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MPUMALANGA PROVINCIAL GOVERNMENT



**ANALYSIS OF MPUMALANGA
PROVINCIAL GOVERNMENT
EXPENDITURE IN CRDP AREAS
BETWEEN 2010/11 & 2012/13**

-

SEPTEMBER 2013



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MPUMALANGA PROVINCIAL GOVERNMENT



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KEY FINDINGS

- Over the three years under review, total expenditure by MPG increased by 19.8 per cent in the province, by 21.1 per cent in non-CRDP and by 16.9 per cent in CRDP areas.
- The CRDP areas' share of total expenditure declined from 31.5 per cent in 2010/11 to 30.8 per cent in 2012/13.
- In 2012/13, total MPG expenditure per capita was R7 704 in the province, R10 452 in non-CRDP areas and R4 840 in CRDP areas.
- Over the three years under review, MPG expenditure on infrastructure increased by 28.2 per cent in the province and by 45.9 per cent in non-CRDP areas, however, it decreased by 6.4 per cent in CRDP areas.
- The CRDP areas' share of expenditure on infrastructure in Mpumalanga contracted from 33.9 per cent in 2010/11 to 24.7 per cent in 2012/13.
- In 2012/13, per capita expenditure on infrastructure was R726 in the province, R1 071 in non-CRDP areas and R367 in CRDP areas.
- In 2012/13, MPG expenditure on infrastructure in the province was equal to 1.3 per cent of provincial GDP and equal to 1.1 per cent and 2.1 per cent of the respective GDP figures of non-CRDP areas and CRDP areas. In order to reach the desired ratio of 10 per cent by 2030, expenditure on infrastructure in CRDP areas has to increase by 12.9 per cent annually.
- Between 2011/12 and 2012/13, MPG expenditure on CRDP increased by R597.6 million to nearly R1.6 billion.
- Between 2011/12 and 2012/13, expenditure on CRDP in rand value terms increased the most in Nkomazi (R148 million) and the least in Chief Albert Luthuli (R8 million).
- The per capita expenditure on CRDP by MPG increased from R503 per capita in 2011/12 to R812 per capita in 2012/13.
- In 2012/13, the highest per capita expenditure according to area was recorded in Mkhondo (R1 324 per capita) and the lowest in Bushbuckridge (R602 per capita).
- The number of job opportunities created through CRDP projects increased from 13 604 in 2011/12 to 28 039 in 2012/13.
- In 2012/13, the average expenditure per job opportunity declined from R71 632 in 2011/12 to R56 066.

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1. INTRODUCTION

The aim of this report was to assess provincial government spending, especially in rural areas in Mpumalanga, as rural development is a key priority. Expenditure in rural areas is particularly important as it could enable economic activity and unlock economic opportunities for people residing in these areas. The report distinguishes between total expenditure, infrastructure expenditure and expenditure on the Comprehensive Rural Development Programme (CRDP). Expenditure in this report refers only to expenditure undertaken by the Mpumalanga Provincial Government (MPG) and therefore excludes expenditure from other spheres of government, public entities and the private sector.

CRDP is a policy framework for promoting rural development in South Africa. The strategy was formulated in three pillars, namely: agrarian transformation, rural development and land reform. There is also a job creation component, which forms part of the three-pillar approach. Projects that are included under CRDP are; value chain broadening in livestock and crops, creation of sustainable local markets, skills development and transfer, speeding up of land acquisition. CRDP intends to support rural areas in their entirety and details a monitoring and evaluation framework related to achievement of said objectives. The CRDP areas in Mpumalanga comprise the local municipal areas of Bushbuckridge, Chief Albert Luthuli, Dipaleseng¹, Dr JS Moroka, Dr Pixley Ka Isaka Seme, Mkhondo, Nkomazi and Thembisile Hani.

2. ANALYSIS OF MPG TOTAL EXPENDITURE

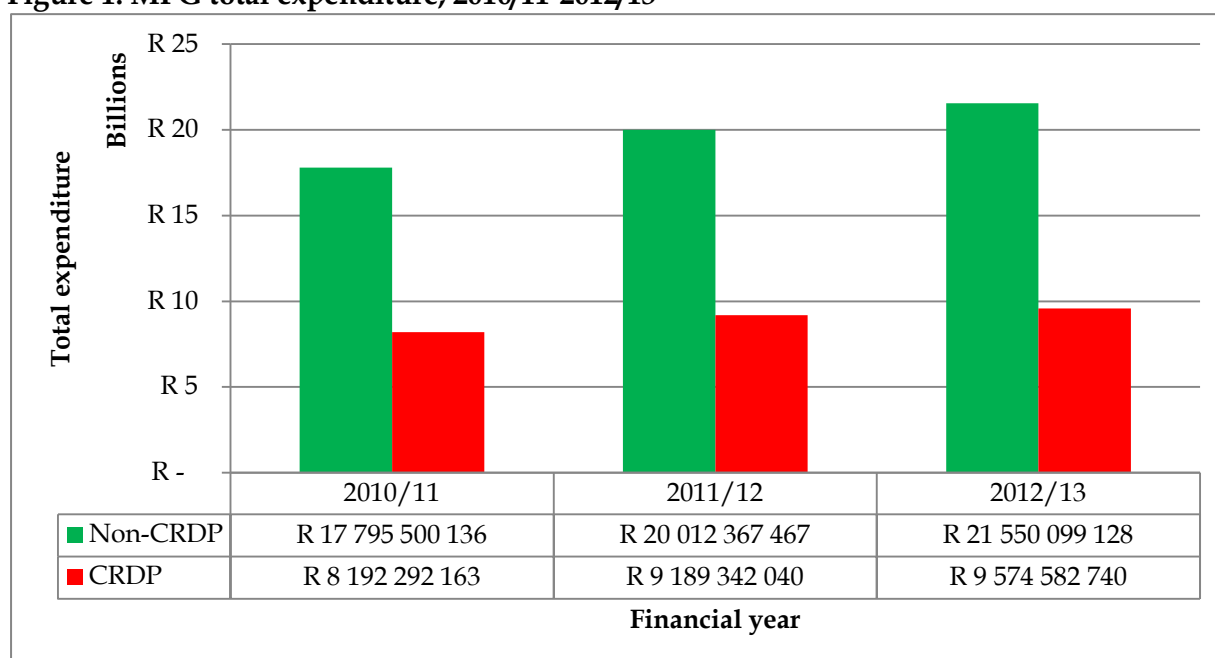
This section of the report presents an assessment of MPG total expenditure between 2010/11 and 2012/13 with specific emphasis on expenditure in the CRDP areas. The expenditure data was sourced from National Treasury's Vulindlela² information database. It must be noted that a large proportion of total expenditure by departments takes place at head office situated in the Mbombela local municipal area. It would be extremely difficult and probably impossible to divorce head office expenditure from expenditure specifically destined for the Mbombela local municipal area. Therefore, the results of the assessment by municipal area must be read with this caveat in mind. Furthermore, not all departments apportion total expenditure to a specific municipal area due to operational reasons. Therefore, this report will not detail total expenditure by department in the CRDP areas.

¹ Dipaleseng was only classified as a CRDP area in 2013/14, but is included in the first two sections' analysis to establish a baseline for future research.

² The Vulindlela information database envelops a number of internal and external operational data systems.

Total MPG expenditure in Mpumalanga increased from R26.0 billion in 2010/11 to R31.1 billion in 2012/13. Figure 1 distinguishes between total expenditure in non-CRDP and CRDP areas between 2010/11 and 2012/13. Over the three years under review, total expenditure increased by 19.8 per cent. Over the same period, expenditure in non-CRDP areas increased by 21.1 per cent, whilst in CRDP areas it increased by a slightly lower 16.9 per cent. Because of this lower increase, the CRDP areas' 31.5 per cent share of total expenditure in both 2010/11 and 2011/12 declined to a 30.8 per cent share in 2012/13. The CRDP areas received a lot of attention over the period under review, however, it appears, with the abovementioned caveats in mind, as if expenditure, has not yet shifted to CRDP areas in equal amounts to the attention afforded.

Figure 1: MPG total expenditure, 2010/11-2012/13



Source: National Treasury – Vulindlela database, 2013

Table 1 depicts the total expenditure per CRDP area as well as individual areas' contribution to total expenditure in the CRDP areas. Expenditure in all eight areas increased over the period under review. Over the entire period, total expenditure in Bushbuckridge increased by R352.5 million in rand value, whereas expenditure in Mkhondo (37.0 per cent) registered the largest increase in percentage terms. The rand value of expenditure in Dipaleseng increased by a mere R4.6 million or some 3.3 per cent over the entire period. In 2012/13, the majority of expenditure in CRDP areas took place in Bushbuckridge and Nkomazi with a combined share of 48.6 per cent, albeit it slightly lower than the 50.4 per cent share in 2010/11.

Figure 2 distinguishes between total expenditure per capita in non-CRDP and CRDP areas between 2010/11 and 2012/13. In 2012/13, total MPG expenditure per capita was R7 704 in the province, R10 452 in non-CRDP areas and R4 840 in CRDP areas. Between 2010/11 and 2012/13, total expenditure per capita increased by 19.8 per cent. Expenditure per capita increased faster in non-CRDP areas (21.1 per cent) than in CRDP areas (16.9 per cent). The CRDP per capita value was equal to 46.3 per cent of the non-CRDP value in 2012/13 compared to 48.0 per cent in 2010/11.

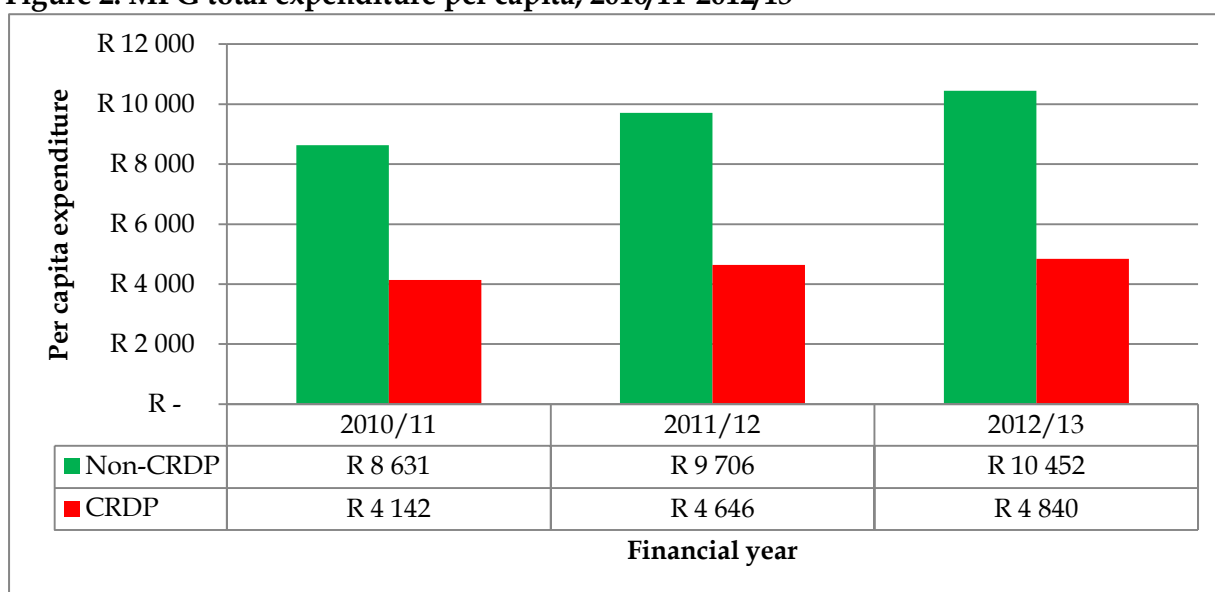
Table 1: Contribution to total expenditure in CRDP areas, 2010/11-2012/13

CRDP Area	2010/11		2011/12		2012/13	
	R million	%	R million	%	R million	%
Bushbuckridge	R2 443.0	29.8%	R2 692.0	29.3%	R2 795.5	29.2%
Chief Albert Luthuli	R981.9	12.0%	R1 129.8	12.3%	R1 163.8	12.2%
Dipaleseng	R139.8	1.7%	R139.2	1.5%	R144.5	1.5%
Dr JS Moroka	R943.2	11.5%	R1 098.7	12.0%	R1 136.7	11.9%
Dr Pixley Ka Isaka Seme	R386.3	4.7%	R438.6	4.8%	R493.2	5.2%
Mkhondo	R598.9	7.3%	R775.0	8.4%	R820.3	8.6%
Nkomazi	R1 685.8	20.6%	R1 794.2	19.5%	R1 853.4	19.4%
Thembisile Hani	R1 013.4	12.4%	R1 121.8	12.2%	R1 167.2	12.2%
TOTAL	R8 192.3	100.0%	R9 189.3	100.0%	R9 574.6	100.0%

Source: National Treasury – Vulindlela database, 2013

Note: Totals may not add up due to rounding

Figure 2: MPG total expenditure per capita, 2010/11-2012/13



Source: National Treasury – Vulindlela database, 2013

Among the CRDP areas in 2012/13, expenditure per capita was the highest in Chief Albert Luthuli (R6 257) and the lowest in Dipaleseng (R3 408), as is evident from Table 2. Over the entire period, Mkhondo (R1 288 per capita) registered the largest increase in expenditure per capita and Dipaleseng (R109 per capita) the smallest.

Table 2: MPG total expenditure per capita in CRDP areas, 2010/11-2012/13

CRDP Area	2010/11	2011/12	2012/13
Bushbuckridge	R4 514	R4 974	R5 165
Chief Albert Luthuli	R5 279	R6 074	R6 257
Dipaleseng	R3 299	R3 283	R3 408
Dr JS Moroka	R3 777	R4 400	R4 552
Dr Pixley Ka Isaka Seme	R4 641	R5 270	R5 925
Mkhondo	R3 482	R4 506	R4 770
Nkomazi	R4 289	R4 565	R4 716
Thembisile Hani	R3 264	R3 613	R3 760
TOTAL	R4 142	R4 646	R4 840

Source: National Treasury – Vulindlela database, 2013

3. ANALYSIS OF MPG EXPENDITURE ON INFRASTRUCTURE³

This section of the report presents an assessment of MPG expenditure on infrastructure between 2010/11 and 2012/13 with specific emphasis on expenditure on infrastructure in the CRDP areas. Expenditure on infrastructure is included within total MPG expenditure. The data was sourced from the Infrastructure Reporting Model (IRM⁴) that was designed by National Treasury for reporting on infrastructure expenditure by provincial departments.

MPG expenditure on infrastructure in Mpumalanga was equal to 9.4 per cent of total expenditure in 2012/13. In non-CRDP areas, expenditure on infrastructure was equal to 10.3 per cent of total expenditure in non-CRDP areas, whereas in CRDP areas it was equal to 7.6 per cent.

Figure 3 distinguishes between expenditure on infrastructure in non-CRDP and CRDP areas between 2010/11 and 2012/13. MPG expenditure on infrastructure increased from R2.3 billion in 2010/11 to R2.9 billion in 2012/13. The 2012/13 value was, however, somewhat lower than the R3.3 billion registered in 2011/12. Over the three years under review, expenditure on infrastructure increased by 28.2 per cent, which was higher than the 19.8 per cent increase recorded in total expenditure. Over the same period, expenditure on infrastructure in non-CRDP areas increased by 45.9 per cent to R2.2 billion, whilst in the CRDP areas it decreased by 6.4 per cent to R725.9 million. Because of this decline, the CRDP areas' 33.9 per cent share of expenditure on infrastructure in 2010/11 shrunk to 24.7 per cent in 2012/13.

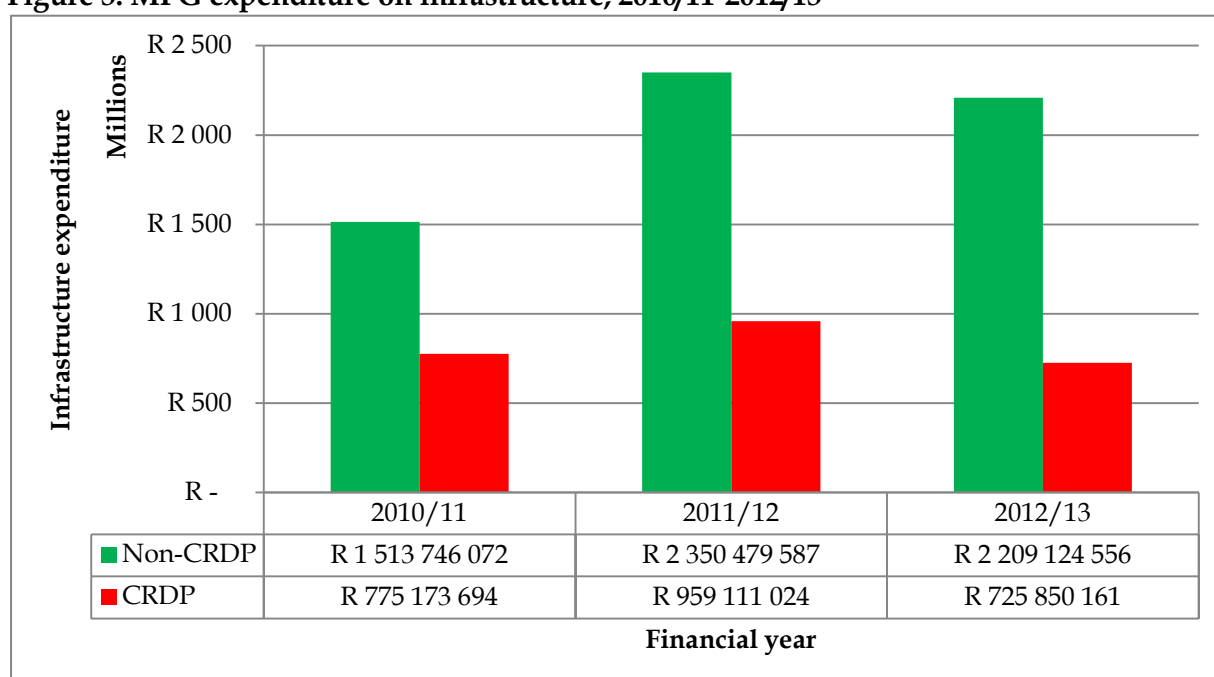
Table 3 depicts the expenditure on infrastructure per CRDP area as well as individual areas' contribution to expenditure on infrastructure in the CRDP areas. Expenditure in four of the eight areas decreased over the period under review. Expenditure in Nkomazi decreased by

³ Includes expenditure on new or replaced assets, upgrading of and addition to existing assets as well as renovation, rehabilitation and refurbishment of existing assets.

⁴ IRM is a project level monitoring and reporting tool, developed in MS Excel and Visual basic.

R88.5 million in rand value whereas expenditure in Dipaleseng decreased by 45.2 per cent in percentage terms. The rand value of expenditure in Mkhondo increased by R45.5 million and the value of expenditure in Dr Pixley Ka Isaka Seme increased by 200.5 per cent over the period 2010/11 to 2012/13. In 2012/13, Bushbuckridge (20.4 per cent) registered the largest share of expenditure on infrastructure in CRDP areas and Dipaleseng (0.8 per cent) the smallest. In 2012/13, the majority of expenditure on infrastructure in CRDP areas took place in Bushbuckridge, Mkhondo, Chief Albert Luthuli and Nkomazi with a combined share of 71.0 per cent, albeit it lower than the 81.1 per cent share in 2010/11.

Figure 3: MPG expenditure on infrastructure, 2010/11-2012/13



Sources: Department of Finance – Infrastructure Reporting Model (IRM) database, 2013
Department of Human Settlements, 2013

Table 3: Contribution to expenditure on infrastructure in CRDP areas, 2010/11-2012/13

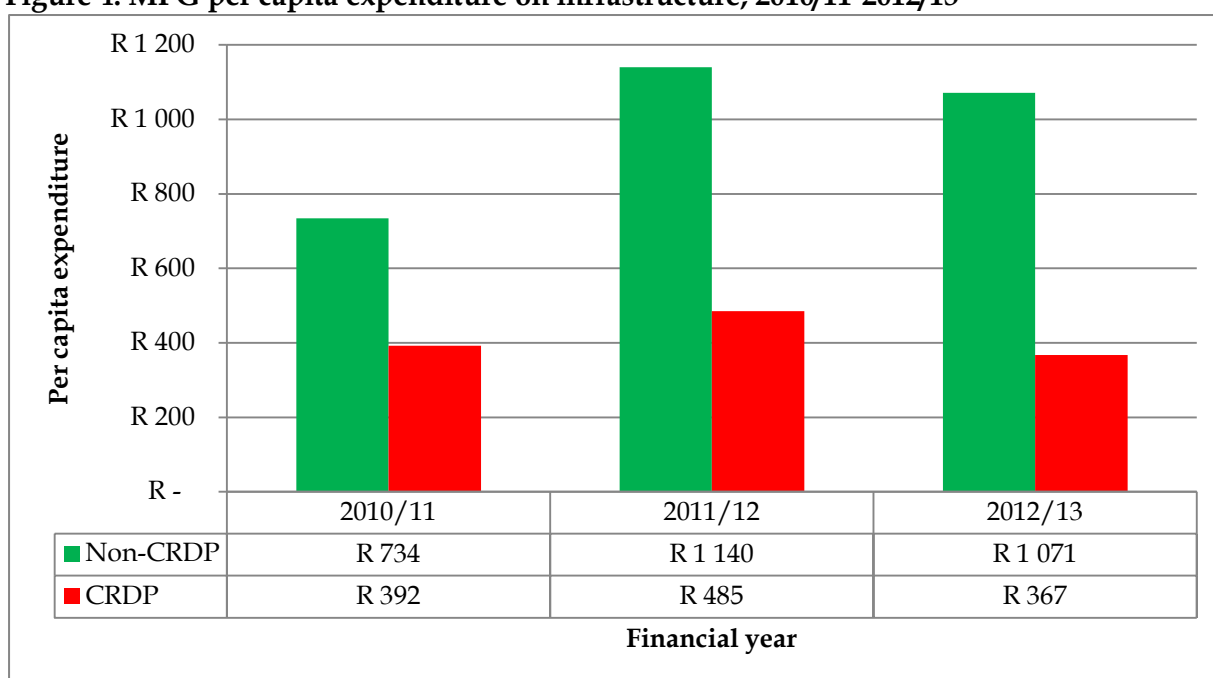
CRDP Area	2010/11		2011/12		2012/13	
	R million	%	R million	%	R million	%
Bushbuckridge	R209.4	27.0%	R197.1	20.5%	R147.8	20.4%
Chief Albert Luthuli	R127.7	16.5%	R108.5	11.3%	R119.1	16.4%
Dipaleseng	R10.7	1.4%	R7.0	0.7%	R5.9	0.8%
Dr JS Moroka	R51.7	6.7%	R85.8	8.9%	R73.0	10.1%
Dr Pixley Ka Isaka Seme	R11.3	1.5%	R24.4	2.5%	R34.0	4.7%
Mkhondo	R91.7	11.8%	R180.3	18.8%	R137.2	18.9%
Nkomazi	R200.0	25.8%	R212.3	22.1%	R111.5	15.4%
Thembisile Hani	R72.7	9.4%	R143.7	15.0%	R97.5	13.4%
TOTAL	R775.2	100.0%	R959.1	100.0%	R725.9	100.0%

Sources: Department of Finance – IRM database, 2013
Department of Human Settlements, 2013

Note: Totals may not add up due to rounding

Between 2010/11 and 2012/13, per capita expenditure on infrastructure increased by R160 to R726. Per capita expenditure in non-CRDP areas increased by R337 to R1 071 in 2012/13, whereas in CRDP areas it decreased by R25 to R367 over the period under review. The per capita infrastructure expenditure value in CRDP areas was equal to only 34.2 per cent of the non-CRDP per capita value in 2012/13 compared to 53.4 per cent in 2010/11. Figure 4 distinguishes between per capita expenditure on infrastructure in non-CRDP and CRDP areas between 2010/11 and 2012/13.

Figure 4: MPG per capita expenditure on infrastructure, 2010/11-2012/13



Sources: Department of Finance – IRM database, 2013
Department of Human Settlements, 2013

Among the CRDP areas in 2012/13, per capita expenditure on infrastructure was the highest in Mkhondo (R798) and the lowest in Dipaleseng (R138), as is evident from Table 4. Over the period under review, Nkomazi (R225 per capita) registered the largest decline in per capita expenditure and Dr Pixley Ka Isaka Seme (R272 per capita) the largest increase.

According to the *National Development Plan 2030*, public infrastructure investment must be equal to 10 per cent of gross domestic product (GDP) by 2030. In 2012/13, MPG expenditure on infrastructure was equal to 1.3 per cent of provincial GDP, which was slightly higher than the share of 1.2 per cent in 2010/11. The ratio of expenditure on infrastructure to GDP in CRDP areas declined from 2.8 per cent in 2010/11 to 2.1 per cent in 2012/13. Conversely, the ratio of expenditure on infrastructure to GDP in non-CRDP areas, albeit lower than the CRDP areas, increased from 0.9 per cent in 2010/11 to 1.1 per cent in 2012/13. In 2012/13,

MPG expenditure on infrastructure as a share of GDP was the highest in Mkhondo (3.7 per cent) and the lowest in Dipaleseng (0.4 per cent). Table 5 shows MPG expenditure on infrastructure by area between 2010/11 and 2012/13.

In order to reach the stated goal of 10 per cent by 2030, expenditure on infrastructure in Mpumalanga has to increase by 16.2 per cent per annum and in CRDP areas by 12.9 per cent annually. In order to reach the desired ratio by 2030, expenditure on infrastructure in Mkhondo has to increase by 9.1 per cent per annum and in Dipaleseng by 23.0 per cent annually.

Table 4: MPG per capita expenditure on infrastructure in CRDP areas, 2010/11-2012/13

CRDP Area	2010/11	2011/12	2012/13
Bushbuckridge	R387	R364	R273
Chief Albert Luthuli	R687	R584	R640
Dipaleseng	R252	R166	R138
Dr JS Moroka	R207	R343	R292
Dr Pixley Ka Isaka Seme	R136	R293	R408
Mkhondo	R533	R1 048	R798
Nkomazi	R509	R540	R284
Thembisile Hani	R234	R463	R314
TOTAL	R392	R485	R367

*Sources: Department of Finance – IRM database, 2013
Department of Human Settlements, 2013*

Table 5: MPG expenditure on infrastructure as a fraction of GDP, 2010/11-2012/13

Region	Share of region's GDP			Required annual growth for NDP target
	2010/11	2011/12	2012/13	
Bushbuckridge	3.2%	2.7%	1.8%	13.6%
Chief Albert Luthuli	4.0%	3.0%	3.1%	10.2%
Dipaleseng	0.9%	0.5%	0.4%	23.0%
Dr JS Moroka	1.7%	2.5%	2.0%	13.6%
Dr Pixley Ka Isaka Seme	0.5%	1.0%	1.3%	15.9%
Mkhondo	3.0%	5.3%	3.7%	9.1%
Nkomazi	4.7%	4.5%	2.2%	13.1%
Thembisile Hani	1.6%	2.9%	1.8%	14.2%
Sub-total CRDP	2.8%	3.1%	2.0%	12.9%
Sub-total non-CRDP	0.9%	1.3%	1.2%	17.0%
TOTAL	1.2%	1.5%	1.3%	16.2%

*Sources: Department of Finance – IRM database, 2013
Department of Human Settlements, 2013
IHS Global Insight – Regional eXplorer, 2013*

4. ANALYSIS OF MPG EXPENDITURE ON CRDP

This section of the report presents an assessment of MPG expenditure on CRDP between 2011/12 and 2012/13 with specific emphasis on expenditure on CRDP in CRDP areas by relevant departments. Expenditure on CRDP is included within total MPG expenditure. In 2012/13, MPG expenditure on CRDP was equal to 16.4 per cent of total expenditure in CRDP areas. The data was sourced from the *CRDP Progress Report 2012-13* published by the

Department of Agriculture, Rural Development and Land Administration (DARDLA). When assessing results by local municipal area and comparing by year it must be noted that no two CRDP projects are alike and that the nature and timeline of projects directly impacts changes in expenditure, job opportunities created and expenditure on job opportunities.

Between 2011/12 and 2012/13, MPG expenditure on CRDP increased by R597.6 million to nearly R1.6 billion. Expressed as a percentage, the increase was 61.3 per cent. In terms of contribution by area, expenditure on CRDP in Bushbuckridge (27.1 per cent & 20.7 per cent) was the largest in both years under review, whilst expenditure on CRDP in Dr Pixley Ka Isaka Seme (3.4 per cent & 5.2 per cent) was the smallest. Between 2011/12 and 2012/13, expenditure on CRDP in rand value terms increased the most in Nkomazi (R148 million) and the least in Chief Albert Luthuli (R8 million). In percentage terms, the increase in expenditure on CRDP was 194.3 per cent in Dr JS Moroka and a mere 4.2 per cent in Chief Albert Luthuli. Table 6 reports MPG expenditure on CRDP by municipal area as well as each area's contribution to such expenditure over the period 2011/12 to 2012/13.

Table 6: Contribution to MPG expenditure on CRDP by CRDP area⁵, 2011/12-2012/13

CRDP Area	2011/12		2012/13	
	Value	%	Value	%
Bushbuckridge	R264 205 625	27.1%	R325 957 765	20.7%
Chief Albert Luthuli	R192 414 043	19.7%	R200 416 687	12.7%
Dr JS Moroka	R67 700 049	6.9%	R199 234 839	12.7%
Dr Pixley Ka Isaka Seme	R32 659 672	3.4%	R81 401 242	5.2%
Mkhondo	R123 284820	12.7%	R227 650 371	14.5%
Nkomazi	R143 088 713	14.7%	R291 151 451	18.5%
Thembisile Hani	R151 125 317	15.5%	R246 229 050	15.7%
TOTAL	R974 478 238	100.0%	R1 572 041 405	100.0%

Source: DARDLA - CRDP Progress Report, 2011/12 & 2012/13

The per capita expenditure on CRDP by MPG increased from R503 in 2011/12 to R812 in 2012/13. In 2012/13, the highest per capita expenditure according to area was recorded in Mkhondo (R1 324 per capita) and the lowest in Bushbuckridge (R602 per capita). Between 2011/12 and 2012/13, the per capita expenditure on CRDP in Mkhondo increased by R607 per capita, the largest per capita rand value increase of all CRDP areas. Chief Albert Luthuli registered the smallest per capita increase of only R43 per capita over the period under review. MPG expenditure per capita on CRDP by local municipal area over the two years under review is presented in Table 7.

⁵ Excludes Dipaleseng, which was only classified as a CRDP area from 2013/14 onwards and therefore not included in the CRDP Progress Reports of 2011/12 and 2012/13.

Table 7: MPG per capita expenditure on CRDP by CRDP area, 2011/12-2012/13

CRDP Area	2011/12	2012/13
Bushbuckridge	R488	R602
Chief Albert Luthuli	R1 034	R1 077
Dr JS Moroka	R271	R798
Dr Pixley Ka Isaka Seme	R392	R978
Mkhondo	R717	R1 324
Nkomazi	R364	R741
Thembisile Hani	R487	R793
TOTAL	R503	R812

Source: DARDLA - CRDP Progress Report, 2011/12 & 2012/13

The number of job opportunities created through CRDP projects increased from 13 604 in 2011/12 to 28 039 in 2012/13. The increase of 106.1 per cent compares favourably with the increase in expenditure on CRDP of 61.3 per cent over the same period. The highest number of job opportunities was created in Bushbuckridge (5 324) and lowest number in Dr Pixley Ka Isaka Seme (2 429). With the exception of Thembisile Hani (-1 576), the number of job opportunities created in the CRDP areas increased between 2011/12 and 2012/13. Between 2011/12 and 2012/13, the largest increase in the number of job opportunities was recorded in Bushbuckridge (3 832) and the largest increase in percentage terms in Dr Pixley Ka Isaka Seme (387.8 per cent). Table 8 presents the number of job opportunities created through CRDP projects and the contribution by CRDP area to job opportunities between 2011/12 and 2012/13.

Table 8: Number of job opportunities created in CRDP areas & contribution by CRDP area, 2011/12-2012/13

CRDP Area	2011/12		2012/13	
	Number	%	Number	%
Bushbuckridge	1 492	11.0%	5 324	19.0%
Chief Albert Luthuli	2 615	19.2%	4 862	17.3%
Dr JS Moroka	1 123	8.3%	4 095	14.6%
Dr Pixley Ka Isaka Seme	498	3.7%	2 429	8.7%
Mkhondo	1 066	7.8%	3 887	13.9%
Nkomazi	2 182	16.0%	4 390	15.7%
Thembisile Hani	4 628	34.0%	3 052	10.9%
TOTAL	13 604	100.0%	28 039	100.0%

Source: DARDLA - CRDP Progress Report, 2011/12 & 2012/13

Table 9 presents MPG expenditure per job opportunity on CRDP in 2011/12 and 2012/13. In 2012/13, the average expenditure per job opportunity of R56 066 was lower than the average for 2011/12 of R71 632 per job opportunity. In 2012/13, the highest expenditure per job opportunity was recorded in Thembisile Hani (R80 678) and the lowest expenditure per job opportunity in Dr Pixley Ka Isaka Seme (R33 512). In other words, it took 2.4 times more money to create one job opportunity in Thembisile Hani than in Dr Pixley Ka Isaka Seme. Between 2011/12 and 2012/13, the expenditure per job opportunity declined in five of the

areas and increased in Nkomazi and Thembisile Hani. Over the period under review, the expenditure per job opportunity declined by R115 858 in Bushbuckridge and increased by R48 023 in Thembisile Hani.

Table 9: MPG expenditure per job opportunity on CRDP by CRDP area, 2011/12-2012/13

CRDP Area	2011/12	2012/13
Bushbuckridge	R177 082	R61 224
Chief Albert Luthuli	R73 581	R41 221
Dr JS Moroka	R60 285	R48 653
Dr Pixley Ka Isaka Seme	R65 582	R33 512
Mkhondo	R115 652	R58 567
Nkomazi	R65 577	R66 322
Thembisile Hani	R32 655	R80 678
TOTAL	R71 632	R56 066

Source: DARDLA - CRDP Progress Report, 2011/12 & 2012/13

5. CONCLUSION

The total value of MPG expenditure as well as expenditure on infrastructure and CRDP increased over the period under review. Total expenditure and expenditure on infrastructure has not shifted, however, to CRDP areas at the rate one would have expected given the current policy focus on rural development. Total expenditure in CRDP areas increased slower than overall total expenditure in Mpumalanga, whilst expenditure on infrastructure in CRDP areas even declined despite increased expenditure on infrastructure in Mpumalanga.

Between 2010/11 and 2012/13, Dipaleseng registered the lowest increase in total MPG expenditure of only 3.3 per cent as well as the lowest total expenditure per capita of R3 408. The largest increase in total expenditure was recorded in Mkhondo (37.0 per cent), whereas expenditure per capita was the highest in Chief Albert Luthuli (R6 257).

Between 2010/11 and 2012/13, Dipaleseng registered a decrease in expenditure on infrastructure of 45.2 per cent as well as the lowest per capita expenditure on infrastructure of only R138. The largest increase in expenditure on infrastructure was recorded in Dr Pixley Ka Isaka Seme (200.5 per cent), whereas expenditure per capita was the highest in Mkhondo (R798).

Public infrastructure investment must be equal to 10 per cent of GDP by 2030 and in order to reach that ratio, MPG expenditure on infrastructure in Mpumalanga must increase by 16.2 per cent per annum and in CRDP areas by 12.9 per cent. Expenditure on infrastructure by MPG is worryingly low and can be regarded as inadequate in certain CRDP areas. In

Dipaleseng for example, the annual increase in expenditure on infrastructure must average 23.0 per cent until 2030 to reach the desired ratio.

Expenditure on CRDP has increased over the two years available for assessment. The creation of job opportunities is a major focus of the programme and the evidence up to date suggest that CRDP projects should continue to be relatively successful in this regard. The job creation nature of CRDP projects and the current policy focus on rural development should prompt MPG departments to increase expenditure on CRDP in the near future. That said, MPG departments must dutifully guard against shifting expenditure on infrastructure to expenditure on CRDP, as the removal of infrastructure bottlenecks should not be sacrificed for CRDP gains over a shorter time horizon.

Between 2011/12 and 2012/13, Chief Albert Luthuli registered an increase in expenditure on CRDP of only 4.2 per cent compared to the increase in Dr JS Moroka of 194.3 per cent. Per capita expenditure on CRDP was the lowest in Bushbuckridge (R602) and the highest in Mkhondo (R1 324).

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