

5.2 Payments by vote

Table 1.19. Summary of Provincial Payments and Estimates by V ote

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2009/10	2010/11	2011/12
	2005/06	2006/07	2007/08	2008/09					
Vote 01: Office of the Premier	333,021	530,666	393,043	515,615	522,307	578,307	559,181	582,587	612,429
Vote 15: Legislature	92,709	107,100	113,381	115,799	123,976	144,380	123,869	130,936	137,650
Vote 03: Education	10,361,404	11,365,966	11,814,587	14,221,050	14,543,907	15,090,318	16,362,123	18,095,151	19,594,346
Vote 04: Agriculture	980,785	1,023,818	1,003,822	1,042,252	1,099,700	1,103,030	1,185,110	1,340,316	1,438,838
Vote 05: Provincial Treasury	242,587	257,224	246,307	305,197	353,351	353,351	329,544	338,906	356,446
Vote 06: Economic Development, Environmental Affairs and Tourism	529,225	650,075	615,548	654,045	696,859	693,000	743,905	766,962	806,332
Vote 07: Health	4,788,257	5,831,895	6,131,640	7,594,071	7,952,100	8,039,565	9,017,772	10,076,407	10,786,412
Vote 08: Transport	1,769,682	1,892,434	2,263,171	2,420,586	2,434,115	2,460,872	2,989,565	3,198,684	3,481,940
Vote 09: Public Works	568,099	601,885	557,184	649,710	657,287	657,287	723,674	757,439	795,746
Vote 10: Safety, Security and Liaison	22,613	31,318	35,041	43,061	43,215	43,070	47,133	50,617	53,091
Vote 11: Local government & housing	747,821	1,041,825	1,003,776	1,158,967	1,204,912	1,204,912	1,401,234	1,704,827	1,909,221
Vote 12: Social Development	358,169	401,924	416,492	725,606	725,606	725,606	761,600	822,527	925,615
Vote 13: Sport, Arts & Culture	111,531	118,796	141,323	186,929	205,065	266,365	231,040	245,522	259,107
Total provincial payments by Vote	20,905,903	23,854,926	24,735,315	29,632,888	30,562,400	31,360,063	34,475,750	38,110,881	41,157,173

5.2.1 The Department of Education

The Department of Education received a budgeted amount of R14.2 billion in the financial year 2008/2009, which was revised upwards to R15.1 billion during the adjustment period. The apportioned amount therefore increased by 27.7 percent from R11.8 billion in the 2007/2008 financial year. For the 2009/2010 financial year, the department's allocation grew by 8.4 per cent in nominal terms. Over the 2008/2009 MTEF, the department estimates grew by 5.3 per cent in nominal terms.

The nominal growth rate of 5.3 per cent recorded over the 2009/2010 MTEF will be used to finance both Limpopo's and the national policy priorities. The growth rate estimated over the financial period is mostly derived from the equitable share and the conditional grants. This means that the educational provincial and national policy priorities are mostly funded through the equitable share and the conditional grants. The priorities funded through the equitable share include the extension of the no-fee school in policy to Quintile 3, an increase in teachers to reduce the teacher/ learner ratio in Quintile 1 schools, and support to inclusive education and learner-teacher support material. Other policy priorities include personnel wage settlement, textbooks for Grade 10-12 to support the National Curriculum Statement (NCS), ECD, school furniture, school transport and the expansion of grade R in public schools. The national and provincial policy priorities financed through the conditional grants include the national

school nutrition programme, HIV/AIDS and the infrastructure grant to provinces specifically earmarked for Grade R infrastructure and special school infrastructure.

The increase to the Department of Education is justified by the current Provincial status on the level of education. As indicated earlier, about 20 per cent of the Provincial population aged 20 years and over had no schooling in 2007, while only about 6 per cent possess a higher education. In addition, the Province is experiencing a shortage of highly skilled labour, especially in the science and financial management fields. And with the majority of its population younger than 20 years, the Province has to contend with a large number of its population still schooling. Finally, the increase in education spending will boost the Provincial learner per capita, which is very low compared to other provinces.

5.2.2 The Department of Health

The Department of Health received R7.6 billion during the 2008/2009 financial year, which was revised upwards to R8 billion during the adjustment period. This increase was due to pressures indicated by the department to finance the spending on District Health Services, personnel, and goods and services.

For the period between the 2007/2008 and 2008/2009 financial years, the departmental allocations grew by 24 per cent compared to the previous year's allocations. For the period between the 2008/2009 and 2009/10 financial years, the departmental allocations are estimated to grow by about 12 per cent in nominal terms and 5.4 per cent in real terms. Over the 2009/2010 MTEF, the departmental payments are estimated to record a positive growth rate of about 6.4 per cent in nominal terms or 0.8 per cent in real terms, which will be used to finance national and provincial policy priorities such as pharmaceutical services, medical waste management, modernisation of tertiary services, TB, implementation of the OSD, emergency medical services, the EPWP, laundry services, staff accommodation, mortuaries and fleet.

The Provincial health programmes seek to reduce the incidence of major serious diseases such as malaria and HIV/Aids, which challenge the stability of the Province. Moreover, these programmes aims to ensure that the population has access to health care – statistics show that only a small percentage of the population has medical aid coverage. This top-up on the Department of Health baseline therefore seeks to improve the Province's health conditions and ultimately the Provincial Human Development Index (HDI).

5.2.3 The Department of Social Development

The Department of Social Development received R726 million during the 2007/2008 financial year, which remained constant during the adjustment period. For the period between 2008/2009 and 2009/2010, the department's payment estimates grew by about five per cent in nominal terms or -1.6 per cent in real terms. Over the 2009/2010 MTEF, the departmental payment estimates recorded a growth rate of about seven per cent in

nominal terms or 1.4 per cent in real terms. This increase in the departmental payments estimates takes into account the Provincial social status and will be used to finance the following national and provincial policy priorities: substance abuse, employment of social workers, children in children's homes, the Children Justice Act, implementation of the OSD, home and community-based care, infrastructure, poverty alleviation, the creation of sustained livelihoods, NGOs, ECD and the EPWP, in particular the training of 2 400 caregivers and 111 youth.

The Province is characterised by high dependency ratios, and a large number of people live under the poverty line of US\$2 a day (about 60 per cent of the Provincial population, in particular in the Greater Sekhukhune, Capricorn and Vhembe districts). These social indicators rank Limpopo lowest of all the provinces in terms of equal distribution of income (income inequality) and the extent to which the population has developed (HDI), at 0.711 and 0.49, respectively.

5.2.4 The Department of Economic Development

The Department of Economic Development received R615.5 million during the 2008/2009 financial year, which was revised upwards to R654 million during the adjustment period. The department recorded a negative growth rate of 6.3 per cent in nominal terms or -0.3 per cent in real terms for the financial year 2008/2009. For the period between the 2008/2009 revised estimates and the 2009/2010 financial year, the departmental payment estimates increased by 7.3 per cent in nominal or 0.7 per cent in real terms. Over the 2009/2010 MTEF, the departmental payment estimates increased by 8.4 per cent in nominal terms or 2.8 per cent in real terms. This positive growth of 8.4 per cent added to the 2009/2010 MTEF would be used to finance both the national and provincial economic development policy priorities. Two main methods are used to finance these priorities – the equitable share and the conditional grant. For Limpopo's Department of Economic Development, all the policy priorities are financed through the equitable share and include Business Process Outsourcing (BPO), project that has the potential of creating approximately 100 000 jobs in Limpopo, and the commercialisation of game parks.

The department recorded a positive growth rate for all its core programmes such as economic development, economic affairs and tourism. The economic development programme recorded a positive growth rate of six per cent year-on-year over the MTEF. This increment was used to increase the grant amount allocated to the Limpopo Business Support Agency (LIBSA), with the incorporation of the Northern Training Trust into LIBSA. The environmental affairs programme recorded a positive growth rate of about 2.8 per cent over the MTEF, which will be used to finance the process of establishing nature reserves as individual cost centres and to finance deferred projects which have been reprioritised in the Annual Performance Plan (APP) of 2008/09 (these projects were not carried out due to insufficient funds). The tourism programme recorded a significant growth rate of seven per cent over the MTEF, due to an increase in infrastructure development on Provincial nature reserves and 2010 tourism marketing.

Although Limpopo's economic growth has performed well compared to national economic growth for the period 1995-2008, unemployment in the Province is still alarmingly high, and so too are poverty and income inequality levels. It is on these grounds that the Province has financed the programmes detailed here.

5.2.5 The Department of Agriculture

The Department of Agriculture received R1.053 billion for the 2008/2009 financial year, revised downwards to R1.092 billion during the adjustment period. During the financial period 2007/2008, the department received R1.106 billion, indicating a negative growth rate of about two per cent in nominal terms and 2.5 per cent in real terms between the above-mentioned periods. For the period between 2008/2009 and 2009/2010, the department recorded a negative growth rate of 9.6 per cent in nominal terms or three per cent in real terms. Over the 2009/2010 MTEF, the departmental payments estimates increased by 6.7 per cent in nominal terms and by 1.1 per cent in real terms.

The positive growth rate of 6.7 per cent in nominal terms over the 2009/2010 MTEF is used to finance the following national and provincial policy priorities: the implementation of RESIS, the renovation of facilities and infrastructure, and capacity-building. National policy priorities financed through the conditional grants include the disaster management programme, CASP, and the land care and Letsema projects.

5.2.6 The Department of Public Works

The Department of Public works received R650 million during the 2008/2009 financial year, revised upwards during the adjustment period to R657 million – a positive growth rate of about 18 per cent in nominal terms compared to the previous financial year (2007/2008) allocations of R557.2 million. For the period between the 2008/2009 and 2009/2010 financial years, the departmental payments estimates increased by 10 per cent in nominal terms or by 3.4 per cent in real terms. Over the 2009/2010 MTEF, the departmental payment estimates increases by 3.2 per cent in nominal terms or a negative 2.4 per cent in real terms.

The positive growth rate of 3.2 per cent in nominal terms or -2.4 per cent in real terms estimated by this department over the 2009/2010 MTEF will be used to finance the following national and provincial policy priorities: the implementation of the Government Immovable Asset Management Act (GIAMA), management and updating of the Provincial asset register, the implementation of the energy optimisation plan, an office space audit, property disposal, and the renovation and maintenance of Government buildings, including the installation of standby generators and the implementation of the Infrastructure Delivery Improvement Programme (IDIP). These policy priorities are financed through the equitable share. Policy priorities financed through the conditional grants include the Devolution of Property Rates Fund and Provincial infrastructure, in particular capacity-building.

All of the above initiatives seek to address problems such as unemployment in the Province and the technical skills shortage, which hamper economic growth and development in the Province and in the national economy. Moreover, these initiatives contribute positively to reaching some of the Provincial Millennium Development Goals agreed upon in the PDGS, such as enhancing innovation and competitiveness, and growing the Provincial economy through Provincial infrastructure development spill-overs.

5.2.7 The Department of Roads and Transport

At the beginning of the 2008/2009 financial year, the Department of Roads and Transport received an allocated budget of R2.4 billion, which was revised upwards during the adjustment period to R2.5 billion. The allocations for the 2008/2009 financial year increased by 30.3 per cent in nominal terms and by 29 per cent in real terms compared to the previous financial year (2007/2008). For the period between the 2008/2009 and 2009/2010 financial years, the departmental payment estimates decreased by 14.4 per cent in nominal terms and 7.8 per cent in real terms. Over the 2009/2010 MTEF, the departmental payment estimates has shown a growth rate of 7.3 per cent in nominal terms or 1.7 per cent in real terms.

The growth rate in the departmental payment estimates recorded over the 2008/2009 MTEF is due to the financing of the national and Provincial policy priorities. The national and Provincial policy priorities that are financed through the equitable share include the Gundu Lashu (poverty alleviation and job creation) programme, subsidies to bus operators, Gateway Airport Authority Limited (GAAL), intermodal facilities, the South African Rail Commuter Corporation (SARCC), law enforcement and skills development. The policy priorities financed through the conditional grants include the Infrastructure Grant, in particular development of the R33 road network to Medupi powerstation, the EPWP (poverty alleviation and job creation programme), overload control, and roads and other economic functions.

These spending priorities impacted positively on the achievement of the PDGS through employment creation, Provincial infrastructure development, and the enhancement of innovation and competitiveness.

5.2.8 The Department of Local Government and Housing

The Department of Local Government and Housing was allocated R1.158 billion at the beginning of the 2008/2009 financial year, which was revised upwards to R1.205 billion during the adjustment period. This allocation reflects a growth rate of 9.8 per cent in nominal terms or 8.9 per cent in real terms compared to the previous financial year allocation of R1.054 billion. For the period between the 2008/2009 and 2009/2010 financial years, the departmental payments estimates recorded a growth rate of 5.8 per cent in nominal terms or a negative 0.8 per cent growth rate in real terms. Over the 2009/2010 MTEF, the departmental payments estimates show a 10.9 per cent growth rate in nominal terms or 5.3 per cent in real terms.

The departmental growth rate achieved during the period of the 2009/2010 MTEF will be used to finance Provincial and national policy priorities, including the implementation of municipal property rates, the demarcation of 9 893 sites, the development of land use management schemes, and the design and deployment of a wide area network to 13 municipalities. The national policy priorities financed through the conditional grant include integrated housing and human settlement development.

5.2.9 The Department of Safety, Security and Liaison

The Department of Safety, Security and Liaison was allocated R43.1 million at the beginning of the 2008/2009 financial year, which was revised upwards to R43.2 million during the adjustment period, signifying a growth rate of 22.3 per cent in nominal terms or 8.8 per cent in real terms compared to the allocated budget of R35.3 million received by the department during the 2007/2008 financial year. For the period between the 2008/2009 and 2009/2010 financial years, the departmental payments are estimated to grow by 9.3 per cent in nominal terms or 2.7 per cent in real terms. Over the 2008/2009 MTEF, the departmental payments are estimated to grow by 4.1 per cent in nominal terms or 1.5 per cent in real terms.

The growth rate of 4.1 per cent estimated to be achieved by this department over the 2009/2010 MTEF would be used to finance national and Provincial policy priorities generally financed through the equitable share. These priorities include the implementation of the Provincial Crime Prevention Strategy (PCPS) and oversight of the South African Police Service (SAPS). The implementation of PCPS will focus on intervention projects – implementation of the rural safety plan, school safety awareness, the training of 330 youth in life and vocational skills, the establishment of street committees and advocacy through the media. In terms of the Provincial policy priorities, oversight over the SAPS includes the implementation of a monitoring and evaluation tool in police stations, administering the SAPS transformation tool in police stations and conducting research into the root causes of crime in Limpopo.

5.2.10 The Office of the Premier

The Office of the Premier received an appropriation amount of R516 million at the beginning of the financial year 2008/2009; this allocation remained constant during the adjustment period. Compared to the previous financial year (2007/2008), this allocation reveals a positive growth rate of 15 per cent in nominal terms or 19 per cent in real terms. For the period between the 2008/2009 and 2009/2010 financial years, the departmental payment is estimated to have increased by 8.5 per cent in nominal terms or by 1.9 per cent in real terms. Over the 2009/2010 MTEF, the departmental payments are estimated to increase by 3.1 per cent in nominal terms and to record a negative real growth rate of 2.5 per cent. The increase of 3.1 per cent in nominal terms recorded by the Office of the Premier will be used to finance policy priorities including the implementation of traditional leadership, payment of 475 Community Development Workers (CDWs), funding the key Apex Priority development for 2007-2010, and payment of research and planning related to the PGDS to various municipalities.

5.2.11 The Provincial Legislature

The Provincial Legislature was allocated R115.8 million at the beginning of the 2008/2009 financial year, revised to R144.4 million during the adjustment period. This signifies a positive growth rate of 52.1 per cent in nominal terms and a negative growth rate of 0.1 per cent in real terms compared to the 2007/2008 financial year allocation (R95 million). For the 2008/2009-2009/2010 financial years, the Provincial Legislature payments are estimated to slow down by -14.2 per cent in nominal terms or -7.6 per cent in real terms. Over the 2009/2010 MTEF, the Provincial Legislature estimates a growth rate of 3.6 per cent in nominal terms or -2.0 per cent in real terms on its payments.

The positive growth rate of 3.6 per cent in nominal terms that the Provincial Legislature estimates to pay over the 2009/2010 MTEF will be used to finance the national and Provincial policy priorities (financed through the equitable share), including public participation and the National Council of Provinces (NCOP) and Commonwealth Parliamentary Association (CPA) projects, the department's oversight function and political support. However, the negative growth rate of 14.2 per cent in nominal terms for the 2008/2009-2009/2010 financial years is due to a reduction in certain items such as a reduction in public participation activities, hansard and language services, and marketing and catering for Legislature events.

5.2.12 The Department of Sport, Arts and Culture

The Department of Sport, Arts and Culture received an allocated budget of R187 million at the beginning of the 2008/2009 financial year, revised upwards to R265.1 million during the adjustment period. Compared to the previous financial year (2007/2008), the allocation shows a very positive 85.2 per cent increase in nominal terms. For the 2008/2009-2009/2010 financial years, the departmental payments are estimated to increase by about 12.8 per cent in nominal terms, or by 6.2 per cent in real terms. Over the 2009/2010 MTEF, the departmental payments are estimated to grow by approximately four per cent in nominal terms, or by 1.6 per cent in real terms.

The positive growth rate estimated over the 2009/2010 MTEF will be used to finance the following Provincial and national policy priorities: investing in cultural programmes, provision of library infrastructure cabling and the purchase of library materials, planning of the Limpopo sport academy and significant day celebrations. Other national and Provincial policy priorities that will be financed through the conditional grants include the Mass Sport and Recreation Programme and Library Services.

5.2.13 The Provincial Treasury

The Provincial Treasury was allocated R305.2 million at the beginning of the 2008/2009 financial year, revised upwards to R337.6 million during the adjustment period. This allocation reflects a positive growth rate of 18.7 per cent compared to the previous

financial year's allocation of R257 224 million. For the 2008/2009-2009/2010 financial years, the Provincial Treasury estimates a growth rate of 19 per cent in nominal terms or 12.4 per cent in real terms to its payments. Over the 2009/2010 MTEF, the Provincial Treasury estimates a growth rate of 2.7 per cent in nominal terms to its payments or a -2.9 per cent growth rate in real terms.

The positive growth rate in the Provincial payments estimates is due to significant budget increases recorded in programmes such as Budget Services and Intergovernmental Relations, and Asset and Liabilities Management. For both programmes, these injections are due to factors such as payments of consultants for municipal assistance services in the conversion from Institute of Municipal Finance Officers (IMFO) to Generally Recognised Accounting Practices (GRAP) reporting, assistance to the Provincial Treasury in building a macroeconomic model, completion of the Medium-Term Budget Policy statement and the Socio-Economic Impact of the budget, and the filling of existing vacant posts.

5.3 Payments by economic classification

Table 1.20: Summary of Provincial Payments and Estimates by Economic Classification

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2009/10	2010/11	2011/12
	2005/06	2006/07	2007/08	2008/09					
Current payments	17,424,407	18,921,184	19,892,257	23,422,020	24,268,648	24,901,332	27,213,956	29,711,437	31,787,120
Compensation of employees	13,622,193	14,819,914	16,165,839	18,028,994	19,083,500	19,571,916	20,706,244	22,166,249	23,812,375
Goods and services	3,801,064	4,097,308	3,724,845	5,393,010	5,184,032	5,329,278	6,266,841	7,357,638	7,922,709
Interest and rent on land	14	15	13	16	16	16	16	17	18
Financial transactions in assets and liabilities	1,136	1,457	1,560	-	1,100	122	1,500	-	-
Unauthorised expenditure	-	2,490	-	-	-	-	239,355	187,533	52,018
Transfers and subsidies to:	2,235,703	3,072,930	3,445,059	4,047,232	4,156,667	4,169,974	4,768,274	5,267,013	5,791,801
Provinces and municipalities	160,907	233,946	62,581	107,082	105,549	77,028	66,958	70,642	75,592
Departmental agencies and accounts	1,159,393	1,198,018	1,410,322	1,359,457	1,322,419	1,331,843	1,586,731	1,908,043	2,116,943
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	160,090	204,483	221,216	214,953	279,132	286,480	514,865	357,519	363,320
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit institutions	236,059	681,671	944,943	1,306,972	1,341,307	1,341,471	1,345,831	1,446,604	1,554,929
Households	519,254	754,812	805,997	1,058,768	1,108,260	1,133,152	1,253,889	1,484,205	1,681,017
Payments for capital assets	1,245,793	1,860,812	1,397,999	2,163,636	2,137,085	2,288,757	2,493,520	3,132,431	3,578,252
Buildings and other fixed structures	765,891	1,276,465	1,042,374	1,573,562	1,636,411	1,751,072	1,989,893	2,442,235	2,845,895
Machinery and equipment	337,759	537,574	313,886	474,759	471,896	492,913	483,980	670,595	712,277
Cultivated assets	-	565	201	-	26	25	26	-	-
Software and other intangible assets	2,382	28,193	8,155	21,212	28,752	28,265	19,621	19,601	20,080
Land and subsoil assets	139,761	18,015	33,383	94,103	-	16,482	-	-	-
Total economic classification	20,905,903	23,854,926	24,735,315	29,632,888	30,562,400	31,360,063	34,475,750	38,110,881	41,157,173

The Provincial payments by economic classification are categorised in terms of the Economic Reporting Format issued by the National Treasury in October 2003, which was implemented in all national and Provincial departments as part of the migration process to Basic Accounting Standards (BAS). This new Economic Reporting Format came into effect on 1 April 2004 and classified economic payments into three categories – Current Payments, Transfers and Subsidies and Payments for Capital Assets.

A large portion of the Provincial allocation (almost 80 per cent) is used to finance the current payments, which include compensation of employees (the largest percentage), goods and services, interest on rent on land, and financial transactions in assets and liabilities. The compensation of employees makes up more than half of the total Provincial budget. For example, for the 2008/2009 financial year, the compensation of

employees shared about 62 per cent of the Provincial total allocation, while for the 2009/2010 MTEF the compensation of employees shared 60 per cent, 58 per cent and 58 per cent, respectively. These statistics put the Province at the top of the list in terms of compensation of employees compared to other provinces. The payment on goods and services constitutes less than a quarter of the total Provincial payments. For example, in the 2008/2009 financial year, the payment on goods and services constituted about 17 per cent of the total Provincial payments, while it constituted about 18 per cent, 17 per cent and 19 per cent, respectively, for the 2008/2009 MTEF. Items that have a significant effect on the Province's goods and services payment are communication costs, building rental, transport costs and operational leasing. Under the Provincial current payments, the financial transactions in assets and liabilities appear to be deteriorating. The Provincial financial transaction in assets and liabilities is solely made up of the Provincial bank overdraft. The Province had a bank overdraft of R1 244 during the 2004/2005 financial year. Currently, the overdraft shows a favourable balance, which is the result of strategies implemented during the 2007/2008 financial year that sought to generate enough savings to pay off the Provincial bank overdraft. These strategies include the implementation of Provincial austerity measures to reduce spending on items not related to the core functions of each Provincial vote.

The Provincial Transfers and Subsidies to Municipalities, Departmental Agencies and Accounts, Provincial Public Corporations and Private Enterprises, Non-Profit Institutions and Households constitute less than a quarter of the total Provincial budget. For the 2008/2009 financial year, the Provincial transfers and subsidies shared 13.3 per cent of the overall Provincial budget. Over the 2009/2010 financial year, the Provincial Public Corporations and Private Enterprises – comprising corporations and enterprises such as Limpopo Development (LimDev), the Limpopo Business Support Agency (LIBSA), Trade Investment Limpopo (TIL) and the Roads Agency Limpopo (RAL) – are estimated to register a negative growth rate of 11 per cent in nominal terms.

The smallest share of the Provincial Transfers and Subsidies is allocated to Municipalities. For the financial year 2008/2009, the Provincial Transfers to Municipalities constituted about 0.2 per cent of the total Provincial Transfers and Subsidies. Over the 2009/2010 MTEF, the provincial transfers to municipalities constitute 0.18 per cent, 0.18 per cent and 0.18 per cent, respectively. The Provincial Transfers to Municipalities is made up of transfers to the Provincial district municipalities – Capricorn District Municipality, Vhembe District Municipality, Mopani District Municipality, and Waterberg District Municipality.

The Provincial Payments to Capital Assets include the Building and other fixed structures, Machinery and equipment, cultivated assets, Software and other intangible assets, and Land and sub-soil assets. The Provincial Payments to Capital Assets constitute the smallest share of the total provincial payments. On the total provincial payments to capital assets, the largest percentage share is used to finance the provincial Building and other fixed structures. The provincial payment to buildings and other fixed structures constituted about 71 per cent of the total provincial payments to capital assets during the financial year 2007/2008. For the financial year 2008/2009,

payments made to buildings and other fixed structures shared about 7.2 per cent. Over the 2009/2010 MTEF, the province estimated to pay about 6 per cent, 5.8 per cent and 7 per cent of the total Provincial payments to capital assets, respectively.

5.4 Payments by policy area

Table 1.21 : Summary of Provincial Payments and Estimates by Policy Area

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium -term estimates		
	Audited	Audited	Audited				2009/10	2010/11	2011/12
	2005/06	2006/07	2007/08	2008/09					
General public services	1,580,019	1,884,664	1,625,213	1,889,612	1,973,141	2,049,545	2,067,921	2,200,009	2,311,694
Public order and safety	22,613	31,318	35,041	43,061	43,215	43,070	47,133	50,617	53,091
Economic affairs	3,279,692	3,556,661	3,837,093	4,035,638	4,145,654	4,172,699	4,831,560	5,211,668	5,627,415
Environmental protection	-	9,666	45,448	81,245	85,020	84,203	87,020	94,294	99,695
Housing and community amenities	404,218	654,036	688,478	855,676	888,692	888,692	1,069,581	1,314,686	1,499,798
Health	4,788,257	5,831,895	6,131,640	7,594,071	7,952,100	8,039,565	9,017,772	10,076,407	10,786,412
Recreation, culture and religion	111,531	118,796	141,323	186,929	205,065	266,365	231,040	245,522	259,107
Education	10,361,404	11,365,966	11,814,587	14,221,050	14,543,907	15,090,318	16,362,123	18,095,151	19,594,346
Social protection	358,169	401,924	416,492	725,606	725,606	725,606	761,600	822,527	925,615
Total provincial payments and estimates by policy area	20,905,903	23,854,926	24,735,315	29,632,888	30,562,400	31,360,063	34,475,750	38,110,881	41,157,173

The Provincial payments by policy area, which classify payments according to the functions of the Government (also known as the government purpose classification) constituted nine programmes and is designed to reflect the distribution of spending amongst the various services provided. It is a useful tool for tracing the implementation and direction of government policies.

General public services was allocated R1.6 billion during the 2004/2005 financial year. The allocation to the General public services has further increased to R1.9 billion and R1.6 billion for the financial year 2005/2006 and 2006/2007 respectively. For the 2004/2005 MTEF, the general public service allocations increased by 0.9 per cent on nominal terms. During the 2008/2009 financial year, the General public services received an amount R1.88 billion at the beginning of the fiscal year. This main allocation has been revised downwards to R2.049 billion during the adjustment period. Over the 2009/2010 MTEF, the general public services appropriated an amount of R2.1 billion, R2.2 billion and R2.3 billion in respect of the financial years. This signifies a positive growth rate of about 4 per cent on nominal terms. The General public services include the Financial and Fiscal Services that is rendered by the provincial treasury, executive and legislation that is rendered by the Provincial Legislature and the Office of the Premier, and general services which are rendered by the Department of Public works and Local Government and Housing.

Public Order and Safety has been allocated a budgeted amount of R22.6 million and R31.3 million and R35 million during the financial year 2005/2006, 2006/2007 and