

## BUDGET STATEMENT NO.1

### 1. Budget Strategy and Aggregates

#### 1.1. Introduction

The Budget Statement no. 1 provides a general overview of the main components of the medium term budget for the Limpopo Province in 2003/04. It sets out government's strategic objectives and expenditure priorities for the 2003/04 financial year within the context of the medium term expenditure framework (MTEF).

In determining the budget allocations for 2003/04 and MTEF period, the Provincial Cabinet took cognisance of both national and provincial government policy objectives and priorities. Great care was taken that the budget decision-making process was informed by both operational realities prevailing in the respective sectors, as well as the provincial government's strategic direction and by policy directives.

In determining the policy priorities for the 2003/04, the provincial Executive Council Lekgotla identified the following strategic priorities in line with the Provincial Growth and Development Strategy (PGDS)

#### *TB/HIV/AIDS*

- \* Increase control and management of TB/HIV/AIDS and other poverty and underdevelopment related diseases.

#### *Social Services Backlogs*

- \* Increased accessibility to education and health care facilities by providing new classrooms (35 000), additional clinics, etc. and maintaining and upgrading existing ones.
- \* Increase the intake of Child Support Grant (CSG)

#### *Crime prevention*

- \* Decrease in violent crime through implementation of crime prevention strategy dealing with violence against women and children.

#### *Infrastructure provision*

- \* Provision of new infrastructure and rehabilitation of flood damaged infrastructure.

#### *Economic Growth and Development*

- \* Development of the Agricultural, Mining and Tourism sectors through the implementation of SDI programme, SMME, Restructuring of state assets, investment promotion and development of transport facilities.

#### *Human resource development*

#### *Institution building and transformation*

#### *Settling the provincial debt*

### **Economic Overview**

The economy inherited by the Limpopo Province in 1994 was the second smallest economy in the country in terms of Gross Geographic Product (GGP)

The Provincial Gross Geographic Product was 4% of the South African Gross Domestic Product and was dominated the Community and Social Sector that constituted 32% of GGP.<sup>(1)</sup>

Unemployment was growing at the rapid rate of 16% per annum.<sup>(2)</sup>

The Economic Conference of 1995 identified Agriculture, Mining and Tourism as sectors through which the Province had a potential competitive advantage and growth.

The Provincial Growth and Development Strategy of the Limpopo Province was mapped out with the following key result areas:

- Economic growth that produces employment;
- Maintenance of existing services and addressing backlogs;
- Development and maintenance of infrastructure;
- Building the administration.

<sup>[1]</sup> Source: *Statistics South Africa - Statistics in Brief 1996*

<sup>[2]</sup> *University of Pretoria – Bureau for Economic Policy Analysis*

The growth strategy of the province is an integrated approach towards development. Its implementation is continuously reviewed through the Provincial Growth and Development Summit. The summit is a body of major stakeholders for development in the province that guides priorities for development.

Opportunities for mining, agriculture and tourism occur in different combinations within six districts of the province. These combinations enabled the drawing up of district economic profiles and potential for growth. These profiles have been packaged in four Spatial Development Initiatives (SDI's) thus drawing the economic map of the province. The implementation of these SDI's is prioritised taking into account population demographics and economic potential. Priority is given to those areas with high levels of population density, poverty and economic potential. These SDI's served as investment attraction tools through which government advanced investment agenda in the Province through the provision of requisite support to other sectors.

**Financial Position**

The implementation of the PGDS was threatened by financial instability in the province. In fact almost all provinces that inherited the apartheid homelands were characterised by finances that were in the state of decrepitude. Limpopo was no exception. National Treasury had to intervene in four of such provinces and invoked Section 100(a) of the Constitution.

Limpopo Province developed and implemented Adjustment and Stabilisation Strategy with the aim of improving efficiency and effectiveness of provincial budgets. (3)

The Adjustment and Stabilisation Strategy brought about the stabilisation of the provincial financial situation and gradually increased funds available for capital formation. Capital Expenditure rose from less than 2.5% of Provincial Budget over a three year period to 8% in the 2001/02 fiscal period.

**Outcomes**

In the year 2000, the Limpopo economy had for the first time in the history of the province, experienced net growth in employment. This positive outcome was preceded by the growth of the economy at an above average rates over a period of five years and increase in investments in the mining, agriculture and the trade (tourism) sectors.

Prior to and up to 1994 the unemployment rate in the Limpopo Province was growing at 16% per annum. During the period 1995 to 1999 the growth rate of unemployment dropped to 6% per annum. In the year 2000 the province experienced for the first time in its history a positive growth rate in employment. See Figure 1 below.

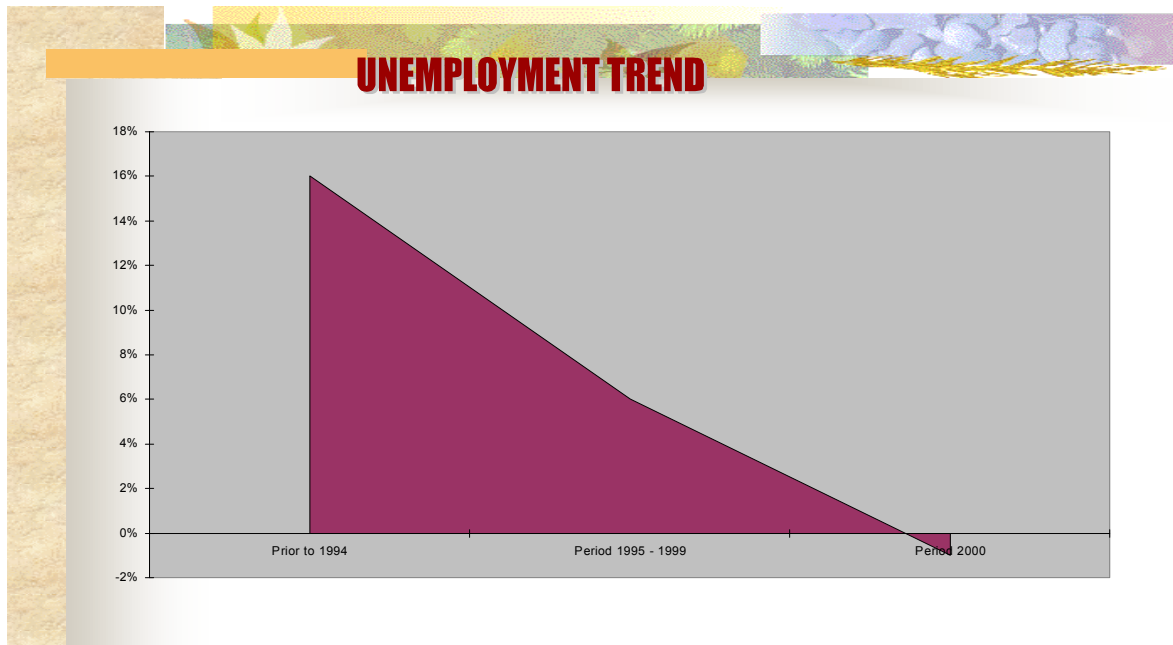


Figure 1: Unemployment growth rate was 16% prior to 1994. In period 1995-1999 the growth rate of unemployment reduced by 10% to 6%. In the year 2000 the growth rate of unemployment was estimated at a negative +- 1%. Inversely employment grew at an estimated 1%.

[3] Adjustment and Stabilisation Plan of 1997

In 1994 Limpopo Province inherited an economy estimated at R14 billion of which 32% thereof consisted of Community and Social sector<sup>(4)</sup>. In the year 2000 the Gross Geographic Product of the Limpopo Province was estimated at R39 billion<sup>(5)</sup>. The Community and Social Sector reduced from 32% to 29%. This means that there are positive structural developments in the economy characterised by the decline in the dominance of the economy by the public sector. The Trade, catering and accommodation services increased from R1.7 billion in 1994 to R6.6 billion in 2000. Mining grew from R2.8 billion in 1994 to R6.8 billion in 2000 while agriculture moderately from R1.1 billion to R1.4 billion. The manufacturing and the construction sectors remain relatively small at R1.5 billion and R894 million respectively while the latter grew at an estimated average of 15.2% in nominal terms between 1996 and 2000.

Capital investment of R4.3 billion, R5.2 billion and R6.0 billion occurred during the years 1998, 1999 and 2000 respectively. The leading sectors in capital investments were mining at R6.5 billion, community and social services at R2.5 billion and the trade sector at R2.2 billion<sup>(6)</sup>.

Human Development Index, as measured in terms of life expectancy, educational attainment and income, was 0.37 in 1980, improved slightly over a period of eleven years to 0.47 before accelerating to reach a level of 0.63 in 1996. Figure 2 below shows the rapid improvement of the Limpopo Province's Human Development as compared to the National Average. Between 1980 and 1996 South African Human Development Index grew from 0.56 to 0.69 while Limpopo Province grew from 0.37 to 0.63 over the same period. Of significance is the

<sup>[4]</sup> Stats SA: RSA Statistics in Brief 1996

<sup>[5]</sup> The Bureau for Economic Policy Analysis – University of Pretoria and Department of Finance and Economic Development Limpopo Province: Unpacking Vision 2020.

<sup>[6]</sup> Source: The Bureau for Economic Policy Analysis – University of Pretoria and Department of Finance and Economic Development Limpopo Province

acceleration of improvement in Limpopo during the period 1991 and 1996 as compared to national's almost stagnant growth from 0.68 to 0.69 over the same period<sup>(7)</sup>.

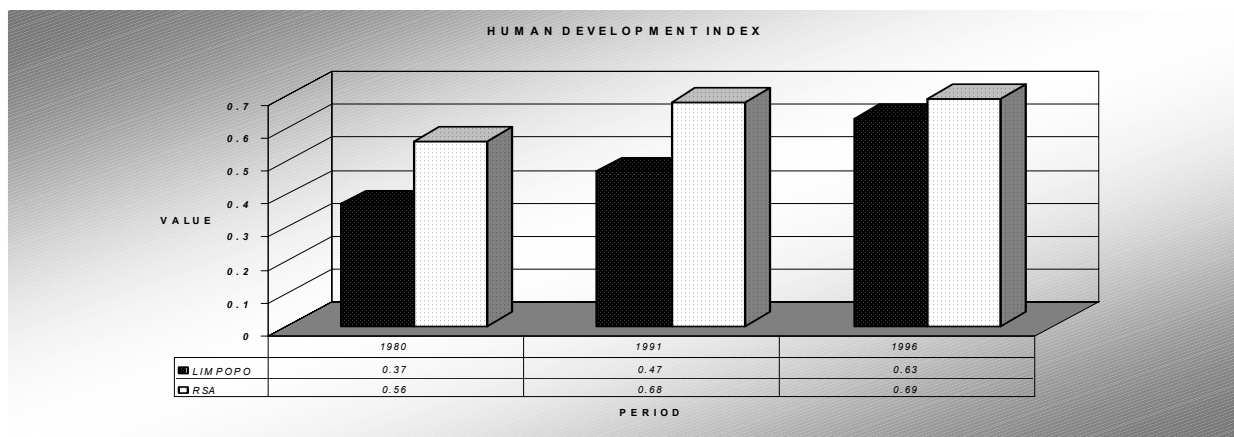


Figure 2. Human Development Index as measured by Life Expectancy, Educational attainment & Income.

## Sectoral Developments During 2001(8)

The Primary Sector contributes 24.6% to Provincial GGP (Stats SA to it as Gross Domestic Product Per Region). Mining dominates the primary sector and contributes some 89.4% in the sector. In 1995 Agriculture was estimated at R1.12 billion and has only grown to R1.63 billion over six years to the year 2001. The following chart shows the relative role of each sector in the Primary Sector.

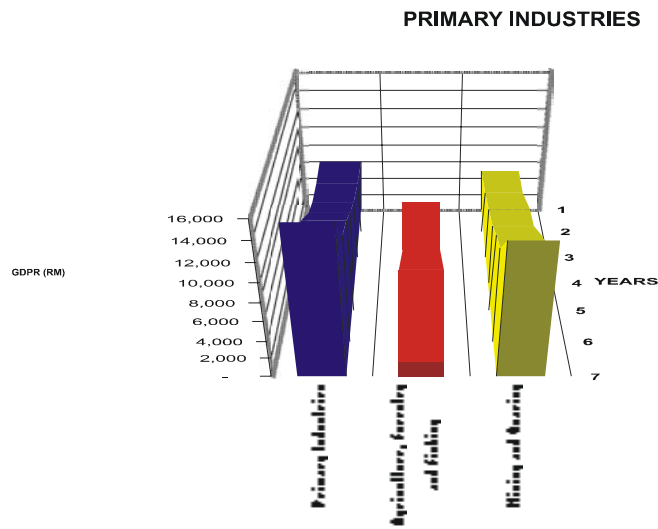


Figure 3. human Development Index as measured by Life Expectancy, Educational attainment & Income

The Department of Agriculture approaches the analysis from the production side and not from the income side as per national accounts. This approach is useful in that it brings into account the contribution of subsistence agriculture. True value of the Agricultural Sector is being revealed.

The Secondary Sector is still small at a total contribution to GGP of R5.5 billion in 2001. The manufacturing sector has been showing unimpressive growth between the years 1995 to 1999. However, the sector started to improve substantially from R1.83 billion to R2.75 billion between 1999 and 2001 - an increase of 50%. The Electricity and Water sector shows declining trends. The Construction sector's growth patterns are paltry. See Figure 4 below.

<sup>[7]</sup> Source: Statistics South Africa – Stats in Brief 2002

<sup>[8]</sup> Statistics South Africa – Gross Domestic Product per Region (GDPR) Discussion Document

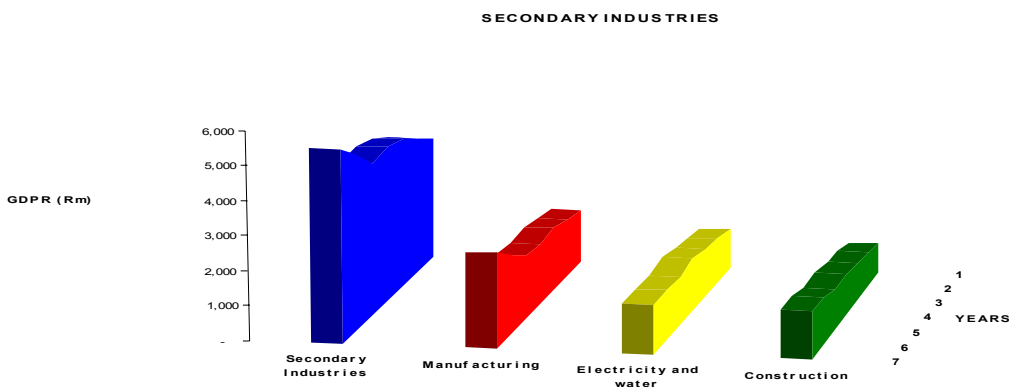


Figure 4: The Secondary Sector shows immediate upswing during the latter part of period under review.

The Tertiary Sector is the largest sector in the province. The sector grew from R18.5 billion in 1995 to R36.7 billion in the year 2001. The General Government Services grew from R4.53 billion in 1995 to R10.5 billion in 2001 and recorded high levels of growth of 24% and 37% during 1996 and 1997 respectively. Finance, real estate and business services grew from R6.1 billion in 1995 to R10 billion in 2001. Its strongest growth was in 1997 when it recorded 16% p.a. but thereafter it declined and reached a bottom of 4% in 2000 before picking up to 11%. The Wholesale, and retail trade, hotels and restaurant services increased in size from R4.29 billion in 1995 to R8.5 billion in 2001. It grew at 11% and 10% in 1996 and 1997 respectively and dived down to a negative 2% in 1998 before picking up to 11% in the following year of 1999. The sector's growth rate reduced to 1% and thereafter the growth rate increased to a breathtaking 40% during 2000 and 2001 respectively. Other services remain relatively small in this sector. Notwithstanding their relative sizes these sectors are of immense strategic importance. The Transport services, for instance, increased from R2.03 billion in 1995 to R4.9 billion in 2001 – more than double its size. Impressive still, is its strong growth averaging 15.67% over years to 2001. Figure 5 shows the growth patterns in this sector.

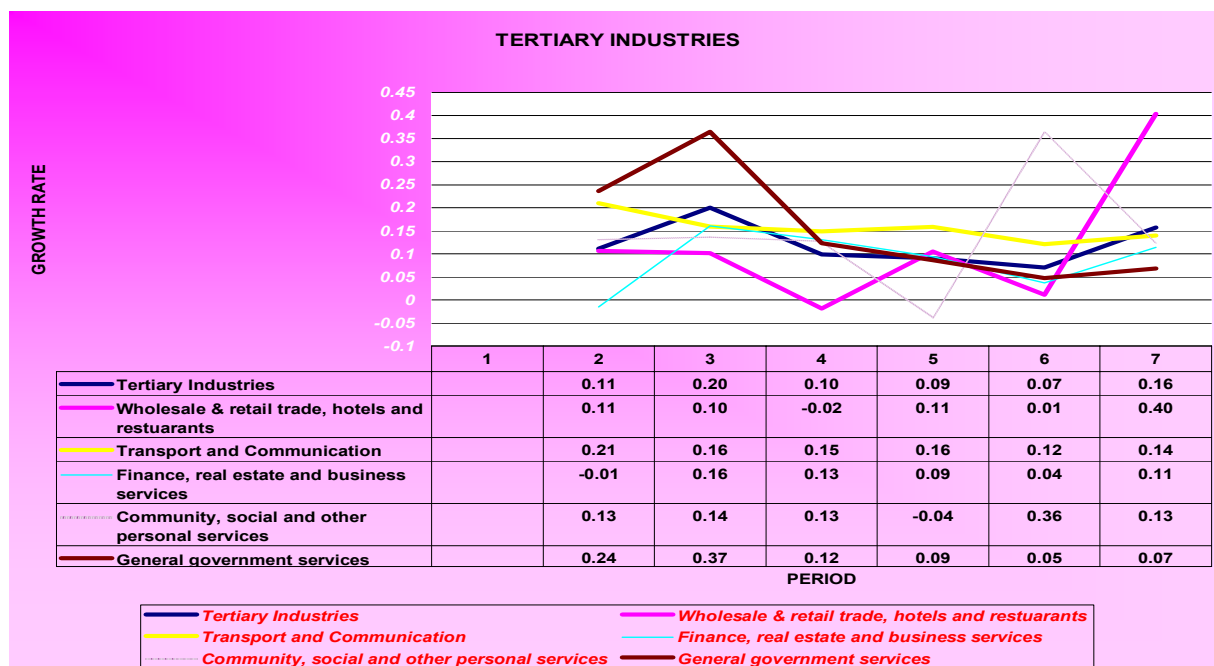


Figure 5. The General Government Sector though dominant in this sector its growth rate is surpassed by other sectors during the latter years of the period under review. The Wholesale, retail trade, hotels and restaurant sector reflects very strong growth towards the end of the period under review.

These provincial policy priorities closely reflect the current priorities of the national government. They underpinned the strategic policy framework for the provincial government in finalising the 2003/04 MTEF budget.

In finalising the 2003/04 budget proposals, the Provincial Treasury and the Treasury Committee adopted the same methodology that was employed the previous year. Provincial departments were given the opportunity to compile a set of policy and expenditure proposals and options that would promote provincial priorities and strategic objectives. Each proposals was assessed in terms of its likely contribution to the provincial priorities, to determine the respective merits of department's requests for additional funding. In this regard, the bulk of R1,044 billion excluding personnel costs was first allocated to Social Development, Education, Development, Education, Health, Public Works and Agriculture. Much of the resources are allocated to Social Development to cater for the increase in grants benefits and the acceleration of the intake as well as the the extetion of the Child Support Grant.

Due to limitations in resources, other provincial priorities either got small increases. The Treasury received additional funding from the Department of Welfare and Population Development to meet extraordinary cost pressures emanating from the Social Welfare sector in 2002/03 (R421,6 million). The main causes of the dramatic rise in expenditure in the social welfare sector are the unexpected high number of applications for social security grants - in particular the child support grant, the rate at which these applications are considered and processed, annual (above inflation rate) increases in the monetary value of the various grant types and litigations and ruling which affect number of grants being reinstated and amount of back-pay having to be paid out in various grant categories. Social Development accounts for 23.7% of the 2003/04 of the equitable share whereas Education accounts for 42.5%. The two departments within the social sector crowd out health spending which is at 15.5%.

## 1.2. Summary of budget aggregates

Table 1.1 presents the main budget components viz current and capital revenue and expenditure, lending and budget surplus or deficit for the financial year 2000/01 to 2005/06.

The provincial budget for the province is aimed at attaining "vision 2020". In this regard the MTEF baselines for Education, Health, Welfare, Agriculture and Public Works has increased.

The Agriculture baseline increased as the province view agriculture as the cornerstone of the provincial economy. The Education, Health and Public Works baselines are to cater for classrooms, hospitals and clinics and roads for Public Works inclusive of maintenance of existing infrastructure. The Welfare baseline increased to cater for the accelerated in-take of the Child Support Grant (CSG) and increases in other beneficiaries as well as increases in grant values.

It is worth mentioning that Public Works spent all their infrastructure allocation during 2001/02 including the flood disaster allocation. The department also anticipates spending their allocation for the current financial year. The provincial baseline has increased from R19 140 283 000 in 2002/03 to R21 372 850 000 in 2003/04 financial year, R23 477 044 000 in 2004/05 and R25 720 594 000 in 2005/06.

**Table 1.1: Provincial Budget Summary**

R' 000	2000/01 Actual	2001/02 Actual	2002/03 Est.Actual	2003/04 Voted	2004/05 MTEF	2005/06 MTEF
National transfers						
Equitable share	12 866 332	14 178 930	16 692 164	<b>19 352 278</b>	21 109 250	22 773 294
Conditional grants	1 406 925	1 323 461	1 300 469	<b>1 691 066</b>	2 022 600	2 580 954
Own revenue	320 686	294 491	359 152	<b>329 506</b>	345 194	366 346
<b>Total revenue</b>	<b>14 593 943</b>	<b>15 796 882</b>	<b>18 351 785</b>	<b>21 372 850</b>	<b>23 477 044</b>	<b>25 720 594</b>
Current outlays	10 766 143	11 382 619	12 948 223	<b>14 534 161</b>	15 780 190	16 907 410
Capital outlays	1 096 104	1 278 865	1 597 642	<b>1 773 406</b>	1 795 687	2 020 866
Transfer payments	2 623 213	2 994 707	4 595 724	<b>5 065 283</b>	5 901 167	6 792 318
Unallocated contingency reserve						
<b>Total expenditure</b>	<b>14 485 460</b>	<b>15 656 191</b>	<b>19 141 589</b>	<b>21 372 850</b>	<b>23 477 044</b>	<b>25 720 594</b>
<b>Surplus/(Deficit)</b>	<b>108 483</b>	<b>140 691</b>	<b>(789 804)</b>			
Financing (Surrenders)		183 469	820 030			
<b>Net Surplus/(Deficit)</b>	<b>108 483</b>	<b>324 160</b>	<b>30 226</b>			

## Financing

The provincial government had a deficit of R980 MILLION during 1997/98 financial year. The deficit was reduced annually from 1999/2000. The outstanding balance of R190 million will be paid in full during the financial year 2003/04. The province has been able to contain Welfare deficits which occurred during 1999/2000 to 2000/01 and has stabilised the Welfare budget. However, this was achieved at the extent of not adequately funding Health and Public Works in terms of infrastructure provisioning.

## **2. Budget Process and the Medium-Term Expenditure Framework**

The budgetary process followed the main objectives of the Provincial Growth and Development Strategy (PGDS) which is also aligned to the national policy of "Reducing Poverty, Inequality and Vulnerability".

The key areas underpinning the strategic objectives are"

- \* Increasing control and management of TB/HIV/AIDS and other poverty and underdeveloped related diseases
- \* Increased accessibility to education and health care facilities by providing new classrooms (35 000), additional clinics, etc. and maintaining and upgrading existing infrastructure.
- \* Increase the intake of the child support grant and other grant beneficiaries.
- \* Decrease violent crimes through implementation of crime prevention strategies dealing with crime against women and children.
- \* Provision of new infrastructure, rehabilitation of flood damaged infrastructure and maintenance of existing infrastructure.
- \* Development of the Agricultural sector, SMME, Restructuring of state assets, investment promotion and transport.
- \* Human resource development through skills development, training, capacity building etc.
- \* Institution building and transformation

The above key policy priorities underpin the policy framework used in evaluating and analysing the 2003/04 provincial budget proposals and, in particular, the requests submitted by departments for additional funding for the 2003/04 - 2005/06 years.

The Provincial Budget 'Lekgotla' meet during January each year to pronounce strategic policies and priorities that should be implemented for the forthcoming financial years. The Provincial Treasury then encompasses these 'Lekgotla' priorities and strategic issues in the annual Budget circular that is usually issued during May/June each year. During 2002/03 the Provincial Budget 'Lekgotla' met on 3-4 July 2002 at Magoebaskloof Hotel and on 25-26 September 2002 at Hans Merensky Country Club to look at the budget outcome for 2001/02 and consider departmental allocations for 2003/04 - 2005/06 MTEF period.

The Provincial Treasury draws the annual budget schedule for the province and discusses this in the Provincial Technical Committee for Finance attended by Chief Financial Officers and Treasury Officials.

The provincial budget schedule is also transmitted to the National Treasury to indicate our key dates.

The expenditure per department is monitored through the monthly early warning report which shows whether departments have the capacity to spend and also based on what outcomes they achieve. These outcomes and outputs also help in their new allocations since the province follow performance budgeting system.

During the 2002/03 financial year, the Provincial Treasury together with the Portfolio Committee on Finance and Economic Development conducted budget public hearings in the six provincial districts. The overwhelming interest shown by the public make it mandatory then the Treasury follow this trend. It has been decided that the hearings start by giving the outcomes of the previous financial year and then the priorities, for the coming financial year inclusive of additional inputs from the public. The inputs from the public hearings will be included in the report to the Provincial Budget 'Lekgotla'. The Provincial Cabinet has also been visiting districts through the mission "Cabinet meets the people" and their inputs are included in the key issues that are deliberated at the quarterly budget Lekgotla.

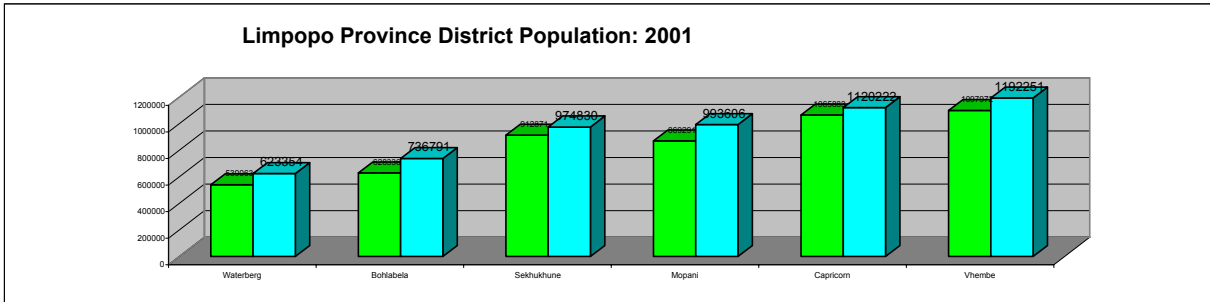
### 3. Socio-economic outlook

#### 3.1 Demographics

**Table 3.1. Population Size & distribution between regions**

Region	Pop 1996	% in 1996	Pop 2001	% in 2001
Waterberg	539 063	10.54	623 354	11.05
Bohlabela	628 336	12.29	736 791	13.06
Sekhukhune	912 871	17.85	974 830	17.28
Mopani	869 291	17.00	993 606	17.61
Capricorn	1 065 883	20.84	1 120 222	19.86
Vhembe	1 097 972	21.47	1 192 251	21.14
<b>Limpopo Province</b>	<b>5 113 416</b>	<b>100.00</b>	<b>5 641 054</b>	<b>100.00</b>

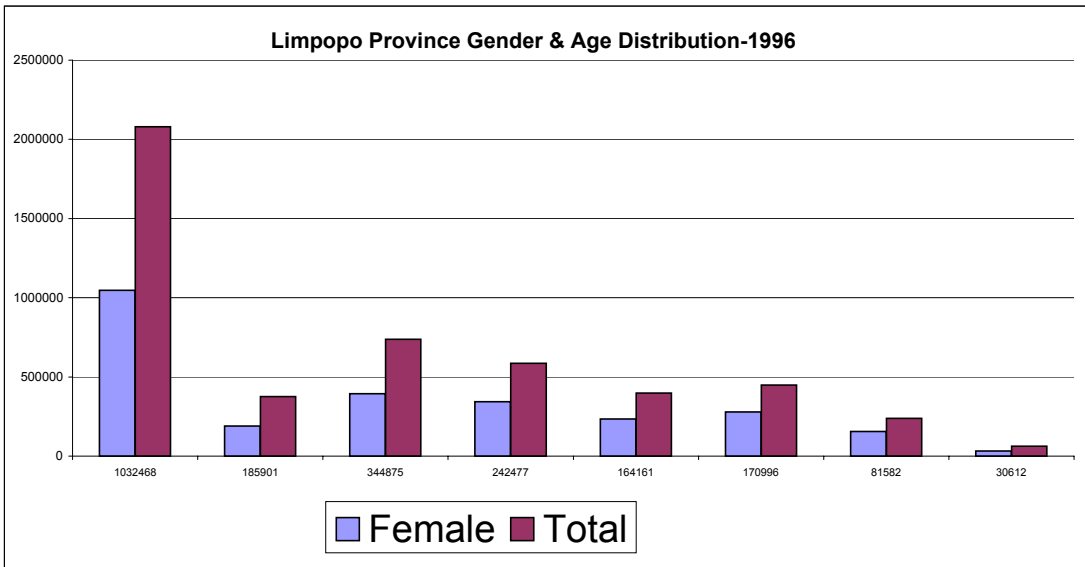
Source: Stats SA (Census 1996) & DIDB\_N-Prov (pop 2001)



**Table 3.2. Gender & Age Distribution**

Age group	Male	Female	Total	%
Below 15	1 032 468	1 047 618	2 080 086	42.20
15 to 17	185 901	189 977	375 878	7.63
18 to 25	344 875	393 191	738 067	14.97
26 to 35	242 477	343 898	586 375	11.90
36 to 45	164 161	234 906	399 067	8.10
46 to 65	170 996	277 971	448 967	9.11
66 and above	81 582	156 166	237 748	4.82
Unspecified	30 612	32 569	63 181	1.28
<b>Total</b>	<b>2 253 072</b>	<b>2 676 296</b>	<b>4 929 368</b>	<b>100</b>

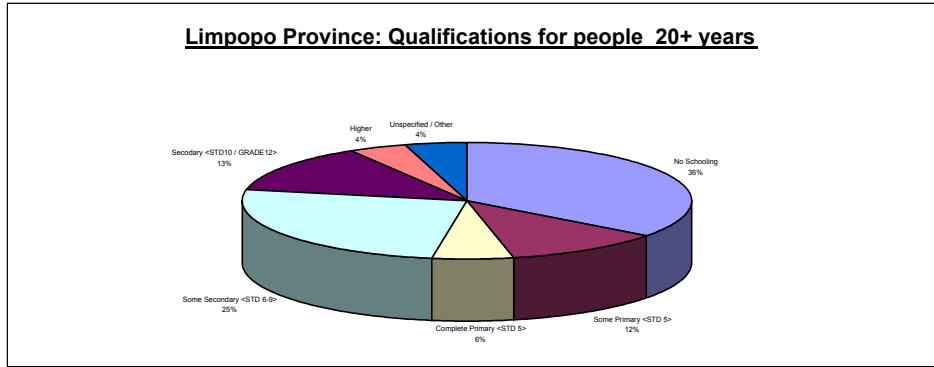
Figures greater than 0 and less than 5 are randomised to preserve confidentiality





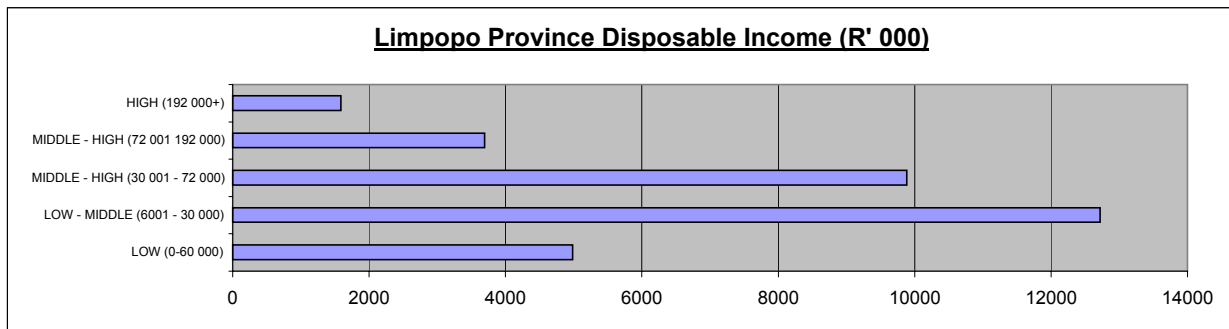
**Table 3.3. Education Levels of People Older than 20 Years**

Education Level	Population	%N.Prov	%20+
No Schooling	771 587	15.09	35.26
Some Primary <STD 5>	252 286	4.93	11.53
Complete Primary <STD 5>	124 377	2.43	5.68
Some Secondary <STD 6-9>	556 667	10.89	25.44
Secodary <STD10 / GRADE12>	293 703	5.74	13.42
Higher	94 107	1.84	4.30
Unspecified / Other	95 313	1.86	4.36
<b>TOTAL</b>	<b>2 188 040</b>	<b>42.78</b>	<b>100</b>



**Table 3.4. Income Disribution**

Income Group	Disposable Income R'000)
LOW (0-60 000)	4 986
LOW - MIDDLE (6001 - 30 000)	12 719
MIDDLE - HIGH (30 001 - 72 000)	9 883
MIDDLE - HIGH (72 001 - 192 000)	3 693
HIGH (192 000+)	1 587
<b>Limpopo Province</b>	<b>32 868</b>



## 4. Revenue

**Table 4.1. Summary of Provincial Revenue**

R' 000	2000/01 Actual	2001/02 Actual	2002/03 Est.Actual	2003/04 Voted	2004/05 MTEF	2005/06 MTEF
<b>National Payments</b>						
Equitable Share Payments	12 866 332	14 178 930	16 692 164	<b>19 352 278</b>	21 109 250	22 773 294
Supplementary Grant	305 049	273 521	0			
Conditional grants	1 101 876	1 323 461	1 300 469	<b>1 691 066</b>	2 022 600	2 580 954
<b>Total National Payments</b>	<b>14 273 257</b>	<b>15 775 912</b>	<b>17 992 633</b>	<b>21 043 344</b>	<b>23 131 850</b>	<b>25 354 248</b>
<b>Provincial Sourced revenue</b>						
Current revenue						
<b>( a ) Taxes</b>	<b>86 594</b>	<b>79 494</b>	<b>115 085</b>	<b>121 137</b>	<b>132 492</b>	<b>144 771</b>
Casino Taxes			12 000	<b>7 800</b>	8 000	8 240
Motor Vehicle licenses	77 091	70 770	96 332	<b>105 967</b>	116 562	128 217
Horsereading	5 952	5 464	3 300	<b>3 500</b>	3 600	3 650
Other Taxes						
Trade & Liquor Licences	3 353	3 078	3 193	<b>3 600</b>	4 050	4 374
Angling Licence	198	182	260	<b>270</b>	280	290
<b>( b ) Non-Tax Revenue</b>	<b>207 979</b>	<b>190 934</b>	<b>224 649</b>	<b>191 192</b>	<b>201 385</b>	<b>211 519</b>
Interest	43 489	39 924	77 249	<b>67 627</b>	69 631	71 634
Health Patient and Ambulance Fees	45 261	41 550	45 334	<b>48 054</b>	50 937	53 993
Reimbursements	6 210	5 702	4 771	<b>3 422</b>	3 772	4 079
Other Sales	6 180	5 674	8 549	<b>866</b>	979	876
Agriculture						
Game Sales						
Tender Bulletin						
Other Revenue						
Tourism	54	50	266	<b>18</b>	20	22
Commission on Insurance	18 785	17 246	21 823	<b>23 421</b>	24 118	26 916
Board and Lodging	4 043	3 711	4 941	<b>4 468</b>	4 917	3 933
Fines and Forfeitures	21 872	20 078	26 251	<b>28 275</b>	30 383	32 692
Third Party Payments	34 909	32 049	27 201	<b>4 933</b>	5 161	5 327
Stale Cheque	27 176	24 950	6 914	<b>8 728</b>	10 047	10 247
Miscellaneous			1 350	<b>1 380</b>	1 420	1 800
<b>© Capital Revenue</b>	<b>26 113</b>	<b>24 063</b>	<b>19 418</b>	<b>17 177</b>	<b>11 317</b>	<b>10 056</b>
Sale of land and buildings	10 895	10 002	8 122	<b>7 036</b>	525	
Sale of stock,livestock	1 602	1 470	3 950	<b>4 300</b>	5 153	4 009
Other Capital Revenue						
Sale of Equipment	2 351	2 251				
Housing rent	11 265	10 340	7 346	<b>5 841</b>	5 639	6 047
Total provincial sourced revenue	<b>320 686</b>	<b>294 491</b>	<b>359 152</b>	<b>329 506</b>	<b>345 194</b>	<b>366 346</b>
<b>Total provincial revenue</b>	<b>14 593 943</b>	<b>16 070 403</b>	<b>18 351 785</b>	<b>21 372 850</b>	<b>23 477 044</b>	<b>25 720 594</b>

### 4.2 Equitable share

The Equitable Share of the Nationally raised revenue, e.g. Income Tax, Value Added Tax, Excise Duty etc, is allocated to Provinces in terms of section 214 (2) of the Constitution. The equitable share allocated to the Limpopo Province for the 2003/34 is R21,04 billion and the total estimated Own Revenue is R329,5 million, which brings the total estimated provincial expenditure to R21,373 billion. This amount also include Conditional Grants.The total expenditure for the 2003/04 financial year increases from R19,14 billion in 2002/03 to R21,40 billion, an increase of 11,6%.

### 4.3 Conditional Grants

The province has been allocated an amount of R1,691 billion in the form of conditional grants, which represents an increase of R390,5 million or 30.08% of the 2002/03 Adjusted Budget of R1,300 billion. The major increase is as a result of the introduction of two new conditional grants, viz; the Child Support Extension and the Food

Relief Grants during the current financial year. The purpose of the Child Support Extension Grant is to fund the phased extension of child support grants to eligible children until they reach 14 years. The Food Relief Fund is allocated to fund rapid food relief to vulnerable households and communities in the form of food parcels and related assistance. The HIV/AIDS allocation has also been increased from R20,6 million to R29, 0 million for the current financial year.

The main priority areas to be addressed by the conditional grants is the transformation of the Mankweng-Polokwane Hospital Complex to a fully-fledged academic hospital. The HIV/AIDS (Community-Based Care) will mainly focus in the advanced development of the CBS programmes in communities.

Provincial departments administering conditional grants have improved in their spending trends and service delivery since they were first introduced in the 2000/01 financial year. The improvement is mainly due to the fact that departments have been delegated to award tenders up to R1 million.

**Table 4.3: Summary of Conditional Grants by Grant**

R' 000	2000/01 Actual	2001/02 Actual	2002/03 Est.Actual	2003/04 Voted	2004/05 MTEF	2005/06 MTEF
<b>National Treasury</b>						
Flood Disaster Reconstruction	250 000	196 000	182 000	<b>120 000</b>		
Financial Management	3 000	7 000				
Provincial Infrastructure	93 000	143 369	278 519	<b>420 632</b>	519 538	552 286
Financial Management (Vulindlela)	1 666		5 000			
Supplementary Allocation	305 049	273 521				
Other Conditional Grants						
<b>Agriculture</b>						
Poverty Relief & Infrastructure Development		6 430	5 000	<b>8 000</b>		
Land Care Project						
Land Development Objectives	5 986	1 497				
<b>Health</b>						
Financial & Personnel Management	2 000					
National Tertiary Services			45 575	<b>46 297</b>	46 878	46 973
Training and Research	23 480	24 377	35 033	<b>40 414</b>	51 805	72 411
Redistribution of Health Services	75 481	44 500				
Hospital Rehabilitation	69 490	88 000	119 000	<b>96 239</b>	106 463	110 722
HIV/AIDS	1 903	5 555	20 554	<b>28 962</b>	42 479	55 996
Integrated Nutrition Programme	106 032	106 032	109 127	<b>146 433</b>	172 102	188 603
Hospital Management Improvement			4 333	<b>13 337</b>	15 388	17 457
<b>Education</b>						
Financial Management & Quality Enhancement	33 477	33 441	35 846	<b>36 803</b>	39 011	41 352
HIV/AIDS	4 572	9 969	22 613	<b>18 915</b>	20 187	21 398
Early Childhood Development		3 297	8 321	<b>13 816</b>		
<b>Housing</b>						
SA Housing Fund	293 708	337 523	387 995	<b>426 160</b>	369 818	392 287
Human Settlement	11 172	10 000	11 217	<b>11 000</b>	11 660	10 124
Capacity Building	2 100	15 500	10 901			
<b>DPLG</b>						
R293 Personnel	106 319	9 850				
Management Support Programme (MSP)						
Local Gov. Support Grant (Municipal Finance)	8 220		15 100	<b>21 633</b>	20 751	
Consolidated Municipal Infrastructure Programme				<b>3 957</b>	4 198	4 472
<b>Transport</b>						
National Land Transport Transition Act		1 000				
Arrive Alive Campaign	2 221					
<b>Welfare</b>						
Financial Management	3 083	5 100	1 200			
Child Support Extension Grant	4 000			<b>172 969</b>	536 542	1 000 815
HIV/AIDS	800	1 500	3 135	<b>4 353</b>	4 634	4 912
Women Flagship Programme	166					
Criminal Justice System						
Victim Empowerment Programme						
Food Security				<b>61 146</b>	61 146	61 146
<b>Conditional Grants Totals</b>	<b>1 406 925</b>	<b>1 323 461</b>	<b>1 300 469</b>	<b>1 691 066</b>	<b>2 022 600</b>	<b>2 580 954</b>

**Table 4.4: Summary of Provincial Own Revenue by Vote**

R' 000	2000/01 Actual	2001/02 Actual	2002/03 Est.Actual	2003/04 Voted	2004/05 MTEF	2005/06 MTEF
1. Office of the Premier	2 011	1 847	399	<b>306</b>	321	325
3. Education	34 382	31 563	21 599	<b>22 386</b>	23 592	23 895
4. Agriculture	12 178	11 180	7 661	<b>6 343</b>	7 617	8 186
7. Health	63 207	58 022	56 990	<b>61 269</b>	64 974	68 676
8. Transport	95 557	87 821	117 985	<b>130 034</b>	143 134	155 504
9. Public Works	30 088	27 621	14 710	<b>12 303</b>	5 547	6 349
10. Safety, Security and Liaison	527	484	40	<b>20</b>	10	10
12. Welfare	6 734	6 182	835	<b>207</b>	225	247
15. Provincial Legislature			216	<b>252</b>	288	324
19. Local Government and Housing	5 880	5 398	27 447	<b>3 167</b>	3 250	3 460
20. Finance and Economic Development	69 782	64 060	111 150	<b>93 100</b>	96 099	99 226
21. Sport, Arts and Culture	340	313	120	<b>119</b>	137	144
<b>Total Provincial Departments</b>	<b>320 686</b>	<b>294 491</b>	<b>359 152</b>	<b>329 506</b>	<b>345 194</b>	<b>366 346</b>

#### 4.5 Donor Funding

Department	Donor	Amount	Project Name
Health and Welfare	DFID	Technical Support	Multi-sectoral Partnership on HIV/AIDS
Health and Welfare	Danish & UNDP	R70 million	Enhancement of integrated AID and Poverty Response
Health and Welfare	Danish & UNDP	R17 million	Delivery of Primary Health-Care including AIDS
Health and Welfare	UNICEF	Technical Support	Orphans and vulnerable children
Health and Welfare	Flemish Govt.	R891 020	Dzumeri & Rikhondelela Rehabilitation Centre.
Health and Welfare	Flemish Govt.	R1 million	Shilubane Eye-Care Centre
Public Works	DFID		
Local Government and Housing	European Union	R119 million	Strengthening Local Government
Local Government and Housing	DFID	R14,5 million	Consolidation of Municipal Transformation
Local Government and Housing	European Union	34 Million Euros	Local Economic Development

## 5. Expenditure

### 5.1 Overall Expenditure

The Limpopo Provincial budgeted expenditure for the fiscal year 2003/04 is R21,373 billion that implies a nominal growth of 11,66% when compared with the estimated outcome for the financial year 2002/03. The budget grows by an average of 8% over the MTEF. Personnel expenditure grows by 11% in 2003/04 and an average of 6% over the medium term expenditure framework. The increase in personnel expenditure was influenced by the average annual increase of 9% in salaries. Capital expenditure grows by 11% in 2003/04 and drops by 1% in 2004/05 due to the discontinuation of flood reconstruction grant. The capital budget grows by 12% in 2005/06 due to increase in infrastructure conditional grant.

The province's priority spending areas are the Social Cluster (79% ); Education receives R8,512 billion; Health R3,466 billion and Welfare R4,980 billion.

Total Outlays for Provincial Programmes are budgeted at:

- Financial Year 2003/04: **R21 372 850 000**
- Financial Year 2004/05: **R23 477 044 000**
- Financial Year 2005/06: **R25 720 594 000**

**Table 5.1. Summary of provincial expenditure per Vote**

DEPARTMENTS R' 000	2000/01 Actual	2001/02 Actual	2002/03 Est.Actual	2003/04 Voted	2004/05 MTEF	2005/06 MTEF
1. Premier's Office	102 342	111 560	154 101	189 337	212 403	265 735
3. Education	6 370 118	6 672 687	7 594 275	8 511 801	9 054 016	9 498 149
4. Agriculture	656 410	581 395	731 102	788 004	916 648	992 156
7. Health	2 523 978	2 663 530	3 145 774	3 465 572	3 844 664	4 167 358
8. Transport	204 350	258 476	342 742	371 165	395 238	430 372
9. Public Works	1 015 653	942 527	1 115 714	1 243 639	1 292 227	1 504 633
10. Safety, Security and Liaison	5 408	7 108	11 092	12 895	13 568	14 253
12. Welfare	2 641 693	2 968 777	4 399 479	4 979 752	5 912 294	6 922 657
15. Provincial Legislature	33 406	39 009	53 304	70 980	92 167	97 023
19. Local Government and Housing	533 127	714 683	775 053	824 936	822 633	865 621
20. Finance and Economic Development	374 318	665 658	780 911	864 143	864 375	902 815
21. Sport, Arts and Culture	24 657	30 781	38 042	50 626	56 811	59 822
<b>Total</b>	<b>14 485 460</b>	<b>15 656 191</b>	<b>19 141 589</b>	<b>21 372 850</b>	<b>23 477 044</b>	<b>25 720 594</b>

**Table 5.2. Summary of expenditure and estimates (GFS classification)**

R' 000	2000/01 Actual	2001/02 Actual	2002/03 Est.Actual	2003/04 Voted	2004/05 MTEF	2005/06 MTEF
<b>CURRENT EXPENDITURE</b>						
Compensation of employees						
- Salaries and Wages	8 355 678	8 825 981	9 615 624	10 669 055	11 375 055	12 099 156
- Other Remuneration	623 408	671 530	724 935	803 891	874 474	939 154
Use of Goods and Services	1 787 057	1 885 108	2 607 664	3 061 215	3 530 661	3 869 100
Interest Paid						
Transfer Payments:						
- Subsidies to Business Enterprises	117 767	154 175	326 541	293 209	314 479	340 468
- Local Government	(5 734)	19 091	40 918	66 618	76 639	58 285
- Extra-Budgetary Institutions	17 028	24 894	62 225	73 000	85 000	90 100
- Households	2 430 747	2 718 821	4 039 283	4 449 322	5 274 795	6 143 328
- Non-profit Organisations	63 405	77 726	126 757	183 134	150 254	160 137
<b>TOTAL CURRENT</b>	<b>13 389 356</b>	<b>14 377 326</b>	<b>17 543 947</b>	<b>19 599 444</b>	<b>21 681 357</b>	<b>23 699 728</b>
<b>CAPITAL EXPENDITURE</b>						
Non-Financial Assets						
- Buildings and Structures	226 017	288 629	448 185	512 746	565 415	602 787
-Machinery and Equipment	81 522	93 318	174 018	162 667	168 121	185 600
-Non-Produced Assets	1 435					
- Other Assets	8 793	25 048	67 342	95 933	145 510	147 904
Capital Transfers to:						
- Local Government						
- Other Capital Transfers	778 337	871 870	908 097	1 002 060	916 641	1 084 575
<b>TOTAL CAPITAL</b>	<b>1 096 104</b>	<b>1 278 865</b>	<b>1 597 642</b>	<b>1 773 406</b>	<b>1 795 687</b>	<b>2 020 866</b>
<b>TOTAL GFS CLASSIFICATION</b>	<b>14 485 460</b>	<b>15 656 191</b>	<b>19 141 589</b>	<b>21 372 850</b>	<b>23 477 044</b>	<b>25 720 594</b>

**Table 5.3. Summary of expenditure and estimates (standard item classification)**

R' 000	2000/01 Actual	2001/02 Actual	2002/03 Est.Actual	2003/04 Voted	2004/05 MTEF	2005/06 MTEF
Personnel	9 030 143	9 498 185	10 353 212	11 472 950	12 251 841	13 040 770
Administrative Expenditure	345 133	381 432	578 843	713 617	852 276	949 090
Stores and Livestock	543 982	600 120	913 747	1 083 285	1 291 738	1 290 728
Equipment <b>Current</b>	55 156	44 021	89 463	96 890	128 323	166 026
Equipment <b>Capital</b>	132 909	112 325	214 252	221 848	229 856	261 052
Land and Buildings: <b>Current</b>	34 842	44 766	49 297	61 306	70 919	74 277
Land and Buildings: <b>Capital</b>	6 185	13 237	17 228	24 000	22 321	22 574
Professional and Special Services: <b>Current</b>	530 459	557 836	759 392	880 668	1 103 008	1 299 088
Professional and Special Services: <b>Capital</b>	179 974	281 433	458 065	525 498	626 377	652 265
Transfer Payment <b>Current</b>	2 649 890	2 993 528	4 598 173	5 063 883	5 899 748	6 790 760
Transfer Payment <b>Capital</b>	777 036	871 870	908 097	1 002 060	917 133	1 084 975
Miscellaneous	199 751	257 438	201 820	226 845	83 504	88 989
<b>Total Current</b>	<b>13 389 356</b>	<b>14 377 326</b>	<b>17 543 947</b>	<b>19 599 444</b>	<b>21 681 357</b>	<b>23 699 728</b>
<b>Total Capital</b>	<b>1 096 104</b>	<b>1 278 865</b>	<b>1 597 642</b>	<b>1 773 406</b>	<b>1 795 687</b>	<b>2 020 866</b>
<b>TOTAL STANDARD ITEM CLASSIFICATION</b>	<b>14 485 460</b>	<b>15 656 191</b>	<b>19 141 589</b>	<b>21 372 850</b>	<b>23 477 044</b>	<b>25 720 594</b>

**Table 5.4. Expenditure by policy area**

R' 000	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
	Actual	Actual	Est.Actual	Voted	MTEF	MTEF
General Public Services	1 525 719	1 758 754	2 104 030	<b>2 368 099</b>	2 461 172	2 770 206
Public Order and Safety	5 408	7 108	11 092	<b>12 895</b>	13 568	14 253
Education	6 370 118	6 672 687	7 594 275	<b>8 511 801</b>	9 054 016	9 498 149
Health	2 523 978	2 663 530	3 145 774	<b>3 465 572</b>	3 844 664	4 167 358
Social Security Welfare	2 641 693	2 968 777	4 399 479	<b>4 979 752</b>	5 912 294	6 922 657
Housing & Community Affairs	533 127	714 683	775 053	<b>824 936</b>	822 633	865 621
Recreational & Cultural Affairs	24 657	30 781	38 042	<b>50 626</b>	56 811	59 822
Agriculture Forestry & Fisheries	656 410	581 395	731 102	<b>788 004</b>	916 648	992 156
Manufacturing & Construction						
Transport & Communications	204 350	258 476	342 742	<b>371 165</b>	395 238	430 372
<b>Total Expenditure</b>	<b>14 485 460</b>	<b>15 656 191</b>	<b>19 141 589</b>	<b>21 372 850</b>	<b>23 477 044</b>	<b>25 720 594</b>

**Table 5.6: Transfers to Public Entities**

R' 000	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
	Actual	Actual	Est.Actual	Voted	MTEF	MTEF
Office of the Premier			30 000	<b>17 000</b>	7 000	6 624
Finance and Economic Development	121 894	100 496	188 325	<b>185 000</b>	161 000	170 660
Agriculture	75 000	53 272	81 000	<b>39 210</b>	89 400	22 100
Public Works	325 302	320 000	347 584	<b>465 000</b>	467 923	608 327
<b>TOTALS</b>	<b>522 196</b>	<b>473 768</b>	<b>646 909</b>	<b>706 210</b>	<b>725 323</b>	<b>807 711</b>

**Table 5.7: Summary of transfers to Local Government**

R' 000 Category	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
	Actual	Actual	Est.Actual	Voted	MTEF	MTEF
Category A						
Category B	4 420	4 196	415 922	<b>448 986</b>	389 990	395 594
Category C	2 500	588	16 055	<b>1 733</b>	3 700	
<b>TOTAL TRANSFERS</b>	<b>6 920</b>	<b>4 784</b>	<b>431 977</b>	<b>450 719</b>	<b>393 690</b>	<b>395 594</b>

**Table 5.8: Summary of Personnel Numbers per Vote**

VOTE	At 31 March	2 002	At 31 March	2 003	At 31 March	2 004
	1 . Premier's Office		426		412	
3 . Education		64 272		64 288		64 288
4 . Agriculture		9 913		8 711		8 448
7 . Health		23 414		23 617		23 856
8 . Transport		1 631		1 528		1 639
9 . Public Works		9 257		7 696		7 321
10 . Safety, Security and Liaison		34		41		41
12 . Welfare		886		925		925
15 . Provincial Legislature		129		144		165
19 . Local Government and Housing		3 636		4 858		4 888
20 . Finance and Economic Development		2 000		2 014		2 027
21 . Sport, Arts and Culture		192		202		296
<b>TOTAL NUMBER OF PERSONNEL</b>		<b>115 790</b>		<b>114 436</b>		<b>114 339</b>

## ANNEXURE A

**Table A.1: Information relating to section 4.3: Conditional Grants**

Name of Grant by Provincial Department R' 000	PURPOSE	2000/01 Actual	2001/02 Actual	2002/03 Est.Actual	2003/04 Voted	2004/05 MTEF	2005/06 MTEF
<b>Finance and Economic Development</b>							
Supplementary allocation		305 049	273 521				
Financial Management		1 666					
Financial & Personnel Management (PFMA)		3 000	7 000				
Provincial Infrastructure			143 369		25 238	31 173	33 138
Flood Rehabilitation	To fund reconstruction of flood damaged provincial infrastructure.		196 000	5 982			
<b>Agriculture</b>							
Poverty Relief & Infrastructure Development	To address the degradation problems of natural resources .		6 430	5 000			
Land Care & Special Food Security Projects		5 986	1 497		8 000		
Flood Disaster	To fund reconstruction of flood damaged provincial infrastructure.	12 100		9 100	6 000		
Rural Development	To fund provincial infratructure like roads, school buildings and health facilities.			3 924			
<b>Health</b>							
Financial & Personnel Management		2 000					
Health Professional Training & Development	To support training & developmennt of health professionals	23 480	24 377	35 033	40 414	51 805	72 411
Redistribution of Health Services		75 481	44 500				
Hospital Revitalisation	To transform & mordenise hospitals in line with national planning	69 490	88 000	119 000	96 239	106 463	110 722
HIV/AIDS	To expand access to voluntary HIV counselling & testing.	1 903	5 555	20 554	28 962	42 479	55 996
Integrated Nutrition Programme	To feed primary school children, facilitate nutritional health promotion	106 032	106 032	109 127	146 433	172 102	188 603
National Tertiary Services	To fund tertiary health servies to ensure access to all citizens			45 575	46 297	46 878	46 973
Hospital Management & Quality Improvement	To improve management in hospitalsand support quality of care intervention.			9 333	13 337	15 388	17 457
Provincial Infrastructure	To fund provincial infratructure like roads, school buildings and health facilities.			38 993	58 888	72 735	77 320
Flood Disaster		16 000					
Rural Development				2 000			
<b>Education</b>							
Financial Management & Quality Enhancement	To support financial management & quality-enhancing innitiative in schools.	33 477	33 441	35 846	36 803	39 011	41 352
HIV/AIDS	To promote HIV/Aids education in primary and secondary schools.	4 572	9 969	22 613	18 915	20 187	21 398
Early Childhood Development	To provide quality education to poor children eligible for the reception year.		3 297	8 321	13 816		
Provincial Infrastructure	To fund provincial infratructure like roads, school buildings and health facilities.			111 408	168 253	207 815	220 914
Flood Reconstruction	To fund reconstruction of flood damaged provincial infrastructure.	5 600		7 280	4 800		
Rural Development				2 500			
<b>Local Government and Housing</b>							
SA Housing Fund	To finance subsidies under the national housing programme.	293 708	337 523	387 995	426 160	369 818	392 287
Human Settlement	To fund projects for improving the quality of environment in urban communities	11 172	10 000	11 217	11 000	11 660	10 124
Capacity Building		2 100	15 500				
R293 Personnel		106 319	9 850				
Management Support Programme (MSP)	To assist municipalities experiencing severe financiaal problems in restructuring.			15 100	21 633	20 751	
Local Gov. Capacity Building Fund	To provide support to manage CMIP effectively & build capacity in municipaliti	8 220		10 901	3 957	4 198	4 472
Municipal Infrastructure Programme				27 300	18 000		
Provincial Infrasructure	To fund provincial infratructure like roads, school buildings and health facilities.						
Flood Disaster	To fund reconstruction of flood damaged provincial infrastructure.	22 000					
<b>Transport</b>							
National Land Transport Transition Act (NLTTA)			1 000				
Arrive Alive Campaign		2 221					
<b>Welfare</b>							
Financial Management	To improve financial management, administration & functioning of social security.			1 200			
Social Security (Child Support Grant)	To develop home-based care programmes in communities.	3 083	5 100		172 969	536 542	1 000 815
HIV/AIDS		4 000	1 500	3 135	4 353	4 634	4 912
Women Flagship Programme	To alleviate poverty and pilot developmental welfare services by supporting w	800					
Victim Empowerment		166					
Food Security					61 146	61 146	61 146
<b>Public Works</b>							
Provincial Infrasructure	To fund provincial infratructure like roads, school buildings and health facilities	72 500		111 408	168 253	207 815	220 914
Flood Reconstruction	To fund reconstruction of flood damaged provincial infrastructure.	214 800		138 320	91 200		
<b>Sports, Arts and Culture</b>							
Rural Development				2 304			
<b>Departmental Totals</b>		<b>1 406 925</b>	<b>1 323 461</b>	<b>1 300 469</b>	<b>1 691 066</b>	<b>2 022 600</b>	<b>2 580 954</b>

**Table A 2: Information relating to section 5.4: Details of expenditure by policy area**

**Expenditure summary per policy area ( simple example of bridging table)**

<b>FUNCTION</b>	<b>CATEGORY</b>	<b>DEPARTMENT</b>	<b>PROGRAMME</b>
GENERAL PUBLIC SERVICES	Legislative	Premier	Administration Management Services
		Provincial Legislature	Administration National Council of Provinces Management Services
	Finance and Fiscal Affairs	Finance	Administration Financial Planning Financial Management Procurement Management Services
PUBLIC ORDER & SAFETY	Police Services	Provincial Safety, Security and Liaison	Administration
ECONOMIC AFFAIRS	General economic Affairs	Economic Affairs	Administration Trade, Industry and Tourism Economic & Development Consumer Protection and Inspectorate services Management Services
			Agriculture
	Transport		Roads Road Traffic and Law Enforcement Transport
	Communication	Tourism	Tourism
ENVIRONMENTAL PROTECTION	Environmental Protection		Conservation Management Environmental Management Specialist Environ. Services
HOUSING AND COMMUNITY AMENITIES	Housing Development	Housing	Technical Services Planning and Development
HEALTH	Outpatient Services	Health	District Health Services Primary Nutrition Programme
	R&D Health (CS)		Health Sciences
	Hospital Services		Provincial Hospital Services Specialised Hospital Services
RECREATION, CULTURE AND RELIGION	Recreational & sporting services	Sport, recreation, Arts and culture	Sport and Recreation
	Cultural Services		Art, culture and heritage Facility management
EDUCATION	Preprimary and primary services Secondary Education Subsidiary service to Education Education not defined by level	Education	Pre-Primary Primary Secondary Provision of subsidy
			ABET
SOCIAL PROTECTION	Social security services	Social service and Population Development	Administration Social Security Social Assistance Social Development Population Development Management services



**Details of expenditure by policy area**

<b>R' 000</b>	<b>2000/01 Actual</b>	<b>2001/02 Actual</b>	<b>2002/03 Est.Actual</b>	<b>2003/04 Voted</b>	<b>2004/05 MTEF</b>	<b>2005/06 MTEF</b>
Category-Executive & Legislative						
Executive Legislature	33 406	39 009	53 304	<b>70 980</b>	92 167	97 023
Office of the Premier	102 342	111 560	154 101	<b>189 337</b>	212 403	265 735
<b>Total for Category-Executive &amp; Legislature</b>	<b>135 748</b>	<b>150 569</b>	<b>207 405</b>	<b>260 317</b>	<b>304 570</b>	<b>362 758</b>
General Services						
Public Works	1 015 653	942 527	1 115 714	<b>1 243 639</b>	1 292 227	1 504 633
Total General Services	1 015 653	942 527	1 115 714	<b>1 243 639</b>	1 292 227	1 504 633
Category Financial & Fiscal Services						
Finance & Econ. Development	374 318	665 658	780 911	<b>864 143</b>	864 375	902 815
<b>Total for Category-Financial &amp; Fiscal Service</b>	<b>374 318</b>	<b>665 658</b>	<b>780 911</b>	<b>864 143</b>	<b>864 375</b>	<b>902 815</b>
Public Order and Safety						
Safety and Security	5 408	7 108	11 092	<b>12 895</b>	13 568	14 253
<b>Total Public Order and Safety</b>	<b>5 408</b>	<b>7 108</b>	<b>11 092</b>	<b>12 895</b>	<b>13 568</b>	<b>14 253</b>
<b>Education Affairs and Services</b>						
Pre-primary, primary & sec. Education	264 285	265 225	303 198	<b>423 334</b>	455 479	482 938
Public ordinary school education	5 219 897	5 552 555	6 234 378	<b>7 013 897</b>	7 502 485	7 867 365
ABET & Early Childhood Development	52 707	9 276	60 023	<b>63 013</b>	65 900	69 674
Special school education	76 994	86 865	96 416	<b>119 241</b>	125 657	133 352
Administration	756 235	758 766	900 260	<b>892 316</b>	904 495	944 820
<b>Total for Preprimary, Prim. &amp; Sec.Education</b>	<b>6 370 118</b>	<b>6 672 687</b>	<b>7 594 275</b>	<b>8 511 801</b>	<b>9 054 016</b>	<b>9 498 149</b>
Tertiary education (non-university)						
Tertiary education (non-university)						
Technical college education						
Teacher training						
<b>Total Tertiary Education ( non-university)</b>						
Subsidiary services to education						
Management services						
<b>Total Management Services</b>						
<b>Total Education Affairs &amp; Services</b>	<b>6 370 118</b>	<b>6 672 687</b>	<b>7 594 275</b>	<b>8 511 801</b>	<b>9 054 016</b>	<b>9 498 149</b>
<b>Health Affairs &amp; Services</b>						
Health & Clinic Services						
Health	2 359 505	2 511 381	2 960 438	<b>3 250 391</b>	3 621 136	3 925 658
Management Administration	164 473	152 149	185 336	<b>215 181</b>	223 528	241 700
<b>Total Health Affairs &amp; Services</b>	<b>2 523 978</b>	<b>2 663 530</b>	<b>3 145 774</b>	<b>3 465 572</b>	<b>3 844 664</b>	<b>4 167 358</b>
Social Security & Welfare						
Social Security Services						
Social Security						
<b>Social Assistance</b>	2 544 032	2 842 126	4 207 469	<b>4 712 797</b>	<b>5 642 482</b>	<b>6 637 948</b>
<b>Total Social Security Services</b>	<b>2 544 032</b>	<b>2 842 126</b>	<b>4 207 469</b>	<b>4 712 797</b>	<b>5 642 482</b>	<b>6 637 948</b>

Details of expenditure by policy area ( continued )

R' 000	2000/01 Actual	2000/02 Actual	2000/03 Actual	2000/04 Actual	2000/05 Actual	2000/06 Actual
<b>Welfare Services</b>						
Social Welfare Services	63 838	76 942	95 070	<b>107 502</b>	111 656	120 231
Social Development	13 483	15 476	23 500	<b>86 752</b>	87 626	88 202
Population Development	158	1 014	1 630	<b>1 801</b>	1 876	1 965
Management Services						
Administration	20 182	33 219	71 810	<b>70 900</b>	68 654	74 311
<b>Total Welfare Services</b>	<b>97 661</b>	<b>126 651</b>	<b>192 010</b>	<b>266 955</b>	<b>269 812</b>	<b>284 709</b>
<b>Total Social Security &amp; Welfare</b>	<b>2 641 693</b>	<b>2 968 777</b>	<b>4 399 479</b>	<b>4 979 752</b>	<b>5 912 294</b>	<b>6 922 657</b>
<b>Housing &amp; Community Affairs</b>						
Housing Affairs Services						
Housing & Local Government	467 827	632 594	698 908	<b>740 715</b>	712 459	737 397
Management Administration	65 300	82 089	76 145	<b>84 221</b>	110 174	128 224
<b>Total Housing &amp; Community Affairs</b>	<b>533 127</b>	<b>714 683</b>	<b>775 053</b>	<b>824 936</b>	<b>822 633</b>	<b>865 621</b>
<b>Sport and Recreation</b>						
Sporting & Recreational Affairs	7 451	12 495	14 541	<b>20 275</b>	24 511	26 322
Sport, Arts and Culture	17 206	18 286	23 501	<b>30 351</b>	32 300	33 500
<b>Total Sporting &amp; Recreational Affairs</b>	<b>24 657</b>	<b>30 781</b>	<b>38 042</b>	<b>50 626</b>	<b>56 811</b>	<b>59 822</b>
<b>Agriculture, Forestry, &amp; Fishing</b>						
Agricultural Affairs						
Agriculture, Conservation & Environment	570 027	498 378	692 570	<b>733 869</b>	840 450	882 988
Management Administration	86 383	83 017	38 532	<b>54 135</b>	76 198	109 168
<b>Total Agricultural and Forestry</b>	<b>656 410</b>	<b>581 395</b>	<b>731 102</b>	<b>788 004</b>	<b>916 648</b>	<b>992 156</b>
<b>Transport and Communication</b>						
Road Affairs and Services						
Public Transport & Public Affairs	139 376	181 604	261 726	<b>281 056</b>	297 471	326 249
Management Administration	64 974	76 872	81 016	<b>90 109</b>	97 767	104 123
<b>Total Public Transport &amp; Communication</b>	<b>204 350</b>	<b>258 476</b>	<b>342 742</b>	<b>371 165</b>	<b>395 238</b>	<b>430 372</b>
<b>GRAND TOTAL</b>	<b>14 485 460</b>	<b>15 656 191</b>	<b>19 141 589</b>	<b>21 372 850</b>	<b>23 477 044</b>	<b>25 720 594</b>

Table A 3: Information relating to section 5.7 : Details of transfers to Local Government

Table A3.1 Local Government

Municipalities	R'000'	2000/01 Actual	2001/02 Actual	2002/03 Est.Actual	2003/04 Voted	2004/05 MTEF	2005/06 MTEF
<b>Category B</b>							
<b>1. LOCAL GOVERNMENT</b>							
Makhuduthamaga				2 041	1 800	1 400	
Fetakgomo				2 041	1 800	1 400	
Greater Marble Hall			120				
Grobelarsdal				150			
Greater Tubatse							
Maruleng				1 860	1 300	1 400	
Bushbuchridge				2 842	2 600	1 600	
Greater Giyani			45	1 851	1 450	1 000	
Greater Letaba		250	292	514	100	400	
Greater Tzaneen		250	128	193	100	400	
Ba-Phalaborwa		250	112	148	100	400	
Musina		350	423	60	100	450	
Mutale				2 041	1 900	1 400	
Thulamela		500	321	1 051	1 450	900	
Makhado		400		270	100	300	
Blouberg				2 041	1 550	1 001	
Aganang				2 041	1 550	1 450	
Molemole				1 642	1 550	800	
Polokwane				203	100	200	
Lepelle-Nkumpi			349	1 541	1 400	900	
Thabazimbi		250	200	160	100	300	
Lephalale			42	288	100	300	
Mookgopong			43	330	300	300	
Modimole		250	238	70	200	300	
Bele-bela			300	1 440	150	200	
Mogalakwena			243	50	150	250	
<b>SUBTOTAL</b>		<b>2 500</b>	<b>2 856</b>	<b>24 868</b>	<b>19 950</b>	<b>17 051</b>	

Table A3.2. Housing

Municipalities	R'000'	2000/01 Actual	2001/02 Actual	2002/03 Est.Actual	2003/04 Voted	2004/05 MTEF	2005/06 MTEF
<b>Category B</b>							
Polokwane				8 933		6 446	21 105
Lephelle-Nkumpi				10 150	11 161	9 667	9 102
Blouberg				25 375	27 824	6 190	16 408
Molemole				13 073	14 350	12 451	11 741
Aganang				18 270	20 054	17 400	16 408
Mogalakwena				12 180	13 369	11 600	13 916
Lephalale				16 240	17 826	15 467	13 916
Thabazimbi					3 359	10 661	13 916
Modimole				25 253	27 720	24 051	13 916
Mokgopong					3 359	17 260	13 916
Bele-bela					3 359	18 715	13 920
Grobelarsdal				20 808	22 839	19 817	21 015
Marble Hall				9 013	9 893	8 584	9 102
Makhuduthamaga				9 486	10 383	9 009	8 495
Fetakgomo				18 270	20 054	17 400	16 408
Tubatse				20 300	22 283	19 334	20 502
Mutale				10 150	11 123	9 651	9 100
Musina				16 240	17 826	15 467	14 585
Thulamela				24 360	26 739	23 201	21 878
Makhado				18 270	20 054	17 400	16 408
Giyani				18 270	20 054	17 400	16 408
Tzaneen				16 240	17 826	15 467	14 585
Letaba				22 330	24 511	21 268	22 553
Ba-Phalaborwa				20 300	22 283	6 189	14 352
Bushbuchridge				20 300	22 283	6 189	14 280
Maruleng				14 120	15 598	13 534	14 352
<b>SUBTOTAL</b>				<b>387 931</b>	<b>426 130</b>	<b>369 818</b>	<b>392 287</b>

Table A3.3. Health

R'000' Municipalities	2000/01 Actual	2001/02 Actual	2002/03 Est.Actual	2003/04 Voted	2004/05 MTEF	2005/06 MTEF
<b>Category B</b>						
Makhado		420	654	911	977	1 036
Messina		88	82	119	128	135
Naboomspruit		62	143	200	215	228
Nylstroom		11	89	129	139	147
Phalaborwa		151	215	312	335	355
Pietersburg	865	263	352	546	586	621
Potgietersrus			205			
Roedtan		109	322	379	407	431
Settlers						
Thabazimbi		202	211	306	329	349
Tzaneen	1 055	34	844			
Warmbad			6	4	5	5
Provincial Health Authority						
<b>SUBTOTAL</b>	<b>1 920</b>	<b>1 340</b>	<b>3 123</b>	<b>2 906</b>	<b>3 121</b>	<b>3 307</b>
<b>TOTAL CATEGORY B TRANSFERS</b>	<b>4 420</b>	<b>4 196</b>	<b>415 922</b>	<b>448 986</b>	<b>389 990</b>	<b>395 594</b>

## CATEGORY C

Table A3.4. Local Government

R'000 Municipalities	2000/01 Actual	2001/02 Actual	2002/03 Est.Actual	2003/04 Voted	2004/05 MTEF	2005/06 MTEF
Sekhukhune			58			
Bohlabela			2 124	533	1 100	
Mopani			1 409	350	800	
Vhembe			1 409	250	800	
Capricon			795	350	500	
Waterberg			778	250	500	
Not yet Allocated			1 559			
<b>SUBTOTAL</b>			<b>8 132</b>	<b>1 733</b>	<b>3 700</b>	

## CATEGORY C

Table A3.5. Public Works

R'000' Municipalities	2000/01 Actual	2001/02 Actual	2002/03 Est.Actual	2003/04 Voted	2004/05 MTEF	2005/06 MTEF
Northern District Council	2 500					
Sekhukhune District Council		588	1 500			
Vhembe District Council			1 000			
Waterberg District Council			1 000			
Mopani District Council			1 923			
Bohlabela District Council			1 500			
Capricon District Council			1 000			
<b>SUBTOTAL</b>	<b>2 500</b>	<b>588</b>	<b>7 923</b>			
<b>TOTAL CATEGORY C TRANSFERS</b>	<b>2 500</b>	<b>588</b>	<b>16 055</b>	<b>1 733</b>	<b>3 700</b>	