

MADAM SPEAKER

HONOURABLE PREMIER

COLLEAGUES IN THE EXECUTIVE

HONOURABLE MEMBERS OF THIS THE 5TH LEGISLATURE

EXECUTIVE MAYORS AND MAYORS

SPEAKERS AND WHIPS OF COUNCILS

OUR MAGOSHI

DISTINGUISHED GUESTS

FELLOW CITIZENS OF LIMPOPO

GREETINGS TO YOU ALL

A hundred years ago in a village in Bizana, a child was born, who would grow up to be a 'colossus that strode the world' to quote President Mandela.

President Tambo if he was still alive would be a hundred years old this year in October. He is the leader whose name as you correctly said honourable Premier, is synonymous with unity. He led our people and our movement during the most trying period of our history, and was able to forge a united organisation and people. We are a testimony to his efforts as a new country and nation in the making.

Madam Speaker and honourable members, the 2017 budget statement is inspired by the vision of our country that President Tambo articulated when addressing the fourth congress of FRELIMO in 1983 in Maputo where he said and I quote "we in the ANC and the revolutionary alliance which we head, have never considered freedom to be the substitution of black for white faces in the corridors of power, while leaving unchanged the exploitative economic infrastructure from which racism receives its sustenance. We have always understood that the uprooting of the oppressive system must necessarily entail the seizure of the key centres of economic power – as stipulated in our Freedom Charter - and their transference to the common ownership of the people."

We are also guided by the tasks the SONA and SOPA have set for us as implementers of the mandate of our people.

But we are doing all these when Global economic growth in 2016 has been lacklustre, though the world economic activity is projected to pick up pace in 2017 and 2018, especially in emerging market and developing economies, there is a wide dispersion of possible outcomes around the projections, given uncertainty surrounding the policy stance of the new United States (U.S.) administration and its global ramifications as well as June 2016, when the United Kingdom (U.K.) voted in favour of leaving the European Union (Brexit).

Global growth is projected to recover to 3.4 percent in 2017, then up to 3.6 percent in 2018. The Advanced Economies are projected to grow at 1.9 percent in 2017, and then to 2 percent in 2018, while growth in the Emerging Markets and Developing Economies will improve from 4.1 percent to 4.8 percent in 2018. In Sub-Saharan Africa GDP growth is estimated to show that the economy will rise to 2.8 and 3.7 percent in 2017 and 2018 years respectively.

Our country, honourable members, is a country with an unemployment rate of above 25 percent and is one of the most unequal societies in the world. In recent years the mining industry has been culling jobs as commodity prices have fallen in the international markets, throwing many communities and towns into economic distress. The loss of jobs in mining is felt in other industries as well, hence the general saying in South Africa, that when mining sneezes, the economy catches a cold.

The South African economy only expanded at an annualized 0.2 percent in the fourth quarter of 2016, compared to vastly improved growth of 3.5 percent in the third quarter of 2016 and it is estimated that the economy will only expand by 0.9 percent in the first quarter of 2017. From the third quarter of 2016 to 2017 the economy showed positive signs of growth and it is mainly supported by mining, general government services and real estate activities. The largest contributor to GDP growth in the third quarter of 2016 was mining and quarrying, which grew at 5.1 percent. This was largely due to increased production in the mining of 'other' metal ores, iron ore in particular.

Activities related to the local government elections in August 2016 also contributed positively to economic growth. The payment of additional salaries to thousands of temporary electoral staff, as well as increased spending on goods and services, pushed general government services up by 1.8 percent. Other industries that recorded positive growth were finance (1.2 percent), personal services (0.6 percent), construction (0.3 percent) and transport (0.3 percent)

The economy of Limpopo province has sustained a positive trajectory over the years, only recording negative growth in 2009 largely due to the global financial crisis. The local economy has been on a positive growth path in the past years, recording a 2.0 percent GDP growth rate in 2015 however, honourable members, 2.0 percent GDP growth rate is below the LDP targeted GDP growth of 3 percent which was deemed suitable to stimulate job creation in the province.

In terms of the Districts economic performance, the Districts' GDP growth rate trends tend to follow a similar pattern with the provincial trend. Waterberg District economy has been performing better than the other Districts and this is mainly attributable to the recent economic activities in the Lephalale area of the District. Generally, the Limpopo Districts economies are on a positive path except for Vhembe and Mopani Districts which recorded negative growth between 2012 and 2014.

Honourable Speaker, we do believe that when it comes to the Vhembe Region, the development of the Makhado Musina Special Economic Zone will have a huge impact on economic growth in this region, the developments thus far are progressing as anticipated and details of this exciting project will be elaborated on by the MEC. In Mopani we see that considering the good rains we have experienced in the region the growth in the agricultural sector will be significant.

In terms of contribution to the provincial GDP growth in 2015, Agriculture has experienced a negative contribution of -0.2 percent; this is evident due to the prolonged severe drought in the province that affected the horticultural crops and animal production. We hope for an improvement in this sector due to the recent rains, which many believe has broken the drought, re a leboga PULA!!!

The Minister of Finance during his speech to the National Assembly last week suggested 9 principles to guide the transformation agenda, and we refer to 5 here, those being:-

- The litmus test of our programs must be what they do to create jobs, eliminate poverty and narrow the gap of inequality;
- Transformation must result in an economy that belongs to all, black and white, where the legacy of racial domination is no longer visible;
- Transformation should build on and strengthen democracy and entrench open and transparent governance;
- Transformation must achieve a more balanced structure of ownership and control of our economy;

- We must also confront cartels and collusion robustly and provide new opportunities for access to markets.

The five points mentioned above will be something that EXCO may want to consider in detail to ensure that we can consistently measure the transformation in the economy, particularly in the SCM space. We need more people to be economically active and radical transformation is therefore, not an option but a must. To increase our tax base the transformation agenda should be aggressively implemented.

Honourable members, it is by now a settled discourse among policy makers that public procurement can be used as a means to achieve horizontal policy objectives of governments the world over. These include examples like **buy–America** and **preference for small and disadvantaged business** in the USA, **set-asides for aboriginals** in Canada and **targeted procurement for indigenous business** in Australia.

It is therefore not surprising that South African government has identified public procurement as a lever to promote socio-economic policies and transform this all important sector. Policies play a crucial role but without proper implementation and commitment to implement from all stakeholders, they become a policy failure. The successes of the Preferential Procurement Regulations in 2017 will be dependent on the commitment of all stakeholders to realise the dream of an inclusive economy.

To give impetus to the NDP, the President announced in his State of the Nation Address in 2015 that “government will set-aside 30% of appropriate categories of State procurement for purchasing from SMMEs, Co-operatives as well as Township and Rural Enterprises”.

The Preferential Procurement Regulations 2017 are premised on three inter-related government policy objectives:

- Socio-economic transformation;
- Promotion of Small Enterprises, Cooperatives, Rural and Township Enterprises; and
- Promotion of Local Industrial Development.

The Preferential Procurement Regulations, 2017 provides for an added advantage to designated groups and Small Medium and Micro Enterprises (SMMEs) also classified as EMEs and QSEs in the BBBEE Act and the Codes of Good Practice.

Introduction of pre-qualification criteria for procurement on the basis of B-BBEE status level, requires that EMEs or QSEs which are 51% owned by either of the following individuals, partnerships or groups: Blacks; Black Youth; Black Women; Black people with disabilities; Black people living in rural or under-developed areas or townships; cooperatives owned by Black people and Black Military Veterans will qualify to do business with the state.

Therefore the introduction of a pre-qualification criteria will allow the advancement of these selected categories of people by limiting competition, amongst themselves. Well established companies will also be able to compete if they meet further requirements of subcontracting to these designated groups should they (established company) be successful in being awarded state tenders. The revised regulations require **organs of state to plan** and identify tenders that will be used for empowerment in terms of pre-qualification criteria, compulsory subcontracting, local production and content or general application of the preference point system.

It is here Honourable Speaker and Honourable members that each department's procurement plan with the necessary timelines will be scrutinised to ensure these opportunities are met. Ensuring that there is fair distribution of subcontracting opportunities amongst designated groups. Ensuring that subcontractors are drawn from the central supplier database to avoid contracts being awarded to bogus and undeserving enterprises. Where it is necessary to negotiate with the preferred suppliers, those negotiations are conducted with fairness and integrity and not to favour or disadvantage any supplier.

The expected outcomes to these changes is that an increased number of designated groups will participate in economic activity of the country especially through public procurement; and there should be an increase in monetary value of tenders awarded to these designated groups.

The Public Procurement Bill aims to, among other things, define and articulate a system of public procurement and supply chain management consistent with the provisions of our Constitution; Allow for the flexible and effective pursuit of policy objectives which should redress the imbalances of the past, while committing to an environmentally sustainable future; and provide for public procurement which is developmental in nature and outlook, aspiring to expand the productive base of the economy, supporting innovation and investment.

The Bill, once enacted, would replace the PPPFA in its entirety and introduce measures that allow for targeted procurement in a more intentional manner. Public Procurement Bill, once passed will consolidate all procurement laws into a single legislation.

Here in our province, honourable members, we have negotiated an instrument with our banker, Standard Bank, as you will recall we announced this facility in last year's tabling of the budget, however it has taken us a year to develop and agree to the terms of reference and the legal framework with the bank and so now we have a facility with a value equivalent to R300 million over the next three years, which will assist those emerging enterprises mentioned above to offer the state services. This facility is to provide bridging or working capital to these identified suppliers who are awarded tenders yet face challenges in carrying out their projects. We will provide details to this august house once finalised.

In the same breath allow me madam speaker to thank Standard Bank who on behalf of this administration donated ten houses to designated individuals in the Tzaneen and Makhuduthamaga Municipality's. We will continue to partner with Standard Bank in addressing the various challenges that we are grappling with.

Honourable Premier, indeed as you pointed out during SOPA, audit outcomes of our province continue to improve. Operation Clean Audit as instructed by EXCO is in full swing, the ideal is that we should achieve and sustain clean audits in all provincial departments and municipalities in the short to medium term. The role of oversight bodies like Audit Committees, Internal Audit and SCOPA, MPAC at municipal level, are fundamental to good governance and accountability as has been emphasised on numerous occasions, and it is happening.

Our continued Section 18 intervention in Education is beginning to show some positive results and we are predicting that we can salvage this department out of a disclaimer audit outcome at the end of this financial year. There is still some work to be done and we anticipate to exit from the finance division in Education by the end of July 2017.

We have as the Provincial Treasury agreed with the National Treasury, to focus on the following key issues, those are, to improve accountability, to ensure effective financial management and insure good governance in all departments and public entities.

Honourable Members as you are aware the new Municipal Standard Chart of Accounts (mSCOA) will be implemented from 1 July 2017, and it is envisaged to contribute to greater transparency and consistency in municipal finance. As mentioned to improve audits in this sphere of government, we must appoint appropriately skilled senior management in the administration and we will be discussing the issue of ICT in the municipal sphere, one system for all is our thinking.

While introduction of the Central Supplier Database (CSD) will improve transparency and fairness in the procurement space, we will also monitor and provide support on revenue management, including appropriate tariff setting, regular billing and an effective collection system. Focus on the confirmation of government debts, and payments to Municipalities as an offset from the departmental allocations.

We will also monitor and support asset management to ensure that each Municipality has a credible asset register and that once submitted for audit it is reliable and appropriate. Performing asset work is very tedious and hard work, we need dedicated and committed staff to carry out this responsibility, and this cannot be outsourced.

Through EXCO, we have allocated R50 million to Thabazimbi Municipality, and R20 million will be allocated to Musina Municipality in 2017/18 financial year to cushion financial distress. Provincial Treasury has also seconded an official to Mokgalakwena Municipality as an acting CFO, a financial specialist to Thabazimbi Municipality and an acting Municipal Manager to Vhembe District Municipality, this is done to assist administration whilst the Municipalities are in the process of filling the vacant positions. It is about our intergovernmental relations and our responsibility to assist local governments to manage and ensure there is quality service delivery to the people of the province.

Our budget process, honourable members, is aligned to the National Treasury budget process schedule which is issued every year.

Provincial Treasury plays a crucial role in driving the budget reform process in the province.

During the preparation of budget for the 2017 MTEF it is the responsibility of the Provincial Treasury to ascertain that all departments submit the required budget documents on time and in the correct formats. The Provincial Treasury does this task as part of the Executive Council Budget Committee (EXCOBUDCOM) responsibility, which ensures better alignment of budget allocations to policy priorities within the expenditure control framework.

The provincial government derives funding from Equitable Share, Conditional Grants and Provincial Own Revenue. The Equitable Share budget for 2017/18 financial year is R51.9 billion. This amount is projected to grow to R55.4 billion in 2018/19 and R59.4 billion in 2019/20 financial years respectively. The Conditional Grant allocation is R7.9 billion in 2017/18, R8.4 billion and R8.9 billion for the years 2018/19 and 2019/20 respectively. Provincial Own Revenue estimates increases from the original estimates of R1.0 billion in 2016/17 to R1.1 in 2017/18 financial year. This amount is projected to grow to R1.2 billion in 2018/19 and R1.3 billion in 2019/20 financial year.

Provincial own revenue forms part of the total provincial receipts that is allocated to departments to address provincial spending priorities. The provincial own revenue collection contributes R1.1 billion or only 1.8 percent in 2017/18 financial year.

Of that revenue the bulk of the revenue is generated in the Department of Transport at 43.4 percent mainly on motor vehicle licenses, followed by Provincial Treasury at 16.5 percent from interest earned on positive bank balances.

Department of Health is the third largest revenue contributor at 16.1 percent, here Honorable members we anticipate to improve our revenue collection considering Treasury's additional funding given to Health to ensure there are revenue clerks at all our facilities to improve the collection of patient fees, while Economic Development, Environment and Tourism contributes 13.4 percent primarily from casino and horse racing taxes, and we anticipate that considering the investment made on the improvement of facilities in our game reserves we will realize an increase in the revenue stream. Other Departments contribute 10.6 percent of the total provincial own revenue collection.

A budgeted amount of R61.4 billion is made available for spending by provincial departments for 2017/18 financial year. This amount is projected to grow to R64.3 billion in 2018/19 and R68.1 billion in 2019/20. The allocation represents a positive growth of 7.9 percent in 2017/18 and 6.1 percent over the MTEF. The growth rate increase of 7.9 percent in 2017/18 is mainly influenced by the allocation of the total provincial own revenue and additional funding made available through cash reserves to fund provincial priority projects in an endeavour to reduce the unemployment rate, alleviate poverty and reduce inequality in the province.

Honourable Speaker and Honourable Members

The following are allocations by vote:

Vote 1: Office of the Premier

The Office of the Premier is allocated R395.7 million in 2017/18. The funding includes allocation for provincial priorities such as Information Technology system development and the finalisation of the Limpopo Integrated Infrastructure Master Plan (LIIMP).

Vote 2: Provincial Legislature

The Provincial Legislature is allocated a budget of R341.8 million in 2017/18 financial year. The allocation increases by 8.1 percent in 2017/18 and 6.3 percent over the MTEF period. The allocation makes provision for the implementation of the Enterprise Resources Planning (ERP) system, normalisation of constituency allowances and provision for security system upgrades.

Vote 3: Education

The department is allocated R28.7 billion in 2017/18. The allocation increased by 5.9 percent in 2017/18 and 5.8 percent over the MTEF period. The allocation is funded from R26.2 billion equitable share, R2.1 billion conditional grants and R538.9 million from provincial own revenue.

Through this allocation, the department will implement policy priorities, which include funding of no-fee schools, teacher development, scholar transport, procurement of school furniture and school safety as well as the provision of the school nutrition programme. An amount of R30.0 million is allocated for ICT overhaul in the five Districts.

Vote 4: Agriculture

The total allocation for the department is R1.8 billion for 2017. This represents growth of 4.1 percent in 2017/18, 5.7 percent growth over the MTEF period. The 2017/18 allocation is funded by R1.5 billion equitable share and R323.7 million conditional grants. The department has reprioritised an amount of R50.0 million from compensation of employees to fund poverty alleviation projects within the agricultural sector.

Vote 5: Provincial Treasury

The Provincial Treasury receives a budget allocation of R474.6 million in 2017/18 financial year which represents 15.0 percent growth rate. The allocation decrease to R448.6 million in 2018/19 due to once-off allocation in 2017/18 and increases to R474.5 million in 2019/20 financial year. The once-off allocation is funding for the services of the Government Technical Advisory Centre (GTAC) which is providing support to provincial departments and Municipalities in infrastructure planning and implementation and a once-off allocation of R20.0 million to Musina Municipality.

Vote 6: Economic Development, Environment and Tourism

The department is allocated an amount of R1.5 billion in 2017/18. The budget increases by 12.6 percent in 2017/18 and 0.9 percent over the MTEF. The departmental allocation in 2017/18 financial year includes provision for provincial priorities such as the upgrading of nature reserves, upgrading of ICT infrastructure, Marula beneficiation project, promotion of SMME's and Co-operatives, agri-business processing and broadband projects facilitated by Limpopo Economic Development Agency (LEDA), promotion of tourism and marketing of the Limpopo Province by Limpopo Tourism Agency (LTA) and compliance monitoring of casinos by Limpopo Gambling Board (LGB).

Included in the allocation to the Department is amounts to be transferred to the Department's Public Entities. LEDA, the Tourism Agency and the Gambling Board are allocated R411.9 million, R103.1 million and R67.5 million respectively for 2017/18

Vote 7: Health

The allocation to the department is R18.0 billion in 2017/18. The budget increases by 10.2 percent in 2017/18 and 7.3 percent over the MTEF. The budget allocation for 2017/18 consists of R15.1 billion equitable share, R2.3 billion conditional grants and R471.8 million provincial own revenue. The allocation includes provision for the purchase of essential medical and allied equipment, upgrading of IT infrastructure and procurement of patient verification system to enhance revenue collection.

Vote 8: Transport

The total allocation for the department is R1.9 billion for 2017/18. The departmental allocation is growing below the CPI-X rate of 6.1 percent due to previous year allocation of once-off projects. Included in the allocation for 2017/18 financial year is the 'transfer payments' of R47.5 million to the Department's Public Entity: Gateway Airport Authority Limited (GAAL).

Vote 9: Public Works, Roads and Infrastructure

The department is allocated an amount of R3.1 billion in 2017/18. The budget increases by 8.1 percent in 2017/18 and 3.9 percent over the MTEF. The 2017/18 allocation is funded by R2.0 billion equitable share and R1.1 billion conditional grants. Included in the allocation for 2017/18 financial year is a provision for infrastructure capacitation plan R30.0 million, procurement of new office space R60.0 million and R962.1 million to be transferred to the Department's Public Entity, Roads Agency Limpopo (RAL), for upgrading and maintenance of the provincial roads infrastructure.

Vote 10: Safety, Security and Liaison

The allocation to the department is R103.7 million in 2017/18. The budget increases by 8.5 percent in 2017/18 and 6 percent over the MTEF. The allocation includes R2.0 million for EPWP Incentives Grant. This funding will enable the department to deliver on its mandate which includes the support to Community Safety Forums (CSF's) and Community Policing Forums (CSF's).

Vote 11: Co-operative Governance, Human Settlements and Traditional Affairs

The department is allocated an amount of R2.6 billion in 2017/18. The budget increases by 12.9 percent in 2017/18 and decreases by 6.9 percent over the MTEF. The 2017/18 allocation is funded by R1.3 billion equitable share and R1.3 billion conditional grant for housing and human settlements. The 2017/18 allocation includes an amount of R15.0 million for "Magoshi" to fund operational expenses and R70.0 million for construction of Traditional Council Offices.

Vote 12: Social Development

The department receives an allocation of R1.8 billion in 2017/18. The budget increases by 11.5 percent in 2017/18 and 7.6 percent over the MTEF. Included in the allocation, is an amount of R96.8 million for Early Childhood Development and Social Worker Employment grants as well as EPWP Social Sector Grant and a further R17.4 million for tools of trade for social welfare services.

Vote 13: Sport, Arts and Culture

The department is allocated R460.2 million in 2017/18, which represents an increase of 12.3 percent in 2017/18 and 6.1 percent over the MTEF period. The allocation is funded from R259.2 million equitable share and R191.0 million conditional grants. The 2017/18 financial year budget includes funding to host national and historic day celebrations, promotion and development of the creative industry including artists, procurement of electronic records management system, planning for the construction of a provincial theatre and construction of community libraries.

Honourable Speaker, as we conclude this financial year 16/17 we do so being more aware than ever of the challenges we face as the Limpopo Province administration.

We cannot lose sight of our responsibility and therefore we must ensure that each and every program that we have implemented and are about to implement meets its outcome as required. For this to happen all necessary oversight bodies must be vigilant and ensure these targets are indeed, met. Our Compensation of employees component still remains relatively high at around 70% of the total provincial budget, it would be appropriate if the outcomes of this spend realises that quality service is delivered to the people of the province.

Considering the enormous demands made on the fiscus we have no option but to drive the economy, because when the economy grows, revenue streams increase, which reduces the national governments need to raise funding by creating more debt. As the cost of debt to the fiscus is the fastest rising cost in our national budget we need to generate this economy of ours that will ensure that revenues generated will make our fiscus more sustainable, however when looking at the international norm of debt to GDP we as a country are at 49% debt to GDP and there are other countries that are closer to 90% debt to GDP yet the credit rating agencies don't necessarily see this as a risk, where as we are seen as a risk, is this not a contradiction?

Unemployment, inequality and poverty remains our nemesis and we have to address these 3 challenges as best we can with the R60 billion plus budget we are about to implement in the 17/18 financial year.

I had the pleasure of addressing a chapter of ABSIP, essentially black youth transforming the financial sector, dynamic and positive group of young people. I would like to acknowledge Mr Maxwell Malinga of ABSIP and Ms Modjadji Head mistress from Makgongoana Secondary School, we have a very bright future, but we must become entrepreneurs again, we have done it before let us do it again.

In conclusion honourable Speaker, may I appreciate the support given by the Honourable Premier and his Executive Council. I have to mention the EXCOBUDCOM which comprises of the MEC's for Education, Health, Public Works, Road and Infrastructure and COGHSTA for their support and guidance when it comes to various budget decisions. The Portfolio Committee on Finance Chaired by the Honourable Soviet Lekgayane, thank you. The DG of the Province and other HODs, HOD Treasury Mr Gavin Pratt and his team, Team Finance. Much appreciated for the support and effort, it's our job and we must do it and do it well.

Let us in unity take our province and country forward. Honourable Speaker I hereby table the following budget documents:

- The Limpopo Appropriation Bill, 2017;
- Estimates of Provincial Revenue and Expenditure;
- Overview of Provincial Revenue and Expenditure;
- Socio-Economic Review and Overview; and
- Supporting gazettes.

Aluta Continua....

Thank you!

Table 1: Provincial Own Revenue per vote

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Vote 1: Office of the Premier	1 369	1 069	1 834	755	1 239	1 239	777	821	867
Vote 2: Provincial Legislature	176	189	316	207	331	331	219	234	246
Vote 3: Education	40 179	38 192	63 781	43 395	63 673	63 673	41 614	43 748	46 065
Vote 4: Agriculture and Rural Development	5 050	7 419	13 222	8 074	9 956	9 956	10 854	11 544	12 212
Vote 5: Provincial Treasury	190 996	299 232	302 970	180 128	362 528	362 528	188 133	197 884	208 965
Vote 6: Economic Development, Environmental Affairs and	97 576	146 424	124 556	143 324	156 883	156 883	152 240	159 503	168 435
Vote 7: Health	121 559	137 644	135 609	174 076	174 076	174 076	182 996	193 610	204 453
Vote 8: Transport	350 007	397 788	419 630	449 064	465 198	465 198	494 040	523 189	552 487
Vote 9: Public Works, Roads and Infrastructure	28 797	382 482	156 872	56 699	193 210	193 210	58 783	62 192	65 675
Vote 10: Safety, Security and Liaison	363	254	254	104	160	160	115	122	128
Vote 11: Cooperative Governance, Human Settlements and Traditional Affairs	4 560	3 049	35 987	2 800	6 079	6 079	2 792	3 325	3 504
Vote 12: Social Development	3 831	6 889	3 424	3 273	18 948	18 948	3 438	3 637	3 841
Vote 13: Sport, Arts & Culture	1 108	1 683	1 687	1 204	2 787	2 787	1 839	1 947	2 052
Total provincial own receipts	845 570	1 422 314	1 260 142	1 063 103	1 455 068	1 455 068	1 137 839	1 201 756	1 268 931

Table 2: Summary of Provincial Receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Transfer receipts from national									
Equitable share	41 135 605	42 902 956	45 866 202	48 708 568	48 708 568	48 708 568	51 960 337	55 385 631	59 370 905
Conditional grants	5 112 898	6 696 347	7 202 991	7 120 045	7 791 829	7 791 829	7 884 978	8 379 051	8 913 034
Total transfer receipts from national	46 248 503	49 599 303	53 069 193	55 828 613	56 500 397	56 500 397	59 845 315	63 764 682	68 283 939
Provincial own receipts									
Tax receipts	318 911	358 874	409 938	427 193	453 877	453 877	475 120	502 277	530 404
Casino taxes	42 645	48 467	56 600	66 472	66 472	66 472	69 796	73 286	77 390
Horse racing taxes	8 773	14 089	18 001	13 031	18 728	18 728	13 813	14 395	15 201
Liquor licences	3 197	3 133	3 300	4 012	4 012	4 012	4 236	4 473	4 723
Motor vehicle licences	264 296	293 185	332 037	343 678	364 665	364 665	387 275	410 123	433 090
Sale of goods and services other than capital assets	220 224	240 349	241 103	336 432	287 837	287 837	357 246	377 815	398 880
Transfers received	2 000	-	149	-	-	-	-	-	-
Fines, penalties and forfeits	43 135	50 116	59 794	55 549	68 288	68 288	71 571	75 792	80 037
Interest, dividends and rent on land	196 456	298 353	318 739	182 327	363 157	363 157	190 616	200 411	211 632
Sale of capital assets	24 843	18 811	15 116	15 166	30 531	30 531	10 367	11 264	11 872
Transactions in financial assets and liabilities	40 002	455 811	215 303	46 435	251 378	251 378	32 920	34 198	36 106
Total provincial own receipts	845 570	1 422 314	1 260 142	1 063 103	1 455 068	1 455 068	1 137 839	1 201 756	1 268 931
Total provincial receipts	47 094 073	51 021 617	54 329 335	56 891 716	57 955 465	57 955 465	60 983 154	64 966 438	69 552 870

Table 3: Summary of Provincial Payments and Estimates by economic classification

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	39 808 280	42 531 678	44 776 576	48 536 118	49 407 545	49 830 740	51 909 171	55 072 771	58 626 938
Compensation of employees	33 040 015	35 429 107	37 752 651	40 794 081	40 789 187	40 724 928	43 055 737	45 559 055	48 172 688
Goods and services	6 767 983	7 102 131	7 023 440	7 741 600	8 617 921	9 105 376	8 852 563	9 512 797	10 453 280
Interest and rent on land	282	440	485	437	437	437	870	920	970
Transfers and subsidies to:	4 312 281	5 626 757	6 061 628	6 089 850	7 292 338	7 415 003	7 452 058	7 604 771	7 954 389
Provinces and municipalities	47 146	113 223	96 537	83 387	145 532	137 998	109 153	87 616	76 623
Departmental agencies and accounts	1 093 136	1 711 578	1 405 801	1 281 400	1 638 213	1 650 213	1 675 302	1 550 712	1 590 932
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	599 236	652 956	651 890	680 875	691 979	691 875	711 054	741 786	783 326
Foreign governments and international organisations	-	67 581	79	-	-	-	-	-	-
Non-profit institutions	1 631 875	1 811 849	2 089 925	2 254 274	2 605 266	2 606 873	2 920 385	3 040 428	3 176 815
Households	940 888	1 269 570	1 817 396	1 789 915	2 211 347	2 328 043	2 036 165	2 184 230	2 326 693
Payments for capital assets	1 726 367	2 185 906	2 097 639	2 343 067	2 349 317	2 340 561	2 097 497	1 632 762	1 498 479
Buildings and other fixed structures	1 474 381	1 911 602	1 635 534	1 778 779	1 673 855	1 667 121	1 327 006	1 137 730	1 053 655
Machinery and equipment	251 699	273 506	461 755	550 888	661 974	659 951	768 441	492 864	442 612
Heritage assets	-	-	-	-	-	-	-	1	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	2 051	2 051	2 051	2 050	2 167	2 211
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	287	798	350	11 350	11 438	11 438	-	1	1
Payments for financial assets	10 030	59 785	36 148	400	832	10 196	-	-	-
Total economic classification	45 856 958	50 404 126	52 971 991	56 969 436	59 050 032	59 596 501	61 458 726	64 310 305	68 079 806
Less: Unauthorised expenditure	4 498	-	-	49 376	-	-	-	-	-
Baseline Available for Spending	45 852 460	50 404 126	52 971 991	56 920 060	59 050 032	59 596 501	61 458 726	64 310 305	68 079 806

Table 4: Summary of Provincial Payments and Estimates per vote

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Vote 01: Office of the Premier	325 295	340 862	340 674	376 286	379 766	379 766	395 789	414 480	438 520
Vote 02: Provincial Legislature	249 271	273 323	297 960	316 243	351 818	351 818	341 810	358 926	379 744
Vote 03: Education	22 647 979	24 419 274	25 118 175	27 171 746	27 591 674	27 555 093	28 783 149	30 440 345	32 194 772
Vote 04: Agriculture and Rural Development	1 530 375	1 555 401	1 620 254	1 782 912	1 793 216	1 793 216	1 855 352	1 962 624	2 105 664
Vote 05: Provincial Treasury	358 534	346 305	363 722	412 604	455 241	452 484	474 620	448 614	474 633
Vote 06: Economic Development, Environmental Affairs and	1 071 242	1 112 393	1 153 443	1 332 930	1 350 120	1 341 264	1 500 308	1 293 360	1 368 375
Vote 07: Health	13 137 862	14 526 110	15 432 089	16 371 023	17 098 722	17 693 377	18 042 777	18 990 763	20 235 709
Vote 08: Transport	2 845 213	1 704 488	1 727 714	1 879 151	1 899 651	1 899 651	1 962 385	2 073 926	2 193 490
Vote 09: Public Works, Roads and Infrastructure	858 941	2 787 867	2 685 343	2 901 370	3 101 835	3 101 835	3 135 729	3 195 712	3 258 251
Vote 10: Safety, Security and Liaison	62 658	72 660	82 656	95 617	95 817	95 823	103 713	107 714	113 961
Vote 11: Cooperative Governance, Human Settlements and Traditional Affairs	1 186 638	1 525 470	2 185 684	2 286 043	2 813 814	2 813 814	2 581 771	2 645 307	2 794 961
Vote 12: Social Development	1 324 137	1 455 600	1 585 497	1 633 719	1 679 839	1 679 839	1 821 036	1 920 534	2 032 940
Vote 13: Sport, Arts & Culture	258 813	284 373	378 780	409 791	438 520	438 520	460 288	457 999	488 788
Total provincial payments by vote	45 856 958	50 404 126	52 971 991	56 969 436	59 050 032	59 596 500	61 458 726	64 310 304	68 079 807
Less: Unauthorised expenditure	4 498	-	-	49 376	-	-	-	-	-
Baseline available for spending	45 852 460	50 404 126	52 971 991	56 920 060	59 050 032	59 596 500	61 458 726	64 310 304	68 079 807

Table 5: Summary of National Conditional Grant transfers by vote

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Vote 3	2 079 542	2 331 102	1 919 683	1 997 326	2 200 304	2 200 304	2 064 788	2 182 221	2 302 204
National School Nutrition Programme	872 786	985 580	990 903	1 085 431	1 111 311	1 111 311	1 161 389	1 229 299	1 290 763
Dinaledi Schools Grant	8 498	2 678	-	-	-	-	9 853	24 565	29 243
HIV/AIDS (Life Skills Education)	13 704	9 610	24 239	33 310	33 310	33 310	35 339	37 388	39 482
Technical Secondary Schools Recapitalisation	3 395	18 060	-	-	-	-	-	-	-
Education Infrastructure Grant	1 147 022	1 296 217	863 797	830 532	1 007 630	1 007 630	810 523	845 828	895 026
of which	-	-	-	-	-	-	-	-	-
<i>Education Infrastructure Grant (flood)</i>	-	20 277	69 366	-	-	-	-	-	-
EPWP Incentive Allocation	-	-	2 671	2 000	2 000	2 000	2 000	-	-
Social Sector (EPWP) Grant	34 137	18 957	2 483	3 500	3 500	3 500	2 888	-	-
Maths, Science and Technology Grant	-	-	35 590	42 553	42 553	42 553	42 796	45 141	47 690
Vote 4	325 059	296 360	329 330	339 366	339 670	339 670	323 750	340 657	389 623
Disaster Management (Drought relief)	-	-	-	-	-	-	-	-	-
Land Care	16 153	9 988	9 903	10 438	10 438	10 438	13 672	12 873	13 700
Comprehensive Agriculture Support Programme	247 169	223 150	263 805	260 576	260 880	260 880	238 991	256 521	300 669
of which	-	-	-	-	-	-	-	-	-
<i>Comprehensive Agriculture Support Programme</i>	-	25 224	22 837	15 555	15 555	-	5 000	-	-
EPWP Incentive Allocation	19 384	14 898	5 285	4 476	4 476	4 476	3 731	-	-
EPWP Integrated-rural.	-	2 263	-	-	-	-	-	-	-
Ilima/Letsema Projects	42 353	46 061	50 337	63 876	63 876	63 876	67 356	71 263	75 254
Vote 06	550	2 075	2 482	3 443	3 443	3 443	2 567	-	-
EPWP Incentive Allocation	550	2 075	2 482	3 443	3 443	3 443	2 567	-	-
Vote 7	1 501 208	1 920 244	1 879 185	2 053 864	2 086 849	2 086 849	2 390 605	2 545 486	2 840 570
Health Professions Training and Development	97 027	132 185	117 554	123 960	124 787	124 787	131 726	139 366	147 168
Health Facility Revitalisation	233 140	507 061	357 322	379 089	379 089	379 089	508 144	450 991	476 247
of which	-	-	-	-	-	-	-	-	-
<i>Health Infrastructure</i>	104 081	-	-	-	-	-	-	-	-
<i>Health Revitalisation (flood damage)</i>	-	-	6 921	-	-	-	-	-	-
<i>Nursing Colleges and Schools component</i>	6 925	-	-	-	-	-	-	-	-
Comprehensive HIV and AIDS	836 232	937 097	1 065 528	1 176 489	1 190 823	1 190 823	1 354 308	1 540 098	1 778 883
National Tertiary Services	310 480	331 647	312 393	344 723	362 361	362 361	366 314	387 560	409 263
Human Papillomavirus Vaccine Grant	-	-	-	-	-	-	-	27 471	29 009
EPWP Incentive Allocation	1 823	2 512	1 079	-	-	-	-	-	-
Social Sector (EPWP) Grant	13 649	2 577	17 826	22 060	22 060	22 060	30 113	-	-
National Health Insurance	8 857	7 165	7 483	7 543	7 729	7 729	-	-	-
Vote 8	795 121	294 161	298 298	326 129	326 129	326 129	345 610	361 761	382 020
Provincial Roads Maintenance Grant	505 849	-	-	-	-	-	-	-	-
EPWP Incentive Allocation	14 340	4 518	-	-	-	-	-	-	-
Public Transport Operations	274 932	289 643	298 298	326 129	326 129	326 129	345 610	361 761	382 020
Vote 9	3 000	1 176 113	976 853	999 935	1 024 964	1 024 964	1 146 284	1 239 036	1 188 088
Provincial Roads Maintenance Grant	-	1 173 861	969 733	995 109	1 020 138	1 020 138	1 140 387	1 239 036	1 188 088
of which	-	-	-	-	-	-	-	-	-
<i>Transport Disaster Management</i>	-	79 613	90 895	100 000	100 000	100 000	130 000	130 000	140 000
EPWP Incentive Allocation	3 000	2 252	7 120	4 826	4 826	4 826	5 897	-	-
Vote 10	-	-	2 078	-	-	-	2 000	-	-
EPWP Incentive Allocation	-	-	2 078	-	-	-	2 000	-	-
Vote 11	294 961	517 591	1 592 718	1 210 370	1 605 212	1 605 212	1 321 493	1 400 688	1 478 154
Human Settlement Development	294 961	517 031	1 591 889	1 208 370	1 603 212	1 603 212	1 319 493	1 400 688	1 478 154
of which	-	-	-	-	-	-	-	-	-
<i>Human Settlement Development (flood repair)</i>	-	5 701	34 182	29 678	29 678	29 678	-	-	-
<i>Earmarked additions for the ff mining towns</i>	-	17 540	154 176	66 330	66 330	66 330	81 389	72 344	63 303
<i>Thabazimbi</i>	-	7 171	16 357	27 100	27 100	27 100	22 255	19 782	17 309
<i>Greater Tubatse</i>	-	1 684	36 520	6 430	6 430	6 430	32 180	28 604	25 029
<i>Elias Motsoaledi</i>	-	3 255	16 600	12 300	12 300	12 300	10 103	8 980	7 858
<i>Lephalale</i>	-	4 720	77 063	17 800	17 800	17 800	14 648	13 020	11 393
<i>Fetakgomo(LIM 476)</i>	-	710	7 636	2 700	2 700	2 700	2 203	1 958	1 714
Housing Disaster Management	-	560	-	-	-	-	-	-	-
EPWP Incentive Allocation	-	-	829	2 000	2 000	2 000	2 000	-	-
Vote 12	8 915	2 772	3 109	11 242	11 242	11 242	96 847	113 045	120 616
Social Sector (EPWP) Grant	8 915	2 772	3 109	11 242	11 242	11 242	96 847	-	-
Early Childhood Development	-	-	-	-	-	-	41 085	62 414	65 901
Social work employment grant	-	-	-	-	-	-	46 784	50 631	54 715
Vote 13	104 542	155 929	199 255	178 370	194 016	194 016	191 034	196 157	211 759
Mass Participation and Sport Development Grant	59 618	58 848	63 417	61 075	67 033	67 033	67 850	68 352	77 056
Community Library Services	44 441	95 024	133 897	115 295	124 983	124 983	121 184	127 805	134 703
EPWP Incentive Allocation	483	2 057	1941	2 000	2 000	2 000	2 000	-	-
Total conditional grants	5 112 898	6 696 347	7 202 991	7 120 045	7 791 829	7 791 829	7 884 978	8 379 051	8 913 034