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Department:

Finance

North West Provincial Government
Republic of South Africa

ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE 2019/20

**for the
year ending 31st March 2020**

PR78/2019

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To obtain additional copies of this document please contact;

North West Provincial Treasury

Third floor;

Ga-Rona Building

Private Bag X2060

Mmabatho

2735

Tel: (018) 388 - 4342

E-mail: lmoepeng@nwpg.gov.za

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Foreword

Our current socio-economic challenges, which are largely characterized by poverty, unemployment and inequality requires us to redouble our efforts in attaining our long term vision as espoused in the National Development Plan.

The crafting of the 2019 MTEF budget has been inspired by our resolve to materially improve the living conditions of the citizens of the Province through the implementation of programmes that seek to grow the economy and create jobs, strengthen good governance, improving education, training and innovation, promotion of health and social protection, building of safer communities, fighting greed and corruption, transforming society and uniting the country.

In responding to these challenges, the 2019/20 budget consolidates limited resources and direct resources towards poverty alleviation initiatives in the remote and rural parts of the Province including our townships, support jobs creation and economic growth initiatives.

Through this budget, we recommit to improve service delivery and enforce accountability, good governance and ensure that the delivery of quality services is consistent with the principles of value for money. We further recommit to the optimal utilization of available resources to uplift the economic landscape of our province for the benefit of the our citizens.



02/03/2019

MMAPHEFO MATSEMELA

MEC FOR FINANCE, ECONOMY AND ENTERPRISE DEVELOPMENT

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List of Abbreviations

| Abbreviation | Full description |
|--------------|--|
| AET | Adult Education and Training |
| ACE | Advanced Certificate in Education |
| ACT | Agriculture, Culture and Tourism |
| AFR | Asset Financing Reserve |
| ART | Anti-Retroviral Treatment |
| BAS | Basic Accounting Systems |
| BEE | Black Economic Empowerment |
| BPO | Business Process Outsourcing |
| CASP | Comprehensive Agricultural Support Programme |
| CFO | Chief Financial Officer |
| CPIX | Consumer Price Index |
| CSP | Comprehensive Service Plan |
| CSP | Community, Social and Personal services |
| DED | Directorate of Entrepreneurial Development |
| DoR | Division of Revenue Bill |
| DoRA | Division of Revenue Act |
| ECD | Early Childhood Development |
| EMIS | Education Management Information System |
| EMS | Emergency Medical Services |
| EPWP | Expanded Public Works Programme |
| FET | Further Education and Training |
| FSD | Farmer Support and Development |
| GDP | Gross Domestic Product |
| GDP-R | Gross Domestic Product by Region |
| GFS | Government Financial Statistics |
| GHS | General Household Survey |
| GIAMA | Government Immovable Asset Management Act |
| GRAP | Generally Recognized Accounting Practice |
| HCBC | Home Community Based Care |

| | |
|----------|--|
| HCDS | Human Capital Development Strategy |
| HDI | Historically Disadvantaged Individuals |
| HIV/Aids | Human Immune Virus/Acquired Immune Deficiency Syndrome |
| HPRR | Health Professionals Remuneration Review |
| HRP | Hospital Revitalization Programme |
| ICS | Improvement in Conditions of Service |
| ICT | Information Communication Technology |
| IDIP | Infrastructure Delivery Improvement Plan |
| IDPs | Integrated Development Plans |
| IDZ | Industrial Development Zone |
| IES | Income and Expenditure Survey |
| IGP | Infrastructure Grant to Provinces |
| IMF | International Monetary Fund |
| ISDP | Integrated Service Delivery Plan |
| IT | Information Technology |
| IYM | In-Year Monitoring |
| LED | Local Economic Development |
| LFS | Labour Force Survey |
| LG | Local Government |
| M & E | Monitoring and Evaluation |
| MDR-TB | Multi-Drug Resistant TB |
| MEC | Member of Executive Council |
| MEDS | Micro-Economic Development Strategy |
| MFMA | Municipal Finance Management Act |
| MIG | Municipal Infrastructure Grant |
| MSP | Master Systems Plan |
| MTBPS | Medium Term Budget Policy Statement |
| MTEC | Medium Term Expenditure Committee |
| MTEF | Medium Term Expenditure Framework |
| NGO | Non-governmental Organisation |
| NQF | National Qualification Framework |
| NSDF | National Spatial Development Framework |

| | |
|---------|--|
| NSF | National Skills Fund |
| NTSG | National Tertiary Services Grant |
| NYS | National Youth Service |
| NWPG | North West Provincial Government |
| OSD | Occupational Specific Dispensation |
| PES | Provincial Equitable Share |
| PFMA | Public Finance Management Act |
| PHC | Primary Health Care |
| PPHC | Personal Primary Health Care |
| PPP | Public Private Partnerships |
| PSDF | Provincial Spatial Development Framework |
| PSIRA | Private Security Industry Regulatory Authority |
| PT | Provincial Treasury |
| PTRPA | Provincial Tax Regulation Process Act |
| QIDS-UP | Quality Improvement, Development, Support and Upliftment Programme |
| RED | Real Enterprise Development |
| SARB | South African Reserve Bank |
| SAWs | Social Auxiliary Workers |
| SCM | Supply Chain Management |
| SCOA | Standard Chart of Accounts |
| SDFs | Spatial Development Frameworks |
| SEDA | Small Enterprise Development Agency |
| SEP-LG | Socio-Economic Profiles of Local Government |
| SETA | Sector Education Training Authority |
| SIP | Strategic Infrastructure Plan |
| SMME | Small Medium and Micro Enterprise |
| STI | Sexually Transmitted Infection |
| TB | Tuberculosis |
| UNESCO | United Nations Educational, Scientific and Cultural Organization |
| NWED | North West Province Department of Education |
| XDR-TB | Extreme Drug Resistant TB |

1. Provincial Economic Outlook

1.1. Introduction

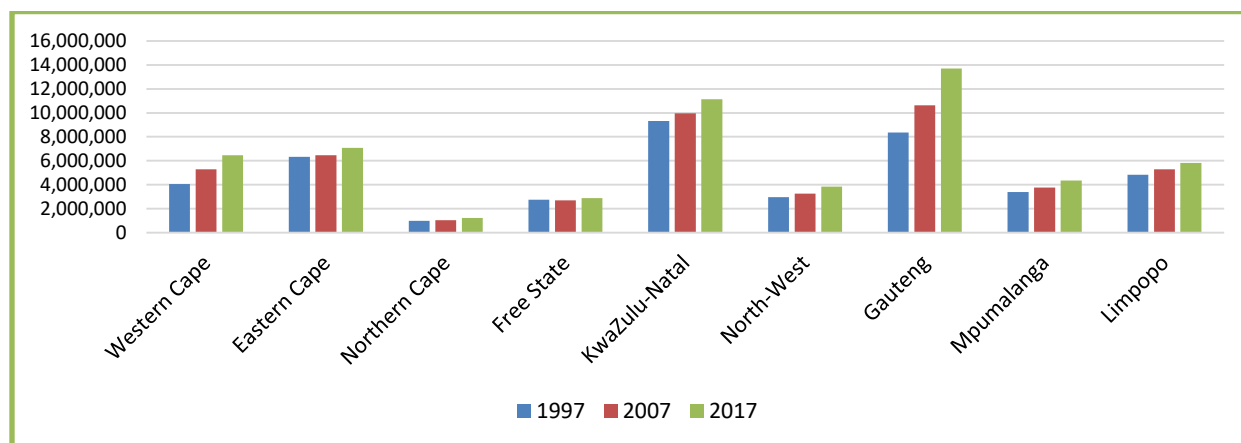
Resource allocation remains key to provincial human and economic development and such process must be informed by facts. Key to the current economic condition is resource optimisation and work within the given fiscal space to achieve desired developmental goals as stipulated in the National Development Plan. In addition, the importance of effective and efficient investment in both social and economic infrastructure has never been urgent and important like this before, government need to urgently expand its infrastructure base to stimulate and attract investment in South Africa and the North West Province in particular.

Poverty and unemployment remains key challenges to the North West Province and thus requires integrated and interdisciplinary approach that contribute to a more informed public debate about macroeconomic reforms and social goals to help identify the most appropriate macroeconomic and social policy combination to promote inclusive growth and poverty reduction. Such an approach can contribute to policy choices that are evidence-based, and both more relevant to the specific situation and more pro-poor. It can also enhance public transparency, and strengthen ownership, increasing the likelihood that policies will be implemented and reforms sustained, (Harris, 2005).

It is in this context that the current Budget takes, with concern, into account recent release of increased unemployment, poverty levels, inequalities and depressing socio-economic challenge of our province. With limited resources at our disposal and increasing economic and social demands, the government remains committed and resolute in spending and investing wisely for the development of this province.

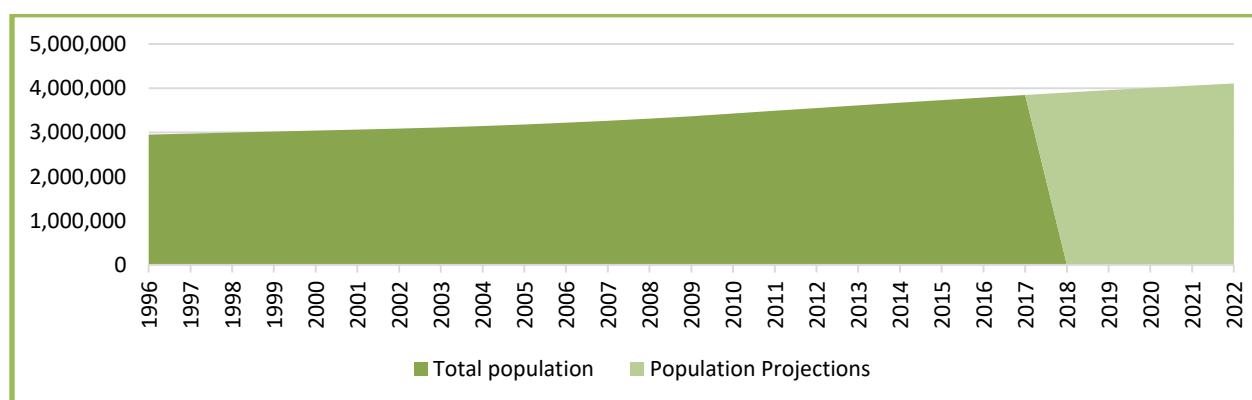
2. North West Demographic Profile

Population numbers form a critical component of resource distribution in any economy. It is for this reason that the South African equitable share formula is inclusive of population numbers by province as a variable that informs resources distribution. As indicated in figure 1 below, Gauteng province has the largest population in the country followed by KwaZulu-Natal, Eastern Cape and Western Cape, respectively. This illustrates that from the equitable share formula perspective these provinces receives the largest share of population component. A point to be argued in this case is the extent at which such a formula takes into account other demographic variables and development variables that could require more resourcing than just the population number.

Figure 1: Provincial Population Over Time (1997, 2007 & 2017)


Data Source: IHS Markit (2018)

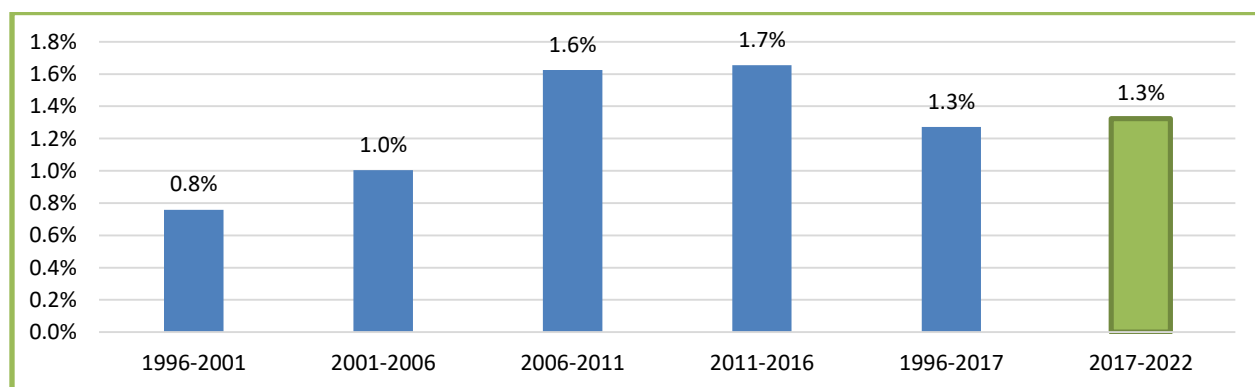
As shown in figure 2 below, The North West Population size reached 3.8 million in 2017 from 2.9 million in 1996 and is projected to reach 4.1 million in 2022. Such population growth presents economic opportunity to the province in terms of human capital. However, such economic potential requires both public and private sector create an environment that will allow human capital to be productive and add to economic growth through quality education, employment and business activities. On the other hand, failure to create such growth unleashing potential, population increase may require more care and increased demand for public goods and basic services from the state which will translate into increased budgetary pressure on the state.

Figure 2: North West Provincial Population Growth and Projections


Data Source: IHS Markit (2018)

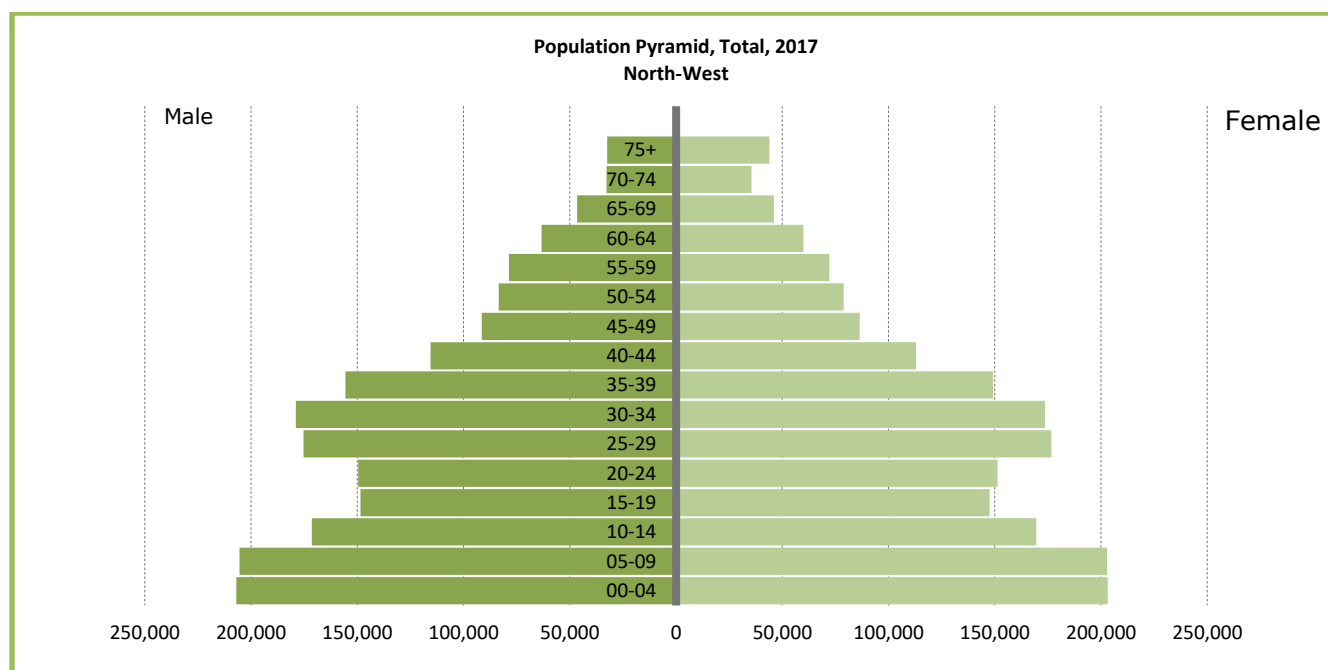
Despite the projected population growth to 4.1 million in 2022, the growth started to be on a decline from the highest growth rate of 1.7 percent between 2011 and 2016 to 1.3 percent between 1996 and 2017 and such is projected to be sustained between 2017 and 2022. As shown in figure 3 below, the North West population growth rate started very low at 0.8 percent in 1996 to 1.6 percent in 2011. Various factors such as low levels of literacy, freedom of movement and medical interventions might have directly or indirectly contributed to such growth rates witnessed in the North West province.

Figure 3: North West Provincial Population Growth Rate (per cent)



Data Source: IHS Markit (2018)

Figure 4: NWP Structure for 2017



Data Source: IHS Markit (2018)

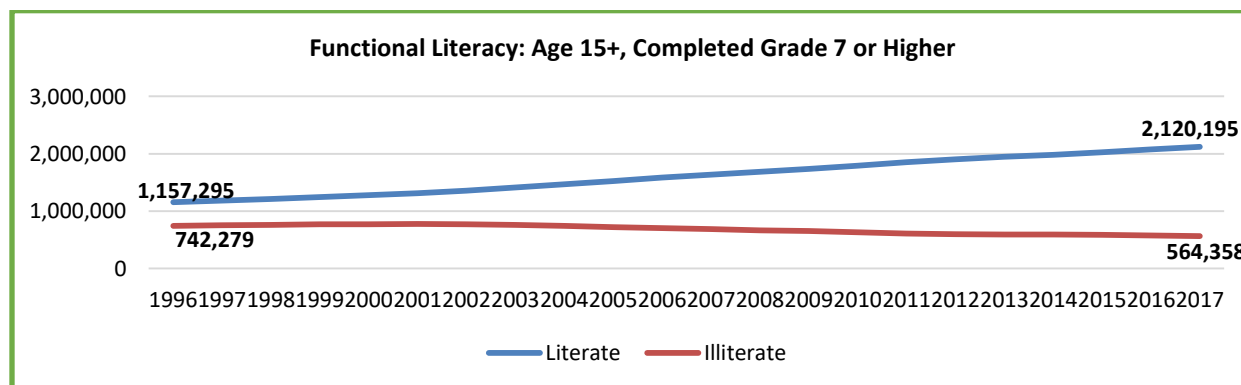
As indicated above, the North West population size has increased over-time. Such an increase came with changes in the population structure since 1997 to 2017. As shown in population pyramid 4A the province had large population of children between the ages of 10 years to 24 years of age. In 2017, the population pyramid shows a youth bulge which can be translated into population dividend. This type of human capital and economic development potential come once in a very long period. With the current state of underdevelopment in the North West province characterised by high poverty levels, high income inequality and high unemployment, the province will surely miss this opportunity. In the period 2014 to 2017 clearly North West province has experienced an increase in birth rate and can be directly linked to the 1.7 percent growth rate recorded in figure 3 above. Over and above that, the 2017 population pyramid shows that in the entire provincial population, there is a largest number of youth (age 15 to 34).

In terms of population sciences, three key factors can lead to a change in population structure as shown above by population pyramids. These factors are Mortality, Fertility and migration and for the above changes in age structure, one of these factors might have contributed.

3. Socio-Economic Indicators of Education and Literacy

The literacy rate measures the percentage of people aged 15 and above who can read and write. In 2015, South Africa's literacy rate was around 94.37 percent. The North West province has also experienced an increase in literacy level, increasing from 1 157 295 in 1996 to 2 120 195. Contrary to this, illiteracy levels have also been on a decrease with the number of people being illiterate setting at 564 358 in 2017 from 742 270, a decrease of 157 921 over 21 years. This simply means the North West province has been able to move an average of 7 520 out of illiterate population. Taking into account other population factors such as migration and deaths, the provincial actual performance could actually be lower than the above indicated number.

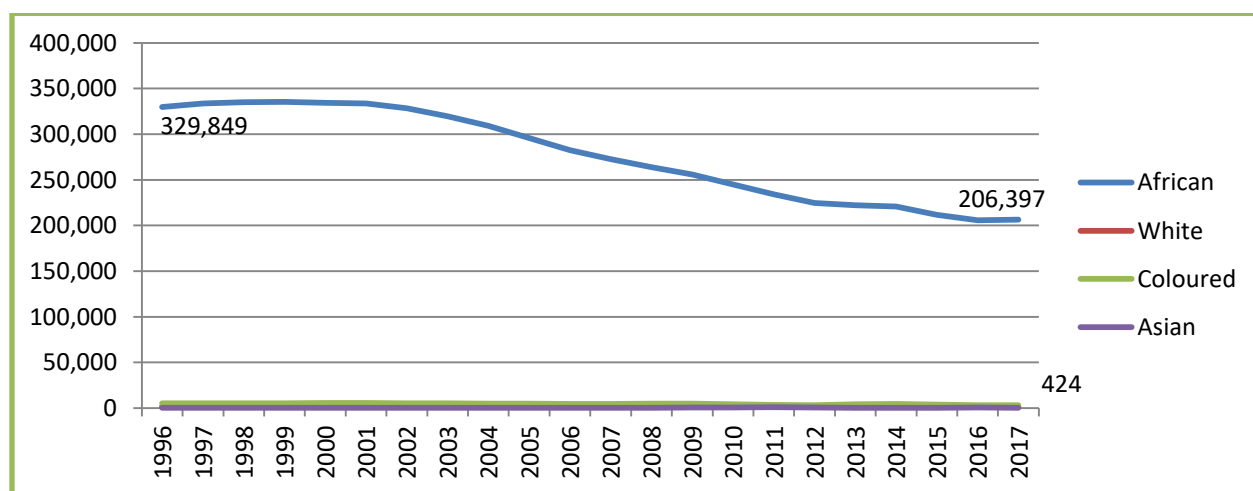
Figure 5: Functional Literacy



Data Source: IHS Markit (2018)

Figure 6 below shows the number of people with no schooling by population group. Asians, Whites and Colored have very few individuals with no schooling while that of Africans still remains very high. Africans with no schooling reduced from 329 849 in 1996 to 206 397 in 2017 which translate into 37.4 per cent reduction.

Figure 6: No Schooling by Population Group (1996 – 2017)



Data Source: IHS Markit (2018)

There has been a significant increase of Africans with matric since 1996. The number of African with matric only improved from 167 417 in 1996 to 527 948. As indicated in figure 14 below, a slight increase has also been recorded for the White population group increasing from 66 072 in 1996 to 96 101 in 2017. In 2017 the number of Colored and Asian with matric were almost equal in the region of 7 00. In general, the number of people with matric in the province has increased.

4. Basic Infrastructure

The ideal state of basic service provision such as sanitation, refuse removal, water and electricity in terms of household infrastructure as presented in figures 17 and 18 is 100 percent attainment. Basic services remain fundamental ingredients for human development. Lack of clean water and proper sanitation seriously undermines the positive effects of other basic social interventions. Throughout the world dirty water and lack of sanitation are among the leading causes of child illness, disease and death. The strong moral argument for universal access says that basic social services have intrinsic value because they generate such benefits as learning and good health, and that they should, therefore, be available to all.

This argument sees basic social services as “merit goods” – goods that have an inherent worth and that should be supplied whatever the circumstances, even if there appears to be no express demand. The state cannot depend upon private suppliers to provide such services – it must step in to ensure their provision, (Mehrotra, Vandemoortele and Delamonica, 2000).

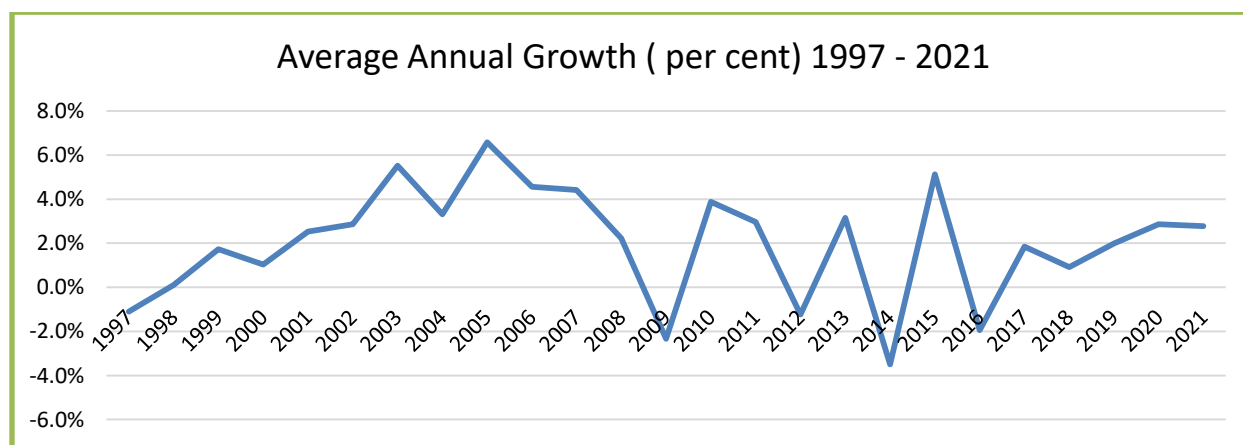
It should further be note that provision of service in figure 17 and 18 are the responsibility of municipalities and the province has the responsibility of oversight and support in ensuring realisation of such services. According to Statistics South Africa (2016), tremendous progress has been made over the past few decades in the delivery of basic services. The Community Survey 2016 found that 89.8 per cent of households used piped water, that 63.4 per cent used flush toilets connected to either the public sewerage or to a local septic system, that 63.9 per cent of households receive refuse removal services, and finally, that 87.6 per cent of households had access to electricity.

5. Economic Indicators

5.1 Economic Growth

Since global economic meltdown in 2008, the North West provincial economic growth have been struggling to recover. The provincial average annual growth is projected to reach 0.9 per cent in 2018, 2 per cent in 2019 and 2.8 per cent in 2021. Taking into account current levels of unemployment, poverty and inequality facing the North West Province, such growth is not sufficient to address such challenges.

Figure 7: North Average Annual Growth: 1997-2021



Data Source: IHS Markit (2018)

The GDP average annual growth for South Africa and North West Province were ranging between 5 per cent and -3.7 per cent from 2008 to 2017. From 2011 to 2017 growth in North West experienced fluctuation. It is worth noting that the mining industry is the economic pillar of the province. Poor

performance of the mining industry comes with a probability of declining provincial GDP. Therefore diversification of industry is required to avoid dependency of one industry. The table below shows industry contribution for North West in 1996, 2001, 2006, 2012 and 2017.

| Table 1: Industry Contribution for North West, 1996, 2001, 2006, 2012 and 2017 | | | | | |
|---|----------|-------|-------|-------|-------|
| Industry | 1996 | 2001 | 2006 | 2012 | 2017 |
| | per cent | | | | |
| Agriculture | 8.1 | 4.5 | 3.1 | 2.7 | 3.0 |
| Mining | 16.3 | 28.3 | 31.5 | 32.1 | 32.6 |
| Manufacturing | 9.0 | 7.6 | 7.2 | 6.0 | 5.3 |
| Electricity | 3.0 | 1.7 | 1.8 | 3.0 | 3.5 |
| Construction | 3.1 | 2.2 | 2.4 | 2.1 | 2.5 |
| Trade | 14.1 | 11.9 | 10.5 | 11.9 | 11.8 |
| Transport | 9.7 | 9.5 | 7.8 | 6.5 | 6.6 |
| Finance | 12.0 | 11.8 | 13.4 | 13.6 | 13.2 |
| Community services | 24.7 | 22.6 | 22.3 | 22.1 | 21.6 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Source: IHS Regional Explorer, (2018)

The statistics from the above table shows that mining, electricity and finance industries registered an increase between 1996 and 2017 towards the GDP contribution in North West. Mining was the largest contributor towards the provincial GDP at 32.6 per cent followed by community services while construction contributed the smallest share at 2.5 per cent for the same period.

5.2 Labour

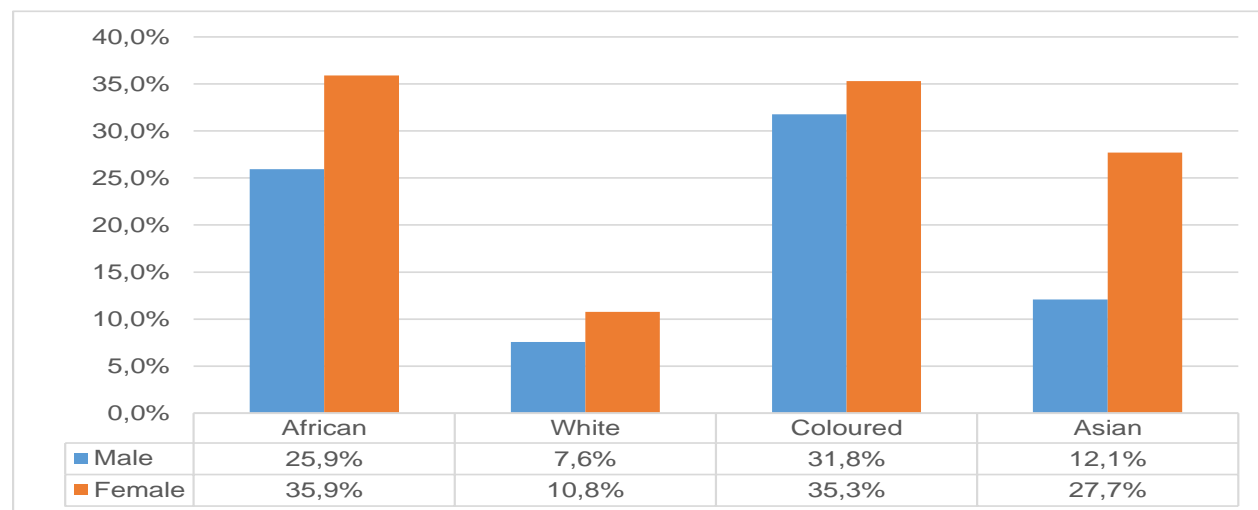
Employment in North West expanded to 731 thousand in 2017 from 664 thousand in 2007. Community services industry contributed the largest number of employed people in the province at 162 thousand in 2017 followed by mining industry at 133 thousand for the same period. The electricity industry employed the smallest number of workers in 1997, 2007 and 2017.

Table 2: Employment by Industry for North West, 1997, 2007, 2017

| Industry | 1997 | 2007 | 2017 |
|--------------------|----------------|----------------|----------------|
| Agriculture | 72 954 | 56 097 | 58 856 |
| Mining | 92 657 | 159 401 | 133 829 |
| Manufacturing | 58 151 | 49 915 | 50 055 |
| Electricity | 1 881 | 2 155 | 2 817 |
| Construction | 19 503 | 26 488 | 35 126 |
| Trade | 65 059 | 87 496 | 113 521 |
| Transport | 11 639 | 14 087 | 15 882 |
| Finance | 37 149 | 65 414 | 82 017 |
| Community services | 86 114 | 117 604 | 162 468 |
| Households | 62 788 | 85 646 | 77 194 |
| Total | 507 893 | 664 303 | 731 765 |

Source: IHS Global Insight, (2018)

Unemployment rate remains a concern and the most affected was Africans in 2017. Lack of formal education and appropriate skills required in the labour market are some of the contributing factors to the high unemployment in the province as reflected by the following table below.

Figure 8: North West Unemployment Rate by Race and Gender, 2017

Source: IHS Global Insight, (2018)

African females and Colored's females had the highest unemployment rate at 35.9 per cent and 35.3 per cent respectively in 2017. White males had the lowest unemployment rate at 7.6 per cent for the period under review. More work need to be done to address unemployment more so for females.

6. Conclusion

Economic growth remains low and is projected to remain below 2 per cent over-time to 2020. With unemployment remaining stubbornly high more efforts at policy and implementation level are required. The North West Province needs to identify future growth opportunities in the policy context which aligned to the NDP, recently announced stimulus package by the state president and attract more FDI.s.

It should further be noted that government cannot create much needed jobs but can create a conducive environment for business to thrive. Amongst others, is the quality of infrastructure, quality of institutions and policy certainty. Fiscal policy therefore because an effective tool to deliver on these if effectively structure and implemented. This resource is there intended to give guidance on resource allocation in the province in order to ensure attainment of provincial and national developmental goals.

3. Budget Strategy and Aggregates

The policy imperative remained over the medium term namely, spending remains within an expenditure ceiling, fiscal consolidation, cost-containment and reprioritisation.

The 2019 expenditure framework aims to change the composition of spending towards spending that stimulates economic growth, particularly capital expenditure and programmes that intensify job creation initiatives. Furthermore, it addresses the following key funding priorities;

- Health and Education continues to receive priority allocations over the medium term, protected non-negotiables.
- Reprioritisation takes into account President's economic stimulus and recovery plan.
- Medium-term spending plans will focus on reducing poverty and inequality, and boosting employment and growth.
- Ensure spending on compensation of employees expenditure does not crowd-out spending on critical areas.
- Continue to optimise revenue collection through the implementation of revenue enhancement strategy.

3.1. Overview of the Budget Strategy

The focus of 2019 budget has solely been on the reprioritisation and fiscal consolidation of existing baseline funding. In the current economic climate, trade-offs has to be made to give effect to the policy imperatives and creating public value while maintaining fiscal sustainability. Departments and public entities were instructed to undertake an in-depth assessment on the budget baselines in order to curtail activities or programmes that are no longer important or making no impact towards the intended service

delivery mandates, get rid of duplicated functions in order to realize savings to be directed key programs and priorities that will stimulate economic growth.

In maintaining fiscal discipline, the province has therefore adapted the following various measures towards fiscal consolidation to protect government fiscal resources while maintaining service delivery.

- budgets for non-essential goods and services items, such as departmental catering, travelling and accommodation grow below the inflation;
- controlling growth in employees' salaries in an effort to manage the wage bill over the MTEF;
- Continue to optimise revenue collection through the implementation of revenue enhancement strategy; and
- Rationalisation of Public Entities to ensure focused and effective and efficient implementation of programs.

3.1.1. Fiscal Consolidation

Limited growth on non-essential goods and services items

All departments were required to implement the cost reduction initiatives on non-essential goods and services items and to ensure that their growth is below inflation in line with the National Treasury Instructions of 2017/18, wherein it is stipulated that spending on non-essential items must be kept at the minimum or decreased.

Management of the provincial wage bill

The compensation of employee's budget constitutes 59.8 per cent as a proportion of our provincial budget and is projected to reach 60.3 per cent of the last year of 2019 MTEF. The growth on the wage bill has the impact on the ability of government to increase the level of service delivery in the province. The Provincial Treasury requested departments to submit comprehensive motivations for any upwards adjustment of compensation of employees above the inflation rate. Furthermore, consistent with National directive, the salary of the executives in our entities will also be subjected to "no salary increases" in 2019/20 financial year.

Optimise revenue collection

Through the implementation of the Revenue Enhancement Strategy, the Provincial own revenue is expected to contribute more than three per cent to the total budget for 2019/20 financial year. The overarching aim for the strategy is to identify new sources of revenue that will mitigate the provincial fiscal risks of continuous loss on the equitable share and conditional grants from the national fiscus.

Departments and entities are expected to finalise their Specific Revenue Enhancement Strategies for implementation in 2019/20.

Rationalisation of Public Entities

In line with the national directive to rationalise State Own Entities, the Province is in the process to rationalise Public Entities as a result of financial sustainability and high cost structure; high wage bill relative to financial resources; the overlapping and duplication of mandates and functions. The Government Technical Advisory Centre (GTAC) has been task to review Provincial Public Entities and come with a comprehensive report that will guide decision for the rationalization of public entities.

3.2. Aligning Provincial budget to achieve government's prescribed outcomes

The National Development Plan (NDP) provides a vision for South Africa toward 2030 with the aim to reduce the percentage of the population living in poverty, reduce inequality and unemployment. In aligning with the ND,P departments and entities were requested to focus on the 14 MTSF National Outcomes, the Nine-Point Plan as well as the Provincial priorities. The 14 national outcomes are listed below:

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 service.
13. An inclusive and responsive social protection system.
14. Nation building and social cohesion.

The Strategic Plans, Annual Performance Plans and Corporate Plans of departments and public entities are aligned to NDP in respond to a call to reduce poverty and inequality, and to increase job creation and inclusive growth. The Province will strive to sustain and improve serviced delivery taking into account the constrained fiscal environment while focusing on:

- Inclusive economic growth and job creation;
- Improving education, training and innovation;
- Promotion of health and social protection;
- Strengthening good governance and building of safer communities;
- Promotion of culture and creative industries; and
- Strengthening of Traditional Leadership.

3.3. Medium term budget policy priorities

The following priorities aim to deliver on the North West Government's vision and support the realisation of the objectives of the National Development Plan 2030.

3.3.1. Promoting Access to Quality Basic Education

In ***improving the quality of teaching*** the Department of Education and Sports Development's main objective is to reduce class sizes as it impacts on learner performance, with a focus on schools where learner to educator ratio exceeds the average ratio of 29. This will be supported by attracting a new group of young, motivated and appropriately trained teachers; improving professionalism, teaching skills and subject knowledge; ensuring availability and utilization of teachers and developing better ways of delivering the curriculum using the learner workbooks that are provided, including structuring lessons, covering the material in the curriculum and conducting assessments

The department will provide minimum basic numeracy resources to all schools; undertaking of regular learner assessments to monitoring the percentage of Grade 3, 6 and 9 learners that performed at the required level for mathematics and language with the view to ***improve literacy, numeracy/mathematics and science outcomes***. Quintile 1 – 3 schools will receive the minimum basic numeracy resources and assistance in the implementation and use of those resources. Regular assessments of a sample of all learners to track progress at the end of Grade 3,6 and 9 in all Quintile 1 – 3 schools will be undertaken and schools will be provided with maths and science equipment.

The promotion of access to ***Early Childhood Development*** will be intensified through the introduction and expansion of primary schools with Grade R resources and equipment to prepare learners for formal schooling including increased funding of infrastructure; provision of qualified staff; Specialised training for practitioners; the provision of learner support materials and equipment and implement targeted plans to reach the most vulnerable children and families.

The department will continue to provide all ***Public Ordinary School's infrastructure*** in line with minimum physical infrastructure standards so that learners and teachers have a conducive environment for teaching and learning. The key focus to address school infrastructure backlogs in the province will be

the eradication of pit toilets and inappropriate sanitation. Other areas to receive attention in 2019/20 financial year will include ensuring that all required classrooms are built in public ordinary schools, that all specialist rooms in Public Ordinary Schools are build (all rooms except classrooms-included; laboratories, stock rooms, sick bay, kitchen, etc.), providing Grade R facilities to Public Primary Schools, upgrading of special schools and ensuring that schools comply with very basic level of school infrastructure.

3.3.2. Improving Health Care and Social Protection

Primary Health Care (PHC) re-engineering is a national priority programme for health service delivery improvement. Ward-based Primary Health Care Outreach Teams (WBPHCOT) renders home based and community services by Community Health Workers.

The programme employs CHW, who provide services to the community of a ward. These teams must be supported in community by the services of Environmental health practitioners in this regard; specialist teams have been trained to conduct community health work at a household level. The implementation of four streams of PHC re-engineering included contracting of GP and other health professionals into public health facilities.

The primary response times of the **Emergency Medical Services (EMS)** in both rural and urban areas needs to improve in order that the national standards are met. The national standard for EMS response time is; Priority 1 (P1) patients should be reached within 40 minutes in rural areas and within 15 minutes in urban areas. The target is that 75 per cent of P1 patients should be reached within the time. Currently in the province, 55 per cent of rural patients and 50 per cent of urban patients are serviced within the national norms. The current national norm for ambulances is one ambulance per 10 000 population, currently the province has one ambulance per 50 000 population. Therefore, there is a need to improve EMS in the North West Province. The allocation for 2019/20 also caters for the procurement of ambulance with the view to improve the response time.

The department will establish an implement **Planned Patient Transport (PPT)** service which will be funded as a provincial function . PPT will become a solely EMS function with its own structure and it will develop a hub and spoke PPT model, transfer all current staff and vehicles from hospitals, clinics and sub-districts to EMS, create a waiting room at each hospital for PPT and central booking of patients to be done via the Communication Centre.

The **maintenance and refurbishment of health facilities** is an important national priority to ensure that the infrastructure investment is maintained and meets basic community requirements as well as related staff retention initiatives. The services are routinely sourced at a local level thus providing employment in the districts as most of the health facilities are placed in a decentralized manner to reach coverage of all communities in the province.

The department will continue to prioritise the ***maintenance of health facilities*** to ensure that the infrastructure investment is maintained and meets basic community requirements as well as related staff retention initiatives. The services are routinely sourced at a local level thus providing employment in the districts as most of the health facilities are placed in a decentralized manner to reach coverage of all communities in the Province.

Reforming the ***welfare sector*** through legislative and policy reforms- the Department of Social Development seeks to expand services by ensuring adequate numbers and training of social service professionals, review of funding models and the roles assigned to non-profit organizations. The department will increase the number of Social workers in the current MTEF and work with non-profit organizations to address this priority moving forward.

The department will also ensure improved access to quality ***Early Childhood Development*** (ECD) through the provision of comprehensive ECD services as an instrument to make investments in health, development of capabilities, and mitigate vulnerabilities while serving as the building blocks for future resilience. Effective ECD is also critical for ensuring equitable participation of women in the labour force and the productive and social life of communities, and quality education and skills development as per the National Development Plan.

The Department of Social Development will intensify efforts to protect and promote the ***Rights of Persons with Disabilities*** as per the UN Convention on the Rights of Persons with Disabilities by up scaling establishment and resourcing of centers for Persons With Disabilities for care and protection services; Protective workshops/sheltered employment centers for Persons With Mental Disability; Empowerment programmes for persons with Disability who due to their disability cannot be mainstreamed in mainstream society and increase subsidy for centers rendering service to Persons with Disabilities.

3.3.3. Sustainable Human Settlements and Improved Quality of Household Life

The ***Department of Local Government and Human Settlements*** will ensure the monitoring and support of 22 municipalities towards enhancing compliance to financial governance and statutory requirements. Monitoring and support of these municipalities will also include corporate governance, administration and public participation in accordance with statutory requirements. The intention is to monitor municipalities' performance against predetermined standards and also to co-ordinate support and intervention programmes.

The Department will also continue to ***support and monitor integrated structures*** within 22 municipalities according to social and economic development guidelines. The plan includes supporting and monitoring the implementation of infrastructure grants and access to identified basic services.

Through **Housing Development**, 47 626 title deeds will be transferred to new home owners, 6 354 sites will be serviced, 6 790 housing units to be delivered (excluding military veterans and mining towns), 122 military veterans units will be delivered and 3 880 housing units to be delivered in mining towns.

3.3.4. Economic Development Initiatives/Interventions

Job Creation

The department of Public Works and Roads through **the Community Based Programme** is intending to create 1 500 work opportunity and 1 173 full time equivalents through Public Works sector in 2019/20 financial year as well as 8 500 work opportunities and 3 709 full time equivalents under the transport sector. The programme will continue with the contractor development in 2019/20 at the estimated budget of R61.8 million.

Rural and Township Development

To drive Rural and Township development, departments and public entities are encouraged to direct their spending more internally within the Province. In the main focusing on procuring from Small, Medium and Micro Enterprise. It is expected that at least R2.5 billion will benefit entrepreneurs located within the Province. An amount in excess of R200 million is allocated towards Small, Medium and Micro Enterprise development and support. This amount includes R90 million for contractor development and R110 million for SMME support over the MTEF.

Supporting Agriculture and Agro-Processing Sectors

The Department of **Rural, Environment and Agricultural Development (READ)** will continue to support SMMEs growth for both existing and new enterprises, focusing on vegetable processing plants and hubs, abattoirs, milling plants, and the animal feed mills industry during the current financial year. **READ** will, through rural development initiatives, create 100 Job opportunities during the current financial year

Expand roll out of the Food Security Initiatives

A total of 2 200 households stand to be supported with agricultural food production initiatives in the form of equipments and vegetable and fruit tree production packages. Sustainable food security has multiple dimensions, which involve availability, access, utilisation and stability. Eradicating hunger and food insecurity requires policy action that addresses all four dimensions.

Special Economic Zone Development

An amount of R31.6 million over the MTEF is allocated for the operationalization of the Platinum Valley Special Economic Zone at Bojanala District in collaboration with NWDC and DTI. The SEZ will be key point of attraction for foreign and local direct investment in the Province. This also aimed at boosting short-to-medium term economic growth that requires greater investment in fixed assets, economic infrastructure, factories and machineries. The initiative is expected to create about 1 500 direct jobs and 5 500 are indirect jobs agro-processing, general manufacturing, mining, mineral beneficiation, tourism, green economy and ICT.

3.3.5. Infrastructure

The National Treasury in collaboration with Provincial Treasuries and other stakeholders in the infrastructure delivery space has completed the review of the Infrastructure Delivery Management System (IDMS) and the Standard for Infrastructure Procurement and Delivery Management (SIPDM) which will be published for implementation in the 2019/20 by the whole of Government including Departments, Municipalities and their Entities.

To this end, the Provincial Government will review and adopt the Provincial IDMS protocol that will guide infrastructure implementation which will be enforced through a Control Framework for Infrastructure Procurement and Delivery Management.

Considering the current infrastructure delivery challenges in the Province ranging from underspending, ballooning accruals, huge project cost and time overruns, **“No Plan No Budget”** approach will be implement and only projects that are ready for implementation will be funded moving forward.

Public infrastructure that is acquired needs to be financially, economically and technically viable, and should offer value for money over its life cycle. Underlying value for money is an explicit commitment to ensure that the best results possible are obtained from the money spent, or the maximum benefit is derived from the resources available. It is a means for developing a better understanding (and better articulation) of costs and results so that more informed, evidence-based choices can be made and the availability of applicable procurement policies and guidelines, implementation of infrastructure control gates with proper delegation cannot be under estimated. Departmental infrastructure plans developed must be informed by community needs and fully incorporated into the municipalities' Integrated Development Plans (IDP) and compliant to the spatial planning and Land Use Management Act (SPLUMA).

Additional funding has been added in the allocation of the Department of Finance specifically to ensure that the Provincial Treasuries is capacitated to provide guidance and monitor the implementation of infrastructure in the province.

Maximizing value for money, balancing economic pressures and the social impact is one of the primary objective of public policy. In times of fiscal consolidation or scarce public resources, the need to make the most impactful spending decisions is critical, therefore focus will be on maintenance of existing infrastructure and the opportunity for alternative funding and private sector collaboration will be explored.

3.4. Summary of budget aggregates

Table 1.1 provides an analysis of the overall Provincial budget performance by comparing total receipts against total payments, resulting in a surplus or deficit before financing over the seven-year period.

Table 1.1 : Provincial budget summary

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2018/19 | Revised estimate | Medium-term estimates | | |
|---|-------------------|-------------------|-------------------|--------------------|--------------------------------|--------------------|-----------------------|-------------------|-------------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 |
| Provincial receipts | | | | | | | | | |
| Transfers from national | 33 669 708 | 34 980 924 | 38 072 876 | 39 859 240 | 40 084 876 | 40 084 876 | 42 524 111 | 45 536 507 | 48 756 553 |
| Equitable share | 26 466 722 | 28 057 245 | 30 572 243 | 32 391 895 | 32 391 894 | 32 391 894 | 34 972 816 | 37 694 412 | 40 324 937 |
| Conditional grants | 7 202 986 | 6 923 679 | 7 500 633 | 7 467 345 | 7 692 982 | 7 692 982 | 7 551 295 | 7 842 095 | 8 431 616 |
| Provincial own receipts | 1 014 652 | 1 227 152 | 1 189 451 | 1 209 862 | 1 209 862 | 1 209 867 | 1 249 751 | 1 312 230 | 1 382 646 |
| Total provincial receipts | 34 684 360 | 36 208 076 | 39 262 327 | 41 069 102 | 41 294 738 | 41 294 743 | 43 773 862 | 46 848 737 | 50 139 199 |
| Provincial payments | | | | | | | | | |
| Current payments | 25 375 894 | 28 076 389 | 30 567 058 | 32 763 437 | 33 549 342 | 33 987 120 | 35 662 576 | 38 325 081 | 41 194 907 |
| Transfers and subsidies | 5 523 804 | 5 637 295 | 5 685 295 | 5 735 800 | 5 763 924 | 5 808 586 | 5 862 465 | 5 982 558 | 6 257 261 |
| Payments for capital assets | 3 184 473 | 2 243 011 | 2 646 772 | 2 572 879 | 2 621 351 | 2 617 506 | 2 503 506 | 2 541 097 | 2 687 031 |
| Payments for financial assets | 10 530 | 15 262 | 140 | - | 2 | 2 | - | - | - |
| Total provincial payments | 34 094 700 | 35 971 957 | 38 899 265 | 41 072 116 | 41 934 619 | 42 413 214 | 44 028 547 | 46 848 736 | 50 139 199 |
| Surplus/(deficit) before financing | 589 660 | 236 119 | 363 062 | (3 014) | (639 880) | (1 118 471) | (254 685) | - | - |
| Financing | | | | | | | | | |
| Provincial Rollovers | - | 10 000 | 35 466 | - | 118 260 | 118 260 | - | - | - |
| National Rollovers | 1 018 | - | - | - | - | - | - | - | - |
| Donor Funding | 3 364 | 1 997 | 4 556 | 1 967 | 3 065 | 3 065 | 2 085 | - | - |
| Other Financing | 352 369 | 177 985 | 259 044 | 1 047 | 518 555 | 518 555 | 252 600 | - | - |
| Surplus/(deficit) after financing | 946 411 | 426 101 | 662 128 | - | - | (478 591) | - | - | - |

Source: Provincial treasury database, 2019

In 2018/19 financial an amount of R480.698 million is reflected as a deficit is the aggregated projected overspending as at 31st December 2018 and is mainly attributed by the projected overspending in the department of Health and Community Safety and Transport Management. Departments are instructed to implement turnaround plans to avoid overspending of the vote.

Over the 2018 MTEF, the Province will table a balanced budget, which is informed by reprioritisation within the departmental baselines, limiting budgets growth for non-essential goods and services, controlling growth in employees' salaries and optimizing revenue collection. As a results of this measures, the Province is tabling a balanced budget over the 2019 MTEF.

The Equitable Share is the main source of funding for the Provincial Fiscal Framework constituting 80 per cent of the provincial financial resources, followed by Conditional Grants at 17 per cent, while own revenue is at 3 per cent. The 2019 MTEF Fiscal Framework reflects a healthy Equitable Share growth of 8 per cent and a minimal growth on conditional grants and own revenue at 1.1 per cent and 3.1 per cent respectively.

The provincial spending is mainly driven by compensation of employees within current payments which constitute about 59.8 per cent and goods and services at 21.2 per cent of the total Provincial budget. The total consolidated provincial spending over the 2019 MTEF period is estimated to be R141.016 billion. The bulk of spending is allocated to Education and Sports Development, Health, Social Development, Public Works and Roads, Local Government and Human Settlements and Rural, Environment and Agricultural Development.

3.5. Financing

Financing mainly refers to rollovers from unspent national conditional grants and unspent provincial equitable share and surplus funds in the Provincial Revenue Fund, after taking into account all commitments and subsequent roll-overs.

The financing in 2018/19 takes into account, the additional funding of rollovers from unspent funds from the previous financial year amounting to R323.101 million (R194.437 million for conditional grant rollovers and R128.664 million from equitable share rollovers), additional conditional grant funding of R31.200 million for the Land Care Programme Grant: Poverty Relief and Infrastructure Development Conditional Grant to the department of Rural, Environment and Agricultural Development, National Departments and SETA funds of R7.697 million, R175.957 million reprioritized from low spending of departmental programmes and R500.505 million from our own provincial resources.

3.6. Donor Funding

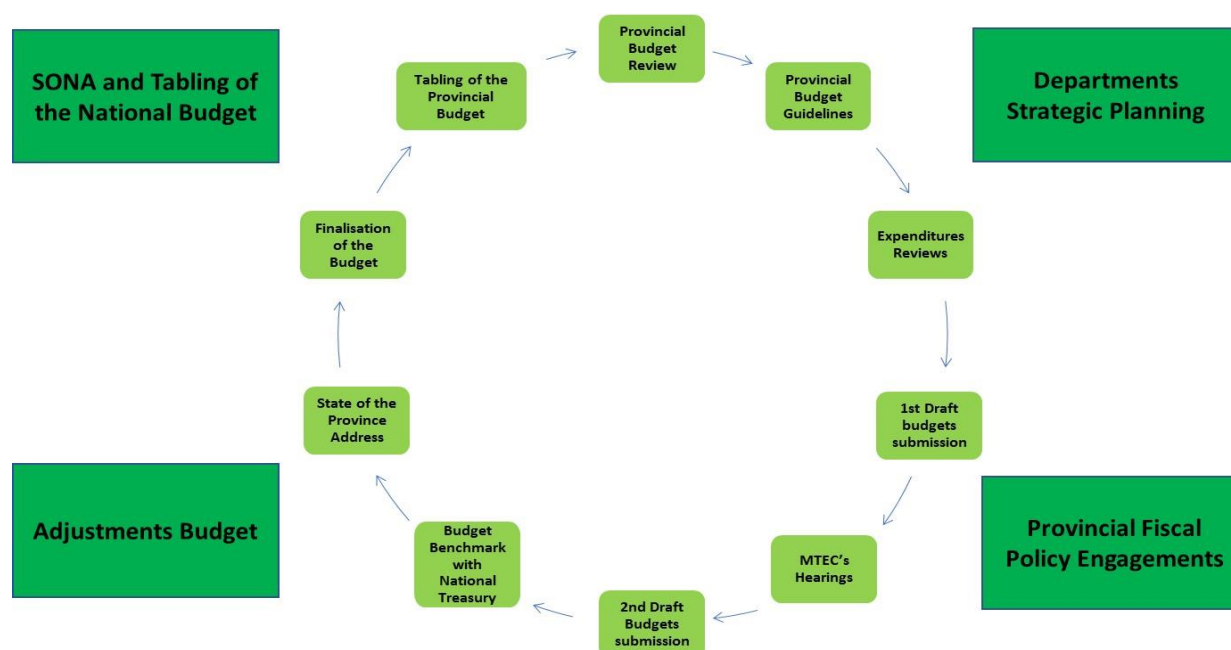
The Department of Health received an amount of R2.1 million in 2019/20, as donations from Netcare to fund 4 Registrar Posts for a period of four years. These Registrars are based in Klerksdorp Tertiary Hospital.

Budget Process and the Medium- Term Expenditure Framework

The Province implement a comprehensive budget process which is aligned to the national budget process. The Provincial budget process requires extensive consultation between the Province and National Government and within the Province between departments and public entities. This vigorous consultations process includes amongst others, intergovernmental engagements (both at national and provincial level, Executive Council (EXCO), Provincial Treasury, National Treasury, Budget Council, Financial and Fiscal Commission (FFC), Provincial Departments, the Provincial Medium Term Expenditure Committee (PMTEC) as well as various Makgotlas such as EXCO Lekgotla.

The MTEF budget process is designed to match the overall resource envelope, estimated through 'top-down' macro-economic and fiscal policy processes, with the bottom-up estimation of the current and medium-term cost of existing departmental plans and expenditure programmes. It also ensures that resources are allocated to meet South Africa's political priorities and to improve the quality and effectiveness of spending within sustainable fiscal limits.

The figure below depicts key milestones in the North West Provincial Budget Process.



The Provincial MTEC hearings are held annually around September/October solely to ensure alignment and integration of plans within the provincial government and further promote the alignment of provincial budgets with strategic planning documents such as the PGDS, NDP, IDPs and Spatial Development Frameworks in support of inclusive growth and transformation.

The Provincial MTEC led by the Provincial Treasury, is constituted by various sector departments (such as Office of the Premier, Public Works, Local Government and Human Settlement) to promote integration of policy alignment, planning, budgeting and implementation between departments, municipalities and public entities. In planning for the 2019 MTEF, the Provincial Medium Term Expenditure Committee Hearings took place from 05 to 16 October 2018 and were chaired by the MEC for Finance.

4. Receipts

4.1. Overall Position

Table 4.1 below shows the total provincial fiscal framework over the 2019 MTEF budget of R141.016 billion. The framework consist of three main sources of funding, i.e. National transfers (comprised of the provincial equitable share and conditional grants); Provincial own receipts (made amongst others, casino taxes, horse racing taxes, liquor licences, motor vehicle licences) and financing (off which includes, rollovers, surrenders from departments, funds raised through reprofitorisation).

On aggregate, year-on-year the provincial budget grows by 7.1 per cent from adjusted budget of R41.027 billion in 2018/19 to R44.029 billion in 2019/20 and further grows to R50.139 billion or 7 per cent in the last year of the 2019 MTEF. The main growth is mainly under equitable share at 8.1 per cent in 2019/2020, 7.8 per cent in 2020/21 and 7 per cent in 2021/22. Conditional grants grows by a minimum growth of 3.3 per cent in 2019/20 as a result of reductions in Education Infrastructure Grant and Health Facility Revitalisation Grant, however in 2020/21 and 2021/22 it recovers to grow by 5 per cent and 5.4 per cent respectively.

Table 4.1 : Summary of provincial receipts

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2018/19 | Revised estimate | Medium-term estimates | | |
|---|-------------------|-------------------|-------------------|--------------------|--------------------------------|-------------------|-----------------------|-------------------|-------------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 |
| Transfers receipts from national | 33 669 708 | 34 980 924 | 38 072 876 | 39 859 240 | 40 084 876 | 40 084 876 | 42 524 111 | 45 536 507 | 48 756 553 |
| Equitable share | 26 466 722 | 28 057 245 | 30 572 243 | 32 391 895 | 32 391 894 | 32 391 894 | 34 972 816 | 37 694 412 | 40 324 937 |
| Conditional grants | 7 202 986 | 6 923 679 | 7 500 633 | 7 467 345 | 7 692 982 | 7 692 982 | 7 551 295 | 7 842 095 | 8 431 616 |
| Financing (incl rollover and additional) | 352 369 | 187 985 | 294 510 | 1 047 | 636 815 | 636 815 | 252 600 | - | - |
| Donar funding | 3 364 | 1 997 | 4 556 | 1 967 | 3 065 | 3 065 | 2 085 | - | - |
| Total receipts: Treasury funding | 34 025 441 | 35 170 906 | 38 371 942 | 39 862 254 | 40 724 756 | 40 724 756 | 42 778 796 | 45 536 507 | 48 756 553 |
| Provincial own receipts | | | | | | | | | |
| Tax receipts | 534 005 | 576 309 | 574 145 | 640 624 | 640 491 | 640 491 | 668 988 | 699 725 | 736 933 |
| Casino taxes | 125 084 | 139 322 | 107 322 | 153 532 | 144 813 | 144 813 | 145 876 | 147 924 | 155 744 |
| Horse racing taxes | 8 000 | 15 000 | 14 410 | 7 281 | 16 000 | 16 000 | 17 000 | 18 000 | 19 000 |
| Liquor licences | 2 722 | 3 878 | 2 899 | 4 308 | 4 175 | 4 175 | 4 500 | 4 600 | 4 700 |
| Motor vehicle licences | 398 199 | 418 109 | 449 514 | 475 503 | 475 503 | 475 503 | 501 612 | 529 201 | 557 489 |
| Sales of goods and services other than capital assets | 314 714 | 352 450 | 334 884 | 387 230 | 387 230 | 387 230 | 389 065 | 410 435 | 432 685 |
| Transfers received | - | 1 047 | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | 17 683 | 18 301 | 19 942 | 20 874 | 20 874 | 20 874 | 22 112 | 23 328 | 24 609 |
| Interest, dividends and rent on land | 124 476 | 207 157 | 224 854 | 135 880 | 136 013 | 136 013 | 143 459 | 151 350 | 159 522 |
| Sales of capital assets | 3 729 | 8 295 | 20 391 | 7 445 | 7 445 | 7 445 | 9 406 | 9 776 | 10 346 |
| Transactions in financial assets and liabilities | 20 045 | 63 593 | 15 235 | 17 810 | 17 810 | 17 810 | 16 721 | 17 616 | 18 551 |
| Total provincial own receipts | 1 014 652 | 1 227 152 | 1 189 451 | 1 209 862 | 1 209 862 | 1 209 862 | 1 249 751 | 1 312 230 | 1 382 646 |
| Total provincial receipts | 35 040 093 | 36 398 058 | 39 561 393 | 41 072 116 | 41 934 618 | 41 934 618 | 44 028 547 | 46 848 737 | 50 139 199 |

4.2. Equitable Share

The Provincial Equitable Share (PES) provides for a formula-based approach to dividing nationally raised revenue between the Provinces. The formula is designed to divide a portion of nationally raised revenue in an appropriate, efficient, transparent and unbiased manner. The PES formula consists of six components that capture the relative demand for services amongst Provinces. These components are Health, Education, Basic component, Poverty, Institutional and Economic activity. Four of the six components rely on population figures to determine a Province's share of the PES.

It should be noted that the PES formula is not intended to be regarded as a budgeting tool or instrument and therefore the weighting allocated to each of the components is not suggestive of how much a Province should allocate to a specific area.

To ensure that the formula remains responsive to the population and service delivery changes and is reflective of inter-provincial changes, the data used in the formula are updated on an annual basis. The updates to the revisions to the Provincial equitable share are also informed by the data from Census 2011, age cohorts, District Health Information Services for patient load data (2015/16 – 2016/17), 2011 risk adjusted index (risk equalization fund), insured population (2016 GHS) and the 2010 income and expenditure survey.

As a result of the above changes, the equitable share was adjusted upwards by R184 million in 2019/20, R322 million in 2020/21 and by R561 million in 2021/22. The adjustments were to provide for the impact of new data updates in the PES formula, Social Development related food relief function shift, Social Development social worker grant conversion, Infrastructure Development Improvement shift, Sanitary Dignity Project, Health Funding for Cuban Doctors and Municipal Intervention.

Table 4.1 above set out the Provincial Equitable Share for 2019 MTEF, which amounts to R34.973 billion in 2019/20, R37.694 billion in 2020/21 and R40.325 billion in 2021/22. On average it grows by 7.6 per cent over the MTEF period.

4.3. Conditional Grants

Conditional Grants funding is the second largest source of funding for the Province contributing 17 per cent of the total Provincial fiscal envelope. An amount of R23.825 billion over the MTEF period has been allocated as conditional grants to the Province. In light of the current economic performance and also given the competing priorities of government, conditional grants has been reprioritized towards other key priorities. Consequently, the conditional grants allocation for the 2019/20 financial year reflects a minimal growth of 1.1 per cent compared to the main appropriation in the 2018/19 financial year.

The table 4.2 below shows Provincial conditional grants allocations per departments over the 2019 MTEF period. Notably, the minimal growth of conditional grants came as a result of amongst others the conversion of two Social Development conditional grants, namely; Social Development social worker grant and Social Development Substance Abuse Treatment Grant to the equitable share funding. Furthermore the reductions were mainly under Comprehensive Agricultural Support Programme, Education Infrastructure Grant, Health Facility Revitalisation Grant and Social Sector Expanded Public Works Programme Incentive Grant for Provinces.

Table 4.2 : Summary of conditional grants by transferring national department: North West

| R thousand | 2015/16 | 2016/17 | 2017/18 | 2018/19 | | | | 2019/20 | 2020/21 | 2021/22 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------------|-----------------|---------------------------|-----------------------------------|-----------|-----------|
| | Amount Received | Amount Received | Amount Received | Amount Received | Provincial Roll overs | Total Available | Estimated Actual Payments | Medium Term Expenditure Estimates | | |
| Agriculture, Forestry and Fisheries | 253 374 | 238 327 | - | 31 200 | 2 631 | 33 831 | 285 126 | 244 681 | 263 823 | 283 661 |
| Agricultural Disaster Management Grant | - | - | - | - | - | - | - | - | - | - |
| Comprehensive Agricultural Support Programme Grant | 195 066 | 171 258 | - | - | 2 631 | 2 631 | 178 685 | 164 857 | 179 609 | 194 368 |
| Ilimal/Lebema Projects Grant | 50 337 | 59 448 | - | - | - | - | 66 843 | 70 586 | 74 468 | 79 011 |
| Land Care Programme Grant: Poverty Relief and Infrastructure Development | 7 971 | 7 621 | - | 31 200 | - | 31 200 | 39 598 | 9 238 | 9 746 | 10 282 |
| Arts and Culture | - | - | - | - | 3 572 | 3 572 | 139 941 | 144 267 | 152 233 | 161 709 |
| Community Library Services Grant | - | - | - | - | 3 572 | 3 572 | 139 941 | 144 267 | 152 233 | 161 709 |
| Basic Education | 1 428 028 | 4 511 | 1 560 790 | - | 9 942 | 9 942 | 1 536 134 | 1 457 850 | 1 597 566 | 1 707 988 |
| Education Infrastructure Grant | 995 107 | - | 1 074 331 | - | 3 976 | 3 976 | 1 006 964 | 902 484 | 1 010 169 | 1 088 260 |
| HIV and Aids (Life Skills Education) Grant | 17 531 | - | 17 825 | - | - | - | 17 884 | 18 849 | 19 791 | 20 879 |
| National School Nutrition Programme Grant | 381 566 | 4 511 | 430 976 | - | 221 | 221 | 456 397 | 481 859 | 508 361 | 536 321 |
| Occupation Specific Dispensation for Education Sector Therapists Grant | 446 | - | - | - | - | - | - | - | - | - |
| Maths, Science and Technology Grant | 33 378 | - | 35 384 | - | 5 745 | 5 745 | 42 092 | 38 391 | 40 831 | 43 101 |
| Learners With Profound Intellectual Disabilities Grant | - | - | 2 274 | - | - | - | 12 797 | 16 267 | 18 414 | 19 427 |
| Health | 2 065 187 | 1 980 161 | 2 271 762 | - | 69 475 | 69 475 | 2 393 091 | 2 460 886 | 2 674 890 | 3 012 254 |
| Comprehensive HIV and Aids Grant | 1 012 984 | 1 127 523 | 1 296 769 | - | 27 508 | 27 508 | 1 342 812 | 1 475 402 | 1 629 389 | 1 896 374 |
| Hospital Facility Revitalisation Grant | 695 404 | 480 434 | 588 261 | - | 30 106 | 30 106 | 615 992 | 508 549 | 538 398 | 580 598 |
| Health Professions Training and Development Grant | 106 970 | 111 565 | 119 194 | - | - | - | 126 107 | 132 452 | 139 738 | 147 424 |
| National Tertiary Services Grant | 242 625 | 253 096 | 267 538 | - | 11 861 | 11 861 | 294 916 | 300 482 | 320 614 | 338 248 |
| National Health Insurance Grant | 7 204 | 7 543 | - | - | - | - | - | - | - | - |
| Human Papillomavirus Vaccine Grant | - | - | - | - | - | - | 13 264 | 14 007 | 14 777 | 15 590 |
| Human Settlements | - | 2 151 817 | - | - | 26 841 | 26 841 | 2 004 172 | 1 985 335 | 1 972 127 | 1 999 236 |
| Human Settlements Development Grant | - | 2 151 817 | - | - | 26 841 | 26 841 | 1 953 485 | 1 934 947 | 1 641 426 | 1 601 428 |
| Human Settlement Upgrading Partnership Grant for Provinces | - | - | - | - | - | - | - | 277 541 | 397 808 | - |
| Title Deeds Restoration Grant | - | - | - | - | - | - | 50 687 | 50 388 | 53 160 | - |
| Public Works | 58 916 | 62 919 | 29 439 | - | 762 | 762 | 63 247 | 51 856 | - | - |
| Expanded Public Works Programme Intergrated Grant for Provinces | 28 662 | 36 740 | 4 000 | - | - | - | 17 673 | 21 944 | - | - |
| Social Sector Expanded Public Works Programme Incentive Grant for Provinces | 30 254 | 26 179 | 25 439 | - | 762 | 762 | 45 574 | 29 912 | - | - |
| Social Development | 17 000 | - | - | - | 8 211 | 8 211 | 85 390 | 55 201 | 58 899 | 62 137 |
| Substance Abuse Treatment Grant | 17 000 | - | - | - | - | - | 17 708 | - | - | - |
| Early Childhood Development Grant | - | - | - | - | 8 211 | 8 211 | 60 396 | 55 201 | 58 899 | 62 137 |
| Social Worker Employment Grant | - | - | - | - | - | - | 7 286 | - | - | - |
| Sport and Recreation South Africa | 40 752 | 42 250 | 41 762 | - | - | - | 41 855 | 43 814 | 45 850 | 48 009 |
| Mass Participation and Sport Development Grant | 40 752 | 42 250 | 41 762 | - | - | - | 41 855 | 43 814 | 45 850 | 48 009 |
| Transport | 787 701 | 744 800 | 932 884 | - | 73 003 | 73 003 | 1 144 026 | 1 107 405 | 1 076 708 | 1 156 622 |
| Provincial Roads Maintenance Grant | 787 701 | 744 800 | 932 884 | - | 73 003 | 73 003 | 1 033 607 | 990 802 | 952 293 | 1 025 364 |
| Public Transport Operations Grant | - | - | - | - | - | - | 110 419 | 116 603 | 124 415 | 131 258 |
| Total | 4 650 958 | 5 224 785 | 4 836 637 | 31 200 | 194 437 | 225 637 | 7 692 982 | 7 551 295 | 7 842 096 | 8 431 616 |

Agriculture

Comprehensive Agricultural Support Programme: In order to provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform, restitution and redistribution, and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically, or the export market and also to address

damages to infrastructure caused by floods R164.9 million is been set aside in 2019/20 financial year. The allocation grows to R374 million in the two outer years of 2019 MTEF period.

Illima/Letsema Projects: the government strives to assist the vulnerable farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production by allocating R70.7 million in 2019/20 financial year and this allocation grows to R74.5 million and R79 million in 2020/21 and 2021/22 financial years respectively.

Land Care Programme Grant: with efforts of promoting sustainable use and management of natural resources by engaging in community based initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better wellbeing for all, R9.2 million is been set aside in 2019/20 financial year. The allocation grows to R9.7 million and R10.3 million in 2020/21 and 2021/22 financial years respectively.

Arts and Culture Grant

Community Library Services Grant: In order to transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalized programme at Provincial level in support of local government and national initiatives R144.3 million is been set aside in 2019/20 financial year for the construction and operationalization of libraries. The allocation grows to R313.9 million in the two outer years of 2019 MTEF period.

Basic Education Grants

HIV and Aids (Life Skills Education) Grant: to provide comprehensive sexuality education and access to sexual and reproductive health services to learners and educators, with a particular focus on orphaned children and girls, government has set aside R18.8 million in 2019/20 financial year, the allocation grows to R19.8 million and R20.9 million in the two outer years of 2019 MTEF period respectively.

National School Nutrition Programme Grant: To enhance learning capacity and improve access to education, government ensures continuous provision of nutritious meal to all qualifying learners on school days. An amount of R481.9 million is being set aside in 2019/20, increasing to R508.3 million in 2020/21 and R536.3 million in 2021/22. The coverage of the grant has been expanded to include Quintile 3 secondary schools.

Mathematics, Science and Technology Grant: The government strives to improve access, equity, efficiency and quality Mathematics, Science and Technology (MST) education in the country by providing support and resources to schools, teachers and learners for the improvement of MST teaching and learning at selected public schools. To this effect an amount of R38.4 million is been set aside in 2019/20 and it increases to R40.8 million in 2020/21, and R43.1 million 2021/22 financial years respectively.

Education Infrastructure Grant: In order to accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education, and to eradicate pit latrine, government has set aside R902.5 million in 2019/20, increasing to R1.010 billion in 2020/21 and a further R1.088 billion in 2021/22 financial years.

Learners with Profound Intellectual Disabilities Grant: Government strives 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. In order to accomplish this effort, an of R16.3 million has been set aside in 2019/20 financial year, the allocation grows to R37.8 million in the two outer years of 2019 MTEF period.

Health Grants

Comprehensive HIV and Aids Grant: In order to enable the health sector to develop and implement an effective response to HIV and AIDS and TB epidemics and to optimise good health for children, adolescents and women, R1.475 billion is been aside in 2019/20 financial year. The allocation grows to R1.629 billion in 2020/21 and R1.896 billion in 2021/22 financial years.

Health Facility Revitalization Grant: To accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including, health technology, organizational development systems and quality assurance, an amount of R508.5 million is been set aside in 2019/20. Furthermore, R538.4 million and R580.6 million has been allocated in the two outer years of the 2019 MTEF period.

Human Papillomavirus Vaccine Grant: to reduce the incidence of cancer of the cervix though the provision of the Human Papillomavirus vaccination to grade four school girls in all public schools and special schools, an amount of R14.0 million has been set aside in 2019/20 financial year, growing to R30.4 million in the two outer years of 2019 MTEF period.

National Tertiary Services Grant: an amount of R300.5 million is set aside in 2019/20 financial year for provision of tertiary health services and to compensate tertiary facilities for the additional costs associated with provision of these services. Furthermore, R320.6 million and R338.2 million has been allocated in the two outer years of the 2019 MTEF period.

Health Professions Training and Development Grant: Government is providing funding for service costs associated with clinical teaching and training of health science trainees on the public service platform, an amount of R132.5 million is been set aside in 2019/20. The allocation grows to R139.7 million and R147.4 million in 2020/21 and 2021/22 financial years respectively.

Human Settlements Grant

Human Settlement Development Grant: In the government efforts to provide funding for the creation of sustainable and integrated human settlements in the Province, R1.935 billion is been allocated in 2019/20 financial year and this amount declines to R1.641 billion and R1.601 billion in 2019/20 and 2020/21 financial years respectively. The decline is mainly due to the split introduced in the second year of the MTEF to create a new grant aimed at upgrading informal settlements.

Title Deeds Restoration Grant: In order to provide funding for the eradication of the pre-2014 title deeds registration backlog an amount of R103.5 million is allocated for the first two financial years of the MTEF period. The grant comes to an end in 2020/21 financial year and it will be phased back into the Human Settlement Development Grant (HSDG).

Informal Settlement Upgrading Partnership Grant for Provinces Government is committed to intensifying efforts to upgrade informal settlements in partnership with communities. To promote this objective, a new window with specific condition relating to informal settlement upgrading will be introduced in the HSDG grant in 2019/20 financial year. R675.3 million is been set aside for the two outer years of the 2019 MTEF period for this initiative.

Public Works and Transport Grants: Expanded Public Works Programme

To incentivize Provincial departments in order to expand work creation efforts through the use of labor intensive delivery methods in the following identified focus areas, in compliance with the Expanded Public Works Programme guidelines: road maintenance and the maintenance of buildings; low traffic volume roads and rural roads; other economic and social infrastructure; R8.5 million is been allocated for 2019/20 financial year. No allocation has been set aside for the two outer years of the 2019 MTEF period.

Provincial Roads Maintenance Grant: is allocated R990.8 million in 2019/20 financial year, furthermore, R952.3 million and R1.025 billion has been allocated in the two outer years of the 2019 MTEF period. This is to ensure that the Province supplement investments and support preventative, routine and emergency maintenance on provincial road networks; to ensure that the Provinces implement and maintain road asset management systems and promote the use of labor-intensive methods in road maintenance.

Community Safety and Transport Management

Public Transport Operations Grant: In order to provide supplementary funding towards public transport services provided by provincial departments of transport, an amount of R116.6 million is been set aside in 2019/20 financial year and the allocation grows to R255.7 million in the two outer years of the 2019 MTEF period.

Social Sector Expanded Public Works Programme Grant to Provinces an amount of R2.0 million is been set aside in 2019/20 financial year to fund crime prevention programmes. No allocation has been set aside for the two outer years of the 2019 MTEF period.

Social Development Grant

Early Childhood Development Grant: In efforts of increasing the number of poor children accessing subsidized early childhood development services through partial care facilities, an amount of R55.2 million is been set aside and included in this allocation is R6.4 million for maintenance component. This grant grows to R58.9 million and R62.1 million in the two outer years of the MTEF period.

Expanded Public Works Programme Grant to Provinces an amount of R2.0 million is been set aside in 2019/20 financial year, no allocation has been set aside for the two outer years of the 2019 MTEF period.

Social Sector Expanded Public Works Programme Incentive Grant for Provinces In efforts of government to create jobs in the preceding financial years in the areas of home based care, early childhood development and sports programmes, an amount of R7.3 million is been set aside in the 2019/20 financial year. No allocation has been set aside for the two outer years of the 2019 MTEF period. No allocation has been set aside for the two outer years of the 2019 MTEF period.

4.4. Total Provincial Own Receipts

The Table 4.3 shows provincial own revenue collected over the seven-year financial period by economic classifications. Provincial own revenue plays a critical role in supplementing national transfers and funding provincial priorities. Own revenue collection contributes 3 per cent of the total budget while national (equitable share and conditional grants) transfers contribute 97 per cent.

The major revenue sources are motor vehicle licences, casino taxes, interest and other sales. Own revenue is mainly generated from four major revenue generating departments within the Province namely; Community Safety and Transport Management through motor vehicle and drivers licence fees, Economy and Enterprise Development through gambling taxes, Finance through interest earned from unspent funds during the financial year and Health patient's fees.

Table 4.3 below shows tax receipts which grows by 3.3 per cent from R1.210 billion in 2018/19 to R1.250 billion in 2019/20 and it expected to grow by 5.4 per cent in the last year of 2019 MTEF period. The major revenue sources in this category are motor vehicle licences and casino taxes.

Table 4.3: Summary of provincial own receipts collection

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2018/19 | Revised estimate | Medium-term estimates | | |
|---|------------------|------------------|------------------|--------------------|-----------------------------------|------------------|-----------------------|------------------|------------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 |
| Tax receipts | 534 005 | 576 309 | 574 145 | 640 624 | 640 491 | 640 491 | 668 988 | 699 725 | 736 933 |
| Casino taxes | 125 084 | 139 322 | 107 322 | 153 532 | 144 813 | 144 813 | 145 876 | 147 924 | 155 744 |
| Horse racing taxes | 8 000 | 15 000 | 14 410 | 7 281 | 16 000 | 16 000 | 17 000 | 18 000 | 19 000 |
| Liquor licences | 2 722 | 3 878 | 2 899 | 4 308 | 4 175 | 4 175 | 4 500 | 4 600 | 4 700 |
| Motor vehicle licences | 398 199 | 418 109 | 449 514 | 475 503 | 475 503 | 475 503 | 501 612 | 529 201 | 557 489 |
| Sales of goods and services other than capital assets | 314 714 | 352 450 | 334 884 | 387 230 | 387 230 | 387 235 | 389 065 | 410 435 | 432 685 |
| Sale of goods and services produced by department (excluding capital assets) | 314 383 | 352 353 | 334 672 | 386 985 | 386 985 | 386 990 | 388 924 | 410 251 | 432 458 |
| Sales by market establishments | 4 175 | 2 302 | 1 445 | 2 048 | 2 048 | 2 048 | 3 060 | 2 277 | 2 402 |
| Administrative fees | 2 025 | 4 399 | 3 053 | 5 349 | 5 349 | 5 354 | 5 866 | 7 796 | 8 161 |
| Other sales | 308 183 | 345 652 | 330 174 | 379 588 | 379 588 | 379 588 | 379 998 | 400 178 | 421 895 |
| Of which | | | | | | | | | |
| Health patient fees | 60 535 | 74 233 | 74 825 | 78 331 | 78 331 | 78 331 | 82 457 | 87 427 | 92 212 |
| Other (Specify) | 4 634 | 2 607 | 5 325 | 4 377 | 4 377 | 4 377 | 8 126 | 8 664 | 9 141 |
| Other (Specify) | 4 446 | 5 610 | 18 251 | 12 103 | 12 103 | 12 103 | 12 816 | 13 580 | 14 327 |
| Other (Specify) | 52 568 | 48 138 | 13 386 | 48 718 | 48 718 | 48 718 | 22 254 | 22 872 | 24 115 |
| Sales of scrap, waste, arms and other used current goods (excluding capital assets) | 331 | 97 | 212 | 245 | 245 | 245 | 141 | 184 | 227 |
| Transfers received from: | - | 1 047 | - | - | - | - | - | - | - |
| Other governmental units | - | 1 047 | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | 17 683 | 18 301 | 19 942 | 20 874 | 20 874 | 20 874 | 22 112 | 23 328 | 24 609 |
| Interest, dividends and rent on land | 124 476 | 207 157 | 224 854 | 135 880 | 136 013 | 136 013 | 143 459 | 151 350 | 159 522 |
| Interest | 124 476 | 207 157 | 224 705 | 135 880 | 136 013 | 136 013 | 143 459 | 151 350 | 159 522 |
| Rent on land | - | - | - | - | - | - | - | - | - |
| Sales of capital assets | 3 729 | 8 295 | 20 391 | 7 445 | 7 445 | 7 445 | 9 406 | 9 776 | 10 346 |
| Land and sub-soil assets | - | - | - | - | - | - | - | - | - |
| Other capital assets | 3 729 | 8 295 | 20 391 | 7 445 | 7 445 | 7 445 | 9 406 | 9 776 | 10 346 |
| Transactions in financial assets and liabilities | 20 045 | 63 593 | 15 235 | 17 810 | 17 810 | 17 810 | 16 721 | 17 616 | 18 551 |
| Total provincial receipts | 1 014 652 | 1 227 152 | 1 189 451 | 1 209 862 | 1 209 862 | 1 209 867 | 1 249 751 | 1 312 230 | 1 382 646 |

Source: Provincial treasury database, 2019

Sale of goods and services other than capital assets year-on-year increased from R387.235 million in 2018/19 to R389.065 million in 2019/20. The increase is as a result of the steady increase Health patient fees.

Fines, penalties and forfeits increased from R17.683 million in 2015/16 to R24.609 million in 2021/22, reflecting a steady increase due to traffic offences and other related fines.

Interest, dividends and rent on land fluctuates over the seven-year period. This revenue largely accrues from the interest earned from the Inter-Governmental Cash Co-ordination (IGCC) and Pay Master-General (PMG) accounts. This is also depended on the spending patterns of departments and public entities. The budget grows gradually over the MTEF.

Financial transactions in assets and liabilities consists of recovery of previous year's expenditure, loan repayments, and other revenue items. Financial transactions in assets and liabilities year-on-year declines by 6.1 per cent from R17.810 million in 2018/19 to R16.721 million in 2019/20.

The Table 4.4 provides Provincial own revenue collected over the seven-year financial period by votes. There most significant own revenue contributors are the department of Community Safety and Transport Management, Economy and Enterprise Development, Finance and Health.

Table 4.4 : Summary of provincial own receipts by vote

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2018/19 | Revised estimate | Medium-term estimates | | |
|---|------------------|------------------|------------------|--------------------|--------------------------------|------------------|-----------------------|------------------|------------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 |
| 1. Office Of The Premier | 320 | 330 | 350 | 367 | 367 | 367 | 388 | 409 | 431 |
| 2. Provincial Legislature | – | – | – | 1 480 | 1 480 | 1 480 | 1 563 | 1 649 | 1 738 |
| 3. Health | 64 450 | 78 738 | 75 732 | 80 547 | 80 547 | 80 547 | 85 058 | 89 736 | 94 582 |
| 4. Culture, Arts And Traditional Affairs | 1 148 | 1 263 | 889 | 1 458 | 1 458 | 1 458 | 3 540 | 3 705 | 3 893 |
| 5. Community Safety And Transport Management | 625 113 | 702 450 | 699 685 | 734 670 | 734 670 | 734 670 | 775 811 | 818 481 | 862 679 |
| 6. Economy And Enterprise Development | 135 895 | 158 320 | 125 035 | 165 241 | 165 241 | 165 241 | 167 503 | 170 658 | 179 585 |
| 7. Finance | 120 890 | 204 271 | 222 586 | 134 640 | 134 640 | 134 640 | 142 180 | 150 000 | 158 100 |
| 8. Education And Sports Development | 17 898 | 18 798 | 19 738 | 20 725 | 20 725 | 20 725 | 21 886 | 23 089 | 24 336 |
| 9. Local Government And Human Settlements | 1 518 | 622 | 938 | 921 | 921 | 926 | 976 | 1 030 | 1 085 |
| 10. Tourism | 114 | 550 | 588 | 629 | 629 | 629 | 200 | 210 | 221 |
| 11. Public Works And Roads | 30 186 | 46 984 | 29 073 | 53 539 | 53 539 | 53 539 | 34 000 | 35 700 | 37 485 |
| 12. Social Development | 3 616 | 1 611 | 1 692 | 1 777 | 1 777 | 1 777 | 1 877 | 1 980 | 2 087 |
| 13. Rural, Environment And Agricultural Development | 13 504 | 13 215 | 13 145 | 13 868 | 13 868 | 13 868 | 14 769 | 15 583 | 16 424 |
| Total provincial own receipts | 1 014 652 | 1 227 152 | 1 189 451 | 1 209 862 | 1 209 862 | 1 209 867 | 1 249 751 | 1 312 230 | 1 382 646 |

Source: Provincial treasury database, 2019

Community Safety and Transport Management: The department continues to be the major contributor to the total Provincial own revenue in the Province. The department's revenue increases from R625.113 million in 2015/16 to R734.670 million in 2018/19 revised estimate. Year-on-year it increases by 5.6 per cent to reach R775.811 million in 2019/20. The increase continues to be informed by the growth in vehicle population and higher than anticipated application of new and the renewal of motor licenses.

Economy and Enterprise Development: the department's main sources of revenue are from Casino taxes and Horse racing taxes in respect of the North West Gambling Board and Liquor Board. Over the seven-year financial period, the department's budget is reflecting a steady increase, increasing from R135.895 million in 2015/16 to R179.585 million in 2021/2022 due to increase in consumer activities.

Finance: generates a significant portion of revenue through accrues from the interest earned from positive bank balances in the IGCC and PMG accounts, which is reflected against *Interest, dividends and rent on land*. Over the 2019 MTEF the department is projecting to collect R450.280 million, this is difficult to project as is driven by the spending trends of Provincial departments.

Health: the revenue collection for the department is mainly from patient fees which are classified under Sales of goods and services other than capital assets. The department projects to collect R80.547 million in 2018/19, R85.058 million in 2019/20 and R94.582 million in 2021/22, reflecting an average growth rate of 5.5 per cent.

In line with the provincial revenue enhancement strategy, it became a necessity for the province to identify new sources of revenue to maximise revenue collection over the medium term.

5. Payments

6.1 Overall Position

The 2019 MTEF was developed in the context of weak economic growth and tight fiscal framework. However, the province remain committed to consolidate limited resources and direct resources towards poverty alleviation initiatives in the remote and rural parts of the Province including our townships, support jobs creation and economic growth initiatives.

As a result of weak economic growth and tight fiscal framework, departmental budgets have been reprioritised to fund apex priorities. This is to ensure that key service delivery areas, inclusive of non-negotiables items are protected and have been adequately funded over the MTEF period.

6.2 Payments by Vote

Table 5.1 above summarises the provincial payments and estimates per vote from 2015/16 to 2021/22. Total provincial payments increased from R34.095 billion in 2015/16 to an estimated R42.413 billion in 2018/19. This positive growth is set to continue over the 2019 MTEF, with aggregated estimates of R44.02 billion in 2019/20 growing to R50.139 billion in 2021/22.

Table 5.1 : Summary of payments and estimates by vote: North West

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2018/19 | Revised estimate | Medium-term estimates | | |
|---|-------------------|-------------------|-------------------|--------------------|--------------------------------|-------------------|-----------------------|-------------------|-------------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 |
| 1. Office Of The Premier | 785 983 | 569 415 | 676 645 | 775 381 | 637 540 | 637 540 | 656 601 | 705 850 | 748 087 |
| 2. Provincial Legislature | 302 263 | 394 457 | 524 995 | 473 898 | 563 203 | 540 964 | 486 864 | 485 486 | 511 745 |
| 3. Health | 9 042 677 | 9 767 254 | 10 303 417 | 11 153 568 | 11 543 471 | 12 012 612 | 12 273 741 | 13 136 030 | 14 437 264 |
| 4. Culture, Arts And Traditional Affairs | 585 294 | 642 159 | 743 535 | 732 049 | 761 620 | 761 620 | 782 336 | 814 825 | 860 069 |
| 5. Community Safety And Transport Management | 1 802 470 | 1 881 567 | 2 078 301 | 2 163 473 | 2 189 000 | 2 222 802 | 2 265 151 | 2 388 476 | 2 517 578 |
| 6. Economy And Enterprise Development | 234 760 | 298 401 | 291 937 | 297 190 | 376 991 | 376 991 | 475 263 | 468 830 | 493 857 |
| 7. Finance | 425 598 | 452 001 | 463 785 | 484 084 | 484 884 | 484 884 | 528 722 | 589 473 | 652 471 |
| 8. Education And Sports Development | 13 109 934 | 14 086 368 | 15 071 543 | 16 183 868 | 16 262 254 | 16 262 254 | 17 253 879 | 18 609 269 | 19 782 000 |
| 9. Local Government And Human Settlements | 2 612 189 | 2 440 933 | 2 544 751 | 2 476 863 | 2 553 482 | 2 553 482 | 2 546 779 | 2 561 376 | 2 622 304 |
| 10. Tourism | 118 073 | 209 607 | 233 206 | 261 551 | 264 605 | 264 605 | 276 878 | 304 292 | 320 724 |
| 11. Public Works And Roads | 2 699 137 | 2 594 831 | 3 040 633 | 3 020 961 | 3 184 437 | 3 184 437 | 3 247 573 | 3 300 497 | 3 500 229 |
| 12. Social Development | 1 289 264 | 1 360 559 | 1 525 356 | 1 608 750 | 1 637 723 | 1 637 723 | 1 761 803 | 1 906 121 | 2 023 846 |
| 13. Rural, Environment And Agricultural Development | 1 087 059 | 1 274 405 | 1 401 161 | 1 440 478 | 1 475 407 | 1 473 300 | 1 472 957 | 1 578 211 | 1 669 025 |
| Total payments and estimates | 34 094 700 | 35 971 957 | 38 899 265 | 41 072 116 | 41 934 617 | 42 413 214 | 44 028 547 | 46 848 736 | 50 139 199 |

Source: Provincial treasury database, 2019

The department of Education continue to consumes the largest share of the provincial budget at 39.2 per cent, Health being the second highest spending department at 27.9 per cent, while Social Development is at 4 per cent. The department of Public Works and Roads at 7.4 per cent and Local Government and Human Settlement takes 5.8 per cent of the Provincial budget, mainly from conditional grants of R1.935 billion in 2019/20.

The summary of allocations is provided below, the details per department are provided in each chapter of the Estimate of Provincial Revenue and Expenditure:

Office of the Premier

The Office of the Premier is allocated an amount of R656.601 million in 2019/20, R705.850 million and R748.087 million in outer two years of the MTEF. ICT programme, which is one of key priorities of government, is funded with R127.8 million in 2019/20. Furthermore, Youth Entrepreneurial Services programme is allocated R12.4 million and increases to R13.732 million in the outer year of the MTEF to support businesses of our youth. This allocation will also ensure that the department facilitate integrated governance, planning and accelerate service delivery that is people-centered for improved economic growth in Bokone-Bophirima.

Provincial Legislature

An amount of R486.864 million in 2019/20 financial year is allocated to the Provincial Legislature and increases to R511.745 million in 2021/22 financial year. Included in this allocation for the Provincial Legislature budget is amount of R99 million over the MTEF for party political funding and R15.3 million allocated over the MTEF relates to maintenance of the Legislature building. The allocation will also ensure that the Provincial Legislature improves oversight between the provincial legislature and other organs of state; and approval of Legislations through public hearings.

Department of Health

The department is allocated R12.274 billion in 2019/20 and it grows to R14.437 million or by 9.9 per cent in the last outer year of the MTEF period. the funding will ensure that there is adequate medicine and medical supplies at hospitals and clinics which remains a non-negotiable imperative. Inclusive in this allocation is additional R154 million in 2019/20 and is maintained over the MTEF to improve the availability of medicine and medical supplies as well as for laboratory services.

To facilitate the employment of Health Professionals and improve our health services, an amount of R69.663 million has been made available in 2021/22 financial year. This is in line with our efforts to prepare our health system for the introduction of the National Health Insurance (NHI).

Inclusive is the allocation for Comprehensive HIV and Aids Grant, Hospital Facility Revitalization Grant, National Tertiary Services Grant and Health Professions Training and Development Grant.

Department of Culture, Arts and Traditional Affairs

The department receives R782.336 million in 2019/20 financial year, R814.825 million in 2020/21 and R860.069 million in 2021/22 financial year, to facilitate the support of the culture and creative industry including the strengthening of traditional leadership,. Included in the 2019/20 allocation is R103 million for Mmabana and R144 million as a conditional grant for construction of libraries. Included in the allocation is

funding for the construction and refurbishment facilities which include Cultural Villages, Recording Studios, Community Arts Centres and galleries.

Department of Community Safety and Transport Management

An amount of R2.265 billion in 2019/20, R2.388 billion for 2020/21 and R2.518 billion for 2021/22 is allocated to this department. Of this amount, an amount of R412.162 million has been set aside in 2019/20 for learner transport, that accumulate to R1.375 billion over the MTEF period.

The allocation will also enables the department to intensify and advocate road safety education and conducting awareness campaigns throughout the Province with emphasis on the implementation of three initiatives i.e. Road Safety Education, Road Safety Promotions and Road Safety Community Engagement.

Department of Economy and Enterprise Development

An amount of R475.263 million in 2019/20 financial year, R468.830 million in 2020/21 and R493.857 million in 2021/22 is allocated to the department, amongst others to facilitate the growth and development of economic opportunities within the agro-processing, mining beneficiation, manufacturing and the green economy sectors. Included in this allocation for the Department, is an amount of R50 million in 2019/20 for unemployment and poverty alleviation programme and mining beneficiation, to be implemented by the North West Development Corporation.

Also included in the allocation is R10 million in 2019/20 for the operationalising of the Platinum Valley Special Economic Zone (SEZ) which will also house some of the enterprises in the Province. The Province has established this zone in Bojanala Platinum District Municipality in collaboration with NWDC and Department of Trade and Industry (DTI).

Inclusive also in the allocation is an amount of R82.997 million allocated to the North West Gambling Board in 2018/19, with the primary objective of providing effective and efficient regulatory services through the maintenance of gambling standards towards contributing to socio-economic growth and development.

Department of Finance

The department receives R528.722 million in 2019/20 financial year increasing to R652.471 million in the last outer year of the MTEF. The allocation ensure that the department continues to promote capacity building to various departments, municipalities, public entities, strengthening financial governance practices, enforce fiscal discipline and improve operational efficiency and managing provincial budget and spending.

Department of Education and Sports Development

An allocation of R17.254 billion is made in 2019/20 and it increase to R18.609 billion and R19.782 billion in the 2020/21 and 2021/22 respectively. Inclusive to the allocation is an amount of R1.333 billion will be transferred to schools with public ordinary schools receiving a bigger share of R981.097 million and an amount of R481.859 million for school nutrition programme. This allocation will benefit 717 700 learners and this programme ensures that all learners have equal access to quality education.

The above allocation in 2019/20 also includes an amount R552 million for learner teacher support material (LTSM) to facilitate effective learning and teaching.

The above allocation will ensure that it caters for pre-school education, for pre-Grade R and for Grade R in public schools and community centers which focus on Early Childhood Development and to improve the quality of education provided to all Grade R learners by gradually placing them in primary schools where they can be thoroughly prepared for the physical and academic demands of learning;

Department of Local Government and Human Settlements

This department receives R2.547 billion in 2019/20, R2.561 billion in 2020/21 and R2.622 billion in 2021/22. The department is mainly funded by conditional grants, namely the Human Settlement Development Grant (HSDG) for which an amount of R1.935 billion is allocated for 2019/20. The HSDG is fundamental for the creation of sustainable and integrated human settlements, hence the drive to provide adequate housing opportunities and improved quality living environments.

Furthermore, an amount of R50.388 million and R53.160 million were added in the first two years of the MTEF to deal with title deeds to ensure that our people become rightful owners of their houses. Included also is an upwards adjustment of R95 million over the MTEF for the filling of key critical posts which would lead to improved intervention within municipalities by the department.

Department of Tourism

The Department has been allocated an amount of R276.878 million for 2019/20 financial year, which translates to a cumulative total of R901.894 million over the 2019 MTEF period. This allocation will ensure that the department lead to the contribution to the economic growth through a transformed and sustainable tourism sector that will assist to create decent jobs and sustainable livelihoods.

Department of Public Works and Roads

The Department receives R3.248 billion in 2019/20 financial year, R3.300 billion in 2020/21 and R3.500 billion in 2021/22 financial year. Included in this allocation, is an amount of R90 million allocated over the MTEF as an addition to the Rates and Taxes budget, to assist municipalities.

A substantial amount of the department's allocation is for maintenance and construction of buildings and roads; payment of rates and taxes of all government owned properties; property payments such as security services and utilities.

Department of Social Development

The department receives R1.762 billion in 2019/20, R1.906 billion in 2020/21 and R2.024 billion in 2021/22 financial years. over the 2017 MTEF. Inclusive to this allocation is an amount of R19.6 million set aside to address violence against women and children which remains a concern within our society.

In addition to the above, Substance Abuse Treatment Grant as well as Social Worker Grant have been incorporated into equitable share so as to improve the capacity of the Department to deliver social services by appointing additional social workers and operationalise the treatment centres.

Department of Rural, Environment and Agricultural Development

An allocation of R1.473 billion has been made available to the Department for 2019/20 financial year, which increases to R1.669 billion in the last outer year of this MTEF period. Included in this allocation is R217.071 million for comprehensive farmer support.

This allocation will also ensure that the department will continue to provide services to the provincial community through the following programmes namely, acceleration of Agro-Business to build small scale agro hubs across the province, Establishment of Provincial Feedlot, Feed Bank and Abattoir Scheme, Agri-Parks – Rural Economic Transformation.

6.1 Summary of Payments and Estimates by Economic Classifications

Table 5.2 below presents a summary of payments and estimates by economic classifications from 2015/16 to 2021/22.

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

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2018/19 | Revised estimate | Medium-term estimates | | |
|---|-------------------|-------------------|-------------------|--------------------|--------------------------------|-------------------|-----------------------|-------------------|-------------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 |
| Current payments | 25 375 894 | 28 076 389 | 30 567 058 | 32 763 437 | 33 549 340 | 33 987 120 | 35 662 576 | 38 325 081 | 41 194 907 |
| Compensation of employees | 19 082 449 | 20 510 538 | 22 187 216 | 24 093 520 | 24 338 502 | 24 383 900 | 26 347 052 | 28 435 988 | 30 255 842 |
| Goods and services | 6 287 878 | 7 560 106 | 8 378 305 | 8 668 589 | 9 204 376 | 9 596 802 | 9 312 854 | 9 886 727 | 10 936 758 |
| Interest and rent on land | 5 567 | 5 745 | 1 537 | 1 328 | 6 462 | 6 418 | 2 670 | 2 366 | 2 307 |
| Transfers and subsidies to: | 5 523 804 | 5 637 295 | 5 685 295 | 5 735 800 | 5 763 924 | 5 808 586 | 5 862 465 | 5 982 558 | 6 257 261 |
| Provinces and municipalities | 337 991 | 416 204 | 471 414 | 393 128 | 516 906 | 516 906 | 433 643 | 461 364 | 519 759 |
| Departmental agencies and accounts | 174 111 | 428 128 | 466 033 | 480 499 | 475 632 | 475 025 | 475 834 | 496 828 | 524 154 |
| Foreign governments and international organisations | – | 150 | – | – | – | – | – | – | – |
| Public corporations and private enterprises | 685 385 | 743 620 | 732 593 | 714 190 | 723 991 | 763 630 | 822 116 | 827 779 | 873 189 |
| Non-profit institutions | 1 549 062 | 1 430 200 | 1 561 280 | 1 742 959 | 1 690 011 | 1 689 639 | 1 806 027 | 1 878 206 | 1 981 676 |
| Households | 2 777 255 | 2 618 993 | 2 453 975 | 2 405 024 | 2 357 384 | 2 363 386 | 2 324 845 | 2 318 381 | 2 358 483 |
| Payments for capital assets | 3 184 473 | 2 243 011 | 2 646 772 | 2 572 879 | 2 621 351 | 2 617 506 | 2 503 506 | 2 541 097 | 2 687 031 |
| Buildings and other fixed structures | 2 978 836 | 1 985 001 | 2 361 060 | 2 209 484 | 2 250 377 | 2 260 937 | 1 999 616 | 2 107 098 | 2 246 870 |
| Machinery and equipment | 201 076 | 253 888 | 277 005 | 354 475 | 365 054 | 351 882 | 497 282 | 425 529 | 431 224 |
| Heritage Assets | 3 897 | 211 | 4 000 | 6 736 | 3 736 | 3 736 | 4 300 | 4 536 | 4 786 |
| Biological assets | 591 | 796 | 899 | 951 | 951 | 951 | 1 006 | 2 561 | 2 702 |
| Software and other intangible assets | 73 | 3 115 | 3 808 | 1 233 | 1 233 | – | 1 302 | 1 373 | 1 449 |
| Payments for financial assets | 10 530 | 15 262 | 140 | – | 2 | 2 | – | – | – |
| Total economic classification | 34 094 700 | 35 971 957 | 38 899 265 | 41 072 116 | 41 934 617 | 42 413 214 | 44 028 547 | 46 848 736 | 50 139 199 |

Source: Provincial treasury database, 2019

Current payments consumes the bulk of the total provincial spending, and is set to increase from R33.987 billion in the 2018/19 Revised Estimate to R35.663 billion in 2019/20. The largest portion of this category relates to **Compensation of employees**, driven mainly by Department of Education and Sports Development and Department of Health, due to the high number of employees in these departments.

Transfers and subsidies shows a fluctuating trend between 2014/15 and 2021/22. In 2019/20 it grows by a minimum of 0.93 per cent, recovers to grow by 2.05 per cent in 2020/21 and by 4.6 per cent in 2021/22. A substantial portion of this category is allocated against Households and Non-profit institutions and largely relates to the HSDG under Department of Local Government and Human Settlements, NPO under the Department of Social Development, as well as transfers to public schools for norms and standards, respectively. Fluctuations in transfers to public entities also impact on this category.

Payment of Capital Assets reflects fluctuations over the 2019 MTEF, mainly due to the fiscal consolidation cuts made by National Treasury against various infrastructure-related conditional grants. The budget for this item declines by 4.4 per cent in 2019/20, recovers to grow by 1.5 per cent in 2020/21 and by 5.7 per cent in 2021/22. The bulk of the payment for capital assets is driven by the department of Education, Health, and Public Works and Roads.

6.2 Infrastructure Payments

Table 5.1. below shows payments and estimates on infrastructure by category which is Existing infrastructure assets includes maintenance and repair; upgrades and additions; as well as refurbishment and rehabilitation. In 2019/20 financial year, the bulk of the allocation (45.8 per cent) is in existing infrastructure assets as compared to new assets (15.7 per cent). This trend is in keeping with the current provincial priority to allocate funds towards the maintenance, upgrading and rehabilitation of existing infrastructure as opposed to creating new facilities.

The prioritisation is also inline with the requirements of the IDMS which makes provision for the lifecycle costing of assets so that the maintenance and rehabilitation of existing facilities takes priority over the construction of new facilities.

Table 5.1 : Summary of provincial infrastructure payments and estimates by category and by vote

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2018/19 | Revised estimate | Medium-term estimates | | |
|---|------------------|------------------|------------------|--------------------|--------------------------------|------------------|-----------------------|------------------|------------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 |
| Existing infrastructure assets | 2 387 846 | 2 434 846 | 2 080 746 | 2 347 569 | 2 284 789 | 2 284 789 | 2 519 617 | 2 371 670 | 2 363 010 |
| 1. Office Of The Premier | 100 000 | – | – | – | – | – | 1 500 | – | – |
| 2. Provincial Legislature | – | 19 460 | 42 644 | 22 420 | 29 475 | 29 475 | 81 606 | 52 436 | 55 268 |
| 3. Health | 269 426 | 298 894 | 205 636 | 389 597 | 384 311 | 384 311 | 401 455 | 422 675 | 325 103 |
| 4. Culture, Arts And Traditional Affairs | 4 398 | 18 928 | 22 924 | 14 580 | 24 125 | 24 125 | 17 414 | 14 812 | 8 438 |
| 5. Community Safety And Transport Management | 6 000 | – | 19 679 | 18 520 | 20 167 | 20 167 | 42 188 | – | – |
| 8. Education And Sports Development | 689 292 | 708 564 | 337 511 | 502 488 | 460 858 | 460 858 | 450 087 | 427 252 | 415 552 |
| 9. Local Government And Human Settlements | 73 992 | 146 991 | – | 60 870 | – | – | – | – | – |
| 10. Tourism | 8 371 | 9 069 | 9 418 | 13 729 | 11 612 | 11 612 | 21 024 | 23 400 | 15 936 |
| 11. Public Works And Roads | 1 147 221 | 1 121 054 | 1 329 675 | 1 228 686 | 1 251 562 | 1 251 562 | 1 378 320 | 1 301 100 | 1 405 578 |
| 12. Social Development | 26 816 | 7 755 | 17 950 | 37 324 | 37 324 | 37 324 | 43 675 | 43 093 | 45 485 |
| 13. Rural, Environment And Agricultural Development | 62 330 | 104 131 | 95 309 | 59 355 | 65 355 | 65 355 | 82 348 | 86 902 | 91 650 |
| New infrastructure assets | 1 573 621 | 1 200 893 | 1 684 463 | 3 100 435 | 1 247 897 | 1 247 897 | 866 689 | 970 629 | 1 212 430 |
| 1. Office Of The Premier | – | – | – | – | – | – | – | – | – |
| 2. Provincial Legislature | – | 40 000 | 141 596 | 73 028 | 125 928 | 125 928 | – | – | – |
| 3. Health | 471 295 | 266 596 | 427 547 | 299 672 | 335 064 | 335 064 | 226 473 | 231 133 | 377 830 |
| 4. Culture, Arts And Traditional Affairs | 51 820 | 54 463 | 58 033 | 58 259 | 48 331 | 48 331 | 49 478 | 49 423 | 58 803 |
| 5. Community Safety And Transport Management | 65 000 | 52 500 | 22 448 | 38 000 | 15 000 | 15 000 | 7 000 | 7 858 | 8 290 |
| 6. Economy And Enterprise Development | 38 000 | – | – | – | – | – | – | – | – |
| 8. Education And Sports Development | 386 045 | 285 554 | 747 820 | 502 508 | 556 114 | 556 114 | 439 625 | 569 917 | 657 708 |
| 9. Local Government And Human Settlements | 9 415 | 11 000 | 13 822 | 1 943 173 | – | – | – | – | – |
| 10. Tourism | 14 541 | 25 931 | 41 072 | 34 743 | 27 325 | 27 325 | 30 513 | 32 273 | 42 799 |
| 11. Public Works And Roads | 210 165 | 158 380 | 59 912 | 114 800 | 103 883 | 103 883 | 110 600 | 80 025 | 67 000 |
| 12. Social Development | 40 313 | 31 191 | 21 994 | 8 300 | 8 300 | 8 300 | 3 000 | – | – |
| 13. Rural, Environment And Agricultural Development | 287 027 | 275 278 | 150 219 | 27 952 | 27 952 | 27 952 | – | – | – |
| Infrastructure transfers - Current | – | – | 103 883 | – | – | – | 2 018 536 | 1 729 613 | 1 694 466 |
| 9. Local Government And Human Settlements | – | – | 103 883 | – | – | – | 2 018 536 | 1 729 613 | 1 694 466 |
| Infrastructure transfers - Capital | 2 159 795 | 2 149 265 | 2 051 245 | – | 2 075 662 | 2 125 349 | – | – | – |
| 9. Local Government And Human Settlements | 2 159 795 | 2 149 265 | 2 051 245 | – | 2 075 662 | 2 125 349 | – | – | – |
| Non infrastructure | – | – | 180 903 | 367 711 | 393 899 | 393 899 | 98 548 | 99 362 | 115 771 |
| 8. Education And Sports Development | – | – | 5 000 | 7 000 | 7 000 | 7 000 | 20 000 | 13 000 | 15 000 |
| 9. Local Government And Human Settlements | – | – | – | 1 000 | 1 000 | 1 000 | – | – | – |
| 10. Tourism | – | – | 3 510 | 3 370 | 3 370 | 3 370 | 3 208 | 2 083 | 2 198 |
| 11. Public Works And Roads | – | – | 54 118 | 68 030 | 86 587 | 86 587 | 75 340 | 84 279 | 98 573 |
| 13. Rural, Environment And Agricultural Development | – | – | 118 275 | 288 311 | 295 942 | 295 942 | – | – | – |
| Total provincial infrastructure | 6 121 263 | 5 785 004 | 6 101 240 | 5 815 715 | 6 002 247 | 6 051 934 | 5 503 390 | 5 171 274 | 5 385 677 |

Source: Provincial treasury database, 2019

Table 5.2 below depicts summary of provincial infrastructure payments and estimates by category. It has been evidenced that the infrastructure planning for previous years has been inclined towards creation of new assets and the current administration has directed that infrastructure spending should be directed towards maintenance and sustenance of existing buildings.

Table 5.2 : Summary of provincial infrastructure payments and estimates by category

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2018/19 | Revised estimate | Medium-term estimates | | |
|--|------------------|------------------|------------------|--------------------|--------------------------------|------------------|-----------------------|------------------|------------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 |
| Existing infrastructure assets | 2 387 846 | 2 434 846 | 2 080 746 | 2 347 569 | 2 284 789 | 2 284 789 | 2 519 617 | 2 371 670 | 2 363 010 |
| Maintenance and repairs | 263 101 | 497 322 | 690 155 | 503 553 | 591 980 | 591 980 | 611 990 | 588 678 | 588 238 |
| Upgrades and additions | 1 037 863 | 1 245 192 | 892 410 | 929 740 | 911 836 | 911 836 | 1 088 451 | 1 009 702 | 944 370 |
| Refurbishment and rehabilitation | 1 086 882 | 692 332 | 498 181 | 914 276 | 780 973 | 780 973 | 819 176 | 773 290 | 830 402 |
| New infrastructure assets | 1 573 621 | 1 200 893 | 1 684 463 | 3 100 435 | 1 247 897 | 1 247 897 | 866 689 | 970 629 | 1 212 430 |
| Infrastructure transfers | 2 159 795 | 2 149 265 | 2 155 128 | - | 2 075 662 | 2 125 349 | 2 018 536 | 1 729 613 | 1 694 466 |
| Current | - | - | 103 883 | - | - | - | 2 018 536 | 1 729 613 | 1 694 466 |
| Capital | 2 159 795 | 2 149 265 | 2 051 245 | - | 2 075 662 | 2 125 349 | - | - | - |
| Non infrastructure | - | - | 180 903 | 367 711 | 393 899 | 393 899 | 98 548 | 99 362 | 115 771 |
| Total department infrastructure | 6 121 263 | 5 785 004 | 6 101 240 | 5 815 715 | 6 002 247 | 6 051 934 | 5 503 390 | 5 171 274 | 5 385 677 |

1. Total provincial infrastructure is the sum of "Capital" plus "Recurrent maintenance". This includes non infrastructure items.

Source: Provincial treasury database, 2019

Table 5.3 below depicts summary of infrastructure payments estimates by votes between 2015/16 to 2021/22. The bulk of infrastructure allocations is in department of Local Government and Human Settlements (36.7 per cent), Public Works and Roads (28.4 per cent), Education and Sports Development (16.5 per cent) and Health (11.4 per cent). These allocations constitute 93 per cent of the total Provincial Infrastructure budget.

Table 5.3: Summary of infrastructure payments estimates by votes

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2018/19 | Revised estimate | Medium-term estimates | | |
|---|------------------|------------------|------------------|--------------------|--------------------------------|------------------|-----------------------|------------------|------------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 |
| Office of the Premier | 100 000 | - | - | - | - | - | 1 500 | - | - |
| Provincial Legislature | - | 59 460 | 184 240 | 95 448 | 155 403 | 155 403 | 81 606 | 52 436 | 55 268 |
| Health | 740 721 | 565 490 | 633 183 | 689 269 | 719 375 | 719 375 | 627 928 | 653 808 | 702 933 |
| Culture, Arts and Traditional Affairs | 56 218 | 73 391 | 80 957 | 72 839 | 72 456 | 72 456 | 66 892 | 64 235 | 67 241 |
| Community Safety and Transport Management | 71 000 | 52 500 | 42 127 | 56 520 | 35 167 | 35 167 | 49 188 | 7 858 | 8 290 |
| Economy and Enterprise Development | 38 000 | - | - | - | - | - | - | - | - |
| Finance | - | - | - | - | - | - | - | - | - |
| Education and Sports Development | 1 075 338 | 994 118 | 1 090 331 | 1 011 996 | 1 023 972 | 1 023 972 | 909 712 | 1 010 169 | 1 088 260 |
| Local Government and Human Settlement | 2 243 202 | 2 307 256 | 2 168 950 | 2 005 043 | 2 076 662 | 2 126 349 | 2 018 536 | 1 729 613 | 1 694 466 |
| Tourism | 22 912 | 35 000 | 54 000 | 51 842 | 42 307 | 42 307 | 54 745 | 57 756 | 60 933 |
| Public Works and Roads | 1 357 386 | 1 279 434 | 1 443 705 | 1 411 516 | 1 442 032 | 1 442 032 | 1 564 260 | 1 465 404 | 1 571 151 |
| Social Development | 67 129 | 38 946 | 39 944 | 45 624 | 45 624 | 45 624 | 46 675 | 43 093 | 45 485 |
| Rural, Environment and Agricultural Development | 349 357 | 379 409 | 363 803 | 375 618 | 389 249 | 389 249 | 82 348 | 86 902 | 91 650 |
| Total departmental infrastructure | 6 121 263 | 5 785 004 | 6 101 240 | 5 815 715 | 6 002 247 | 6 051 934 | 5 503 390 | 5 171 274 | 5 385 677 |

The budget has however, decreased from R6.052 billion in 2018/19 to R5.503 billion in 2019/20 as a result national reduction on Education Infrastructure grant and Health Revitalisation Grant.

5.6 Provincial Public Private Partnership (PPP) Projects

The Province does not have any public private partnership venture.

6.3 Transfers

6.3.1 Transfers to public entities

The province has 9 public entities listed in schedule 3 of the PFMA 1 pf 1999, as amended. Of these, 7 are listed as government non-business entities (schedule 3C) and 2 are listed as government business enterprises (schedule 3D).

The table 5.6 and 5.7 shows the summary of provincial transfers to public entities by departments. Provincial public entities received R2.030 billion in funding over the past four years, with an estimated R1.818 billion over the 2019 MTEF period. In 2019/20, R602.493 million represent 9.1 per cent increase in total transfer to public entities.

Table 5.4: Summary of provincial transfers to public entities

| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | | | 2019/20 | 2020/21 | 2021/22 |
|--|-----------------|---------|----------------|--------------------|------------------------|------------------|-------------------------------|---------|---------|
| | Audited outcome | | Actual outcome | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term receipts estimate | | |
| R thousand | | | | | | | | | |
| Mmabana Arts, Culture And Sport Foundation | 79 541 | 88 483 | 88 209 | 97 546 | 104 017 | 104 017 | 99 335 | 104 799 | 110 564 |
| North West Gambling Board | 64 661 | 77 154 | 77 810 | 77 986 | 82 986 | 82 986 | 82 812 | 85 116 | 89 797 |
| North West Parks And Board | 191 929 | 111 830 | 116 922 | 122 828 | 131 828 | 131 828 | 130 706 | 137 692 | 145 265 |
| North West Tourism Board | 62 952 | 93 427 | 92 261 | 94 404 | 106 993 | 106 993 | 99 643 | 104 652 | 110 408 |
| North West Development Corporation | 67 937 | 40 498 | 79 893 | 79 801 | 79 801 | 79 801 | 136 750 | 103 588 | 109 181 |
| North West Housing Corporation | 19 993 | 54 000 | 30 000 | 35 000 | 35 000 | 35 000 | 36 960 | 38 808 | 40 904 |
| North West Provincial Arts and Culture Council | 1 784 | 3 307 | 3 472 | - | - | - | 3 879 | 4 092 | 4 317 |
| Youth Entrepreneurship Services | 10 000 | 10 550 | 11 078 | 11 750 | 11 750 | 11 750 | 12 408 | 13 028 | 13 745 |
| Total Transfers | 498 797 | 479 249 | 499 645 | 519 315 | 552 375 | 552 375 | 602 493 | 591 775 | 624 181 |

Table 5.5: Summary of provincial transfers to public entities by Votes

| Table 9.3: Summary of provincial transfers to public entities by votes | | | | | | | | | |
|--|-----------------|----------------|----------------|--------------------|------------------------|------------------|-------------------------------|----------------|----------------|
| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | | | 2019/20 | 2020/21 | 2021/22 |
| R thousand | Audited outcome | | Actual outcome | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term receipts estimate | | |
| Office of the Premier | 10 000 | 10 550 | 11 078 | 91 551 | 11 750 | 11 750 | 12 408 | 13 028 | 13 745 |
| Culture, Arts and Traditional Affairs | 81 325 | 91 790 | 91 681 | 97 546 | 104 017 | 104 017 | 103 214 | 108 891 | 114 880 |
| Economy and Enterprise Development | 132 598 | 117 652 | 157 703 | 77 986 | 162 787 | 162 787 | 219 562 | 188 704 | 198 978 |
| Local Government and Human Settlement | 19 994 | 54 000 | 30 000 | 35 000 | 35 000 | 35 000 | 36 960 | 38 808 | 40 904 |
| Tourism | 62 952 | 93 427 | 92 261 | 94 404 | 106 993 | 106 993 | 99 643 | 104 652 | 110 408 |
| Rural, Environment and Agricultural Development | 191 928 | 111 830 | 116 922 | 122 828 | 131 828 | 131 828 | 130 706 | 137 692 | 145 265 |
| Total Transfers | 498 797 | 479 249 | 499 645 | 519 315 | 552 375 | 552 375 | 602 493 | 591 775 | 624 180 |

Vote 1: Office of the Premier

An amount of R12.408 million is allocated to Youth Entrepreneurship Services entity mainly to drive youth programmes in the province focusing on skills development, business mentoring, capacity building and solicited financial and non-financial support for youth involved on SMME's.

Vote 4: Cultural, Arts and Traditional Affairs

An amount of R99.335 million and R3.879 million in 2019/20 financial year, is allocated to Mbabana and PACC mainly for the development of the artistic and sporting talents of the people of the Province, to assist in the development, fostering and promotion of cultural and sporting activities.

Vote 6: Economy and Enterprise Development

North West Gambling Board is mandated to provide effective and efficient regulatory services and maintain a gambling industry, which contributes to socio-economic growth and development of the Province. In ensuring that the board achieve its mandate, an amount of R82.812 million in 2019/20, R85.116 million in 2020/21 and R89.797 million in 2021/22.

The North West Development Corporation is classified as State-Owned Entity in terms of section 8(2) of the Companies Act. Its objective is to plan, finance, co-ordinate, promote and carry out economic development of the Province and its people in the fields of industry, commerce, finance, mining, and other business, resulting in wealth and job creation. Year-on-year entity's the allocation grows strongly from R79.801 million in 2018/19 to R136.750 million in 2019/20 or by 71.4 per cent. The strong growth is as a result of the once-off allocation of R50 million to Dirapeng to address budget pressures and historical debts.

Vote 9: Local Government and Human Settlements

An amount of R116.672 million over the MTEF period will be transferred Housing Corporation by the department to facilitated housing development and property management in the Province.

Vote 9: Tourism

North West Tourism Board is allocated an amount of R99.643 million in 2019/20, R104.652 million in 2020/21 and R110.408 million in 2021/22 to promote, market tourism and provide for tourism sector training in the Province.

Vote 9: Rural, Environment and Agricultural Development

North West Parks Board is to initiate, develop, administer, manage and maintain protected areas, to conserve and preserve wildlife sector in protected areas; to create enabling environment for access to markets for new entrants in the wildlife sector and to contribute to the establishment of enabling environment for job creation in the wildlife sector in the Province. The board receives an amount of R130.706 million in 2019/20 and it grow at an annual average of 3.3 per cent over the MTEF period.

6.3.2 Transfers to Local Government

Provincial government, as part of its Constitutional obligation, supports and strengthens the capacity of municipalities to manage their own affairs, exercise their powers and perform their functions. As a result, departments transfer funds to municipalities for various purposes. This section provides details of

departmental transfers to local government, indicating transfers per department and per grant type to each municipality.

Table 5.6 provides summary of provincial transfers to local government by category, as defined in the constitution. The table reflects that transfers to local government fluctuate over the seven year period. It should be noted that the amounts reflected in these tables are in terms of the Provincial financial year for example 1 April 2019 to 31 March 2020.

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

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2018/19 | Revised estimate | Medium-term estimates | | |
|-----------------------------------|----------------|----------------|----------------|--------------------|--------------------------------|------------------|-----------------------|----------------|----------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 |
| Category A | – | – | – | – | – | – | – | – | – |
| Category B | 257 915 | 396 594 | 463 645 | 384 395 | 464 395 | 464 395 | 427 083 | 446 498 | 504 075 |
| Category C | – | 6 461 | 7 769 | 8 733 | 8 733 | 8 733 | 6 560 | 14 866 | 15 685 |
| Unallocated | 80 073 | – | – | – | – | – | – | – | – |
| Total provincial transfers | 337 988 | 403 055 | 471 414 | 393 128 | 473 128 | 473 128 | 433 643 | 461 364 | 519 760 |

Source: Provincial treasury database, 2019

Brief description of each of the categories is explained below and a summary of the provincial transfers to local government by municipal category as contained in Table 5.7 below.

Category B: a municipality that share a municipal executive and legislative authority in its area with a category C municipality. Municipalities of this nature are referred to as local municipalities.

Category C: a municipality that has municipal executive and legislative authority in an area that included more than one municipality. Municipalities of this type normally referred to as district municipalities. The table below seeks to demonstrate detailed information as per municipalities in the Province. This information must be published through the Gazette. Further details appear in the departmental chapter of the affected departments.

Table 5.7 :summary of provincial transfers to local government by category

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|---|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2018/19 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
| Category A | - | - | - | - | - | - | - | - | - |
| Category B | 257 915 | 396 594 | 463 645 | 384 395 | 384 395 | 384 395 | 426 286 | 445 657 | 503 188 |
| Moretele | 27 382 | 10 029 | 32 820 | 38 890 | 38 890 | 38 890 | 35 631 | 34 426 | 39 319 |
| Madibeng | 1 300 | 61 382 | 52 799 | 45 591 | 45 591 | 45 591 | 49 655 | 62 386 | 68 817 |
| Rustenburg | 7 634 | 2 737 | 8 016 | 7 062 | 7 062 | 7 062 | 7 265 | 7 665 | 10 087 |
| Kgetlengrivier | 2 818 | 4 608 | 14 850 | 11 740 | 11 740 | 11 740 | 4 859 | 9 126 | 10 628 |
| Moses Kotane | 52 725 | 49 537 | 67 542 | 83 486 | 83 486 | 83 486 | 78 385 | 82 696 | 90 244 |
| Ratlou | 1 750 | 40 892 | 19 651 | 21 333 | 21 333 | 21 333 | 18 633 | 19 658 | 23 739 |
| Tswaing | 3 150 | 1 660 | 12 134 | 13 914 | 13 914 | 13 914 | 10 487 | 11 064 | 12 672 |
| Mafikeng | 84 486 | 55 058 | 108 556 | 36 427 | 36 427 | 36 427 | 76 586 | 57 557 | 63 723 |
| Ditsobotla | 6 093 | 1 150 | 2 159 | 6 839 | 6 839 | 6 839 | 5 310 | 5 602 | 6 910 |
| Ramotshere Moiloa | 2 423 | 17 250 | 5 906 | 12 450 | 12 450 | 12 450 | 2 620 | 2 764 | 3 916 |
| Naledi | 9 150 | 2 877 | 15 488 | 21 385 | 21 385 | 21 385 | 29 640 | 36 665 | 41 681 |
| Mamusa | 4 794 | 34 202 | 3 642 | 2 604 | 2 604 | 2 604 | 2 882 | 3 040 | 3 228 |
| Greater Taung | 2 772 | 53 553 | 27 113 | 21 335 | 21 335 | 21 335 | 26 929 | 33 281 | 38 111 |
| Lekw a-Teemane | 2 106 | 1 000 | 2 042 | 2 651 | 2 651 | 2 651 | 3 261 | 3 385 | 4 571 |
| Kagisano-Molopo | 26 296 | 1 080 | 10 936 | - | - | - | - | - | - |
| City of Matlosana | 13 057 | 27 018 | 39 429 | 18 946 | 18 946 | 18 946 | 24 350 | 30 414 | 34 087 |
| Maquassi Hills | 1 804 | 6 037 | 25 835 | 19 353 | 19 353 | 19 353 | 24 085 | 20 411 | 22 534 |
| Ventersdorp/Tlokwe (NW405) | 8 175 | 26 524 | 14 727 | 20 389 | 20 389 | 20 389 | 25 708 | 25 517 | 28 921 |
| Category C | - | 6 461 | 7 769 | 8 733 | 8 733 | 8 733 | 7 357 | 15 707 | 16 572 |
| Bojanala Platinum District Municipality | - | - | 616 | 250 | 250 | 250 | 390 | 1 467 | 1 548 |
| Ngaka Modiri Molema District Municipality | - | 6 461 | 775 | 7 250 | 7 250 | 7 250 | 5 390 | 10 466 | 11 042 |
| Dr Ruth Segomotsi Mompati District Municipality | - | - | 700 | 983 | 983 | 983 | 1 187 | 2 307 | 2 434 |
| Dr Kenneth Kaunda District Municipality | - | - | 5 678 | 250 | 250 | 250 | 390 | 1 467 | 1 548 |
| Unallocated | 80 073 | - | - | - | - | - | - | - | - |
| Total provincial transfers | 337 988 | 403 055 | 471 414 | 393 128 | 393 128 | 393 128 | 433 643 | 461 364 | 519 760 |

Source:Provincial Treasury database,2019

Table 5.8 presents a summary of provincial transfers to local government (municipalities) by votes from 2015/16 to 2021/22.

Table 5.8 :Transfers to local government by votes

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|--|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2018/19 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
| 4. Culture, Arts And Traditional Affairs | 28 340 | 24 885 | 22 050 | 17 425 | 17 425 | 17 425 | 18 786 | 19 820 | 20 908 |
| 9. Local Government And Human Settlement | 80 073 | 98 995 | 103 883 | 78 399 | 78 399 | 78 399 | 83 589 | 88 187 | 93 039 |
| 11. Public Works And Roads | 229 575 | 279 175 | 345 481 | 297 304 | 377 304 | 377 304 | 331 268 | 353 357 | 405 813 |
| Total provincial transfers | 337 988 | 403 055 | 471 414 | 393 128 | 473 128 | 473 128 | 433 643 | 461 364 | 519 760 |

The bulk of the transfers are from the department of Public Works and Roads mainly for the payment of property rates and taxes for provincial owned properties. In 2019/20 the Department will transfer R331.268 million.

The department of Local Government and Human Settlements assists municipalities to upgrade their disaster management and fire emergency capacity. Some of the transfers are indirect transfers to municipalities aimed at accelerating service delivery in various communities.

The transfers under Cultural, Arts and Traditional Affairs of R18.786 million in 2019/20, R19.820 million in 2020/21 and R20.908 million in 2021/22 is for the community library services.

6.4 Personnel numbers and costs

The growth on the wage bill has the impact on the ability of government to increase the level of service delivery in the province. In managing compensation of employees departments will be requested to submit comprehensive motivations for any upwards adjustment of compensation of employees above the inflation rate. Furthermore, consistent with National directive, the salary of the executives in our entities will also be subjected to “no salary increases” in 2019/20 financial year.

Table 5.8 provides personnel numbers, by vote, as well as the total personnel costs for the Bokone Bophirima Province.

The table reflect personnel numbers fluctuation over the seven year period, as a result of restructuring of various departments’ organisational structures, resignations and retirements. However, the Provincial wage bill increased from R24.4 billion in 2018/19 to R26.3 billion in 2019/20, increase to R30.3 billion in 2021/22, reflecting average annual growth of 7.5 per cent over the MTEF.

Table 5.8 : Personnel numbers and costs by vote

| Personnel numbers | As at 31 March 2015 | As at 31 March 2016 | As at 31 March 2017 | As at 31 March 2018 | As at 31 March 2019 | As at 31 March 2020 | As at 31 March 2021 |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| 1. Office Of The Premier | 702 | 804 | 804 | 820 | 820 | 863 | 863 |
| 2. Provincial Legislature | 265 | 265 | 232 | 232 | 232 | 236 | 245 |
| 3. Health | 27 737 | 26 163 | 26 418 | 25 739 | 25 739 | 25 909 | 26 029 |
| 4. Culture, Arts And Traditional Affairs | 831 | 881 | 1 058 | 1 056 | 1 056 | 1 106 | 1 121 |
| 5. Community Safety And Transport Management | 1 448 | 1 499 | 1 499 | 1 700 | 1 700 | 1 901 | 1 901 |
| 6. Economy And Enterprise Development | 212 | 212 | 213 | 239 | 239 | 251 | 251 |
| 7. Finance | 565 | 615 | 670 | 680 | 680 | 763 | 763 |
| 8. Education And Sports Development | 32 688 | 32 619 | 32 746 | 32 746 | 32 746 | 32 750 | 34 504 |
| 9. Local Government And Human Settlements | 613 | 639 | 615 | 675 | 675 | 696 | 728 |
| 10. Tourism | 192 | 192 | 192 | 192 | 192 | 200 | 208 |
| 11. Public Works And Roads | 3 077 | 5 941 | 2 813 | 2 814 | 2 814 | 2 814 | 2 963 |
| 12. Social Development | 2 730 | 2 456 | 2 695 | 2 467 | 2 467 | 2 633 | 3 022 |
| 13. Rural, Environment And Agricultural Development | 1 646 | 1 645 | 1 646 | 2 085 | 2 085 | 2 014 | 2 156 |
| Total provincial personnel numbers | 72 706 | 73 931 | 71 601 | 71 445 | 71 445 | 72 136 | 74 754 |
| Total provincial personnel cost (R thousand) | 19 082 449 | 20 510 538 | 22 187 216 | 24 383 900 | 26 347 052 | 28 435 988 | 30 255 842 |
| Unit cost (R thousand) | 262 | 277 | 310 | 341 | 369 | 394 | 405 |

1. Full-time equivalent

Source: Provincial treasury database, 2019

Between 2015/16 and 2017/18 personnel numbers declined by 1 261 from 72 706 in 2015/16 to 71 445 in 2018/19 due to resignations and retirements, however in terms of the costs it increased can be attributed on restructuring of departmental organisational structures in an attempt to cope with policy changes, such as implementation of the five provincial concretes and higher than expected wage agreements.

6.5 Provincial payments for training by vote

Table 5.9 below provides summary of the provincial payments for training per department.

Table 5.9 : Payments on training by vote

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2018/19 | Revised estimate | Medium-term estimates | | |
|---|----------------|----------------|----------------|--------------------|--------------------------------|------------------|-----------------------|----------------|----------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 |
| 1. Office Of The Premier | 1 295 | 1 603 | 7 335 | 7 837 | 3 230 | 3 230 | 3 519 | 3 792 | 4 001 |
| 2. Provincial Legislature | 4 461 | 4 665 | 4 898 | 5 182 | 5 182 | 5 182 | 5 473 | 5 774 | 6 092 |
| 3. Health | 47 620 | 47 850 | 55 853 | 59 092 | 59 092 | 59 092 | 62 401 | 65 833 | 69 453 |
| 4. Culture, Arts And Traditional Affairs | 6 467 | 2 899 | 4 026 | 4 794 | 4 794 | 4 794 | 4 928 | 5 198 | 5 484 |
| 5. Community Safety And Transport Management | 3 751 | 3 950 | 4 167 | 4 409 | 4 409 | 4 409 | 4 656 | 4 912 | 5 182 |
| 6. Economy And Enterprise Development | 523 | 551 | 1 079 | 637 | 523 | 523 | 847 | 894 | 943 |
| 7. Finance | 3 464 | 7 461 | 3 592 | 5 606 | 5 606 | 5 180 | 4 814 | 5 079 | 5 358 |
| 8. Education And Sports Development | 40 935 | 53 240 | 56 577 | 66 768 | 66 768 | 66 768 | 70 508 | 74 385 | 78 476 |
| 9. Local Government And Human Settlements | 1 768 | 2 566 | 2 822 | 2 767 | 2 767 | 2 767 | 3 260 | 3 405 | 3 603 |
| 10. Tourism | 672 | 568 | 727 | 775 | 775 | 775 | 827 | 882 | 931 |
| 11. Public Works And Roads | 8 780 | 18 532 | 10 516 | 11 126 | 11 126 | 11 126 | 11 749 | 12 396 | 13 078 |
| 12. Social Development | 5 103 | 5 409 | 2 569 | 2 586 | 2 586 | 2 586 | 2 603 | 2 746 | 2 897 |
| 13. Rural, Environment And Agricultural Development | 5 457 | 5 746 | 8 734 | 6 384 | 6 384 | 6 384 | 6 675 | 7 010 | 7 396 |
| Total payments on training | 130 296 | 155 040 | 162 895 | 177 964 | 173 243 | 172 817 | 182 260 | 192 306 | 202 894 |

Source: Provincial treasury database, 2019

The expenditure increased from R130.296 million in 2015/16 to R172.817 million in 2018/19 revised estimates. In 2019/20 the budget increases by 5.5 per cent and the growth remain the same throughout the MTEF period. Notably there is a decrease of 7.1 per cent in the Department of Finance in 2019/20 financial year.

Annexure to the Overview of Provincial Revenue and Expenditure

Table B.1: Specification of receipts:North West

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2018/19 | Revised estimate | Medium-term estimates | | |
|---|------------------|------------------|------------------|--------------------|-----------------------------------|------------------|-----------------------|------------------|------------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 |
| Tax receipts | 534 005 | 576 309 | 574 145 | 640 624 | 640 491 | 640 491 | 668 988 | 699 725 | 736 933 |
| Casino taxes | 125 084 | 139 322 | 107 322 | 153 532 | 144 813 | 144 813 | 145 876 | 147 924 | 155 744 |
| Horse racing taxes | 8 000 | 15 000 | 14 410 | 7 281 | 16 000 | 16 000 | 17 000 | 18 000 | 19 000 |
| Liquor licences | 2 722 | 3 878 | 2 899 | 4 308 | 4 175 | 4 175 | 4 500 | 4 600 | 4 700 |
| Motor vehicle licences | 398 199 | 418 109 | 449 514 | 475 503 | 475 503 | 475 503 | 501 612 | 529 201 | 557 489 |
| Sales of goods and services other than capital assets | 314 714 | 352 450 | 334 884 | 387 230 | 387 230 | 387 235 | 389 065 | 410 435 | 432 685 |
| Sale of goods and services produced by department (excluding capital assets) | 314 383 | 352 353 | 334 672 | 386 985 | 386 985 | 386 990 | 388 924 | 410 251 | 432 458 |
| Sales by market establishments | 4 175 | 2 302 | 1 445 | 2 048 | 2 048 | 2 048 | 3 060 | 2 277 | 2 402 |
| Administrative fees | 2 025 | 4 399 | 3 053 | 5 349 | 5 349 | 5 354 | 5 866 | 7 796 | 8 161 |
| Other sales | 308 183 | 345 652 | 330 174 | 379 588 | 379 588 | 379 588 | 379 998 | 400 178 | 421 895 |
| Of which | | | | | | | | | |
| Health patient fees | 60 535 | 74 233 | 74 825 | 78 331 | 78 331 | 78 331 | 82 457 | 87 427 | 92 212 |
| Other (Specify) | 4 634 | 2 607 | 5 325 | 4 377 | 4 377 | 4 377 | 8 126 | 8 664 | 9 141 |
| Other (Specify) | 4 446 | 5 610 | 18 251 | 12 103 | 12 103 | 12 103 | 12 816 | 13 580 | 14 327 |
| Other (Specify) | 52 568 | 48 138 | 13 386 | 48 718 | 48 718 | 48 718 | 22 254 | 22 872 | 24 115 |
| Sales of scrap, waste, arms and other used current goods (excluding capital assets) | 331 | 97 | 212 | 245 | 245 | 245 | 141 | 184 | 227 |
| Transfers received from: | - | 1 047 | - | - | - | - | - | - | - |
| Other governmental units | - | 1 047 | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | 17 683 | 18 301 | 19 942 | 20 874 | 20 874 | 20 874 | 22 112 | 23 328 | 24 609 |
| Interest, dividends and rent on land | 124 476 | 207 157 | 224 854 | 135 880 | 136 013 | 136 013 | 143 459 | 151 350 | 159 522 |
| Interest | 124 476 | 207 157 | 224 705 | 135 880 | 136 013 | 136 013 | 143 459 | 151 350 | 159 522 |
| Rent on land | - | - | - | - | - | - | - | - | - |
| Sales of capital assets | 3 729 | 8 295 | 20 391 | 7 445 | 7 445 | 7 445 | 9 406 | 9 776 | 10 346 |
| Land and sub-soil assets | - | - | - | - | - | - | - | - | - |
| Other capital assets | 3 729 | 8 295 | 20 391 | 7 445 | 7 445 | 7 445 | 9 406 | 9 776 | 10 346 |
| Transactions in financial assets and liabilities | 20 045 | 63 593 | 15 235 | 17 810 | 17 810 | 17 810 | 16 721 | 17 616 | 18 551 |
| Total provincial receipts | 1 014 652 | 1 227 152 | 1 189 451 | 1 209 862 | 1 209 862 | 1 209 867 | 1 249 751 | 1 312 230 | 1 382 646 |

Source: Provincial treasury database, 2019

Table B.3: Transfers to local government by category and municipality: North West

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2018/19 | Revised estimate | Medium-term estimates | | |
|--|----------------|----------------|----------------|--------------------|-----------------------------------|------------------|-----------------------|----------------|----------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 |
| Category A | - | - | - | - | - | - | - | - | - |
| Category B | 257 915 | 396 594 | 463 645 | 384 395 | 464 395 | 464 395 | 427 083 | 446 498 | 504 075 |
| Culture, Arts and Traditional Affairs | 28 340 | 24 885 | 21 350 | 16 692 | 16 692 | 16 692 | 18 786 | 19 820 | 20 908 |
| Local Government and Human Settlements | - | 98 995 | 96 814 | 70 399 | 70 399 | 70 399 | 77 029 | 73 321 | 77 354 |
| Public Works and Roads | 229 575 | 272 714 | 345 481 | 297 304 | 377 304 | 377 304 | 331 268 | 353 357 | 405 813 |
| Category C | - | 6 461 | 7 769 | 8 733 | 8 733 | 8 733 | 6 560 | 14 866 | 15 685 |
| Culture, Arts and Traditional Affairs | - | - | 700 | 733 | 733 | 733 | - | - | - |
| Local Government and Human Settlements | - | - | 7 069 | 8 000 | 8 000 | 8 000 | 6 560 | 14 866 | 15 685 |
| Public Works and Roads | - | 6 461 | - | - | - | - | - | - | - |
| Unallocated | 80 073 | - | - | - | - | - | - | - | - |
| Total transfers to municipalities | 337 988 | 403 055 | 471 414 | 393 128 | 473 128 | 473 128 | 433 643 | 461 364 | 519 760 |

Source: Provincial treasury database, 2019

Table A.2 : Information on training: North West

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2018/19 | Revised estimate | Medium-term estimates | | |
|---|----------------|----------------|----------------|--------------------|--------------------------------|------------------|-----------------------|----------------|----------------|
| | 2015/16 | 2016/17 | 2017/18 | | | | 2019/20 | 2020/21 | 2021/22 |
| Number of staff | 72 706 | 73 931 | 71 601 | 71 445 | 71 445 | 71 445 | 71 445 | 72 136 | 74 754 |
| Number of personnel trained | 24 513 | 25 930 | 26 566 | 28 467 | 28 346 | 28 346 | 20 132 | 21 098 | 21 208 |
| of which | | | | | | | | | |
| Male | 7 702 | 8 335 | 8 678 | 9 552 | 9 456 | 9 456 | 6 234 | 6 530 | 6 540 |
| Female | 16 811 | 17 595 | 17 888 | 18 915 | 18 890 | 18 890 | 13 898 | 14 568 | 14 668 |
| Number of training opportunities | – | – | – | – | – | – | – | – | – |
| of which | | | | | | | | | |
| Tertiary | 210 | 224 | 346 | 357 | 357 | 357 | 360 | 379 | 382 |
| Workshops | 598 | 688 | 1 524 | 1 601 | 1 440 | 1 440 | 1 435 | 1 515 | 1 520 |
| Seminars | 78 | 90 | 88 | 93 | 93 | 93 | 75 | 81 | 83 |
| Other | 1 505 | 1 225 | 1 670 | 1 724 | 1 622 | 1 622 | 1 453 | 1 487 | 1 487 |
| Number of bursaries offered | 1 570 | 1 781 | 1 947 | 2 006 | 1 831 | 1 831 | 1 621 | 1 690 | 1 690 |
| Number of interns appointed | 622 | 674 | 699 | 708 | 727 | 727 | 844 | 852 | 852 |
| Number of learnerships appointed | 498 | 476 | 512 | 524 | 522 | 522 | 392 | 391 | 441 |
| Number of days spent on training | 1 192 | 1 278 | 1 643 | 1 721 | 1 721 | 1 721 | 1 817 | 1 917 | 1 917 |
| Payments on training by vote | | | | | | | | | |
| 1. Office Of The Premier | 1 295 | 1 603 | 7 335 | 7 837 | 3 230 | 3 230 | 3 519 | 3 792 | 4 001 |
| 2. Provincial Legislature | 4 461 | 4 665 | 4 898 | 5 182 | 5 182 | 5 182 | 5 473 | 5 774 | 6 092 |
| 3. Health | 47 620 | 47 850 | 55 853 | 59 092 | 59 092 | 59 092 | 62 401 | 65 833 | 69 453 |
| 4. Culture, Arts And Traditional Affairs | 6 467 | 2 899 | 4 026 | 4 794 | 4 794 | 4 794 | 4 928 | 5 198 | 5 484 |
| 5. Community Safety And Transport Management | 3 751 | 3 950 | 4 167 | 4 409 | 4 409 | 4 409 | 4 656 | 4 912 | 5 182 |
| 6. Economy And Enterprise Development | 523 | 551 | 1 079 | 637 | 523 | 523 | 847 | 894 | 943 |
| 7. Finance | 3 464 | 7 461 | 3 592 | 5 606 | 5 606 | 5 180 | 4 814 | 5 079 | 5 358 |
| 8. Education And Sports Development | 40 935 | 53 240 | 56 577 | 66 768 | 66 768 | 66 768 | 70 508 | 74 385 | 78 476 |
| 9. Local Government And Human Settlements | 1 768 | 2 566 | 2 822 | 2 767 | 2 767 | 2 767 | 3 260 | 3 405 | 3 603 |
| 10. Tourism | 672 | 568 | 727 | 775 | 775 | 775 | 827 | 882 | 931 |
| 11. Public Works And Roads | 8 780 | 18 532 | 10 516 | 11 126 | 11 126 | 11 126 | 11 749 | 12 396 | 13 078 |
| 12. Social Development | 5 103 | 5 409 | 2 569 | 2 586 | 2 586 | 2 586 | 2 603 | 2 746 | 2 897 |
| 13. Rural, Environment And Agricultural Development | 5 457 | 5 746 | 8 734 | 6 384 | 6 384 | 6 384 | 6 675 | 7 010 | 7 396 |
| Total payments on training | 130 296 | 155 040 | 162 895 | 177 964 | 173 243 | 172 817 | 182 260 | 192 306 | 202 894 |

Source: Provincial treasury database, 2019