          | 139 574     | 149 717   | 150 356   |
| Computer services   | 131 701   | 179 187   | 206 021   | 306 537            | 207 085                | 181 511          | 237 566     | 186 457   | 197 657   |
| Consultants and professional services: Business and advisory                  | 59 166    | 92 743    | 153 107   | 146 839            | 129 881                | 112 235          | 106 245     | 88 707    | 92 967    |
| Consultants and professional services: Infrastructure and planning            | 96 875    | 88 847    | 124 034   | 185 226            | 151 896                | 134 225          | 201 682     | 92 688    | 91 096    |
| Consultants and professional services: Laboratory services                    | 227 832   | 357 810   | 329 329   | 335 266            | 330 308                | 344 399          | 331 183     | 350 548   | 378 179   |
| Consultants and professional services: Scientific and technological           |           |           |           | 10 250             | 250                    | 1 666            | 263         | 278       | 294       |
| Consultants and professional services: Legal costs                            | 18 134    | 20 532    | 53 524    | 65 805             | 53 226                 | 45 557           | 69 839      | 54 176    | 47 501    |
| Contractors   | 427 929   | 607 921   | 600 631   | 545 552            | 576 753                | 602 458          | 828 360     | 921 411   | 957 162   |
| Agency and support / outsourced services                                      | 645 246   | 742 095   | 708 853   | 716 926            | 756 051                | 774 512          | 738 886     | 816 992   | 836 587   |
| Entertainment   | 292       | 349       | 402       | 211                | 211                    | 316              | 371         | 690       | 247       |
| Fleet services (including government motor transport)                         | 226 689   | 247 715   | 247 688   | 260 971            | 244 135                | 236 107          | 249 362     | 265 933   | 273 825   |
| Housing   |           |           |           |                    |                        |                  |             |           |           |
| Inventory: Clothing material and accessories                                  | 8 903     | 6 866     | 14 859    | 4 233              | 2 316                  | 9 650            | 5 400       | 7 685     | 6 386     |
| Inventory: Farming supplies   | 7 127     | 4 556     | 5 828     | 6 017              | 4 767                  | 466              | 7 118       | 8 739     | 8 268     |
| Inventory: Food and food supplies   | 84 769    | 92 076    | 87 967    | 104 905            | 86 333                 | 77 725           | 94 565      | 88 462    | 93 463    |
| Inventory: Fuel, oil and gas  | 18 885    | 37 175    | 50 052    | 45 006             | 40 014                 | 39 731           | 43 604      | 45 182    | 47 825    |
| Inventory: Learner and teacher support material                               | 572 684   | 478 449   | 439 861   | 272 534            | 237 270                | 235 955          | 251 386     | 480 128   | 737 577   |
| Inventory: Materials and supplies   | 80 486    | 62 619    | 57 873    | 66 504             | 86 626                 | 93 888           | 61 753      | 80 981    | 86 178    |
| Inventory: Medical supplies   | 330 862   | 320 440   | 356 424   | 360 672            | 355 611                | 388 241          | 360 867     | 391 477   | 411 487   |
| Inventory: Medicine   | 852 102   | 1 021 312 | 1 123 245 | 1 117 596          | 1 334 059              | 1 234 856        | 1 305 929   | 1 310 927 | 1 460 693 |
| Medsas inventory interface  | 10        |           |           |                    |                        |                  |             |           |           |
| Inventory: Other supplies   | 90 783    | 61 870    | 97 153    | 115 651            | 86 007                 | 74 904           | 83 384      | 105 439   | 100 517   |
| Consumable supplies   | 124 757   | 148 797   | 144 272   | 181 565            | 123 701                | 153 332          | 111 193     | 126 649   | 128 510   |
| Consumable: Stationery, printing and office supplies                          | 71 064    | 71 407    | 83 268    | 117 889            | 85 097                 | 80 606           | 70 918      | 95 382    | 96 975    |
| Operating leases  | 218 225   | 246 386   | 277 063   | 286 366            | 269 876                | 275 288          | 280 269     | 346 322   | 276 456   |
| Property payments   | 910 618   | 831 504   | 942 703   | 986 433            | 1 182 138              | 1 118 098        | 1 082 691   | 1 082 314 | 1 057 247 |
| Transport provided: Departmental activity                                     | 512 286   | 369 454   | 441 432   | 413 087            | 415 762                | 416 787          | 464 151     | 491 766   | 517 996   |
| Travel and subsistence  | 473 495   | 510 500   | 529 313   | 422 704            | 428 944                | 489 866          | 315 725     | 383 560   | 340 507   |
| Training and development  | 122 461   | 104 223   | 157 081   | 272 714            | 215 412                | 211 869          | 101 495     | 94 290    | 98 696    |
| Operating payments  | 89 532    | 80 675    | 87 425    | 80 061             | 87 052                 | 78 811           | 76 680      | 88 626    | 77 817    |
| Venues and facilities   | 108 234   | 48 554    | 76 406    | 55 703             | 78 248                 | 83 597           | 61 704      | 71 939    | 36 174    |
| Rental and hiring   | 8 024     | 11 008    | 15 657    | 9 457              | 8 768                  | 10 114           | 7 519       | 9 948     | 8 230     |
| .....   |           |           |           |                    |                        |                  |             |           |           |
| Total economic classification   |           |           |           |                    |                        |                  |             |           |           |



# Table A.4 (a): Payments summary by functional area

Table A.4(a): Payments summary by functional area

| Function                         | Category                           | Department   | Programmes  |
|----------------------------------|------------------------------------|--|---|
| General public services          | Legislative                        | Premier  | Administration<br>Institutional Development<br>Policy and Governance  |
|                                  |                                    | Provincial Legislature   | Administration<br>Parliamentary Business  |
|                                  |                                    | Co-operative Governance and Traditional Affairs                | The House of Traditional Leaders  |
|                                  | General policy and administration  | Co-operative Governance and Traditional Affairs                | Administration<br>Local Governance<br>Development and Planning<br>Traditional Institutional Management  |
|                                  |                                    | Public Works, Roads and Transport                              | Administration<br>Public Works Infrastructure   |
|                                  | Financial and Fiscal Services      | Provincial Treasury  | Administration<br>Sustainable Resources Management<br>Asset And Liabilities Management<br>Financial Governance  |
| Public order and safety          | Police services                    | Community Safety, Security and Liaison                         | Administration<br>Civilian Oversight<br>Security Management   |
|                                  |                                    | Community Safety, Security and Liaison                         | Transport Regulation  |
| Economic Affairs                 | Transport                          | Public Works, Roads and Transport                              | Transport Infrastructure<br>Transport Operations<br>Community Based Programmes  |
|                                  |                                    | Economic Development and Tourism                               | Administration<br>Integrated Economic Development<br>Trade and Sector Development<br>Business Regulation and Governance<br>Economic Planning  |
|                                  |                                    | Economic Development and Tourism                               | Tourism   |
|                                  | Agriculture                        | Agriculture, Rural Development, Land and Environmental Affairs | Administration<br>Sustainable Resource Management<br>Farmer Support and Development<br>Veterinary Services<br>Research and Technology Development<br>Agricultural Economics Services<br>Rural Development Coordination                |
|                                  |                                    | Agriculture, Rural Development, Land and Environmental Affairs | Environmental Affairs   |
|                                  |                                    | Human Settlements  | Administration<br>Housing Needs, Planning and Research<br>Housing Development<br>Housing Asset Management   |
| Environmental Protection         | Environmental protection           | Agriculture, Rural Development, Land and Environmental Affairs | Environmental Affairs   |
|                                  |                                    | Agriculture, Rural Development, Land and Environmental Affairs | Environmental Affairs   |
| Housing and community amenities  | Housing development                | Human Settlements  | Administration<br>Housing Needs, Planning and Research<br>Housing Development<br>Housing Asset Management   |
|                                  |                                    | Human Settlements  | Administration<br>Housing Needs, Planning and Research<br>Housing Development<br>Housing Asset Management   |
| Health                           | Outpatient service                 | Health   | District Health Services<br>Health Facilities Management  |
|                                  |                                    | Health   | District Health Services<br>Health Facilities Management  |
|                                  | Hospital services                  | Health   | Administration<br>District Health Services<br>Emergency Medical Services<br>Provincial Hospital Services<br>Central Hospital Services<br>Health Sciences and Training<br>Health Care Support Services<br>Health Facilities Management |
|                                  |                                    | Health   | Administration<br>District Health Services<br>Emergency Medical Services<br>Provincial Hospital Services<br>Central Hospital Services<br>Health Sciences and Training<br>Health Care Support Services<br>Health Facilities Management |
|                                  |                                    | Health   | Administration<br>District Health Services<br>Emergency Medical Services<br>Provincial Hospital Services<br>Central Hospital Services<br>Health Sciences and Training<br>Health Care Support Services<br>Health Facilities Management |
|                                  |                                    | Health   | Administration<br>District Health Services<br>Emergency Medical Services<br>Provincial Hospital Services<br>Central Hospital Services<br>Health Sciences and Training<br>Health Care Support Services<br>Health Facilities Management |
| Recreation, culture and religion | Recreational and sporting services | Culture, Sport and Recreation                                  | Administration<br>Sport and recreation  |
|                                  |                                    | Culture, Sport and Recreation                                  | Administration<br>Sport and recreation  |
| Education                        | Cultural services                  | Culture, Sport and Recreation                                  | Administration<br>Cultural Affairs<br>Library and Archives Services   |
|                                  |                                    | Culture, Sport and Recreation                                  | Administration<br>Cultural Affairs<br>Library and Archives Services   |
|                                  | Pre-primary and primary            | Education  | Public Ordinary Schools Education<br>Early Childhood Development  |
|                                  | Secondary education                | Education  | Public Ordinary Schools Education   |
|                                  | Subsidiary service to education    | Education  | Administration<br>Public Ordinary Schools Education<br>Independent Schools Subsidies<br>Public Special Schools Education<br>Early Childhood Development<br>Infrastructure Development<br>Examination and Education Related Services   |
|                                  |                                    | Education  | Administration<br>Public Ordinary Schools Education<br>Independent Schools Subsidies<br>Public Special Schools Education<br>Early Childhood Development<br>Infrastructure Development<br>Examination and Education Related Services   |
| Social protection                | Education not definable by level   | Education  | Public Special Schools Education<br>Independent Schools Subsidies<br>Health Sciences and Training   |
|                                  |                                    | Health   | Health Sciences and Training  |
|                                  | Social security services           | Agriculture, Rural Development, Land and Environmental Affairs | Structured Agricultural Education and Training  |
|                                  |                                    | Social Development   | Administration<br>Social Welfare Services<br>Children and Families<br>Restorative Services<br>Development and Research  |
|                                  | Social security services           | Social Development   | Administration<br>Social Welfare Services<br>Children and Families<br>Restorative Services<br>Development and Research  |
|                                  |                                    | Social Development   | Administration<br>Social Welfare Services<br>Children and Families<br>Restorative Services<br>Development and Research  |

**Table A.4(b): Details of provincial payments and estimates by functional area**

A.4(b): Details of provincial payments and estimates by functional area

| (27) Outcome: Provincial payments and estimates by functional area |                   |                   |                   | Main appropriation | Adjusted appropriation | Revised estimate  | Medium-term estimates |                   |                   |
|--|-------------------|-------------------|-------------------|--------------------|------------------------|-------------------|-----------------------|-------------------|-------------------|
| R thousand   | 2013/14           | 2014/15           | 2015/16           |                    | 2016/17                |                   | 2017/18               | 2018/19           | 2019/20           |
| <b>General Public Services</b>                                     |                   |                   |                   |                    |                        |                   |                       |                   |                   |
| Executive and Legislature  | 538 977           | 515 281           | 575 643           | 563 413            | 605 532                | 605 532           | 624 704               | 647 569           | 669 567           |
| Office of the Premier  | 274 248           | 211 586           | 262 393           | 245 071            | 263 071                | 263 071           | 289 769               | 280 472           | 293 712           |
| The House of Traditional Leaders                                   | 13 852            | 15 025            | 17 629            | 19 982             | 19 982                 | 19 982            | 17 644                | 19 208            | 20 972            |
| Provincial Legislature   | 250 877           | 288 670           | 295 621           | 298 360            | 322 479                | 322 479           | 317 291               | 347 889           | 354 883           |
| Financial and Fiscal Services                                      | 267 160           | 275 329           | 273 091           | 287 466            | 287 466                | 285 582           | 289 945               | 311 941           | 326 050           |
| Provincial Treasury  | 267 160           | 275 329           | 273 091           | 287 466            | 287 466                | 285 582           | 289 945               | 311 941           | 326 050           |
| General Services (Public Works, Local Government)                  | 1 196 128         | 1 250 003         | 1 356 300         | 1 562 284          | 1 576 248              | 1 577 246         | 1 566 884             | 1 573 896         | 1 655 700         |
| <b>Total: General Public Services</b>                              | <b>2 002 265</b>  | <b>2 040 613</b>  | <b>2 205 034</b>  | <b>2 413 163</b>   | <b>2 469 246</b>       | <b>2 468 360</b>  | <b>2 481 533</b>      | <b>2 533 406</b>  | <b>2 651 317</b>  |
| <b>Public Order and Safety</b>                                     |                   |                   |                   |                    |                        |                   |                       |                   |                   |
| Police Services  | 1 099 184         | 1 003 379         | 1 245 917         | 1 069 370          | 1 181 759              | 1 181 361         | 1 153 099             | 1 211 932         | 1 267 850         |
| Community Safety, Security and Liaison                             | 1 099 184         | 1 003 379         | 1 245 917         | 1 069 370          | 1 181 759              | 1 181 361         | 1 153 099             | 1 211 932         | 1 267 850         |
| <b>Total: Public Order and Safety</b>                              | <b>1 099 184</b>  | <b>1 003 379</b>  | <b>1 245 917</b>  | <b>1 069 370</b>   | <b>1 181 759</b>       | <b>1 181 361</b>  | <b>1 153 099</b>      | <b>1 211 932</b>  | <b>1 267 850</b>  |
| <b>Economic Affairs</b>  |                   |                   |                   |                    |                        |                   |                       |                   |                   |
| General Economic Affairs   | 739 257           | 764 536           | 795 227           | 994 142            | 1 002 142              | 1 000 349         | 1 130 077             | 1 179 612         | 1 236 351         |
| Economic Development and Tourism                                   | 739 257           | 764 536           | 795 227           | 994 142            | 1 002 142              | 1 000 349         | 1 130 077             | 1 179 612         | 1 236 351         |
| Agriculture  | 840 840           | 883 470           | 899 178           | 863 792            | 861 716                | 861 716           | 985 719               | 1 056 982         | 1 120 714         |
| Agriculture, Rural Dev., Land and Enviro Affairs                   | 840 840           | 883 470           | 899 178           | 863 792            | 861 716                | 861 716           | 985 719               | 1 056 982         | 1 120 714         |
| Transport  | 3 134 102         | 3 423 138         | 3 492 396         | 3 562 871          | 3 620 204              | 3 619 206         | 3 691 263             | 3 193 759         | 3 358 375         |
| Transport  | 3 134 102         | 3 423 138         | 3 492 396         | 3 562 871          | 3 620 204              | 3 619 206         | 3 691 263             | 3 193 759         | 3 358 375         |
| <b>Total: Economic Affairs</b>                                     | <b>4 714 199</b>  | <b>5 071 144</b>  | <b>5 186 801</b>  | <b>5 420 805</b>   | <b>5 484 062</b>       | <b>5 481 271</b>  | <b>5 807 059</b>      | <b>5 430 353</b>  | <b>5 715 440</b>  |
| <b>Environmental Protection</b>                                    |                   |                   |                   |                    |                        |                   |                       |                   |                   |
| Environmental Protection   | 94 969            | 69 438            | 85 777            | 92 962             | 94 962                 | 94 962            | 112 733               | 102 824           | 109 526           |
| <b>Total: Environmental Protection</b>                             | <b>94 969</b>     | <b>69 438</b>     | <b>85 777</b>     | <b>92 962</b>      | <b>94 962</b>          | <b>94 962</b>     | <b>112 733</b>        | <b>102 824</b>    | <b>109 526</b>    |
| <b>Housing and Community Amenities</b>                             |                   |                   |                   |                    |                        |                   |                       |                   |                   |
| Housing Development  | 1 218 995         | 1 757 403         | 1 702 629         | 1 822 108          | 1 979 852              | 2 032 062         | 1 646 082             | 1 727 262         | 1 813 357         |
| Human Settlements  | 1 218 995         | 1 757 403         | 1 702 629         | 1 822 108          | 1 979 852              | 2 032 062         | 1 646 082             | 1 727 262         | 1 813 357         |
| <b>Total: Housing and Community Amenities</b>                      | <b>1 218 995</b>  | <b>1 757 403</b>  | <b>1 702 629</b>  | <b>1 822 108</b>   | <b>1 979 852</b>       | <b>2 032 062</b>  | <b>1 646 082</b>      | <b>1 727 262</b>  | <b>1 813 357</b>  |
| <b>Health</b>  |                   |                   |                   |                    |                        |                   |                       |                   |                   |
| Outpatient services  | 3 005 399         | 3 282 129         | 3 765 329         | 3 907 807          | 3 980 521              | 3 980 521         | 4 642 259             | 4 907 114         | 5 252 410         |
| Hospital Services  | 4 886 730         | 5 402 429         | 6 104 601         | 6 514 195          | 6 411 559              | 6 429 318         | 7 130 606             | 7 511 908         | 8 015 243         |
| <b>Total: Health</b>   | <b>7 892 129</b>  | <b>8 684 557</b>  | <b>9 869 929</b>  | <b>10 422 003</b>  | <b>10 392 080</b>      | <b>10 409 839</b> | <b>11 772 865</b>     | <b>12 419 022</b> | <b>13 267 653</b> |
| <b>Recreation, Culture and Religion</b>                            |                   |                   |                   |                    |                        |                   |                       |                   |                   |
| Sporting and Recreational Affairs                                  | 373 622           | 411 103           | 423 084           | 451 907            | 497 500                | 498 397           | 511 232               | 533 906           | 560 087           |
| Sport, Arts and Culture  | 373 622           | 411 103           | 423 084           | 451 907            | 497 500                | 498 397           | 511 232               | 533 906           | 560 087           |
| <b>Total: Recreation, Culture and Religion</b>                     | <b>373 622</b>    | <b>411 103</b>    | <b>423 084</b>    | <b>451 907</b>     | <b>497 500</b>         | <b>498 397</b>    | <b>511 232</b>        | <b>533 906</b>    | <b>560 087</b>    |
| <b>Education</b>   |                   |                   |                   |                    |                        |                   |                       |                   |                   |
| Pre-primary & Primary Phases                                       | 7 357 246         | 7 817 254         | 8 345 040         | 8 735 524          | 8 755 608              | 8 872 997         | 9 489 784             | 10 258 271        | 10 989 377        |
| Secondary Education Phase  | 4 372 208         | 4 661 910         | 4 954 458         | 5 136 317          | 5 148 571              | 5 220 198         | 5 651 031             | 6 078 124         | 6 516 771         |
| Subsidiary Services to Education                                   | 2 713 528         | 2 970 088         | 3 560 011         | 3 778 698          | 3 766 863              | 3 776 811         | 3 869 384             | 4 192 554         | 4 170 283         |
| Education not defined by level                                     | 436 231           | 451 221           | 469 634           | 503 765            | 497 947                | 497 947           | 586 064               | 681 066           | 724 033           |
| <b>Total: Education</b>  | <b>14 879 213</b> | <b>15 900 473</b> | <b>17 329 143</b> | <b>18 154 303</b>  | <b>18 168 990</b>      | <b>18 367 953</b> | <b>19 596 263</b>     | <b>21 210 015</b> | <b>22 400 464</b> |
| <b>Social protection</b>   |                   |                   |                   |                    |                        |                   |                       |                   |                   |
| Social Services and Population Development                         | 1 136 357         | 1 220 303         | 1 270 653         | 1 454 716          | 1 436 091              | 1 436 091         | 1 456 009             | 1 492 946         | 1 561 130         |
| <b>Total: Social protection</b>                                    | <b>1 136 357</b>  | <b>1 220 303</b>  | <b>1 270 653</b>  | <b>1 454 716</b>   | <b>1 436 091</b>       | <b>1 436 091</b>  | <b>1 456 009</b>      | <b>1 492 946</b>  | <b>1 561 130</b>  |
| <b>Total provincial payments and estimates by function:</b>        | <b>33 410 933</b> | <b>36 158 413</b> | <b>39 318 967</b> | <b>41 301 337</b>  | <b>41 704 542</b>      | <b>41 970 296</b> | <b>44 536 875</b>     | <b>46 661 666</b> | <b>49 346 824</b> |

# Table A.5: Details of transfers to local government

Table A.5: Transfers to local government by category and municipality

| R thousand  | Outcome        |                |                | Main appropriation | Adjusted appropriation 2016/17 | Revised estimate | Medium-term estimates |                |                |
|---|----------------|----------------|----------------|--------------------|--------------------------------|------------------|-----------------------|----------------|----------------|
|   | 2013/14        | 2014/15        | 2015/16        |                    |                                |                  | 2017/18               | 2018/19        | 2019/20        |
| <b>Category A</b>                                       | –              | –              | –              | –                  | –                              | –                | –                     | –              | –              |
| <b>Category B</b>                                       | <b>188 447</b> | <b>392 905</b> | <b>398 613</b> | <b>403 377</b>     | <b>133 811</b>                 | <b>197 988</b>   | <b>171 250</b>        | <b>181 353</b> | <b>190 977</b> |
| MP301 Albert Luthuli                                    | 5 886          | 8 650          | 11 393         | 7 090              | 7 090                          | 528              | 9 252                 | 9 798          | 10 347         |
| MP302 Msukaligwa  | 10 595         | 8 873          | 12 225         | 5 335              | 5 335                          | 22 224           | 6 962                 | 7 373          | 7 786          |
| MP303 Mkhondo   | 7 703          | 2 065          | 111 118        | 6 734              | 6 734                          | 3 695            | 8 788                 | 9 306          | 9 827          |
| MP304 Pixley Ka Seme                                    | 1 176          | 3 944          | 2 321          | 17 346             | 2 346                          | 1 002            | 3 062                 | 3 243          | 3 425          |
| MP305 Lekwa   | 21 877         | 23 260         | –              | 3 596              | 3 596                          | 1 296            | 4 693                 | 4 231          | 4 468          |
| MP306 Dipaleseng  | 2 708          | 1 120          | 4 116          | 3 043              | 3 043                          | 1 105            | 3 971                 | 4 205          | 4 440          |
| MP307 Govan Mbeki                                       | 6 200          | 68 695         | 24 171         | 32 771             | 12 199                         | 9 403            | 12 703                | 13 452         | 14 205         |
| MP311 Delmas  | 1 347          | 2 161          | 1 406          | 2 264              | 2 264                          | 1 670            | 2 955                 | 3 129          | 3 304          |
| MP312 Emalahleni  | 12 081         | 49 427         | 72 602         | 161 940            | 10 940                         | 11 025           | 14 277                | 15 119         | 15 966         |
| MP313 Steve Tshwete                                     | 39 499         | 17 716         | 20 237         | 12 425             | 12 425                         | 10 611           | 16 215                | 17 172         | 18 134         |
| MP314 Emakhazeni  | 6 345          | 3 707          | –              | 3 550              | 3 550                          | 3 256            | 4 633                 | 4 906          | 5 181          |
| MP315 Thembisile  | 1 503          | 3 810          | –              | 1 139              | 1 139                          | 12 123           | 1 486                 | 2 315          | 2 445          |
| MP316 Dr JS Moroka                                      | 1 766          | 1 392          | 2 305          | 816                | 816                            | 6 552            | 5 709                 | 6 046          | 6 385          |
| MP321 Thaba Chweu                                       | 5 366          | 5 479          | 7 450          | 5 732              | 5 732                          | –                | 7 480                 | 7 921          | 8 365          |
| MP322 Mbombela  | 23 404         | 104 982        | 92 233         | 25 412             | 25 418                         | 47 007           | 28 302                | 29 971         | 31 118         |
| MP323 Umjindi   | 419            | 795            | 802            | 1 654              | 1 654                          | 851              | 2 261                 | 2 394          | 2 528          |
| MP324 Nkomazi   | 7 684          | 7 010          | 18 611         | 4 620              | 4 620                          | 13 603           | 5 993                 | 6 346          | 6 701          |
| MP325 Bushbuckridge                                     | 32 888         | 79 819         | 17 623         | 107 910            | 24 910                         | 52 037           | 32 508                | 34 426         | 36 352         |
| <b>Category C</b>                                       | <b>57</b>      | <b>17 175</b>  | <b>3 000</b>   | <b>–</b>           | <b>–</b>                       | <b>–</b>         | <b>–</b>              | <b>–</b>       | <b>–</b>       |
| DC30 Gert Sibande                                       | 31             | 11 064         | –              | –                  | –                              | –                | –                     | –              | –              |
| DC31 Nkangala   | 25             | 4 750          | 3 000          | –                  | –                              | –                | –                     | –              | –              |
| DC32 Ehlanzeni  | 1              | 1 361          | –              | –                  | –                              | –                | –                     | –              | –              |
| <b>Unallocated</b>                                      | <b>133</b>     | <b>112</b>     | <b>515</b>     | <b>634</b>         | <b>634</b>                     | <b>453</b>       | <b>576</b>            | <b>645</b>     | <b>681</b>     |
| <b>Total departmental transfers to local government</b> | <b>188 637</b> | <b>410 192</b> | <b>402 128</b> | <b>404 011</b>     | <b>134 445</b>                 | <b>198 441</b>   | <b>171 826</b>        | <b>181 998</b> | <b>191 658</b> |