

**PART A:**  
**OVERVIEW OF PROVINCIAL REVENUE  
AND EXPENDITURE**

## **Foreword to the overview of Provincial Revenue and Expenditure for the 2018 MTEF**

The 2018 MTEF budget reflects the continuing fiscal consolidation stance as indicated by the budget cuts approved by the cabinet. From the R85 billion budget cut implemented by the National Treasury, Free State province's share of the cut amounted to R1.303 billion. About R4.11 million of the budget cut emanates from equitable share whilst the balance of R892 comes from conditional grants. These budget cuts came in the midst of provincial fiscal constraints as a result of budget pressures brought by, amongst others, non-funding of in-year salary adjustments and scaling up of social services to meet the needs of our people.

In response to these fiscal challenges the province had to do a thorough budget evaluation of each department with the view to reprioritize resources towards frontline services. This included, over and above normal budget processes such as PMTEC and Budget Lekgotla, two weeks budget consultation sessions with all the departments and public entities. Our 2018 MTEF budget thus responds to the identified priorities as set out in the National Development Plan. Key amongst the priorities funded are Education, Health, Infrastructure, Agriculture, Economy, Fighting Crime and Land restitution.

It is also worth noting to indicate that our 2018 MTEF budget continue to prioritize social services such health, education and social development. Over the MTEF the proportionate share of these services amounts to 73 percent of the total provincial fiscal envelope.

The economic outlook presented by the Minister of Finance during the tabling of the budget brings hope to our economic growth going forward. The projected growth of 1.5 percent for 2018 is expected to have positive spin-offs for the province. We therefore trust that this growth will assist the province in addressing challenges of poverty, unemployment and inequality. We need to work together, public and private sectors, towards building a better Free State that is characterized by prosperity and equity. I must extend my word of gratitude to all our national and provincial departments and public entities for their sterling cooperation and support in these fiscally trying times.

Let us continue to work together towards a prosperous and equitable Free State.

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Ms. E.C. Rockman

MEC FOR FINANCE: Free State Treasury

## 1. DEMOGRAPHIC AND ECONOMIC OVERVIEW OF THE FREE STATE PROVINCE

As outlined in National Development Plan (NDP) and further emphasized in the Medium Term Strategic Framework (MSTF), it remains the provincial government plan and policy to improve socioeconomic conditions of the citizens of the province. Despite government's intervention, the 2018/19 budget is tabled amid resilient challenges of poverty, inequality and unemployment. As a result, key developmental indicators will be provided to measure or illustrate the social realities within the province, in order to give to guide and inform provincial government's planning towards improved development outcomes.

### 1.1 POPULATION

Table 1 below shows total population across all nine provinces and their respective shares to total population of the country. Using three data points (Census 2001, Census 2011 and 2017 Mid-year estimates), South Africa's total population has increased by 11.7 million people i.e. From 44.8 million in 2001 to 51.8 in 2011 and 56.5 million in 2017 or 1.6 percent on annual average basis. Only three provinces recorded a consistent increase in population count i.e. Gauteng, Western Cape and Mpumalanga. In Free State, the provincial population only grew by 160 thousands between 2001 and 2017 which represent a meagre growth of 0.5 percent on annual average basis. In absolute terms, Free State population grew from 2.7 million in 2001 to 2.8 million in 2017.

**Table 1: Population by Province, 2001 - 2017**

	Census	% of total population	Census	% of total population	Mid-year population	% of total population
	<b>2001</b>		<b>2011</b>		<b>2017</b>	
Eastern Cape	6 278 651	14.0	6 562 053	12.7	6 498 700	11.5
Free State	2 706 775	6.0	2 745 590	5.3	2 866 700	5.1
Gauteng	9 388 854	20.9	12 272 263	23.7	14 278 700	25.3
KwaZulu-Natal	9 584 129	21.4	10 267 300	19.8	11 074 800	19.6
Limpopo	4 995 462	11.1	5 404 868	10.4	5 778 400	10.2
Mpumalanga	3 365 554	7.5	4 039 939	7.8	4 444 200	7.9
Northern Cape	2 984 098	6.7	3 509 953	6.8	1 214 000	2.1
North West	991 919	2.2	1 145 861	2.2	3 856 200	6.8
Western Cape	4 524 335	10.1	5 822 734	11.2	6 510 300	11.5
<b>Total</b>	<b>44 819 777</b>	<b>100.0</b>	<b>51 770 561</b>	<b>100.0</b>	<b>56 521 900</b>	<b>100</b>

Source: StatsSA, 2017

### 1.2 FREE STATE ECONOMIC STRUCTURE

The economy of the Free State province currently remains constrained in growth terms. The economy has experienced a recession in 2015, followed by a stagnation in 2016 and a projected reversion to a recession in 2017. One of the biggest factors which played a role in the dire performance of the provincial economy in 2015 and 2016 is the 2015/16 drought and the subdued commodity prices, which only started recovering late in 2016.

The size of the primary and secondary industries are declining, whilst the size of the tertiary industry is increasing. The Free State Provincial Economic Development Strategy indicates agriculture, mining, manufacturing, tourism and transport as instrumental industries to “attract, retain and grow investment, business and talent, create jobs, and reduce inequality and poverty, in an environmentally sustainable manner”. What is a challenge is that the sizes of four of these industries are currently declining in the province.

Table 2 below depicts that the share of primary industries has declined from 17.7 per cent in 2007 to 14.7 per cent in 2016, which represents a 3 percentage point decline. Over the period, the share of mining had also decreased by 2.8 percentage points, due to 1) the weak global demand for energy and non-energy commodities, 2) industrial action in the coal industry.e.g. in 2015, 3) milder winter weather inducing weaker internal demand for coal, 4) low confidence levels, 5) electricity-supply constraints, 6) rising input costs and 7) infrastructure constraints. The agricultural industry also faced challenges induced by the 2015/16 drought, and its share has declined by 0.2 percentage points between 2007 and 2016.

The share of the secondary industries has decreased from 19.1 per cent in 2007 to 18.7 per cent in 2016, which is equivalent to a 0.4 percentage point decrease over the period. Amongst this group of industries, manufacturing has declined the most by 2.7 percentage points over the period. Manufacturing in the Free State is mainly reliant on the performance of Sasol, which could have been negatively affected by declining coal production and declining oil prices in 2014. The share of the construction industry declined by 0.1 percentage point between 2007 and 2016, possibly due to a lower business confidence as well as fiscal consolidation. Conversely, the share of the electricity industry has increased by 2.4 percentage points between 2007 and 2016.

The tertiary industry's share has increased from 63.1 per cent in 2007 to 66.6 per cent in 2016, due to the trade as well as the community services industries. The trade industry increased by 1.7 percentage points, whilst the community services industry increased by 2.0 percentage point over the period. The biggest increase in the share of the trade industry was detected in wholesale and commission sale sub-industry (1.1 percentage points) and the single biggest increase in share of community services was detected in public administration & defence activities (6.9 percentage points). The finance industry increased by a minute 0.1 percentage point, whilst the transport industry is the only tertiary that declined by 0.4 percentage points over the reference period.

The largest industries in the Free State in 2016 were community services (25.1 per cent), finance (17.0 per cent) and trade (13.9 per cent), whilst the smallest industries in the province were construction (2.4 per cent), electricity (4.7 per cent) and agriculture (4.8 per cent), respectively.

**Table 2: Sectoral composition of the Free State economy (% , current prices)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Primary Industries</b>	<b>17.7</b>	<b>20.7</b>	<b>19.4</b>	<b>19.1</b>	<b>18.5</b>	<b>18.0</b>	<b>17.6</b>	<b>16.9</b>	<b>14.8</b>	<b>14.7</b>
Agriculture	5.0	6.4	6.1	5.0	4.8	4.6	4.6	4.8	4.6	4.8
Mining	12.7	14.4	13.3	14.2	13.7	13.4	13.0	12.1	10.2	9.9
<b>Secondary Industries</b>	<b>19.1</b>	<b>18.4</b>	<b>18.4</b>	<b>17.1</b>	<b>17.2</b>	<b>16.9</b>	<b>17.0</b>	<b>17.0</b>	<b>18.7</b>	<b>18.7</b>
Manufacturing	14.3	13.3	12.0	10.9	10.7	10.2	10.3	10.0	11.4	11.6
Electricity	2.3	2.2	2.9	3.4	3.5	3.9	3.7	4.1	4.6	4.7
Construction	2.5	2.9	3.5	2.8	3.0	2.8	3.0	2.8	2.7	2.4
<b>Tertiary industries</b>	<b>63.1</b>	<b>60.9</b>	<b>62.2</b>	<b>63.8</b>	<b>64.4</b>	<b>65.1</b>	<b>65.4</b>	<b>66.2</b>	<b>66.6</b>	<b>66.6</b>
Trade	12.2	13.5	14.6	16.9	15.7	15.4	14.9	14.4	14.2	13.9
Transport	10.9	10.0	9.4	8.7	9.3	9.9	10.1	10.6	10.6	10.5
Finance	16.9	15.8	15.5	15.3	15.3	15.0	15.3	16.0	16.6	17.0
Community services	23.1	21.6	22.7	22.8	24.1	24.8	25.2	25.2	25.1	25.1
<b>GDP at basic prices</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Statistics South Africa, Gross Domestic Product, First Quarter 2017; IHS Markit, Regional eXplorer, 2018

### 1.3 FREE STATE ECONOMIC PERFORMANCE

Figure 1 below shows the historical and forecast growth rates of the Free State and South Africa between 2007 and 2016. The Free State economy grew by an average of 1.5 per cent over the entire period, whilst the South African economy grew by an average of 2.1 per cent over the same period. At different points in time between 2010 and 2016, the South African (and to some extent, the Free State) economies faced several headwinds, including but not limited to: 1) subdued global and regional economies, 2) the commodity slump, 3) trade protectionism, 4) the 2015/16 drought, 5) industrial and mining strikes, 6) high inflation and subsequent reduced consumer welfare, 7) reduced business confidence, 8) reduced fixed investment and 9) perceived political and policy uncertainty.

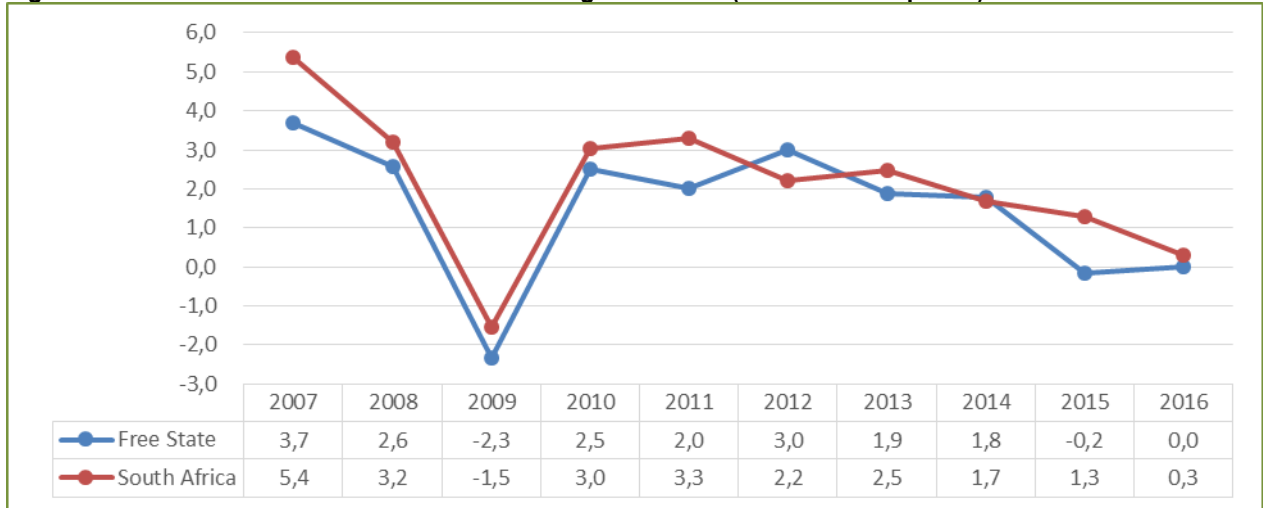
The provincial economy is projected to have deteriorated from the stagnation of 2016 to a decline of 0.2 per cent in 2017, which is contrary to the country's improvement from 0.3 per cent in 2016 to 0.7 per cent in 2017. Although the provincial economy benefitted from the end of the drought as well as rising commodity prices which commenced towards the end of 2016, trade (-2.6 per cent), mining (-2.3 per cent), manufacturing (-2.0 per cent) and construction (-1.1 per cent) are projected to have declined in 2017 (IHS Markit, 2018).

The growth of the national economy remains subdued, however it experienced a recovery from 0.3 per cent in 2016 to 0.7 per cent in 2017. The World Bank (2018) also attributes the improved growth of the country between 2016 and 2017 to improved rainfalls in the agricultural industry, the expansion of mining activity as well as the rebound in manufacturing activity.

In 2018, the provincial economy is projected to recover and grow by 0.4 per cent. Finance, agriculture and transport are likely to grow the fastest in 2018, based on a recovering economy, although the base effect of the high growth in agriculture in 2017 will wither in 2018. Nonetheless when the economy recovers, increased banking activity in the finance industry is expected, based on the anticipated lower interest rates. The transport industry is also likely to benefit from a reduction in interest rate and a strengthening Rand, which positively benefits real disposable income and may promote increased passenger transportation. The transport industry may also benefit through increased freight transportation as commodity prices continue to recover.

The economy of South Africa is also projected to improve, from a growth of 0.7 per cent in 2017 to 1.2 per cent in 2018. The World Bank (2018) expects South Africa to benefit from the strengthening of commodity prices as well as rising domestic demand.

**Figure 1: South Africa and Free State GDP annual growth rates (2010 constant prices)**



Source: Statistics South Africa, Gross Domestic Product, First Quarter 2017; IHS Markit, Regional eXplorer, 2018

#### 1.4 FREE STATE LABOUR MARKET

Theoretically, the deterioration of the Free State economy from a stagnation in 2016 to a projected recession in 2017 should have resulted in the worsening of labour-related figures over the period. However, the succeeding paragraphs below display the contrary, taking into account 1) the increased level of employment, 2) the decreased official- and expanded unemployment rates as well as 3) the decreased number of the not economically active individuals.

Table 3 below shows that the unemployment rate of the province has decreased from 34.7 per cent in Q4: 2016 to 32.6 per cent in Q4: 2017. Over the reference period, the labour force increased by 35 000, due to the increase in the number of employed people (48 000), the decline in the number of unemployed people (13 000) as well as the decline in the number of not economically active individuals (29 000). The end of the 2015/16 drought resulted in the growth of agricultural industry by an estimated 12.8 per cent in 2017, which stimulated job creation in the agricultural industry (13 000). Other industries which contributed to job creation in Q4:2017 include finance (33 000) and construction (21 000).

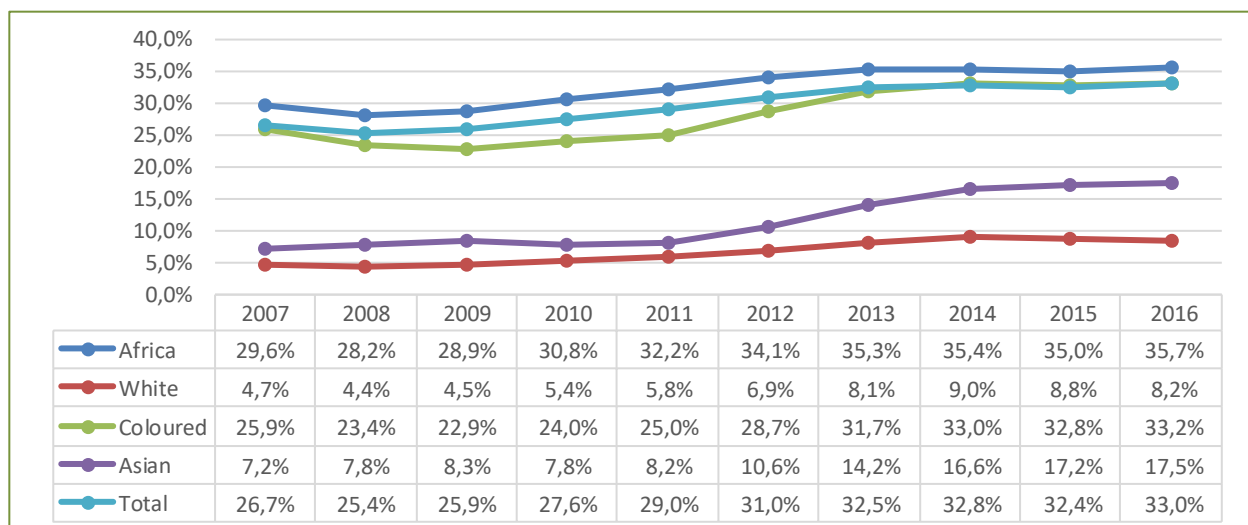
**Table 3: Labour Market Overview for Free State province**

	Oct-Dec 2016	Jan-Mar 2017	Apr-Jun 2017	Jul-Sep 2017	Oct-Dec 2017	Qrt to Qrt change	Year to year change	Qrt to Qrt change	Year to year change
	Thousand						Percent		
<b>Population 15-64 yrs</b>	1 885	1 887	1 888	1 890	1 892	3	7	0.1	0.4
<b>Labour Force</b>	1 160	1 188	1 184	1 205	1 195	-10	35	-0.8	3.1
Employed	757	767	777	821	806	-16	48	-1.9	6.4
Formal sector (Non-agricultural)	460	458	463	497	488	-9	28	-1.8	6.0
Informal sector (Non-agricultural)	143	156	138	161	157	-5	13	-2.9	9.3
Agriculture	65	70	80	75	77	2	13	3.0	19.7
Private households	89	82	96	88	84	-4	-5	-4.8	-5.9
Unemployed	403	421	407	384	390	6	-13	1.5	-3.2
Not economically active	726	699	704	685	697	13	-29	1.8	-3.9
Discouraged work-seekers	82	88	84	81	89	8	7	10.3	8.6
Other	644	611	620	604	608	4	-36	0.7	-5.5
<b>Rates (%)</b>									
Unemployment rate	34.7	35.5	34.4	31.8	32.6	0.8	-2.1		
Employed / population ratio (Absorption)	40.2	40.6	41.1	43.5	42.6	-0.9	2.4		
Labour force participation rate	61.5	63.0	62.7	63.8	63.2	-0.6	1.7		

Source: Statistics South Africa, QLFS, Fourth Quarter 2017

Figure 2 below displays the unemployment rate of the Free State by race. The average unemployment rate of the African population (32.5 per cent) was higher than the provincial unemployment rate (29.6 per cent) between 2007 and 2016. All other populations in the province have average unemployment rates that is lower than the provincial average : White population (6.6 per cent), Asian population (11.5 per cent) and the Coloured population (28.1 per cent). The labour market therefore remains untransformed along racial lines with the African population bearing the brunt of unemployment. The Radical Economic Transformation strategy will continue to play a role to ensure inclusivity of those marginalised from participation in the mainstream economy.

**Figure 2: Free State's unemployment rate by race**



Source: IHS Global Insight, Regional eXplorer, 2018

## 2. Budget strategy and aggregates

## 2.1 Introduction

The 2018 Medium Term Expenditure Framework (MTEF) budget is informed by the continuing fiscal consolidation that orders the country to reduce public debt and budget deficit. The budget will still focus on sustaining spending on core priorities and channelling resources to critical needs. The National Development Plan (NDP) recognises that faster, broad-based growth is needed to transform the economy, create jobs, and reduce poverty and inequality. The expected low growth will require additional resources and further cuts over the MTEF. The 2018 MTEF will be guided by the following principle:

- The province will strive to have a more inclusive economy that prides itself through creation of employment opportunities, promotion of ownership and full participation in the economic activities of the province.
- The emphasis of the 2018 MTEF will also be on the continuation of efficient, effective and economic utilization of limited financial resources towards radical transformation of our provincial socio-economic landscape.
- The province will continue to practice fiscal discipline and prioritize funding towards frontline services whilst ensuring that there is no overall growth on non-core items.
- The province will also continue with the implementation of cost containment and improved efficiency over the 2018 MTEF

The 2018 MTEF fiscal consolidation continues to impact negatively on the provincial fiscal framework due to budget cuts of of R411.962 million .The contribution amounts to R411.962 million and the breakdown is as follows:

- Adjustments to baseline due to the impact of data updates in the Provincial Equitable Share formula (R150.451 million over the MTEF)
- Reductions to the Fiscal Framework for Provincial Equitable Share imposed by the National Government following sluggish economic growth as well as weak currency and other new priorities identified (R261.511 million over the MTEF)

Additional funding was however allocated specifically to **Social Development** in the following manner:

NAWONGO Court Case Judgment – R11.909 million in 2019/20 and R12.546 in 2020/21.

Violence Against Women - R11.190 million in 2018/18, R15.883 million in 2019/20 and R16.733 million in 2020/21.

Furthermore the province received an amount of R536.408 million in 2020/21 in relation to adjustments to wage inflation.

The budget of R34.892 billion in 2018/19 will have to continue to fund key social priorities such as education, health and other social services. Investment on infrastructure projects such as roads, agro-processing and development of integrated human settlements throughout the MTEF period with the view to encourage and promote economic growth and create much needed job opportunities will be critical. The province will thus need to continue to use the very restricted fiscal space to fight back the challenges of poverty, inequality and unemployment and promote good governance



The **Human Papillomavirus Vaccine Grant** was introduced in the 2018 MTEF in the Health Department. The grant's purpose is to enable the health sector to prevent cervical cancer by making available HPV vaccination for grade four school girls in all public and special schools.

## 2.2 Aligning provincial budgets to achieve government's prescribed outcomes

The 2018 MTEF budget is supported by the 2015 – 2019 Medium Term Strategic Framework, 14 national outcomes, the National Development Plan (NDP) and the Provincial Growth and Development Plan (PGDP) which are linked to the 14 national outcomes:

1. Quality basic education.
2. A long and healthy life for all South Africans.
3. All people in South Africa are and feel safe.
4. Decent employment through inclusive economic growth.
5. A skilled and capable workforce to support an inclusive growth path.
6. An efficient, competitive and responsive economic infrastructure network.
7. Comprehensive rural development and land reform.
8. Sustainable human settlements and improved quality of household life.
9. A responsive, accountable, effective and efficient local government system.
10. Environmental assets and natural resources that are well protected and continually enhanced.
11. Create a better South Africa and contribute to a better and safer Africa and World.
12. An efficient, effective and development oriented public
13. An inclusive and responsive social protection system.
14. Nation building and social cohesion.

### Investment and transformation for growth

Government's economic policy is focused on inclusive growth. The benefits of a growing economy should be shared more widely and more equitably through transformation and job creation. Government, the private sector and organised labour all play a part in creating decent and sustainable employment, supporting transformation and boosting productivity. In outlining a range of structural reforms needed to raise long-term economic growth, the NDP identifies three priorities:

- Raising employment through faster economic growth
- Improving the quality of education, skills development and innovation
- Building the capability of the state.

Progress in these areas requires a long-term coordinated effort, complemented by a number of steps being taken over the medium term.

The Free State Government Provincial Priorities for 2015-19 continue to guide departments' operations, the priorities are

Outcomes	Priorities	Actions will include	Lead Department
<b>Rural Development, Land and Agrarian Reform and Food Security – Transform Rural Areas</b>	Rural Development Programmes	Expand Rural Development Programmes to ensure sustainable livelihoods in rural areas	Agriculture & Rural Development (ARD)
	Grow Rural Enterprises and Industries	Grow sustainable rural enterprises and industries and intensify the development aspect of land reform	ARD
	Land Reform Farms	Expand programmes to ensure that all land reform farms become productive and contribute to our food	ARD

Outcomes	Priorities	Actions will include	Lead Department
		security.	
	Support to Small Farmers	Roll-out and expand different projects, e.g. support to small farmers which will enhance job creation and promote access to high protein food.	ARD
<b>Ensure Decent Living Conditions and Sustainable Human Settlements</b>	Mixed Income Housing Projects	Implement bold programmes to promote better located mixed income housing projects	Human Settlements (HS)
	Improve Housing Conditions	Improve housing conditions for the poor in all formal settlements	HS
	Unlocking State Land for Affordable Housing	Unlocking well located land, especially state land for affordable housing	Public Works and Infrastructure (PWI)
	Provide Housing Opportunities	Contribute to provision of 1 million housing opportunities for qualifying households over the next 5 years	HS
	Integrated Transport in Rural Areas	Promote integrated transport	Police, Roads and Transport (PRT)
	Sanitation Infrastructure in Rural Areas	Accelerate roll out of sanitation infrastructure in rural areas and informal settlements	HS & COGTA
	Basic Services and Infrastructure in Informal Settlements	Further provision of basic services and infrastructure in existing informal settlements	HS & COGTA
	Electrical connections	Connecting additional homes to electricity grid	
<b>Improve and Expand Education and Training</b>	Free Education	Progressive realization of free education at all levels	Education
	Early Childhood Development (ECD)	Make Early Childhood Development a priority in the next 5 years	Education & SD
	Eradicate Illiteracy	Eradicate Adult Illiteracy	Education
	Quality in Teaching and Learning in Schools	Improve quality in teaching and learning in schools	Education
	Teacher Development	Attend to teacher development	Education
	School Safety Programmes	Implement further school safety programmes	Education & PRT
	Support needs of poor students	Work with Universities and FET colleges to intensify our effort to support needs of poor students	Education
<b>Ensure Quality Health Care for All</b>	Fight against HIV and AIDS	Maintain momentum in the fight against HIV and AIDS – continue to encourage people to get tested	Health
	Public Health Care	Improve quality of public health care	Health
	Distribution of ARVs	Intensify the campaign against HIV and AIDS to contribute to ensuring that at least 4.6 million people receive ARVs	Health
	Male Circumcision	Expand male circumcision programme	Health
	HIV Counselling and Testing	Expand HIV-counselling and testing programmes	Health

Outcomes	Priorities	Actions will include	Lead Department
	Chronic Medication	Ensure Chronic Medication is available	Health
<b>Expand Comprehensive Social Security</b>	Social Welfare Services	Increase the number of social services professionals to respond to the demand of social welfare services	SD
	Social Services and Grants	Make sure that all people who qualify for social services and grants receive them	SD
<b>Fight Corruption and Crime</b>	Fight Corruption	Prohibit public servants and representatives from doing business with the state	Treasury and Department of the Premier (DoP)
		Establish tender board to adjudicate tenders in all sphere of government	Treasury and DoT
	Safety and Security	Continue to ensure that South Africans are safer and feel safer	PRT
		Further reduce the levels of crime	PRT
		Continue to work with communities to make our neighbourhood and cities safer – especially through strengthening the anti-crime awareness and dealing with substance abuse	PRT
		Protect adults and children from domestic violence and crime against children	PRT
		Pursue a multi-disciplinary approach in our fight against violence against women and children	PRT
<b>Build a United Nation and Promote Social Cohesion</b>	Public Participation	Ensure public representatives are constantly in touch with the people and listens to people's concerns and needs	Legislature, Treasury and DoP
	Heritage	Actively promote patriotism and honour our collective heritage by Celebrating Symbols and Public Reference Points and The Important Historical and Cultural Sites and events of all our people	Sport, Arts and Culture (SAC)
		Promote and reserve our heritage	SAC
		Build more museums and monuments and continue to maintain our existing ones	SAC
	National Development Plan	Mobilise all sectors to contribute meaningfully in the implementation of the NDP	DoP

## 2.3 Summary of budget aggregates

Table 1.1: Provincial budget summary

R thousand	Audited outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
<b>Provincial receipts</b>									
Transfer receipts from national	26 738 338	28 625 695	29 753 712	31 789 105	31 789 105	31 789 105	33 739 364	35 599 608	38 196 995
Equitable share	20 716 762	21 996 092	22 994 762	24 521 941	24 521 941	24 521 941	26 178 043	28 071 076	30 108 091
Conditional grants	6 021 576	6 629 603	6 758 950	7 267 164	7 267 164	7 267 164	7 561 321	7 528 532	8 088 904
Provincial own receipts	965 834	1 008 183	1 072 196	1 111 945	1 111 945	1 111 945	1 153 335	1 212 689	1 277 415
<b>Total provincial receipts</b>	<b>27 704 172</b>	<b>29 633 878</b>	<b>30 825 908</b>	<b>32 901 050</b>	<b>32 901 050</b>	<b>32 901 050</b>	<b>34 892 699</b>	<b>36 812 297</b>	<b>39 474 410</b>
<b>Provincial payments</b>									
Current payments	22 133 786	23 081 244	24 334 182	26 062 549	25 944 527	27 408 136	27 972 255	29 889 208	32 133 346
Transfers and subsidies	4 035 587	3 889 162	4 246 395	4 621 562	4 836 218	5 442 295	4 693 481	4 881 123	5 145 536
Payments for capital assets	2 295 822	2 455 713	2 300 455	2 214 207	2 373 354	2 345 238	2 211 491	1 973 302	2 058 435
Payments for financial assets	10 748	5 132	10 747		7 463	7 550			
Unallocated contingency reserve									
<b>Total provincial payments</b>	<b>28 475 943</b>	<b>29 431 251</b>	<b>30 891 779</b>	<b>32 898 318</b>	<b>33 161 562</b>	<b>35 203 219</b>	<b>34 877 227</b>	<b>36 743 633</b>	<b>39 337 317</b>
<b>Surplus/(deficit) before financing</b>	<b>(771 771)</b>	<b>202 626</b>	<b>(65 871)</b>	<b>2 732</b>	<b>(260 512)</b>	<b>(2 302 169)</b>	<b>15 472</b>	<b>68 664</b>	<b>137 093</b>
<b>Financing</b>	<b>485 396</b>	<b>222 010</b>	<b>174 630</b>		<b>277 547</b>	<b>277 547</b>			
Provincial roll-overs	455 010	184 364	174 038		267 456	267 456			
Provincial reserves	30 386	37 646	592		10 091	10 091			
<b>Surplus/(deficit) after financing</b>	<b>(286 375)</b>	<b>424 637</b>	<b>108 759</b>	<b>2 732</b>	<b>17 035</b>	<b>(2 024 622)</b>	<b>15 472</b>	<b>68 664</b>	<b>137 093</b>

The total provincial fiscus amounts to **R34.893 billion** in 2018/19, **R36.812 billion** in 2019/20 and **R39.474 billion** in 2020/21. The table 1 above depicts all sources of income for the province in the 2018 MTEF.

Provincial Equitable Share increases from **R24.546 billion** in 2017/18 to **R26.178 billion** in 2018/19; representing an increase of 6.6 percent. In the outer two years, the increase amount 7.2 percent and 7.3 percent respectively. On average equitable share grows by 7.0 percent over the 2018 MTEF.

The final 2018 MTEF allocations for Conditional Grants amount to **R23.179 billion**; this amount is divided as follows: **R7.561 billion** in 2018/19 and **R7.529 billion** in 2019/20 and **R8.089 billion** 2020/21. On average, conditional grants grow by 2.6 percent over the MTEF.

The Province projects to collect **R1.152 billion** in 2018/19, **R1.213 billion** in 2019/20 and **R1.277 billion** in 2020/21. Therefore, over the MTEF the estimated own revenue grows by an average of 4.4 percent.

## 2.4 Financing

The province had to cut R411 million and R891 million on Equitable Share and conditional grants, respectively, over the 2018 MTEF. The Province did not receive any additional allocations for provincial own discretions. The additional funding received only related to ICS R536 million in the last outer year.

### **3. The budget process and the medium term expenditure framework (MTEF)**

Key activities relating to the 2018/19 Provincial Budget Process were the following:

- Provincial Rollovers formed part of the tabling of Adjustment Budget on 21 November 2017
- Provincial Budget Engagements were held from 26 July 2017 to 19 September 2017
- National Treasury visits were held on the 27-28 July 2017
- Third quarter Infrastructure Review meetings were held on 12 and 13 March 2018
- 2017 Provincial Medium Term Expenditure Committee (PMTEC) hearings were held on the 03 - 06 October 2017
- Revenue Bilaterals were held on the 30<sup>th</sup> October 2017 to 31<sup>st</sup> October 2017
- The tabling of the 2017/18 Adjustment budget was held on 21 November 2017
- The Pre-Benchmark was held on the 06 December 2017
- The Benchmark was held on the 11 January 2018.
- 2018 MTEF integrated budget planning with the departments were held on 22 January to 09 February 2018 to thoroughly engage departments proposed budget
- A Provincial Budget Lekgotla was held on the 14 to 15 February 2018 to evaluate sector budget allocations ahead of the 2018 MTEF.
- Treasury Committee meeting was held on the 26 February 2018 for the recommendations of tabling the proposed allocation to EXCO for its consideration and approval thereof
- Extended Executive Council meeting was convened on the 27 February 2018 to consider proposed allocations for 2018 MTEF.
- Adhoc Budget Task Team was held on the 02 March 2018.
- The 2018 MTEF allocations were presented to the EXCO on 06 March 2018 for approval
- The tabling of the 2018 Provincial Budget is scheduled for the 14<sup>th</sup> of March 2018

## **4. Receipts**

### **4.1 Overall position**

The total provincial receipts consists of equitable share, conditional grants and provincial own receipts. The 2018 MTEF total allocation amounts to R111.180 billion. Over the MTEF Equitable share accounts for, on average, 75 percent, Conditional grants' share still remains at 22 percent, and Provincial own receipts contributes 3 percent in 2017 MTEF

The total provincial fiscal framework grows by 5.2 percent in 2018/19, 5.5 percent in 2019/20 and 7.2 percent in 2020/21. The average growth of 6 percent over the 2018 MTEF has decreased compared to the 2017 MTEF average of 6.5 percent, this growth is above the projected MTEF inflation of 5.4 percent.

Table 4.1: Summary of provincial receipts

R thousand	Audited outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
<b>Transfer receipts from National</b>									
Equitable share	20 716 762	21 996 092	22 994 762	24 521 941	24 521 941	24 521 941	26 178 043	28 071 076	30 108 091
Conditional grants	6 021 576	6 629 603	6 758 950	7 267 164	7 267 164	7 267 164	7 561 321	7 528 532	8 088 904
<b>Total transfer receipts from National</b>	<b>26 738 338</b>	<b>28 625 695</b>	<b>29 753 712</b>	<b>31 789 105</b>	<b>31 789 105</b>	<b>31 789 105</b>	<b>33 739 364</b>	<b>35 599 608</b>	<b>38 196 995</b>
<b>Provincial own receipts</b>									
Tax receipts	539 209	593 337	662 541	702 247	702 247	702 247	741 290	777 823	821 703
Casino taxes	36 864	40 034	43 235	45 872	45 872	45 872	42 632	44 764	47 002
Horse racing taxes	9 057	9 591	9 879	10 482	10 482	10 482	11 006	11 556	12 134
Liquor licences	6 690	7 425	7 749	8 114	8 114	8 114	8 520	8 946	9 393
Motor vehicle licences	486 598	536 287	601 678	637 779	637 779	637 779	679 132	712 557	753 174
Sales of goods and services other than capital assets	312 642	340 087	345 007	363 037	363 037	363 037	359 058	374 645	395 405
Transfers received	9 900	11 500	3 000						
Fines, penalties and forfeits	14 536	15 597	15 922	17 093	17 093	17 093	16 851	17 814	18 783
Interest, dividends and rent on land	43 731	12 764	21 962	11 958	11 958	11 958	12 631	13 328	14 025
Sales of capital assets	14 940	8 364	8 300	1 541	1 541	1 541	7 955	13 190	11 387
Transactions in financial assets and liabilities	30 876	26 534	15 464	16 069	16 069	16 069	15 550	15 889	16 112
<b>Total provincial own receipts</b>	<b>965 834</b>	<b>1 008 183</b>	<b>1 072 196</b>	<b>1 111 945</b>	<b>1 111 945</b>	<b>1 111 945</b>	<b>1 153 335</b>	<b>1 212 689</b>	<b>1 277 415</b>
<b>Provincial funding</b>	<b>485 396</b>	<b>222 010</b>	<b>174 630</b>		<b>277 547</b>	<b>277 547</b>			
Provincial roll-overs	455 010	184 364	174 038		267 456	267 456			
Provincial reserves	30 386	37 646	592		10 091	10 091			
<b>Total provincial receipts</b>	<b>28 189 568</b>	<b>29 855 888</b>	<b>31 000 538</b>	<b>32 901 050</b>	<b>33 178 597</b>	<b>33 178 597</b>	<b>34 892 699</b>	<b>36 812 297</b>	<b>39 474 410</b>

## 4.2 Equitable share

The provincial equitable share allocation from the nationally raised revenue is formula driven. The formula used to divide the equitable share between provinces is objective-based and redistributive by design. The formula is reviewed and updated annually, based on the latest available data.

The weighted share of the province is constant at 5.6 percent over each year of the 2018 MTEF, and averaging 5.6 percent compared to 7 percent in the 2017 MTEF. As a result of the redistributive nature of the formula and data changes the provinces share decreased downwards and although the allocation increased at constant rate

The equitable share grow on average by 7.4 percent over the 2018 MTEF, which is higher than the average inflation rate of 5.4 percent

Additional funding amount to R536 million for ICS will only be received in last outer of the 2018 MTEF. In preparation of personnel budgets for the 2018 MTEF departments must make provision for the following increases, namely— 6.3 percent in 2018/19, 6.4 percent in 2019/20 and 6.5 percent in 2020/21 for salary adjustments. In addition, departments must also ensure that the cost of performance bonuses and pay progression are fully catered for in their Compensation Budgets.

### 4.3 Conditional Grants

The Conditional Grants are transfers from the national sphere of government and are allocated to supplement various programmes partly funded by provinces (Schedule 4A), as well as to fund specific responsibilities and programmes implemented by provinces (Schedule 5A). The grants are transferred to provinces based on conditions, set out in the DORA, as agreed to by both national and provincial departments. The grants' allocation to the province nominally grows by an average of 2.6 percent over the 2018 MTEF.

Due to a weaker than expected economic and fiscal environment the budget had to be reprioritised to fund new and changing national government priorities. There are baseline reductions that have happened to provincial budgets. These budget cuts on the provincial conditional grants budget amount to R144.768 million in 2018/19.

The conditional grants budget is allocated R7.561 million in 2018/19 and R7.529 million in 2019/20. The budget will increase to R8.089 million in 2020/21, the department will spend R23.179 million over the MTEF. There is a noted allocation decline for the Departments of Education, Human Settlements, Public Works and Infrastructure as well as Social Development over the MTEF period.

Notwithstanding the need for fiscal consolidation announced in the 2017 Medium Term Budget Policy Statement, the baselines for several grants funding essential services such as the National School Nutrition Programme grant, Early Childhood Development grant and the Comprehensive HIV, AIDS and TB grant are preserved.

The Comprehensive HIV, AIDS and TB Grant. The allocation has increased from R1.148 million in 2017/18 to R1.199 million in 2018/19.

Social Sector Expanded Public Works Programme (EPWP) Incentive Grant for Provinces. The grant is allocated to social sector departments as an incentive which is paid out based on achieving job creation targets set out by the departments. The grant's allocation has increased from R23.167 million in 2017/18 to R52.518 million in 2018/19 which will be spread to five provincial departments namely; the Department of Health, Social Development, Sports, Arts, Culture and Recreation, Education as well as the Department of Roads and Transport.

Expanded Public Works Programme (EPWP) Integrated Grant for Provinces. The overall mandate of this grant is to reduce poverty through the reduction of unemployment. The grant's allocation amounts to R27.378 million to the province for 2018/19 which will be distributed amongst the Departments of Sport, Arts, Culture and Recreation, Education, Economic and Small Business Development Tourism and Environmental Affairs, Police, Roads and Transport, Health, Public Works and Infrastructure, Agriculture and Rural Development and Human Settlements.

Learners with Profound Disabilities Grant. The purpose of the grant is to provide the necessary support, resources and equipment to identified care centers and schools for the provision of education to children with severe to profound intellectual disabilities (SPID). The province is allocated R20.836 million for 2018/19.

Early Childhood Development Grant. The grant is divided into two streams: the subsidy component which aims to address poor children's access to early childhood education, while the maintenance component is to ensure the appropriateness of the infrastructure where children access early childhood programmes.

Human Papillomavirus Vaccine Grant. This is a new grant which will commence in 2018/19 financial year. The grant's purpose is to enable the health sector to prevent cervical cancer

by making available HPV vaccination for grade four school girls in all public and special schools. The province was allocated R11.608 million for 2018.

Title Deeds Restoration Grant is new grant to the province. The purpose of this grant is provide funding for the eradication of the pre-2014 title deeds registration backlog and the professional fees associated with it, including beneficiary verification. The allocation for 2018/19 amounts to R50.187 million.

Table 4.2 below shows the detail of various conditional grants allocated to the province

Table 4.2: Summary of conditional grants by Transferring department

Transferring Department/Grant	Audited outcome			Main Appropriation	Adjusted Appropriation	Revised estimate	Medium Term Expenditure Estimates		
R thousand	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
<b>Agriculture and Rural Development</b>	<b>229 791</b>	<b>235 072</b>	<b>236 320</b>	<b>237 635</b>	<b>239 980</b>	<b>239 980</b>	<b>253 969</b>	<b>253 539</b>	<b>269 578</b>
Agricultural Disaster Management Grant	15 791								
Comprehensive Agricultural Support Programme Grant	146 335	168 807	171 367	168 592	170 937	170 937	179 476	174 538	186 232
Ilima/Letsema Projects Grant	62 238	60 990	59 447	63 178	63 178	63 178	66 843	70 586	74 468
Land Care Programme Grant: Poverty Relief and Infrastructure Development	5 427	5 275	5 506	5 865	5 865	5 865	7 650	8 415	8 878
<b>Arts and Culture</b>	<b>119 141</b>	<b>160 854</b>	<b>157 960</b>	<b>159 017</b>	<b>159 017</b>	<b>159 017</b>	<b>159 504</b>	<b>168 191</b>	<b>177 482</b>
Community Library Services Grant	119 141	160 854	157 960	159 017	159 017	159 017	159 504	168 191	177 482
<b>Sport and Recreation South Africa</b>	<b>40 190</b>	<b>64 520</b>	<b>66 418</b>	<b>95 755</b>	<b>95 755</b>	<b>95 755</b>	<b>95 986</b>	<b>100 839</b>	<b>105 883</b>
Mass Participation and Sport Development Grant	40 190	64 520	66 418	95 755	95 755	95 755	95 986	100 839	105 883
<b>Education</b>	<b>841 069</b>	<b>1 112 604</b>	<b>923 496</b>	<b>1 079 136</b>	<b>1 278 360</b>	<b>1 278 360</b>	<b>1 202 854</b>	<b>1 118 063</b>	<b>1 222 370</b>
Dinaledi Schools Grant	8 047								
Education Infrastructure Grant	488 566	755 177	533 180	661 635	852 916	852 916	755 337	643 932	714 506
HIV and AIDS (Life Skills Education) Grant	10 931	11 457	12 043	13 980	14 289	14 289	13 413	14 148	14 853
National School Nutrition Programme Grant	292 948	318 670	339 106	358 412	362 352	362 352	379 369	398 337	426 633
OSD for Education Sector Therapists Grant	18 358	5 775							
Technical Secondary Schools Recapitalization Grant	22 219								
Maths, Science and Technology Grant		21 525	39 167	33 741	37 435	37 435	34 349	36 277	38 714
Learners with Profound Intellectual Disabilities Grant				11 368	11 368	11 368	20 386	25 369	27 664
<b>Health</b>	<b>2 479 866</b>	<b>2 565 945</b>	<b>2 625 995</b>	<b>2 884 563</b>	<b>2 884 563</b>	<b>2 884 563</b>	<b>3 040 064</b>	<b>3 163 751</b>	<b>3 422 877</b>
Comprehensive HIV, Aids and TB Grant	847 635	911 681	1 015 061	1 148 408	1 148 408	1 148 408	1 199 425	1 326 643	1 471 080
Health Facility Revitalisation Grant	580 816	578 971	489 181	552 157	552 157	552 157	576 362	502 034	529 645
Health Professions Training and Development Grant	146 419	149 702	156 189	165 973	165 973	165 973	175 599	185 430	195 629
National Tertiary Services Grant	898 036	918 387	958 021	1 018 025	1 018 025	1 018 025	1 077 070	1 137 386	1 213 591
National Health Insurance Grant	6 960	7 204	7 543						
Human Papillomavirus Vaccine Grant							11 608	12 258	12 932
<b>Human Settlements</b>	<b>1 061 756</b>	<b>1 059 326</b>	<b>1 099 349</b>	<b>1 193 038</b>	<b>1 193 038</b>	<b>1 193 038</b>	<b>1 122 609</b>	<b>1 164 469</b>	<b>1 241 771</b>
Title Deeds Restoration Grant							50 187	52 993	55 905
Human Settlements Development Grant	1 061 756	1 059 326	1 099 349	1 193 038	1 193 038	1 193 038	1 072 422	1 111 476	1 185 866
<b>Transport</b>	<b>1 477 219</b>	<b>1 358 877</b>	<b>1 500 625</b>	<b>1 530 400</b>	<b>1 530 400</b>	<b>1 530 400</b>	<b>1 563 556</b>	<b>1 514 312</b>	<b>1 600 759</b>
Provincial Roads Maintenance Grant	1 261 445	1 140 418	1 259 408	1 274 731	1 274 731	1 274 731	1 299 602	1 235 577	1 303 349
Public Transport Operations Grant	215 774	218 459	241 217	255 669	255 669	255 669	263 954	278 735	297 410
<b>Social Development</b>		<b>3 500</b>	<b>14 565</b>	<b>35 887</b>	<b>74 822</b>	<b>74 822</b>	<b>42 883</b>	<b>45 368</b>	<b>48 183</b>
Substance Abuse Treatment Grant		3 500	14 565	14 237	53 172	53 172	17 708	18 700	19 728
Early Childhood Development Grant				18 398	18 398	18 398	21 656	22 865	24 397
Social Worker Employment Grant				3 252	3 252	3 252	3 519	3 803	4 058
<b>Other (Not Included above)</b>	<b>34 890</b>	<b>44 994</b>	<b>44 485</b>	<b>51 733</b>	<b>51 733</b>	<b>51 733</b>	<b>79 896</b>		
Expanded Public Works Programme Integrated Grant for Provinces	24 861	23 662	22 601	28 566	28 566	28 566	27 378		
Social Sector EPWP Incentive Grant for Provinces	10 029	21 332	21 884	23 167	23 167	23 167	52 518		
<b>Total conditional grants</b>	<b>6 283 922</b>	<b>6 605 692</b>	<b>6 669 213</b>	<b>7 267 164</b>	<b>7 507 668</b>	<b>7 507 668</b>	<b>7 561 321</b>	<b>7 528 532</b>	<b>8 088 903</b>

#### 4.4 Total provincial own receipts



Table 4.3: Summary of provincial own receipts by Vote

R thousand	Audited outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
1 Department of the Premier	6 057	6 330	8 207	5 949	5 949	7 162	4 668	4 709	4 969
3 Economic, Small Business Development, Tourism and Environmental Affairs	27 406	35 603	11 336	22 314	22 314	22 732	29 310	27 565	27 565
4 Provincial Treasury	49 905	18 057	24 108	11 087	11 087	11 273	11 742	12 398	13 080
5 Health	116 626	152 565	124 928	178 877	178 877	149 093	189 073	199 661	210 642
6 Education	20 263	19 653	20 540	19 798	19 798	36 979	20 267	20 300	20 450
7 Social Development	3 725	1 687	3 132	1 636	1 636	1 636	1 300	1 372	1 447
8 Cooperative Governance and Traditional Affairs	2 296	1 431	509	212	212	203	225	238	238
9 Public Works and Infrastructure	40 264	44 856	54 350	48 388	48 388	48 388	41 651	47 585	49 029
10 Police, Roads and Transport	576 579	624 644	717 210	744 514	744 514	744 514	774 969	813 955	860 416
11 Agriculture and Rural Development	2 947	4 511	4 007	2 230	2 230	2 253	3 027	3 760	4 153
12 Sport, Arts, Culture and Recreation	20 201	14 262	14 424	12 156	12 156	12 156	12 970	13 826	14 738
13 Human Settlements	1 156	455	601	316	316	598	400	400	422
Free State Gambling, Liquor and Tourism Authority	51 900	56 268	58 441	64 468	64 468	64 468	63 733	66 920	70 266
<b>Total provincial own receipts by Vote</b>	<b>919 325</b>	<b>980 322</b>	<b>1 041 793</b>	<b>1 111 945</b>	<b>1 111 945</b>	<b>1 101 455</b>	<b>1 153 335</b>	<b>1 212 689</b>	<b>1 277 415</b>

The revenue budget for 2018/19 financial year is estimated at R1.153 billion and which represent an increase of 3.7 percent when compared to the revenue target of 2017/18 financial year. Thus over the MTEF period, the revenue is projected to grow by an average of 4.7 percent.

The revenue estimates are being determined by considering economic performance and the projected economic forecasts that have a direct influence on the performance of revenue in the province. Furthermore, the effect of reviewing and setting of tariffs for revenue items also has a major impact on revenue. In effort to ensure efficient and effective revenue management in the province, Provincial Treasury will continue to provide technical and strategic support to departments with the aim of improving the revenue enhancement. The establishment of various Revenue Task Teams with departments and close working relationship with stakeholders that have direct impact on revenue will benefit the province on anticipated revenue collection.

#### 4.5 Donor funding

The Province received donor funding of R2 million for gender budgeting research to be conducted by Provincial Treasury.

Table 4.3 (b): Summary of Foreign Donor Aid by Vote

R thousand	Audited outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
<b>4 Provincial Treasury</b>									
Gender Based Budgeting Research (Belgian Development Agency)					2 000				
<b>12 Sport, Arts, Culture and Recreation</b>									
General Budget Support Funding (European Union)		368							
<b>Total donor funding received</b>		<b>368</b>			<b>2 000</b>				

## 5. Payments

## 5.1 Overall position

The total outlays for 2018 MTEF period for the Free State Province are budgeted as follows:

- Financial year 2018/19: R34.877 billion
- Financial year 2019/20: R36.744 billion
- Financial year 2020/21: R39.337 billion

In the 2018 MTEF period, provincial expenditure is expected to rise to R34.877 billion in 2018/19, this represent an increase of 5.2 percent when compared to the adjusted budget of R33.162 in 2017/18. In the subsequent financial year of 2019/20, the spending must be remain within the allocated amount of R36.744 billion this is a slight growth of 5.4 percent when compared to 2018/19 financial year. For the outer financial year, the province is estimated to spend R39.337 billion and this represent an increase of 7.1 percent includes the additional funding for improvement on condition of services (ICS).

## 5.2 Payments by vote

Table 5.1: Summary of provincial payments and estimates by Vote

R thousand	Audited outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18	2017/18	2017/18	2018/19	2019/20	2020/21
1 Department of the Premier	686 732	489 982	619 803	564 980	656 786	1 004 374	611 279	650 798	687 028
2 Free State Legislature	192 181	211 894	220 842	234 044	243 056	238 800	253 118	261 142	275 521
3 Economic, Small Business Development, Tourism and Environmental Affairs	429 772	463 414	463 076	558 780	505 148	529 224	631 931	632 942	675 859
4 Provincial Treasury	239 063	300 173	316 364	315 314	327 890	327 890	347 832	343 926	351 622
5 Health	8 290 459	8 693 972	9 076 855	9 774 916	9 736 916	9 795 191	10 403 313	11 079 241	11 847 582
6 Education	10 968 412	11 307 468	11 833 519	12 739 378	12 959 696	13 534 735	13 579 224	14 393 326	15 649 206
7 Social Development	956 335	1 002 691	1 090 754	1 172 295	1 199 009	1 163 976	1 266 057	1 320 685	1 385 346
8 Cooperative Governance and Traditional Affairs	364 265	377 609	445 918	407 187	404 743	426 218	443 329	469 691	492 384
9 Public Works and Infrastructure	1 382 173	1 503 355	1 486 262	1 522 356	1 532 534	2 474 454	1 635 268	1 769 096	1 859 997
10 Police, Roads and Transport	2 401 922	2 420 214	2 605 121	2 720 070	2 700 970	2 807 231	2 776 609	2 793 979	2 932 535
11 Agriculture and Rural Development	695 111	741 551	733 929	758 809	770 329	776 641	810 479	836 338	885 053
12 Sport, Arts, Culture and Recreation	661 967	697 897	698 026	687 295	687 295	687 295	727 010	740 399	751 818
13 Human Settlements	1 207 552	1 221 031	1 301 310	1 442 894	1 437 190	1 437 190	1 391 778	1 452 070	1 543 366
<b>Total provincial payments and estimates</b>	<b>28 475 943</b>	<b>29 431 251</b>	<b>30 891 779</b>	<b>32 898 318</b>	<b>33 161 562</b>	<b>35 203 219</b>	<b>34 877 227</b>	<b>36 743 633</b>	<b>39 337 317</b>

### Department of the Premier

The Department the Premier receives R611.279 million in 2018/19; and the budget increases to R650.798 million in 2019/20. In the outer year the allocation amounts to R687.028 million. In total, the department will spend R1.949 billion over the MTEF period. The funding mainly caters for, inter alia, Community Development Workers, Provincial Communication Strategy, FSTDI, Provincial Bursaries and transfer of functions (from Provincial Treasury and Police, Roads and Transport).

### Provincial Legislature

Provincial Legislature is allocated R253.118 million in 2018/19; R261.142 million in 2019/20 and R275.521 million in 2020/21. The allocations provides for, amongst others:

- Oversight through the committee system
- Support and funding to political parties
- Public participation, awareness and education campaigns
- Participation in the NCOP processes

### **Economic, Small Business Development, Tourism and Environmental Affairs**

The department's mandate includes regulation and support of small, medium and micro business enterprises, tourism and the protection and management the environment. The budget allocation amounts to R631.931 million for 2018/19, R632.942 million for 2019/20 and R675.859 million for 2020/21. The allocation further caters for:

- Creation and Support of Black Industrialists
- Environment programmes and Conservation
- Waste Management
- Transformation of Game Industry
- Support for waste pickers programme
- Revitalisation of Resorts
- Support of SMME's and Corporative
- Revitalisation of Textile Industry
- Flea Markets

### **Provincial Treasury**

Provincial Treasury is allocated R347.832 million in 2018/19; R343.926 million in 2019/20 and R351.622 million in 2020/21. This budget makes provision for, amongst others, funding for SITA, financial intervention measures and municipal support programme. The following key priorities are also catered for in the budget:

- Responsible and responsive sustainable resource management, including economic analysis, budgets and monitoring of expenditure as well as revenue performance
- Strengthening of financial governance, including the sustained improvement in provincial and local government audit outcomes as well as fraud risk prevention and response plans
- Asset and liability management and
- Strengthening of municipal financial management

### **Department of Health**

The Department of Health will spend more than R33.3 billion over the next MTEF period. The budget continue responding to key sector priorities as expressed by the 2014-2019 Medium Term Strategic Framework. The allocation is disaggregated as follows over MTEF—R10.403 billion in 2018/19, R11.079 billion in 2019/20 and R11.847 billion in 2020/21. The allocations make provisions for the following priorities, amongst others:

- Medicine, Medical Supplies and Medical Waste
- Laboratory Services (NHLS) and Blood Supply and Services
- Food Services and Relevant Supplies
- Infrastructure and Non-Infrastructure Maintenance
- Children's Vaccines
- Anti-Retroviral treatment

- Medical Depot

### **Department of Education**

The Department of Education will receive an amount of R13.579 billion in 2018/19, R14.393 billion in 2019/20 and R15.649 billion in 2020/21. The department will spend more than R43 billion over the MTEF ahead. The budget for education grows by an average of 6.5 percent over the 2018 MTEF, this growth is against the projected inflation of 5.3 percent over MTEF. Hon. Speaker, this budget makes provision for the following priorities, amongst others:

- Funding for Norms and Standards in our schools
- Funding for Learner Teacher Support Material
- Funding for Education Management Information System
- Expansion of Grade R programme
- School Hostels Support
- Funding for Matric support programmes
- Funding for Pre-Grade R training
- Provision for exemption of school fees and
- School Connectivity

### **Department of Social Development**

Department of Social Development is allocated R1.266 billion in 2018/19, R1.321 billion in 2019/20 and R1.385 billion in 2020/21. The following priorities, amongst others, are funded:

- ECD and Partial Care
- Office on the Rights of Children
- Victim Empowerment
- Substance Abuse Treatment Grant
- Sanitary towels initiatives

The budget includes an additional allocations of R43.806 million and R24.457 million earmarked for violence against women programmes and NAWONGO court judgement respectively. The budget further caters for needs and requirements of the disability sector as articulated in the 2016 Disability Summit, with specific attention on employment and procurement processes.

### **Department of Cooperative Governance and Traditional Affairs (COGTA)**

The department is allocated R443.329 million in 2018/19, R469.691 million in 2019/20 and R492.384 million in 2020/21. The budget addresses the following priorities, amongst others—Operation Clean Audit programme, Municipal Support programme and Support for Water Laboratories for municipalities. The budget further provides for the following priorities over the MTEF:

- House of Traditional Leaders and related operations
- Disaster management, specifically procurement of fire-fighting equipment and
- Support for establishment of water laboratories in municipalities

### **Department of Public Works and Infrastructure**

The department will spend a total of R5.264 billion over the 2018 MTEF. The allocation for 2018/19 amounts to R1.635 billion, which is inclusive of R410.464 million earmarked for municipal services and property rates and taxes as well as R127.387 million ring-fenced for township revitalization projects. For the two outer years the department will receive R1.769 billion and R1.859 billion respectively. The allocations further provides for implementation and coordination of Expanded Public Works Programme for creation job opportunities in the province.

### **Department of Police, Roads and Transport**

The department is allocated an amount of R2.777 billion in 2018/19, R2.794 billion in 2019/20 and R2.933 billion in 2020/21. The allocation mainly provides for road infrastructure investments and support to public transport operators. Over and above, the budget caters for learner transport programme, installation of biometric and CCTV cameras as well as costs associated with revenue collection. The department contributes more than 67 percent to revenue collection and the budget therefore caters for costs associated with revenue collection. This budget further caters for traffic management associated costs.

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

The department receives R810.479 million in 2018/19, R836.338 million in 2019/20 and R885.053 million in 2020/21. The budget makes provision for land care programme, support and training of farmers, veterinary services, Mohoma-Mobung programme, infrastructure investments and implementation of agricultural projects.

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

Budget allocation for Department of Sport, Arts, Culture and Recreation amounts to R2.219 billion over the 2018 MTEF; that is—R727.010 million for 2018/19, R740.399 million and R751.818 million in the outer years. The budget increases by an average of 3.1 percent over the MTEF. This budget caters for, amongst others, infrastructure development, arts and culture, EPWP programme, artists, photographers and community radio stations.

### **Department of Human Settlements**

The budget allocation totals R1.392 billion in 2018/19, R1.452 billion in 2019/20 and R1.543 billion in 2020/21; this reflects a growth of 2.5 percent over the MTEF. The allocation mainly emanates from conditional grants and thus caters for human settlements needs, title deeds restoration and EPWP programmes. Included in the budget is the allocation of R93 million over the MTEF earmarked for demolition and replacement of two roomed houses. The budget further makes provision for revitalization of mining towns in Matjhabeng as well as for continuation of title deeds restoration programme. The allocations further provides for decent housing for our military veterans.

### 5.3 Payments by economic classification

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

R thousand	Audited outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
<b>Current payments</b>	<b>22 133 786</b>	<b>23 081 244</b>	<b>24 334 182</b>	<b>26 062 549</b>	<b>25 944 527</b>	<b>27 408 136</b>	<b>27 972 255</b>	<b>29 889 208</b>	<b>32 133 346</b>
Compensation of employees	16 829 431	17 798 719	18 964 429	20 064 250	20 026 813	20 430 160	21 410 863	23 248 178	25 125 278
Goods and services	5 302 768	5 279 066	5 365 572	5 998 028	5 917 151	6 976 472	6 561 058	6 640 599	7 007 636
Interest and rent on land	1 587	3 459	4 181	271	563	1 504	334	431	432
<b>Transfers and subsidies to:</b>	<b>4 035 587</b>	<b>3 889 162</b>	<b>4 246 395</b>	<b>4 621 562</b>	<b>4 836 218</b>	<b>5 442 295</b>	<b>4 693 481</b>	<b>4 881 123</b>	<b>5 145 536</b>
Provinces and municipalities	336 197	404 821	430 294	408 809	423 737	576 825	468 808	461 781	481 521
Departmental agencies and accounts	167 171	232 396	280 946	254 338	267 067	267 940	277 315	285 678	299 318
Higher education institutions	388 754	182 102	163 059	249 554	328 354	616 942	264 877	291 228	307 246
Public corporations and private enterprises	262 929	274 481	305 509	289 949	292 984	305 356	308 793	323 859	347 408
Non-profit institutions	1 428 796	1 320 865	1 551 514	1 821 993	1 858 453	1 989 440	1 834 308	1 896 586	1 992 457
Households	1 451 740	1 474 497	1 515 073	1 596 919	1 665 623	1 685 792	1 537 380	1 619 991	1 717 586
<b>Payments for capital assets</b>	<b>2 295 822</b>	<b>2 455 713</b>	<b>2 300 455</b>	<b>2 214 207</b>	<b>2 373 354</b>	<b>2 345 238</b>	<b>2 211 491</b>	<b>1 973 302</b>	<b>2 058 435</b>
Buildings and other fixed structures	2 036 144	2 163 803	1 931 494	1 843 253	1 929 133	1 983 901	1 852 652	1 635 451	1 715 891
Machinery and equipment	256 361	290 620	341 860	357 084	412 193	330 097	345 482	327 206	331 872
Heritage assets									
Biological assets		65							
Land and subsoil assets	4	52	138	600	100	100	600	900	900
Software and other intangible assets	3 313	1 173	26 963	13 270	31 928	31 140	12 757	9 745	9 772
<b>Payments for financial assets</b>	<b>10 748</b>	<b>5 132</b>	<b>10 747</b>		<b>7 463</b>	<b>7 550</b>			
<b>Total economic classification</b>	<b>28 475 943</b>	<b>29 431 251</b>	<b>30 891 779</b>	<b>32 898 318</b>	<b>33 161 562</b>	<b>35 203 219</b>	<b>34 877 227</b>	<b>36 743 633</b>	<b>39 337 317</b>

Table 5.2 above reflects summary of provincial payments and estimates by economic classification. Compensation of employees accounts for R69.784 billion or 63 percent of the total allocation whilst goods and services accounts for R20.237 billion or 18 percent over the MTEF. Compensation of employees increases by an average of 7 percent whilst goods and services grow remain constant over the MTEF. The province continues to manage growth of compensation through non filling of critical posts and regular staff audits (head counts).

Allocations for Transfers and Subsidies amounts to R14.692 billion or 13.2 percent of the total budget over the MTEF. Transfers to provinces and municipalities marginally increases from an adjusted R423.737 million in 2017/18 to R440.808 million in 2018/19. Over the MTEF the transfers to provinces and municipalities amounts to R1.384 billion over the MTEF. The bulk of transfers is accounted by Non-profit institutions and amounts to R5.723 billion over the MTEF and this include transfers to schools as determined by the National Schools Act.

Payments for capital assets' allocation amounts to R6.243 billion or 5.6 percent over the MTEF. The allocation includes conditional grants and Provincial Infrastructure Enhancement allocations.

### 5.4 Payments by functional area

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

R thousand	Audited outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
General public services	3 201 848	3 239 014	3 462 217	3 490 327	3 569 407	4 864 986	3 731 805	3 960 567	4 161 014
Public order and safety	377 762	382 137	420 249	368 847	396 040	517 538	436 674	461 920	493 349
Economic affairs	2 064 365	2 070 242	2 178 304	2 334 697	2 314 973	2 296 176	2 402 610	2 363 366	2 467 380
Environmental protection	599 094	671 643	670 238	727 674	691 869	737 635	756 201	780 642	833 535
Housing and community amenities	1 207 552	1 221 031	1 301 310	1 442 894	1 437 190	1 437 190	1 391 778	1 452 070	1 543 366
Health	8 290 459	8 693 972	9 076 855	9 774 916	9 736 916	9 795 191	10 403 313	11 079 241	11 847 582
Recreation, culture and religion	790 303	825 161	837 923	825 180	832 310	831 097	883 376	903 515	926 298
Education	10 988 226	11 325 361	11 853 929	12 761 488	12 983 848	13 559 430	13 605 413	14 421 627	15 679 447
Social protection	956 335	1 002 691	1 090 754	1 172 295	1 199 009	1 163 976	1 266 057	1 320 685	1 385 346
<b>Total provincial payments and estimates by policy area</b>	<b>28 475 943</b>	<b>29 431 251</b>	<b>30 891 779</b>	<b>32 898 318</b>	<b>33 161 562</b>	<b>35 203 219</b>	<b>34 877 227</b>	<b>36 743 633</b>	<b>39 337 317</b>

Table 5.3 above shows the summary of expenditures by policy area, the details of which are shown in Table A: 4(b) of the Annexure to the Overview of Provincial Revenue and Expenditure. Education and Health are the key policy areas for provincial government and accounts for 38.9 percent and 29.8 percent over the MTEF; whilst Recreation, culture and religion receives the third largest share of 2.5 percent.

## 5.5 Provincial Infrastructure payments

Table 5.4(a): Summary of payments and estimates of provincial infrastructure by vote

R thousand	Audited outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
3 Economic, Small Business Development, Tourism and Environmental Affairs	10 286	18 243	15 259	45 672	21 892	21 407	34 298	34 927	43 113
5 Health	585 993	609 173	516 215	588 095	580 095	580 095	597 209	522 310	563 492
6 Education	493 096	760 081	535 879	679 913	877 994	877 994	768 553	656 577	730 722
7 Social Development	23 071	9 113	17 168	23 459	53 373	18 340	10 257	10 835	11 468
9 Public Works and Infrastructure	187 561	183 920	205 439	216 702	195 276	195 276	205 454	211 004	217 753
10 Police, Roads and Transport	1 312 403	1 218 315	1 306 629	1 382 090	1 370 148	1 370 148	1 380 413	1 318 006	1 389 349
11 Agriculture and Rural Development	79 516	106 224	104 452	106 027	104 457	98 686	100 677	102 306	106 262
12 Sport, Arts, Culture and Recreation	224 727	253 261	193 659	189 869	189 869	189 869	191 530	181 736	165 307
13 Human Settlements	1 063 755	1 026 681	1 148 326	1 230 038	1 230 038	1 230 038	1 115 458	1 157 476	1 231 866
<b>Total provincial infrastructure payments and estimates</b>	<b>3 980 408</b>	<b>4 185 011</b>	<b>4 043 026</b>	<b>4 461 865</b>	<b>4 623 142</b>	<b>4 581 853</b>	<b>4 403 849</b>	<b>4 195 177</b>	<b>4 459 332</b>

An amount of R13.058 billion or 11.7 percent of total budget is allocated for infrastructure over the MTEF. About R5.518 billion or 58 percent of the allocation is allocated to Departments of Police, Roads and Transport and Human Settlements. Thus the bulk of the allocation is for construction, maintenance and upgrading of roads as well as building of human settlements. Departments of Education and Health are allocated a combined budget of R3.838 billion or 29 percent of the budget over the MTEF. The allocation is for maintenance, refurbishment and building of schools and clinics. Allocation for Department of Sport, Arts, Culture and Recreation is mainly for construction of libraries.

Table 5.4(b): Summary of payments and estimates of provincial infrastructure per category

R thousand	Audited outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
<b>Existing infrastructure assets</b>	<b>2 362 211</b>	<b>2 604 430</b>	<b>2 430 834</b>	<b>2 488 099</b>	<b>2 695 575</b>	<b>2 658 226</b>	<b>2 687 348</b>	<b>2 438 062</b>	<b>2 414 149</b>
Maintenance and repairs	639 133	726 378	938 799	1 098 779	1 138 510	1 094 656	1 293 453	1 262 840	1 365 546
Upgrades and additions	811 278	850 452	494 912	508 717	603 966	601 776	672 169	556 534	528 292
Refurbishment and rehabilitation	911 800	1 027 600	997 123	880 603	953 099	961 794	721 726	618 688	520 311
<b>New infrastructure assets</b>	<b>335 156</b>	<b>355 062</b>	<b>321 406</b>	<b>455 443</b>	<b>382 736</b>	<b>397 397</b>	<b>464 557</b>	<b>463 879</b>	<b>671 139</b>
<b>Infrastructure transfers</b>	<b>1 114 900</b>	<b>1 131 499</b>	<b>1 223 589</b>	<b>1 323 372</b>	<b>1 330 808</b>	<b>1 330 802</b>	<b>1 102 369</b>	<b>1 158 870</b>	<b>1 217 956</b>
Infrastructure transfers - Current		80 000	78 874	60 000	67 436	67 430	30 000	30 000	30 000
Infrastructure transfers - Capital	1 114 900	1 051 499	1 144 715	1 263 372	1 263 372	1 263 372	1 072 369	1 128 870	1 187 956
<b>Infrastructure: Payments for financial assets</b>									
Infrastructure: Leases	7								
<b>Non Infrastructure</b>	<b>168 134</b>	<b>94 020</b>	<b>67 197</b>	<b>194 951</b>	<b>214 023</b>	<b>195 428</b>	<b>149 575</b>	<b>134 366</b>	<b>156 088</b>
<b>Total provincial infrastructure payments and estimates</b>	<b>3 980 408</b>	<b>4 185 011</b>	<b>4 043 026</b>	<b>4 461 865</b>	<b>4 623 142</b>	<b>4 581 853</b>	<b>4 403 849</b>	<b>4 195 177</b>	<b>4 459 332</b>

Table 5.4(b) illustrate the allocation of per infrastructure categories over the MTEF. Allocation for new infrastructure amounts to R1.599 billion or 12 percent of the MTEF whilst that for maintenance totals R3.921 billion or 30 percent of the total infrastructure allocation over MTEF. Transfers amounts to R3.389 billion or 26 percent over the MTEF period.

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

There is currently one Public-Private Partnership in the province. This partnership is between the Department of Health and Netcare and located within Universitas and Pelonomi hospitals. Included in the table below is a PPP Transaction Advisors for the planned Provincial Government Building in 2018/19 financial year.

Table 5.5: Summary of departmental Public-Private Partnership (PPP) projects

Project description	Annual cost of project		Outcome	Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
<b>Projects signed in terms of Treasury Regulation 16</b>	<b>25 229</b>	<b>10 240</b>	<b>23 206</b>	<b>24 386</b>	<b>24 386</b>	<b>24 386</b>	<b>26 063</b>	<b>27 523</b>	<b>29 037</b>
PPP unitary charge	16 998	9 973	5 900	6 166	6 166	6 166	6 444	6 805	7 179
Advisory fees	7 931		3 848	4 079	4 079	4 079	4 323	4 565	4 816
Project monitoring cost	65		1 763	1 646	1 646	1 646	1 945	2 054	2 167
Revenue generated			11 400	12 187	12 187	12 187	13 029	13 759	14 516
Contingent liabilities	235	267	295	308	308	308	322	340	359
<b>Projects in preparation</b>	<b>14 400</b>	<b>1 615</b>							
Advisory fees		1 615							
Project team costs									
Site acquisition costs									
Capital payment									
Other project costs	14 400								
<b>Total PPP projects</b>	<b>39 629</b>	<b>11 855</b>	<b>23 206</b>	<b>24 386</b>	<b>24 386</b>	<b>24 386</b>	<b>26 063</b>	<b>27 523</b>	<b>29 037</b>



## 5.7 Transfers

### 5.7.1 Transfer to public entities

Table 5.6: Summary of provincial transfers to public entities by transferring department

R thousand	Audited outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18			2019/20	2020/21	
3 Economic, Small Business Development, Tourism and Environmental Affairs	102 434	108 345	131 538	132 685	136 685	136 685	155 160	161 899	169 979
Free State Development Corporation	1 200	3 700	10 200	27 260	27 260	27 260	42 833	44 124	45 726
Free State Gambling, Liquor and Tourism Authority	101 234	104 645	121 338	105 425	109 425	109 425	112 327	117 775	124 253
<b>Total provincial transfers to public entities</b>	<b>102 434</b>	<b>108 345</b>	<b>131 538</b>	<b>132 685</b>	<b>136 685</b>	<b>136 685</b>	<b>155 160</b>	<b>161 899</b>	<b>169 979</b>

The total transfer payments to Public Entities amounts to R155.160 million in 2018/19, R161.899 million and R169.979 million in 2019/20 and 2020/21 respectively. The transfers to FDZ includes funding for MAP SEZ of R60 million over the MTEF.

### 5.7.2 Transfer to local government

Table 5.6.1: Summary of provincial transfers to local government by category

R thousand	Audited outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Category A	110 295	173 753	125 401	108 265	128 616	280 906	113 392	133 812	141 060
Category B	206 482	203 207	286 861	249 871	273 926	273 426	293 754	268 954	283 900
Category C	17 626	27 300	17 000	50 607	21 129	21 338	61 592	58 941	56 487
<b>Total provincial transfers to local government</b>	<b>334 403</b>	<b>404 260</b>	<b>429 262</b>	<b>408 743</b>	<b>423 671</b>	<b>575 670</b>	<b>468 738</b>	<b>461 707</b>	<b>481 447</b>

### 5.7.3 Personnel numbers and costs

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

Department	Cost in R million	Actual			Funded posts	Additional Posts	Revised estimate	Medium-term expenditure estimate			Posts Growth Rate	Cost Growth rate	Cost % of Total Provincial MTEF
		2014/15	2015/16	2016/17	Establishment		2017/18	2018/19	2019/20	2020/21	Average over		
1 Department of the Premier	(numbers) (R'000)	621 204 681	608 218 711	624 334 055	520	124	644 266 845	690 285 253	705 308 124	686 326 402	2.1%	6.9%	1.3%
2 Free State Legislature	(numbers) (R'000)	158 93 695	154 100 870	152 109 253	162	3	165 120 988	165 132 324	165 138 949	171 146 219	1.2%	6.5%	0.6%
3 Economic, Small Business Dev, Tourism & Environm Affairs	(numbers) (R'000)	696 195 033	863 213 471	831 218 930	644	67	711 292 599	716 245 847	722 266 472	853 290 018	6.3%	-0.3%	1.2%
4 Provincial Treasury	(numbers) (R'000)	388 155 792	451 170 553	446 185 702	342	9	351 198 505	449 214 037	449 231 857	449 241 288	8.6%	6.7%	1.0%
5 Health	(numbers) (R'000)	19 882 5 258 723	19 384 5 539 463	18 845 5 814 798	18 547	-	18 547 6 282 119	18 585 6 731 835	18 835 7 405 825	19 985 7 936 103	2.5%	8.1%	31.4%
6 Education	(numbers) (R'000)	31 371 8 761 787	30 566 9 181 185	30 710 9 698 929	27 407	2 031	29 438 10 396 889	27 895 10 810 387	27 963 11 675 081	28 440 12 755 902	-1.1%	7.1%	50.6%
7 Social Development	(numbers) (R'000)	1 999 474 589	2 059 526 169	1 901 566 444	1 920	-	1 920 619 722	2 012 676 244	2 012 735 619	2 012 785 447	1.6%	8.2%	3.1%
8 Cooperative Governance and Traditional Affairs	(numbers) (R'000)	410 171 020	403 183 254	386 195 649	304	52	356 223 543	437 232 882	437 255 527	457 280 087	8.7%	7.8%	1.1%
9 Public Works and Infrastructure	(numbers) (R'000)	2 010 372 654	2 035 402 532	1 775 402 583	1 329	190	1 519 400 146	1 689 429 628	1 689 459 807	1 699 494 087	3.8%	7.3%	2.0%
10 Police, Roads and Transport	(numbers) (R'000)	2 332 516 951	2 323 561 082	2 937 686 894	2 900	282	3 182 780 080	3 091 755 301	3 091 816 270	3 091 857 180	-1.0%	3.2%	3.6%
11 Agriculture and Rural Development	(numbers) (R'000)	1 210 319 486	1 030 330 413	1 014 341 103	1 052	25	1 077 380 320	1 077 391 512	1 077 419 970	1 118 445 062	1.3%	5.4%	1.8%
12 Sport, Arts, Culture and Recreation	(numbers) (R'000)	813 197 247	859 235 942	947 261 538	1 056	12	1 068 295 279	1 130 336 643	1 266 352 509	1 266 371 032	5.8%	7.9%	1.5%
13 Human Settlements	(numbers) (R'000)	263 107 772	323 135 074	319 148 551	304	41	345 173 125	339 168 970	339 182 168	339 196 451	-0.6%	4.3%	0.8%
<b>Total Personnel Numbers</b>		<b>62 153</b>	<b>61 058</b>	<b>60 887</b>	<b>56 487</b>	<b>2 836</b>	<b>59 323</b>	<b>58 275</b>	<b>58 750</b>	<b>60 566</b>	<b>0.7%</b>		
<b>Total Personnel Cost (R'million)</b>		<b>16 829 431</b>	<b>17 798 719</b>	<b>18 964 429</b>			<b>20 430 160</b>	<b>21 410 863</b>	<b>23 248 178</b>	<b>25 125 278</b>	<b>7.1%</b>		
<b>Unit Cost</b>		<b>270 774</b>	<b>291 505</b>	<b>311 469</b>			<b>344 389</b>	<b>367 411</b>	<b>395 714</b>	<b>414 841</b>			

### 5.7.4 Payments on training

Table 5.8: Summary of provincial payments on training by Vote

R thousand	Audited outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
1 Department of the Premier	25	212	963	262	262	1 469	2 479	2 044	2 156
2 Free State Legislature	505	200	718	643	643	643	690	730	770
3 Economic, Small Business Development, Tourism and Environmental Affairs	1 402	1 662	1 970	3 388	3 776	1 551	4 623	7 027	7 412
4 Provincial Treasury	8 346	2 805	2 857	3 557	3 557	3 557	2 974	3 512	3 704
5 Health	8 532	47 867	12 594	83 400	83 400	83 400	97 108	100 974	106 528
6 Education	24 488	21 890	43 308	100 275	76 913	76 982	107 691	116 323	127 047
7 Social Development	2 177	2 207	2 703	5 372	5 372	3 235	6 762	7 356	7 854
8 Cooperative Governance and Traditional Affairs	2 887	790	7 896	2 132	3 577	3 577	2 256	2 382	2 513
9 Public Works and Infrastructure	2 723	2 941	4 239	4 146	4 008	4 008	4 296	4 598	4 941
10 Police, Roads and Transport	1 035	9 805	6 336	13 663	13 729	13 726	9 740	15 412	16 261
11 Agriculture and Rural Development	1 417	842	1 985	3 338	1 532	2 091	2 516	2 309	2 447
12 Sport, Arts, Culture and Recreation	670	2 473	2 405	2 525	2 525	2 525	2 654	2 654	2 799
13 Human Settlements	428	177	705	941	941	941	950	950	950
<b>Total provincial payments on training</b>	<b>54 635</b>	<b>93 871</b>	<b>88 679</b>	<b>223 642</b>	<b>200 235</b>	<b>197 705</b>	<b>244 739</b>	<b>266 271</b>	<b>285 382</b>

# **ANNEXURE TO THE OVERVIEW OF PROVINCIAL REVENUE AND EXPENDITURE**

Table A.1: Details of total provincial own receipts

R thousand	Audited outcome			Main appropriation	Adjusted appropriation 2017/18	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
<b>Tax receipts</b>	<b>540 359</b>	<b>599 523</b>	<b>692 550</b>	<b>702 247</b>	<b>702 247</b>	<b>702 247</b>	<b>741 290</b>	<b>777 823</b>	<b>821 703</b>
Casino taxes	35 448	40 653	43 235	45 872	45 872	45 872	42 632	44 764	47 002
Horse racing taxes	8 881	7 953	9 879	10 482	10 482	10 482	11 006	11 556	12 134
Liquor licences	6 859	7 662	7 749	8 114	8 114	8 114	8 520	8 946	9 393
Motor vehicle licences	489 171	543 255	631 687	637 779	637 779	637 779	679 132	712 557	753 174
<b>Sales of goods and services other than capital assets</b>	<b>255 458</b>	<b>295 346</b>	<b>265 843</b>	<b>363 037</b>	<b>363 037</b>	<b>328 905</b>	<b>359 688</b>	<b>375 281</b>	<b>396 041</b>
Sale of goods and services produced by department (excluding capital assets)	<b>255 285</b>	<b>295 179</b>	<b>265 720</b>	<b>362 819</b>	<b>362 819</b>	<b>328 687</b>	<b>359 466</b>	<b>375 058</b>	<b>395 818</b>
Sales by market establishments	57 905	65 815	67 211	80 518	80 518	80 519	79 865	80 486	85 256
Administrative fees	71 137	69 574	65 247	90 965	90 965	87 390	78 546	83 163	88 023
Other sales	126 243	159 790	133 262	191 336	191 336	160 778	201 055	211 409	222 539
Of which									
Health patient fees	72 614	128 789	89 555	116 285	116 285	116 285	121 082	127 070	135 673
Commission Insurance	12 275	11 769	11 446	11 508	11 508	12 623	11 588	11 620	11 749
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	173	167	123	218	218	218	222	223	223
<b>Transfers received from:</b>	<b>10 600</b>	<b>3 320</b>	<b>3 675</b>						
Other governmental units	10 600	3 320	3 083						
Higher education institutions									
Foreign governments									
International organisations									
Public corporations and private enterprises			592						
Households and non-profit institutions									
<b>Fines, penalties and forfeits</b>	<b>15 817</b>	<b>18 947</b>	<b>19 856</b>	<b>17 093</b>	<b>17 093</b>	<b>16 473</b>	<b>16 851</b>	<b>17 814</b>	<b>18 783</b>
<b>Interest, dividends and rent on land</b>	<b>52 431</b>	<b>21 594</b>	<b>28 099</b>	<b>11 958</b>	<b>11 958</b>	<b>14 783</b>	<b>12 631</b>	<b>13 328</b>	<b>14 025</b>
Interest	3 060	3 743	4 354	1 123	1 123	3 593	1 157	1 212	1 243
Dividends	49 371	17 851	23 745	10 835	10 835	10 835	11 474	12 116	12 782
Rent on land						355			
<b>Sales of capital assets</b>	<b>17 186</b>	<b>28 236</b>	<b>14 208</b>	<b>1 541</b>	<b>1 541</b>	<b>878</b>	<b>7 955</b>	<b>13 190</b>	<b>11 387</b>
Land and subsoil assets	815	2 500	6 804			444	5 348	10 348	8 348
Other capital assets	16 371	25 736	7 404	1 541	1 541	434	2 607	2 842	3 039
<b>Financial transactions in assets and liabilities</b>	<b>26 762</b>	<b>13 357</b>	<b>19 984</b>	<b>16 069</b>	<b>16 069</b>	<b>38 169</b>	<b>14 920</b>	<b>15 253</b>	<b>15 476</b>
<b>Total provincial own receipts</b>	<b>918 613</b>	<b>980 322</b>	<b>1 044 215</b>	<b>1 111 945</b>	<b>1 111 945</b>	<b>1 101 455</b>	<b>1 153 335</b>	<b>1 212 689</b>	<b>1 277 415</b>

Table A.2: Information relating to Conditional Grants

Transferring department and Grant	Adjusted appro- priation	Actual transfer	Audited expen- diture	Adjusted appro- priation	Actual transfer	Audited expen- diture	Adjusted appro- priation	Actual transfer	Audited expen- diture	Adjusted appro- priation	Revised transfer estimate	Revised expenditure estimate	Medium-term estimates		
	R thousand	2014/15		2015/16			2016/17			2017/18			2018/19	2019/20	2020/21
<b>Agriculture and Rural Development</b>	<b>229 987</b>	<b>228 551</b>	<b>229 791</b>	<b>237 277</b>	<b>237 181</b>	<b>235 072</b>	<b>239 242</b>	<b>239 242</b>	<b>236 320</b>	<b>239 980</b>	<b>237 635</b>	<b>239 980</b>	<b>253 969</b>	<b>253 539</b>	<b>269 578</b>
Agricultural Disaster Management Grant	15 791	15 791	15 791												
Comprehensive Agricultural Support Programme Grant	146 531	146 531	146 335	171 012	170 916	168 807	174 289	174 289	171 367	170 937	168 592	170 937	179 476	174 538	186 232
Ilimal/Letsema Projects Grant	62 238	60 802	62 238	60 990	60 990	60 990	59 447	59 447	59 447	63 178	63 178	63 178	66 843	70 586	74 468
Land Care Programme Grant: Poverty Relief and Infrastructure Development	5 427	5 427	5 427	5 275	5 275	5 275	5 506	5 506	5 506	5 865	5 865	5 865	7 650	8 415	8 878
<b>Arts and Culture</b>	<b>124 721</b>	<b>119 013</b>	<b>119 141</b>	<b>161 338</b>	<b>155 758</b>	<b>160 854</b>	<b>158 233</b>	<b>157 758</b>	<b>157 960</b>	<b>159 017</b>	<b>159 017</b>	<b>159 017</b>	<b>159 504</b>	<b>168 191</b>	<b>177 482</b>
Community Library Services Grant	124 721	119 013	119 141	161 338	155 758	160 854	158 233	157 758	157 960	159 017	159 017	159 017	159 504	168 191	177 482
<b>Sport and Recreation South Africa</b>	<b>40 318</b>	<b>40 318</b>	<b>40 190</b>	<b>64 526</b>	<b>64 398</b>	<b>64 520</b>	<b>66 461</b>	<b>66 461</b>	<b>66 418</b>	<b>95 755</b>	<b>95 755</b>	<b>95 755</b>	<b>95 986</b>	<b>100 839</b>	<b>105 883</b>
Mass Participation and Sport Development Grant	40 318	40 318	40 190	64 526	64 398	64 520	66 461	66 461	66 418	95 755	95 755	95 755	95 986	100 839	105 883
<b>Education</b>	<b>968 764</b>	<b>913 671</b>	<b>841 069</b>	<b>1 252 056</b>	<b>1 124 361</b>	<b>1 112 604</b>	<b>1 124 478</b>	<b>996 165</b>	<b>923 496</b>	<b>1 278 360</b>	<b>1 079 136</b>	<b>1 278 360</b>	<b>1 202 854</b>	<b>1 118 063</b>	<b>1 222 370</b>
Dinaledi Schools Grant	8 503	8 006	8 047												
Education Infrastructure Grant	607 581	554 313	488 566	881 568	762 553	755 177	724 461	608 232	533 180	852 916	661 635	852 916	755 337	643 932	714 506
HIV and AIDS (Life Skills Education) Grant	12 686	11 570	10 931	11 699	9 944	11 457	12 980	12 967	12 043	14 289	13 980	14 289	13 413	14 148	14 853
National School Nutrition Programme Grant	299 417	299 205	292 948	320 869	314 400	318 670	343 685	341 500	339 106	362 352	358 412	362 352	379 369	398 337	426 633
OSD for Education Sector Therapists Grant	18 358	18 358	18 358	5 775	5 775	5 775									
Technical Secondary Schools Recapitalization Grant	22 219	22 219	22 219												
Maths, Science and Technology Grant				32 145	31 689	21 525	43 352	33 466	39 167	37 435	33 741	37 435	34 349	36 277	38 714
Learners with Profound Intellectual Disabilities Grant										11 368	11 368	11 368	20 386	25 369	27 664
<b>Health</b>	<b>2 503 037</b>	<b>2 361 498</b>	<b>2 479 866</b>	<b>2 596 838</b>	<b>2 573 667</b>	<b>2 565 945</b>	<b>2 632 261</b>	<b>2 611 506</b>	<b>2 625 995</b>	<b>2 884 563</b>	<b>2 884 563</b>	<b>2 884 563</b>	<b>3 040 064</b>	<b>3 163 751</b>	<b>3 422 877</b>
Comprehensive HIV, Aids and TB Grant	848 076	843 026	847 635	911 946	911 505	911 681	1 015 061	1 015 061	1 015 061	1 148 408	1 148 408	1 148 408	1 199 425	1 326 643	1 471 080
Health Facility Revitalisation Grant	603 451	466 962	580 816	609 545	586 910	578 971	495 447	474 692	489 181	552 157	552 157	552 157	576 362	502 034	529 645
Health Professions Training and Development	146 419	146 419	146 419	149 756	149 756	149 702	156 189	156 189	156 189	165 973	165 973	165 973	175 599	185 430	195 629
National Tertiary Services Grant	898 091	898 091	898 036	918 387	918 332	918 387	958 021	958 021	958 021	1 018 025	1 018 025	1 018 025	1 077 070	1 137 386	1 213 591
National Health Insurance Grant	7 000	7 000	6 960	7 204	7 164	7 204	7 543	7 543	7 543						
Human Papillomavirus Vaccine Grant													11 608	12 258	12 932
<b>Human Settlements</b>	<b>1 076 642</b>	<b>1 076 642</b>	<b>1 061 756</b>	<b>1 072 170</b>	<b>1 057 284</b>	<b>1 059 326</b>	<b>1 101 195</b>	<b>1 098 411</b>	<b>1 099 349</b>	<b>1 193 038</b>	<b>1 193 038</b>	<b>1 193 038</b>	<b>1 122 609</b>	<b>1 164 469</b>	<b>1 241 771</b>
Title Deeds Restoration Grant													50 187	52 993	55 905
Human Settlements Development Grant	1 076 642	1 076 642	1 061 756	1 072 170	1 057 284	1 059 326	1 101 195	1 098 411	1 099 349	1 193 038	1 193 038	1 193 038	1 072 422	1 111 476	1 185 866
<b>Public Works and Infrastructure</b>															
Devolution of Property Rate Funds Grant															
<b>Transport</b>	<b>1 477 238</b>	<b>1 241 582</b>	<b>1 477 219</b>	<b>1 363 465</b>	<b>1 363 465</b>	<b>1 358 877</b>	<b>1 500 869</b>	<b>1 499 287</b>	<b>1 500 625</b>	<b>1 530 400</b>	<b>1 530 400</b>	<b>1 530 400</b>	<b>1 563 556</b>	<b>1 514 312</b>	<b>1 600 759</b>
Provincial Roads Maintenance Grant	1 261 338	1 025 682	1 261 445	1 142 796	1 142 796	1 140 418	1 259 612	1 258 030	1 259 408	1 274 731	1 274 731	1 274 731	1 299 602	1 235 577	1 303 349
Public Transport Operations Grant	215 900	215 900	215 774	220 669	220 669	218 459	241 257	241 257	241 217	255 669	255 669	255 669	263 954	278 735	297 410
<b>Social Development</b>	<b>2 000</b>	<b>2 000</b>		<b>14 500</b>	<b>12 500</b>	<b>3 500</b>	<b>53 500</b>	<b>42 500</b>	<b>14 565</b>	<b>74 822</b>	<b>35 887</b>	<b>74 822</b>	<b>42 883</b>	<b>45 368</b>	<b>48 183</b>
Substance Abuse Treatment Grant	2 000	2 000		14 500	12 500	3 500	53 500	42 500	14 565	53 172	14 237	53 172	17 708	18 700	19 728
Early Childhood Development Grant										18 398	18 398	18 398	21 656	22 865	24 397
Social Worker Employment Grant										3 252	3 252	3 252	3 519	3 803	4 058
<b>Other (Not included above)</b>	<b>39 425</b>	<b>38 301</b>	<b>34 890</b>	<b>45 524</b>	<b>40 989</b>	<b>44 994</b>	<b>47 781</b>	<b>47 620</b>	<b>44 485</b>	<b>51 733</b>	<b>51 733</b>	<b>51 733</b>	<b>79 896</b>		
Expanded Public Works Programme Integrated Grant for Provinces	27 725	26 601	24 861	24 145	21 281	23 662	25 802	25 641	22 601	28 566	28 566	28 566	27 378		
Social Sector EPWP Incentive Grant for Provinces	11 700	11 700	10 029	21 379	19 708	21 332	21 979	21 979	21 884	23 167	23 167	23 167	52 518		
<b>Total conditional grants</b>	<b>6 462 132</b>	<b>6 021 576</b>	<b>6 283 922</b>	<b>6 807 694</b>	<b>6 629 603</b>	<b>6 605 692</b>	<b>6 924 020</b>	<b>6 758 950</b>	<b>6 669 213</b>	<b>7 507 668</b>	<b>7 267 164</b>	<b>7 507 668</b>	<b>7 561 321</b>	<b>7 528 532</b>	<b>8 088 903</b>

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

R thousand	Audited outcome			Main appropriation	Adjusted appropriation 2017/18	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
<b>Current payments</b>	<b>22 133 786</b>	<b>23 081 244</b>	<b>24 334 182</b>	<b>26 062 549</b>	<b>25 944 527</b>	<b>27 408 136</b>	<b>27 972 255</b>	<b>29 889 208</b>	<b>32 133 346</b>
Compensation of employees	16 829 431	17 798 719	18 964 429	20 064 250	20 026 813	20 430 160	21 410 863	23 248 178	25 125 278
Salaries and wages	14 612 793	15 270 081	16 301 190	17 253 702	17 241 633	17 565 954	18 489 833	20 077 634	21 695 959
Social contributions	2 216 637	2 528 638	2 663 239	2 810 548	2 785 180	2 864 206	2 921 030	3 170 544	3 429 319
Goods and services	5 302 768	5 279 066	5 365 572	5 998 028	5 917 151	6 976 472	6 561 058	6 640 599	7 007 636
Interest and rent on land	1 587	3 459	4 181	271	563	1 504	334	431	432
Interest	1 587	3 459	4 176	271	563	1 504	334	431	432
Rent on land			5						
<b>Transfers and subsidies</b>	<b>4 035 587</b>	<b>3 889 162</b>	<b>4 246 395</b>	<b>4 621 562</b>	<b>4 836 218</b>	<b>5 442 295</b>	<b>4 693 481</b>	<b>4 881 123</b>	<b>5 145 536</b>
Provinces and municipalities	336 197	404 821	430 294	408 809	423 737	576 825	468 808	461 781	481 521
Provinces <sup>2</sup>	1 794	561	183	66	66	1 155	70	74	74
Provincial Revenue Funds	65	2	183	66	66	66	70	74	74
Provincial agencies and funds	1 730	559				1 089			
Municipalities <sup>3</sup>	334 403	404 260	430 111	408 743	423 671	575 670	468 738	461 707	481 447
Municipal bank accounts	334 403	385 420	404 661	403 743	395 871	547 870	435 738	448 707	467 732
Municipal agencies and funds		18 840	25 450	5 000	27 800	27 800	33 000	13 000	13 715
Departmental agencies and accounts	167 171	232 396	280 946	254 338	267 067	267 940	277 315	285 678	299 318
Social security funds									
Departmental agencies (non-business entities)	167 171	232 396	280 946	254 338	267 067	267 940	277 315	285 678	299 318
Higher education institutions	388 754	182 102	163 059	249 554	328 354	616 942	264 877	291 228	307 246
Foreign governments and international organisations							2 000	2 000	
Public corporations and private enterprises <sup>5</sup>	262 929	274 481	305 509	289 949	292 984	305 356	308 793	323 859	347 408
Public corporations	216 990	222 164	251 417	287 929	290 964	285 929	307 787	323 859	344 136
Subsidies on products and production (pc)	215 775	218 459	241 217	255 669	255 669	255 669	264 954	279 735	298 410
Other transfers to public corporations	1 215	3 705	10 200	32 260	35 295	30 260	42 833	44 124	45 726
Private enterprises	45 939	52 317	54 092	2 020	2 020	19 427	1 006		3 272
Subsidies on products and production (pe)									
Other transfers to private enterprises	45 939	52 317	54 092	2 020	2 020	19 427	1 006		3 272
Non-profit institutions	1 428 796	1 320 865	1 551 514	1 821 993	1 858 453	1 989 440	1 834 308	1 896 586	1 992 457
Households	1 451 740	1 474 497	1 515 073	1 596 919	1 665 623	1 685 792	1 537 380	1 619 991	1 717 586
Social benefits	138 548	143 400	133 081	48 882	108 388	126 991	56 820	56 110	58 005
Other transfers to households	1 313 192	1 331 097	1 381 992	1 548 037	1 557 235	1 558 801	1 480 560	1 563 881	1 659 581
<b>Payments for capital assets</b>	<b>2 295 822</b>	<b>2 455 713</b>	<b>2 300 455</b>	<b>2 214 207</b>	<b>2 373 354</b>	<b>2 345 238</b>	<b>2 211 491</b>	<b>1 973 302</b>	<b>2 058 435</b>
Buildings and other fixed structures	2 036 144	2 163 803	1 931 494	1 843 253	1 929 133	1 983 901	1 852 652	1 635 451	1 715 891
Buildings	769 464	1 332 103	1 154 955	690 286	1 364 528	1 412 636	1 375 164	1 189 400	1 256 504
Other fixed structures	1 266 680	831 700	776 539	1 152 967	564 605	571 265	477 488	446 051	459 387
Machinery and equipment	256 361	290 620	341 860	357 084	412 193	330 097	345 482	327 206	331 872
Transport equipment	13 638	8 405	62 566	10 968	3 419	15 631	10 526	10 922	11 040
Other machinery and equipment	242 723	282 215	279 294	346 116	408 774	314 466	334 956	316 284	320 832
Heritage assets									
Specialised military assets									
Biological assets		65							
Land and sub-soil assets	4	52	138	600	100	100	600	900	900
Software and other intangible assets	3 313	1 173	26 963	13 270	31 928	31 140	12 757	9 745	9 772
<b>Payments for financial assets</b>	<b>10 748</b>	<b>5 132</b>	<b>10 747</b>		<b>7 463</b>	<b>7 550</b>			
<b>Total economic classification</b>	<b>28 475 943</b>	<b>29 431 251</b>	<b>30 891 779</b>	<b>32 898 318</b>	<b>33 161 562</b>	<b>35 203 219</b>	<b>34 877 227</b>	<b>36 743 633</b>	<b>39 337 317</b>

Table A.4(a): Details of function

Function	Category	Department	Programme
General public services	Legislative	Premier	Administration Management services
		Provincial Legislature	Administration National Council of Provinces Management services
	Financial and fiscal affairs	Finance	Administration Financial planning and resource management Financial management Procurement Management services
Public order and safety	Police services	Provincial Safety and Liaison	Administration
Economic Affairs	General economic affairs	Economic Affairs	Administration Trade, industry and tourism development Economic and development services Consumer protection and inspectorate services Management services
	Agriculture	Agriculture	Administration Agricultural development and research Veterinary services Conservation management Environmental management Specialist environmental services Management services
	Transport	Transport	Roads Road traffic and law enforcement Transport
	Communication	Tourism	Tourism
Environmental Protection	Environmental protection		Conservation management Environmental management Specialist environmental services
Housing and community amenities	Housing development	Housing	Technical service Planning and development
Health	Outpatient service	Health	District health services Primary nutrition programme
	R&D health (CS)		Health science
	Hospital services		Provincial hospital services Specialised hospital services
Recreation, culture and religion	Recreational and sporting services	Sport, arts, culture and recreation	Sport and recreation
	Cultural services		Art, culture and heritage Facility development
Education	Pre-primary and primary	Education	Pre-primary Primary
	Secondary education		Secondary
	Subsidiary service to education		Provision of subsidiary
Social protection	Social security services	Social service and population development	Administration Social security Social assistance Social welfare services Social development Population development Management services



Table A.4(b): Payments and estimates by policy area

R thousand	Audited outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
<b>GENERAL PUBLIC SERVICES</b>	<b>3 201 848</b>	<b>3 239 014</b>	<b>3 462 217</b>	<b>3 490 327</b>	<b>3 569 407</b>	<b>4 864 986</b>	<b>3 731 805</b>	<b>3 960 567</b>	<b>4 161 014</b>
<b>Executive and Legislative</b>	<b>210 960</b>	<b>230 581</b>	<b>238 552</b>	<b>251 396</b>	<b>260 043</b>	<b>261 648</b>	<b>271 475</b>	<b>281 541</b>	<b>296 309</b>
Office of the Premier	18 779	18 687	17 710	17 352	16 987	22 848	18 357	20 399	20 788
Provincial Legislature	192 181	211 894	220 842	234 044	243 056	238 800	253 118	261 142	275 521
<b>General Services</b>	<b>2 751 825</b>	<b>2 708 260</b>	<b>2 907 301</b>	<b>2 923 617</b>	<b>2 981 474</b>	<b>4 275 448</b>	<b>3 112 498</b>	<b>3 335 100</b>	<b>3 513 083</b>
Office of the Premier	667 953	471 295	602 093	547 628	639 799	981 526	592 922	630 399	666 240
Police, Roads and Transport	213 708	217 512	238 284	302 252	270 059	258 911	280 531	305 164	319 843
Public Works and Infrastructure	1 382 173	1 503 355	1 486 262	1 522 356	1 532 534	2 474 454	1 635 268	1 769 096	1 859 997
Cooperative Governance & Traditional Affairs	364 265	377 609	445 918	407 187	404 743	426 218	443 329	469 691	492 384
Economic, Small Business Development, Tourism and Environmental Affairs	123 726	138 489	134 744	144 194	134 339	134 339	160 448	160 750	174 619
<b>Financial and Fiscal Services</b>	<b>239 063</b>	<b>300 173</b>	<b>316 364</b>	<b>315 314</b>	<b>327 890</b>	<b>327 890</b>	<b>347 832</b>	<b>343 926</b>	<b>351 622</b>
Provincial Treasury	239 063	300 173	316 364	315 314	327 890	327 890	347 832	343 926	351 622
<b>PUBLIC ORDER AND SAFETY</b>	<b>377 762</b>	<b>382 137</b>	<b>420 249</b>	<b>368 847</b>	<b>396 040</b>	<b>517 538</b>	<b>436 674</b>	<b>461 920</b>	<b>493 349</b>
<b>Police Services</b>	<b>23 852</b>	<b>22 669</b>	<b>19 414</b>	<b>25 081</b>	<b>23 515</b>	<b>23 515</b>	<b>24 595</b>	<b>26 084</b>	<b>27 627</b>
Police, Roads and Transport	23 852	22 669	19 414	25 081	23 515	23 515	24 595	26 084	27 627
<b>Traffic Control</b>	<b>353 910</b>	<b>359 467</b>	<b>400 835</b>	<b>343 766</b>	<b>372 525</b>	<b>494 023</b>	<b>412 079</b>	<b>435 836</b>	<b>465 722</b>
Police, Roads and Transport	353 910	359 467	400 835	343 766	372 525	494 023	412 079	435 836	465 722
<b>EDUCATION</b>	<b>10 988 226</b>	<b>11 325 361</b>	<b>11 853 929</b>	<b>12 761 488</b>	<b>12 983 848</b>	<b>13 559 430</b>	<b>13 605 413</b>	<b>14 421 627</b>	<b>15 679 447</b>
<b>Pre-primary &amp; Primary Phases</b>	<b>5 061 631</b>	<b>5 145 607</b>	<b>5 474 499</b>	<b>5 712 685</b>	<b>5 726 242</b>	<b>6 076 648</b>	<b>5 864 706</b>	<b>6 332 069</b>	<b>6 890 445</b>
Education	5 061 631	5 145 607	5 474 499	5 712 685	5 726 242	6 076 648	5 864 706	6 332 069	6 890 445
<b>Secondary Education Phase</b>	<b>3 305 771</b>	<b>3 407 491</b>	<b>3 631 323</b>	<b>3 818 923</b>	<b>3 898 099</b>	<b>4 045 295</b>	<b>4 309 171</b>	<b>4 643 720</b>	<b>5 077 488</b>
Education	3 305 771	3 407 491	3 631 323	3 818 923	3 898 099	4 045 295	4 309 171	4 643 720	5 077 488
<b>Education not defined by level</b>	<b>895 859</b>	<b>1 180 957</b>	<b>1 011 588</b>	<b>1 181 575</b>	<b>1 421 740</b>	<b>1 424 318</b>	<b>1 341 119</b>	<b>1 266 199</b>	<b>1 386 303</b>
Agriculture and Rural Development	19 814	17 893	20 410	22 110	24 152	24 695	26 189	28 301	30 241
Education	876 045	1 163 064	991 178	1 159 465	1 397 588	1 399 623	1 314 930	1 237 898	1 356 062
<b>Subsidiary Services to Education</b>	<b>1 724 965</b>	<b>1 591 306</b>	<b>1 736 519</b>	<b>2 048 305</b>	<b>1 937 767</b>	<b>2 013 169</b>	<b>2 090 417</b>	<b>2 179 639</b>	<b>2 325 211</b>
Education	1 724 965	1 591 306	1 736 519	2 048 305	1 937 767	2 013 169	2 090 417	2 179 639	2 325 211
<b>HEALTH</b>	<b>8 290 459</b>	<b>8 693 972</b>	<b>9 076 855</b>	<b>9 774 916</b>	<b>9 736 916</b>	<b>9 795 191</b>	<b>10 403 313</b>	<b>11 079 241</b>	<b>11 847 582</b>
Outpatient services	1 167 048	1 198 563	1 193 629	1 493 220	1 374 220	1 268 346	1 405 985	1 503 898	1 594 328
R and D Health (CS)									
Hospital Services	7 123 411	7 495 409	7 883 226	8 281 696	8 362 696	8 526 845	8 997 328	9 575 343	10 253 254
<b>SOCIAL PROTECTION</b>	<b>956 335</b>	<b>1 002 691</b>	<b>1 090 754</b>	<b>1 172 295</b>	<b>1 199 009</b>	<b>1 163 976</b>	<b>1 266 057</b>	<b>1 320 685</b>	<b>1 385 346</b>
<b>Social Security Services</b>									
Social Development									
<b>Social Services and Population Development</b>	<b>956 335</b>	<b>1 002 691</b>	<b>1 090 754</b>	<b>1 172 295</b>	<b>1 199 009</b>	<b>1 163 976</b>	<b>1 266 057</b>	<b>1 320 685</b>	<b>1 385 346</b>
Social Development	956 335	1 002 691	1 090 754	1 172 295	1 199 009	1 163 976	1 266 057	1 320 685	1 385 346
<b>HOUSING AND COMMUNITY AMENITIES</b>	<b>1 207 552</b>	<b>1 221 031</b>	<b>1 301 310</b>	<b>1 442 894</b>	<b>1 437 190</b>	<b>1 437 190</b>	<b>1 391 778</b>	<b>1 452 070</b>	<b>1 543 366</b>
<b>Housing Development</b>	<b>1 207 552</b>	<b>1 221 031</b>	<b>1 301 310</b>	<b>1 442 894</b>	<b>1 437 190</b>	<b>1 437 190</b>	<b>1 391 778</b>	<b>1 452 070</b>	<b>1 543 366</b>
Human Settlements	1 207 552	1 221 031	1 301 310	1 442 894	1 437 190	1 437 190	1 391 778	1 452 070	1 543 366
<b>ENVIRONMENTAL PROTECTION</b>	<b>599 094</b>	<b>671 643</b>	<b>670 238</b>	<b>727 674</b>	<b>691 869</b>	<b>737 635</b>	<b>756 201</b>	<b>780 642</b>	<b>833 535</b>
<b>Environmental Protection</b>	<b>599 094</b>	<b>671 643</b>	<b>670 238</b>	<b>727 674</b>	<b>691 869</b>	<b>737 635</b>	<b>756 201</b>	<b>780 642</b>	<b>833 535</b>
Economic, Small Business Development, Tourism and Environmental Affairs	125 390	140 834	139 488	174 338	145 633	197 354	163 770	177 817	195 676
Agriculture	473 704	530 809	530 750	553 336	546 236	540 281	592 431	602 825	637 859
<b>RECREATION, CULTURE AND RELIGION</b>	<b>790 303</b>	<b>825 161</b>	<b>837 923</b>	<b>825 180</b>	<b>832 310</b>	<b>831 097</b>	<b>883 376</b>	<b>903 515</b>	<b>926 298</b>
<b>Sporting and Recreational Affairs</b>	<b>790 303</b>	<b>825 161</b>	<b>837 923</b>	<b>825 180</b>	<b>832 310</b>	<b>831 097</b>	<b>883 376</b>	<b>903 515</b>	<b>926 298</b>
Sport, Arts, Culture and Recreation	661 967	697 897	698 026	687 295	687 295	687 295	727 010	740 399	751 818
Economic, Small Business Development, Tourism and Environmental Affairs	128 336	127 264	139 897	137 885	145 015	143 802	156 366	163 116	174 480
Premier									
<b>ECONOMIC AFFAIRS</b>	<b>2 064 365</b>	<b>2 070 242</b>	<b>2 178 304</b>	<b>2 334 697</b>	<b>2 314 973</b>	<b>2 296 176</b>	<b>2 402 610</b>	<b>2 363 366</b>	<b>2 467 380</b>
<b>General Economic Affairs</b>	<b>52 320</b>	<b>56 827</b>	<b>48 947</b>	<b>102 363</b>	<b>80 161</b>	<b>53 729</b>	<b>151 347</b>	<b>131 259</b>	<b>131 084</b>
Economic, Small Business Development, Tourism and Environmental Affairs	52 320	56 827	48 947	102 363	80 161	53 729	151 347	131 259	131 084
<b>Agriculture</b>	<b>169 648</b>	<b>167 667</b>	<b>168 802</b>	<b>165 858</b>	<b>189 554</b>	<b>203 110</b>	<b>183 082</b>	<b>195 733</b>	<b>206 813</b>
Agriculture and Rural Development	169 648	167 667	168 802	165 858	189 554	203 110	183 082	195 733	206 813
<b>Rural Development</b>	<b>31 945</b>	<b>25 182</b>	<b>13 967</b>	<b>17 505</b>	<b>10 387</b>	<b>8 555</b>	<b>8 777</b>	<b>9 479</b>	<b>10 140</b>
Agriculture and Rural Development	31 945	25 182	13 967	17 505	10 387	8 555	8 777	9 479	10 140
<b>Transport</b>	<b>1 810 452</b>	<b>1 820 566</b>	<b>1 946 588</b>	<b>2 048 971</b>	<b>2 034 871</b>	<b>2 030 782</b>	<b>2 059 404</b>	<b>2 026 895</b>	<b>2 119 343</b>
Police, Roads and Transport	1 810 452	1 820 566	1 946 588	2 048 971	2 034 871	2 030 782	2 059 404	2 026 895	2 119 343
<b>Total provincial payments and estimates by policy area</b>	<b>28 475 943</b>	<b>29 431 251</b>	<b>30 891 779</b>	<b>32 898 318</b>	<b>33 161 562</b>	<b>35 203 219</b>	<b>34 877 227</b>	<b>36 743 633</b>	<b>39 337 317</b>

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

R thousand	Audited outcome			Main appropriation	Adjusted appropriation 2017/18	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
<b>Category A</b>	<b>110 295</b>	<b>173 753</b>	<b>125 401</b>	<b>108 265</b>	<b>128 616</b>	<b>280 906</b>	<b>113 392</b>	<b>133 812</b>	<b>141 060</b>
Mangaung	110 295	173 753	125 401	108 265	128 616	280 906	113 392	133 812	141 060
<b>Category B</b>	<b>206 482</b>	<b>203 207</b>	<b>286 861</b>	<b>249 871</b>	<b>273 926</b>	<b>273 426</b>	<b>293 754</b>	<b>268 954</b>	<b>283 900</b>
Letsemeng	1 759	2 286	1 963	2 069	2 097	2 097	3 189	2 189	2 309
Kopanong	2 745	6 872	3 841	4 117	3 676	3 676	6 356	4 356	4 596
Mohokare	2 890	748	1 358	188	369	369	1 199	199	210
Masilonyana	3 122	3 865	16 214	3 672	19 660	19 660	5 885	3 885	4 099
Tokologo	259	331	480	306	1 547	1 547	2 324	324	342
Tswelopele	1 400	1 490	1 582	1 648	1 935	1 935	2 744	1 744	1 840
Matjhabeng	28 315	33 361	50 790	55 284	43 538	43 538	58 490	58 490	61 707
Nala	1 995	3 619	9 721	2 348	9 503	9 503	3 484	2 484	2 621
Setsoto	32 120	11 332	14 816	17 644	17 644	17 644	18 667	18 667	19 694
Dihlabeng	9 975	16 605	23 145	12 524	11 496	11 246	13 091	11 691	12 410
Nketoana	5 991	5 608	6 002	6 729	6 125	6 125	8 119	7 119	7 511
Maluti-a-Phofung	67 610	69 134	93 379	104 838	84 989	84 739	111 114	108 714	114 769
Phumelela	1 775	1 180	1 466	1 294	5 293	5 293	3 369	1 369	1 444
Mantsopa	5 899	3 071	2 585	3 029	1 568	1 568	1 560	11 560	12 196
Moqhaka	10 056	8 888	7 723	7 840	18 753	18 753	8 295	8 295	8 751
Ngwathe	7 230	8 034	11 997	8 507	21 579	21 579	27 000	9 000	9 495
Metsimaholo	8 691	19 658	22 034	8 247	9 700	9 700	8 725	8 725	9 205
Mafube	14 650	7 125	17 765	9 587	14 454	14 454	10 143	10 143	10 701
<b>Category C</b>	<b>17 626</b>	<b>27 300</b>	<b>17 000</b>	<b>50 607</b>	<b>21 129</b>	<b>21 338</b>	<b>61 592</b>	<b>58 941</b>	<b>56 487</b>
Xhariep District Municipality	15 800	16 500	17 000	17 850	17 850	17 850	20 000	20 000	21 100
Lejweleputswa District Municipality									
Thabo Mofutsanyana District Municipality	1 826	10 800							
Fezile Dabi District Municipality									
Unallocated				32 757	3 279	3 488	41 592	38 941	35 387
<b>Total transfers to local government</b>	<b>334 403</b>	<b>404 260</b>	<b>429 262</b>	<b>408 743</b>	<b>423 671</b>	<b>575 670</b>	<b>468 738</b>	<b>461 707</b>	<b>481 447</b>

Table A.6: Summary of provincial payments and estimates by region and district

R thousand	Audited outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
<b>Metro</b>	<b>110 295</b>	<b>173 753</b>	<b>125 401</b>	<b>108 265</b>	<b>128 616</b>	<b>280 906</b>	<b>113 392</b>	<b>133 812</b>	<b>141 060</b>
Mangaung	110 295	173 753	125 401	108 265	128 616	280 906	113 392	133 812	141 060
<b>Region</b>	<b>224 108</b>	<b>230 507</b>	<b>303 861</b>	<b>267 721</b>	<b>291 776</b>	<b>291 276</b>	<b>313 754</b>	<b>288 954</b>	<b>305 000</b>
<b>Xhariep</b>	<b>23 194</b>	<b>26 406</b>	<b>24 162</b>	<b>24 224</b>	<b>23 992</b>	<b>23 992</b>	<b>30 744</b>	<b>26 744</b>	<b>28 215</b>
Letsemeng	1 759	2 286	1 963	2 069	2 097	2 097	3 189	2 189	2 309
Kopanong	2 745	6 872	3 841	4 117	3 676	3 676	6 356	4 356	4 596
Mohokare	2 890	748	1 358	188	369	369	1 199	199	210
Xhariep District Municipality	15 800	16 500	17 000	17 850	17 850	17 850	20 000	20 000	21 100
<b>Thabo Mofutsanyane</b>	<b>125 196</b>	<b>117 730</b>	<b>141 393</b>	<b>146 058</b>	<b>127 115</b>	<b>126 615</b>	<b>155 920</b>	<b>159 120</b>	<b>168 024</b>
Setsotho	32 120	11 332	14 816	17 644	17 644	17 644	18 667	18 667	19 694
Dihlabeng	9 975	16 605	23 145	12 524	11 496	11 246	13 091	11 691	12 410
Nketoana	5 991	5 608	6 002	6 729	6 125	6 125	8 119	7 119	7 511
Maluti a Phofung	67 610	69 134	93 379	104 838	84 989	84 739	111 114	108 714	114 769
Phumelela	1 775	1 180	1 466	1 294	5 293	5 293	3 369	1 369	1 444
Mantsopa	5 899	3 071	2 585	3 029	1 568	1 568	1 560	11 560	12 196
Thabo Mofutsanyana District Municipality	1 826	10 800							
<b>Fezile Dabi</b>	<b>40 627</b>	<b>43 705</b>	<b>59 519</b>	<b>34 181</b>	<b>64 486</b>	<b>64 486</b>	<b>54 163</b>	<b>36 163</b>	<b>38 152</b>
Moqhaka	10 056	8 888	7 723	7 840	18 753	18 753	8 295	8 295	8 751
Nqwathe	7 230	8 034	11 997	8 507	21 579	21 579	27 000	9 000	9 495
Metsimaholo	8 691	19 658	22 034	8 247	9 700	9 700	8 725	8 725	9 205
Mafube	14 650	7 125	17 765	9 587	14 454	14 454	10 143	10 143	10 701
Fezile Dabi District Municipality									
<b>Lejweleputswa</b>	<b>35 091</b>	<b>42 666</b>	<b>78 787</b>	<b>63 258</b>	<b>76 183</b>	<b>76 183</b>	<b>72 927</b>	<b>66 927</b>	<b>70 609</b>
Masilonyana	3 122	3 865	16 214	3 672	19 660	19 660	5 885	3 885	4 099
Tokologo	259	331	480	306	1 547	1 547	2 324	324	342
Tswelopele	1 400	1 490	1 582	1 648	1 935	1 935	2 744	1 744	1 840
Matjabeng	28 315	33 361	50 790	55 284	43 538	43 538	58 490	58 490	61 707
Nala	1 995	3 619	9 721	2 348	9 503	9 503	3 484	2 484	2 621
Lejweleputswa District Municipality									
<b>Unallocated funds</b>				<b>32 757</b>	<b>3 279</b>	<b>3 488</b>	<b>41 592</b>	<b>38 941</b>	<b>35 387</b>
<b>Total provincial payments by region and district</b>	<b>334 403</b>	<b>404 260</b>	<b>429 262</b>	<b>408 743</b>	<b>423 671</b>	<b>575 670</b>	<b>468 738</b>	<b>461 707</b>	<b>481 447</b>

Table A.7: Summary - payments and estimates of provincial infrastructure by category

R thousand	Audited outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
<b>New infrastructure assets</b>	<b>335 156</b>	<b>355 062</b>	<b>321 406</b>	<b>455 443</b>	<b>382 736</b>	<b>397 397</b>	<b>464 557</b>	<b>463 879</b>	<b>671 139</b>
Economic, Small Business Development, Tourism and Environmental Affairs	358	1 284		3 500	1 200	1 200			
Health	140 829	117 939	53 161	70 431	18 481	24 606	84 867	99 292	245 362
Education	90 417	134 226	152 846	271 251	240 381	281 850	233 492	229 624	294 129
Social Development	16 388	5 131	14 565	10 055	42 135	7 102			
Public Works and Infrastructure	16 460	8 225	11 962	13 086	9 419	9 419	40 369	43 224	33 909
Police Roads and Transport			6 182	49 000	33 000	35 100	21 000	10 000	8 000
Sport, Arts, Culture and Recreation	70 704	88 257	82 690	38 120	38 120	38 120	84 829	81 739	89 739
Upgrades and additions	811 278	850 452	494 912	508 717	603 966	601 776	672 169	556 534	528 292
Economic, Small Business Development, Tourism and Environmental Affairs	9 473	15 176	13 027	19 395	7 905	7 905	17 998	25 927	29 498
Health	191 580	108 619	9 210	6 139	15 739	12 102	27 547	21 732	6 500
Education	259 939	385 405	151 004	153 991	252 497	258 715	310 750	179 265	161 600
Social Development	583	433							
Public Works and Infrastructure	171 101	174 516	184 207	194 031	179 306	179 306	153 944	157 372	172 864
Police Roads and Transport		13 833	9 907	13 000	37 358	36 358	38 552	53 935	60 000
Agriculture and Rural Development	33 640	20 047	27 694	40 027	29 027	25 256	30 677	32 306	36 262
Sport, Arts, Culture and Recreation	144 962	132 423	99 863	82 134	82 134	82 134	92 701	85 997	61 568
Refurbishment and rehabilitation	911 800	1 027 600	997 123	880 603	953 099	961 794	721 726	618 688	520 311
Economic, Small Business Development, Tourism and Environmental Affairs				8 000	500	500	3 500	1 000	
Health	140 319	234 431	296 490	376 598	410 948	438 521	412 015	335 588	233 411
Education	75 972	122 614	77 406	90 339	151 327	133 549	39 000	57 100	58 900
Public Works and Infrastructure							1 200		
Police Roads and Transport	695 509	670 555	623 227	405 666	390 324	389 224	266 011	225 000	228 000
Agriculture and Rural Development									
Maintenance and repair	639 133	726 378	938 799	1 098 779	1 138 510	1 094 656	1 293 453	1 262 840	1 365 546
Economic, Small Business Development, Tourism and Environmental Affairs	455	1 783	2 232	14 777	11 802	11 802	12 800	8 000	13 615
Health		122 845	100 350	60 268	60 268	57 324	49 062	44 194	49 297
Education	10 537	49 155	144 430	135 982	188 846	150 836	132 543	136 332	162 837
Social Development	1 100	3 549	2 603	13 404	11 238	11 238	10 257	10 835	11 468
Public Works and Infrastructure		1 179	9 270	9 585	6 551	6 551	9 941	10 408	10 980
Police Roads and Transport	616 894	533 927	667 313	847 731	840 773	839 873	1 054 850	1 029 071	1 093 349
Agriculture and Rural Development	4 086	6 177	4 495	6 000	8 000	6 000	10 000	10 000	10 000
Sport, Arts, Culture and Recreation	6 061	7 763	8 106	11 032	11 032	11 032	14 000	14 000	14 000
Infrastructure transfer - current		80 000	78 874	60 000	67 436	67 430	30 000	30 000	30 000
Education					6				
Agriculture and Rural Development		80 000	26 010	60 000	67 430	67 430	30 000	30 000	30 000
Infrastructure transfer - Capital	1 114 900	1 051 499	1 144 715	1 263 372	1 263 372	1 263 372	1 072 369	1 128 870	1 187 956
Education	1 355								
Social Development	5 000								
Agriculture and Rural Development	41 790		46 253				30 000	30 000	30 000
Sport, Arts, Culture and Recreation	3 000	24 818	3 000	58 583	58 583	58 583			
Human Settlements	1 063 755	1 026 681	1 095 462	1 204 789	1 204 789	1 204 789	1 042 369	1 098 870	1 157 956
<b>Infrastructure: Leases</b>	<b>7</b>								
Health	7								
<b>Non Infrastructure</b>	<b>168 134</b>	<b>94 020</b>	<b>67 197</b>	<b>194 951</b>	<b>214 023</b>	<b>195 428</b>	<b>149 575</b>	<b>134 366</b>	<b>156 088</b>
Health	113 258	25 339	57 004	74 659	74 659	47 542	23 718	21 504	28 922
Education	54 876	68 681	10 193	28 350	44 937	53 044	52 768	54 256	53 256
Police Roads and Transport				66 693	68 693	69 593			
Human Settlements				25 249	25 249	25 249	73 089	58 606	73 910
<b>Total provincial infrastructure</b>	<b>3 980 408</b>	<b>4 185 011</b>	<b>4 043 026</b>	<b>4 461 865</b>	<b>4 623 142</b>	<b>4 581 853</b>	<b>4 403 849</b>	<b>4 195 177</b>	<b>4 459 332</b>

**Table A.8: Summary of Infrastructure Enhancement Allocation (IEA) payments and estimates by Vote**

R thousand	Audited outcome			Main appropriation	Adjusted appropriation 2017/18	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
3 Economic, Small Business Development, Tourism and Environmental Affairs	10 286	15 769	12 209	45 672	21 892	21 892	34 298	34 927	43 113
5 Health	2 512	21 623	20 125	23 938	15 938	15 938	18 847	20 276	23 847
6 Education	1 901	1 796	1 939	16 278	15 078	15 078	11 216	12 645	16 216
7 Social Development	21 388	2 367							
9 Public Works and Infrastructure	150 464	151 841	146 341	162 287	159 389	159 389	157 496	151 122	154 696
10 Police, Roads and Transport	299 296	374 746	357 614	439 161	412 060	412 060	396 567	419 442	423 013
11 Agriculture and Rural Development	74 089	82 286	97 176	99 256	98 686	98 686	100 677	102 306	106 262
12 Sport, Arts, Culture and Recreation	189 348	163 054	136 783	101 286	88 575	88 575	119 368	101 997	80 568
Unallocated							3 452	46 918	44 475
<b>Total Infrastructure Enhancement Allocation</b>	<b>749 284</b>	<b>813 482</b>	<b>772 187</b>	<b>887 878</b>	<b>811 618</b>	<b>811 618</b>	<b>841 921</b>	<b>889 633</b>	<b>892 190</b>

**Table A.9: Summary of Revenue Enhancement Allocation (REA) payments and estimates by Vote**

R' thousand	Audited outcome			Main appropriation	Adjusted appropriation 2017/18	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
3 Economic, Small Business Development, Tourism and Environmental Affairs	2 619		4 811						
4 Provincial Treasury	500	1 630	62						
5 Health	2 000								
9 Public Works and Infrastructure	2 701	814	280						
10 Police, Roads and Transport	23 991								
11 Agriculture and Rural Development	292								
Unallocated				1 340	1 340		11 011	18 582	56 134
<b>Total Revenue Enhancement Allocation</b>	<b>32 103</b>	<b>2 444</b>	<b>5 153</b>	<b>1 340</b>	<b>1 340</b>		<b>11 011</b>	<b>18 582</b>	<b>56 134</b>

**Table A.10: Summary of Expanded Public Works Programme Integrated Grant for Provinces payments and estimates by Vote**

R' thousand	Audited outcome			Main appropriation	Adjusted appropriation 2017/18	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
3 Economic, Small Business Development, Tourism and Environmental Affairs	1 974	2 240	2 024	2 000	2 000	2 000	2 213		
5 Health	2 702	2 000	1 375	2 000	2 000	2 000	2 000		
6 Education	2 629	3 108	760	2 000	2 000	2 000	2 000		
7 Social Development	583	433							
9 Public Works and Infrastructure	5 955	6 034	6 528	10 900	10 900	10 900	6 783		
10 Police, Roads and Transport	4 633	3 130	5 365	5 666	5 666	5 666	8 011		
11 Agriculture and Rural Development	2 254	2 027	2 145	2 000	2 000	2 000	2 335		
12 Sport, Arts, Culture and Recreation	2 131	2 342	2 404	2 000	2 000	2 000	2 000		
13 Human Settlement	2 000	2 348	2 000	2 000	2 000	2 000	2 036		
<b>Total Revenue Enhancement Allocation</b>	<b>24 861</b>	<b>23 662</b>	<b>22 601</b>	<b>28 566</b>	<b>28 566</b>	<b>28 566</b>	<b>27 378</b>		

Table A.11: Summary of Social Sector Expanded Public Works Programme Incentive Grant for Provinces payments and estimates by Vote

R' thousand	Audited outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
3 Economic, Small Business Development, Tourism and Environmental Affairs									
5 Health	1 547	13 067	3 000	4 453	4 453	4 453	12 529		
6 Education	2 240	981	2 953	1 679	1 679	1 679	8 893		
7 Social Development	3 662	6 284	14 131	13 823	13 823	13 823	29 626		
9 Public Works and Infrastructure									
10 Police, Roads and Transport				1 693	1 693	1 693			
12 Sport, Arts, Culture and Recreation	2 580	1 000	1 800	1 519	1 519	1 519	1 470		
<b>Total Revenue Enhancement Allocation</b>	<b>10 029</b>	<b>21 332</b>	<b>21 884</b>	<b>23 167</b>	<b>23 167</b>	<b>23 167</b>	<b>52 518</b>		