

# **Capital Expenditure by Public Sector**

**2003, 2004, 2005 and 2006**

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## KEY FINDINGS FOR THE CALENDAR YEAR 2003

**In 2003, 590 questionnaires were dispatched to institutions in the public sector and 574 were returned, as shown in table A. This publication does not include an estimation of capital expenditure of the 16 organisations that did not respond. In the past, Stats SA published at a norm of about 85%, this time 95% norm was set. The figures may therefore be higher than expected. The change in the boundaries of municipalities and the structure of universities and technikons makes it not possible to do back casting.**

*Capital expenditure by the public sector for the calendar year 2003 amounted to R50,65 billion as reflected by 97,3% of the respondents. This reflected an annual increase of 38,3% compared with the R36,62 billion capital expenditure by the public sector for the calendar year 2002.*

Universities and technikons reflected the largest increase in actual capital expenditure from R0,88 billion in 2002 to R1,54 billion in 2003, an increase of R0,66 billion or 75,0%, followed by local municipalities (+R2,41 billion or +68,9%), provincial government (+R2,60 billion or +68,8%), national government (+R2,08 billion or +60,3%), district and metropolitan municipalities (+R3,00 billion or +58,5%), extra-budgetary funds (+R0,26 billion or +33,8%) and public corporations (+R3,01 billion or +15,8%), (see table B, columns 11 and 12).

The largest annual increase in actual capital expenditure on new construction works in 2003 was reflected by universities and technikons, which increased from R0,19 billion in 2002 to R0,56 billion in 2003, reflecting an increase of R0,37 billion or 194,7%, followed by public corporations (+R7,50 billion or +119,4%), extra-budgetary funds (+R0,07 billion or +100%), national government (+R1,57 billion or +82,2%), local municipalities (+R2,27 billion or +74,4%), district and metropolitan municipalities (+R2,42 billion or +54,0%) and provincial government (+R1,74 billion or 54,0%).

The largest annual increase in expenditure on machinery and equipment was reflected by provincial government (+R0,50 billion or +119,0%), followed by district and metropolitan municipalities (+R0,39 billion or +65,0%), national government (+R0,66 billion or +49,3%), local municipalities (+R0,12 billion or +38,7%), universities and technikons (+0,22 billion or +38,6%) and extra-budgetary funds (+R0,18 billion or +32,1%). An annual decrease in expenditure on machinery and equipment from 2002 to 2003 was reflected by public corporations (-R4,26 billion or -35,0%).

The largest annual increase in expenditure on land and existing buildings was reflected by district and metropolitan municipalities, which increased from R0,05 billion in 2002 to R0,24 billion in 2003, reflecting an increase of R0,19 billion or 380,0%, followed by the provincial government (+R0,36 billion or +257,1%), universities and technikons (+R0,07 billion or +58,3%), local municipalities (+R0,02 billion or 14,3%) and extra-budgetary funds (+R0,01 billion or +7,1%). Annual decreases in expenditure on land and existing buildings from 2002 to 2003 were reflected by national government (-R0,15 billion or -75,0%) and public corporations (-R0,23 billion or -34,8%).

**TECHNICAL NOTES****Table A - Response rates**

<b>Public sector institutions</b>	<b>Total</b>	<b>Number of institutions responded</b>	<b>Response rate (%)</b>
National government	35	35	100
Provincial government	96	96	100
Local municipalities	231	216	93,5
District and metropolitan municipalities	53	53	100
Universities and technikons	35	34	97,1
Public corporations	26	26	100
Extra-budgetary funds	114	114	100
<b>Total response rate</b>	<b>590</b>	<b>574</b>	<b>97,3</b>

**Table B - Actual capital expenditure by the public sector for the 2002 and 2003 calendar years by type of capital expenditure and public sector institution**

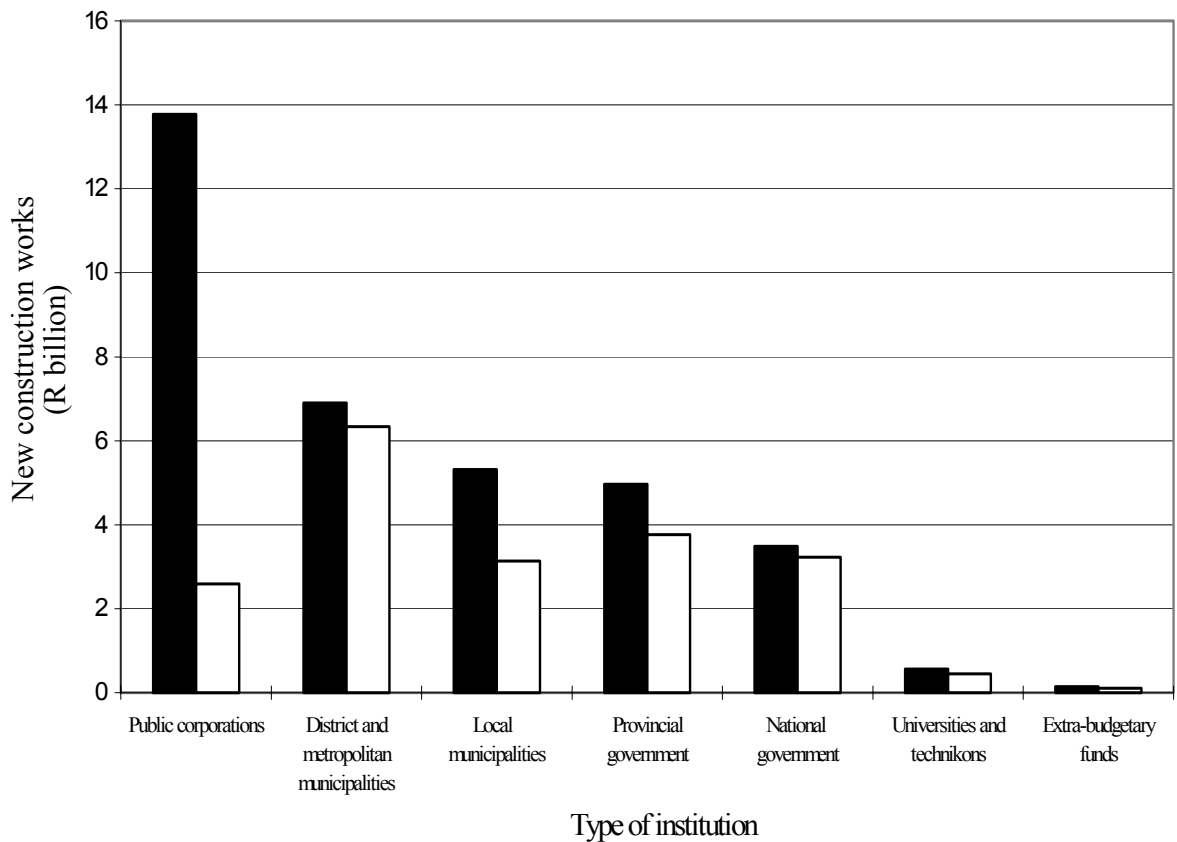
(R billion)

Type of public sector institution	Expenditure on new construction works			Expenditure on machinery and equipment			Expenditure on land and existing buildings			Total capital expenditure		
	2002	2003	Percentage change	2002	2003	Percentage change	2002	2003	Percentage change	2002	2003	Percentage change
National government	1,91	3,48	82,2	1,34	2,00	49,3	0,20	0,05	-75,0	3,45	5,53	60,3
Provincial government	3,22	4,96	54,0	0,42	0,92	119,0	0,14	0,50	257,1	3,78	6,38	68,8
Extra-budgetary funds	0,07	0,14	100,0	0,56	0,74	32,1	0,14	0,15	7,1	0,77	1,03	33,8
District and metropolitan municipalities	4,48	6,90	54,0	0,60	0,99	65,0	0,05	0,24	380,0	5,13	8,13	58,5
Local municipalities	3,05	5,32	74,4	0,31	0,43	38,7	0,14	0,16	14,3	3,50	5,91	68,9
Universities and technikons	0,19	0,56	194,7	0,57	0,79	38,6	0,12	0,19	58,3	0,88	1,54	75,0
Public corporations	6,28	13,78	119,4	12,17	7,91	-35,0	0,66	0,43	-34,8	19,11	22,12	15,8
<b>Total capital expenditure by the public sector</b>	<b>19,20</b>	<b>35,15</b>	<b>83,1</b>	<b>15,97</b>	<b>13,78</b>	<b>-13,7</b>	<b>1,45</b>	<b>1,72</b>	<b>18,6</b>	<b>36,62</b>	<b>50,65</b>	<b>38,3</b>

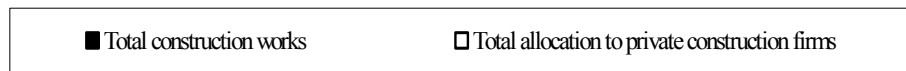
**TOTAL EXPENDITURE ON NEW CONSTRUCTION WORKS AND EXPENDITURE ON NEW CONSTRUCTION WORKS ALLOCATED TO PRIVATE CONSTRUCTION FIRMS FOR THE CALENDAR YEAR 2003**

Private construction firms were responsible for R2,59 billion (18,8%) of the total amount of R13,78 billion spent by public corporations on new construction works. Furthermore, private construction firms were responsible for R6,34 billion (91,9%) of the total amount of R6,90 billion spent by district and metropolitan municipalities on new construction works. In the case of local municipalities, R3,13 billion (58,9%) was allocated to private construction firms. The allocation of new construction works to private construction firms was R3,77 billion (75,9%) for provincial government, R3,23 billion (92,6%) for national government, R0,45 billion (79,1%) for universities and technikons and R0,11 billion (76,7%) for extra-budgetary funds, (see table 1, column 2 and 3).

**Figure 1 - Expenditure on new construction works and expenditure on new construction works allocated to private construction firms by type of public sector institution for the calendar year 2003**



Source: Stats SA



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**NOTES**

<b>Forthcoming issues</b>	<b>Issue</b>	<b>Expected release date</b>
	Capital expenditure by public sector: 2004, 2005, 2006 and 2007	30 June 2005
<b>Purpose of this survey</b>	The Survey of Capital Expenditure by Public Sector is an annual survey covering all spheres of government, universities, technikons and public corporations in South Africa. The purpose of this survey is to furnish the private and public sectors with actual and expected construction information. Institutions and private construction firms use the information for planning purposes. This statistical release indicates the distribution of capital expenditure on new construction works by type of institution in the public sector, for residential buildings, non-residential buildings, roads, streets and bridges, sewerage, water works, electricity and other constructions. The publication indicates the actual capital expenditure for the year 2002 and the expected capital expenditure for the years 2003, 2004 and 2005 for the public sector.	
<b>Changes in this issue</b>	Information for local government institutions have been published according to the new structures as determined by the local government elections held on 8 December 2000. This issue includes actual and expected capital expenditure of the extra-budgetary funds.	
<b>Changes in next issue</b>	<p>Statistics South Africa (Stats SA) has redesigned the questionnaire in order to improve coverage and reliability as well as to lessen the respondent burden.</p> <p>Table 1 will be changed to accommodate the differences in financial year-end of the various institutions.</p> <p>The financial year of the national government, provincial government, extra budgetary funds and public corporations starts on 1 April of a relevant year and ends on 31 March of the following year. These institutions will be grouped.</p> <p>Local government institutions will form another group as their financial year starts on 1 July of a relevant year and ends on 30 June of the following year.</p> <p>The financial year of universities and technikons starts on 1 January of a relevant year and ends on 31 December and will be in one group.</p>	



**Table 1 - Actual capital expenditure by the public sector for the calendar year 2003 and expected capital expenditure for the calendar years 2004, 2005 and 2006 by type of capital expenditure and the type of institution**

Type of capital expenditure and type of construction	Actual capital expenditure for the calendar year 2003		Expected capital expenditure for the calendar year based on 87% of the public sector					
	2003		2004		2005		2006	
	Capital expenditure allocated to private construction firms	R' 000	Capital expenditure allocated to private construction firms	R' 000	Capital expenditure allocated to private construction firms	R' 000	Capital expenditure allocated to private construction firms	R' 000
<b>Capital expenditure on new construction works</b>								
National government	3 483 995	3 226 431	4 629 359	4 157 491	5 450 614	4 919 697	4 862 146	4 415 136
Provincial governments	4 965 080	3 768 203	6 637 747	5 140 452	7 291 287	5 563 038	7 909 936	6 329 364
Extra-budgetary funds	139 810	107 170	149 827	124 643	206 359	189 298	200 601	184 126
Local government institutions:								
District councils:								
Rates and general services	3 037 919	2 823 536	3 283 216	3 058 832	2 925 200	2 737 148	1 416 072	1 331 528
Housing and trading services	3 860 858	3 513 942	4 552 559	4 166 070	4 481 346	4 083 822	2 175 466	1 996 693
Local authorities:								
Rates and general services	3 121 157	1 605 353	3 073 211	1 505 047	1 409 606	1 049 206	681 144	500 928
Housing and trading services	2 196 568	1 528 591	2 339 523	1 647 072	1 809 447	1 371 457	903 273	675 191
Universities and technikons	564 149	446 371	454 368	333 550	212 365	166 265	176 897	132 197
Public corporations	13 778 944	2 586 727	16 019 333	2 745 787	17 160 140	2 025 807	19 481 956	3 421 585
<b>Capital expenditure on new construction works by the public sector</b>	<b>35 148 480</b>	<b>19 606 324</b>	<b>41 139 143</b>	<b>22 878 944</b>	<b>40 946 364</b>	<b>22 105 738</b>	<b>37 807 491</b>	<b>18 986 748</b>

**Table 1 - Actual capital expenditure by the public sector for the calendar year 2003 and expected capital expenditure for the calendar years 2004, 2005 and 2006 by type of capital expenditure and the type of institution (continued)**

Type of capital expenditure and type of construction	Actual capital expenditure for the calendar year 2003		Expected capital expenditure for the calendar year based on 87% of the public sector				
	Capital expenditure	Capital expenditure allocated to private construction firms	2004		2005		2006
			Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure allocated to private construction firms
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
<b>Capital expenditure on machinery and equipment</b>							
National government	1 995 264	-	1 744 522	-	712 634	-	432 543
Provincial governments	924 585	-	852 231	-	782 607	-	782 047
Extra-budgetary funds	742 342		701 872		620 469		516 854
Local government institutions:							
District councils:							
Rates and general services	899 677	-	1 046 613	-	894 294	-	366 418
Housing and trading services	87 464	-	114 056	-	143 522	-	70 417
Local authorities:							
Rates and general services	352 128	-	328 323	-	248 922	-	119 810
Housing and trading services	80 250	-	64 609	-	37 427	-	17 283
Universities and technikons	790 530	-	686 941	-	594 166	-	597 125
Public corporations	7 908 681	-	7 869 261	-	7 528 604	-	9 195 033
<b>Capital expenditure on machinery and equipment by the public sector</b>	<b>13 780 921</b>	<b>-</b>	<b>13 408 428</b>	<b>-</b>	<b>11 562 645</b>	<b>-</b>	<b>12 097 530</b>

**Table 1 - Actual capital expenditure by the public sector for the calendar year 2003 and expected capital expenditure for the calendar years 2004, 2005 and 2006 by type of capital expenditure and the type of institution (concluded)**

Type of capital expenditure and type of construction	Actual capital expenditure for the calendar year 2003		Expected capital expenditure for the calendar year based on 87% of the public sector					
	2003		2004		2005		2006	
	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
<b>Capital expenditure on land and existing buildings</b>								
National government	50 461	-	5 257	-	5 596	-	5 799	-
Provincial governments	498 016	-	253 486	-	107 491	-	91 451	-
Extra-budgetary funds	149 735		75 395		54 868		57 879	
Local government institutions:								
District councils:								
Rates and general services	84 839	-	122 841	-	121 410	-	62 342	-
Housing and trading services	158 163	-	4 639	-	2 726	-	719	-
Local authorities:								
Rates and general services	143 479	-	109 944	-	64 915	-	34 568	-
Housing and trading services	19 904	-	16 941	-	5 127	-	1 134	-
Universities and technikons	187 160	-	88 257	-	91 493	-	88 462	-
Public corporations	430 448	-	361 120	-	798 360	-	483 159	-
<b>Capital expenditure on land and existing buildings by the public sector</b>	<b>1 722 205</b>	<b>-</b>	<b>1 037 880</b>	<b>-</b>	<b>1 251 986</b>	<b>-</b>	<b>825 513</b>	<b>-</b>
<b>Capital expenditure by the public sector</b>	<b>50 651 606</b>	<b>19 606 324</b>	<b>55 585 451</b>	<b>22 878 944</b>	<b>53 760 995</b>	<b>22 105 738</b>	<b>50 730 534</b>	<b>18 986 748</b>

**Table 2 - Actual capital expenditure by the national government for the financial year ended 31 March 2003 and expected capital expenditure for the financial years ended 31 March 2004, 2005 and 2006 according to the type of capital expenditure**

Type of capital expenditure	Actual capital expenditure for the financial year ended 31 March 2003		Expected capital expenditure for the financial year ended 31 March based on 87%				
	2003		2004		2005		2006
	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
<b>Capital expenditure on new construction works</b>							
Residential buildings	108 215	108 115	127 470	126 565	155 190	155 190	92 925
Non-residential buildings	1 419 364	1 253 809	1 739 431	1 499 242	1 833 070	1 579 479	1 493 907
Roads, streets, bridges and related constructions	662 873	649 243	1 009 575	991 923	877 126	877 126	1 167 120
Water schemes and other water works							
Dams and reservoirs	47 054	9 662	110 101	25 350	78 240	10 976	6 243
Canals, pipelines, tunnels	103 870	35 531	83 236	28 978	172 023	37 408	45 568
Other	647 937	643 626	844 019	841 308	1 134 638	1 131 695	536 224
Sewerage, sanitation and cleansing	126 672	109 826	280 276	189 975	510 784	464 562	322 623
Electricity	29 093	29 093	43 159	43 159	62 228	62 228	39 665
Other construction	842 702	820 702	605 945	576 945	829 773	799 773	476 423
<b>Capital expenditure on new construction by the national government</b>	<b>3 987 780</b>	<b>3 659 607</b>	<b>4 843 212</b>	<b>4 323 445</b>	<b>5 653 072</b>	<b>5 118 437</b>	<b>4 598 498</b>
							<b>4 180 698</b>

**Table 2 - Actual capital expenditure by the national government for the financial year ended 31 March 2003 and expected capital expenditure for the financial years ended 31 March 2004, 2005 and 2006 according to the type of capital expenditure (concluded)**

Type of capital expenditure	Actual capital expenditure for the financial year ended 31 March 2003		Expected capital expenditure for the financial year ended 31 March based on 87%					
			2004		2005		2006	
	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
<b>Capital expenditure on machinery and equipment</b>								
Capital expenditure on transport equipment	1 085 006	-	1 026 325	34 442	-	-	31 364	-
Capital expenditure on major road equipment	11 877	-	10 000	4 570	-	-	4 615	-
Capital expenditure on other machinery and equipment	976 941	-	598 425	366 246	-	-	405 655	-
<b>Capital expenditure on land and existing buildings</b>	1 537	-	6 496	5 296	-	-	5 966	-
<b>Capital expenditure by the national government</b>	<b>6 063 141</b>	<b>3 659 607</b>	<b>6 484 458</b>	<b>6 063 626</b>	<b>4 323 445</b>	<b>5 118 437</b>	<b>5 046 098</b>	<b>4 180 698</b>

**Table 3 - Financing of actual capital expenditure by the national government for the financial year ended 31 March 2003 and expected capital expenditure for the financial years ended 31 March 2004, 2005 and 2006 according to the source of finance**

Source of finance	Financing of actual capital expenditure for the financial year ended 31 March 2003	Financing of expected capital expenditure for the financial year ended 31 March based on 87%		
	R' 000	2004	2005	2006
	R' 000	R' 000	R' 000	R' 000
<b>External sources</b>				
National government	6 084 213	6 362 877	5 866 205	4 405 515
Provincial governments	0	0	0	0
Financial institutions	182 043	376 775	424 170	706 120
Foreign sources	0	0	0	0
Other external sources	8 197	17 054	3 827	4 543
<b>Internal sources</b>				
Own income	4 581	0	0	0
Internal loans	0	0	0	0
<b>Financing of actual and expected capital expenditure by the national government</b>	<b>6 279 034</b>	<b>6 756 706</b>	<b>6 294 202</b>	<b>5 116 178</b>

**Table 4 - Actual capital expenditure by the provincial government for the financial year ended 31 March 2003 and expected capital expenditure for the financial years ended 31 March 2004, 2005 and 2006 according to the type of capital expenditure**

Type of capital expenditure	Expected capital expenditure for the financial year ended 31 March based on 87%							
	Actual capital expenditure for the financial year ended 31 March 2003		2004		2005		2006	
	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
<b>Capital expenditure on new construction works</b>								
Residential buildings	777 791	508 189	1 550 925	1 102 738	895 123	487 904	1 027 619	691 828
Non-residential buildings	2 159 037	1 738 136	2 466 357	1 789 797	3 024 866	2 263 567	3 241 931	2 458 499
Roads, streets, bridges and related constructions	1 912 050	1 467 072	2 196 521	1 816 687	2 514 080	2 093 129	2 797 707	2 538 935
Water schemes and other water works	319 861	315 529	418 325	393 794	489 366	454 883	560 104	531 027
Other construction	292 235	240 390	397 872	327 810	454 939	307 618	459 757	349 827
<b>Total capital expenditure on new construction works of the provincial governments</b>	<b>5 460 974</b>	<b>4 269 316</b>	<b>7 030 000</b>	<b>5 430 826</b>	<b>7 378 374</b>	<b>5 607 101</b>	<b>8 087 118</b>	<b>6 570 116</b>
<b>Capital expenditure on machinery and equipment</b>								
Capital expenditure on transport equipment	159 803	-	31 776	-	28 293	-	29 456	-
Capital expenditure on major road equipment	87 078	-	56 081	-	41 948	-	44 419	-
Capital expenditure on other machinery and equipment	822 401	-	692 010	-	713 271	-	707 675	-
<b>Capital expenditure on land and existing buildings</b>	<b>603 958</b>	<b>-</b>	<b>136 659</b>	<b>-</b>	<b>97 768</b>	<b>-</b>	<b>89 346</b>	<b>-</b>
<b>Capital expenditure by the provincial governments</b>	<b>7 134 214</b>	<b>4 269 316</b>	<b>7 946 526</b>	<b>5 430 826</b>	<b>8 259 654</b>	<b>5 607 101</b>	<b>8 958 014</b>	<b>6 570 116</b>

**Table 5 - Financing of actual capital expenditure by the provincial government for the financial year ended 31 March 2003 and expected capital expenditure for the financial years ended 31 March 2004, 2005 and 2006 according to the source of finance**

Source of finance	Financing of actual capital expenditure for the financial year ended 31 March 2003 R' 000	Financing of expected capital expenditure for the financial year ended 31 March based on 87%		
		2004 R' 000	2005 R' 000	2006 R' 000
<b>External sources</b>				
National government	7 680 749	8 205 820	8 643 455	9 449 940
Provincial governments	0	0	0	0
Financial institutions	8 950	19 997	19 777	20 801
Foreign sources	0	0	0	0
Other external sources	7 056	6 000	6 000	6 000
<b>Internal sources</b>				
Own income	629 668	999 989	1 156 281	1 134 845
Internal loans	0	0	0	0
<b>Financing of actual and expected capital expenditure by the provincial governments</b>	<b>8 326 423</b>	<b>9 231 806</b>	<b>9 825 513</b>	<b>10 611 586</b>







**Table 7 - Financing of actual capital expenditure by the extra-budgetary funds for the financial year ended 31 March 2003 and expected capital expenditure for the financial years ended 31 March 2004, 2005 and 2006 according to the source of finance**

Source of finance	Financing of actual capital expenditure for the financial year ended 31 March 2003	Financing of expected capital expenditure for the financial year ended 31 March based on 87%		
	R' 000	2004	2005	2006
	R' 000	R' 000	R' 000	R' 000
<b>External sources</b>				
National government	680 473	384 379	352 769	366 029
Provincial governments	0	0	0	0
Financial institutions	0	0	0	0
Foreign sources	0	0	0	0
Other external sources	243 371	280 429	299 300	196 637
<b>Internal sources</b>				
Own income	235 257	184 924	240 269	173 656
Internal loans	0	0	0	0
<b>Financing of actual and expected capital expenditure by the extra-budgetary funds</b>	<b>1 159 101</b>	<b>849 732</b>	<b>892 338</b>	<b>736 322</b>

**Table 8 - Actual capital expenditure by the district and metropolitan municipalities for the financial year ended 30 June 2003 and expected capital expenditure for the financial years ended 30 June 2004, 2005 and 2006 according to the type of capital expenditure**

Type of capital expenditure	Actual capital expenditure for the financial year ended 30 June 2003		Expected capital expenditure for the financial year ended 30 June based on 87%			
	2004		2005		2006	
	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure allocated to private construction firms
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
<b>Capital expenditure on new construction works</b>						
<b>Rates and general services</b>						
Residential buildings	137 239	28 679	28 673	7	0	0
Non-residential buildings	226 518	260 921	238 358	248 179	234 422	170 536
Roads, streets, bridges and related constructions	986 368	1 364 932	1 262 646	1 244 219	1 145 748	1 204 905
Sewerage, sanitation and cleansing	679 329	756 750	679 073	676 468	642 271	526 328
Other construction	498 208	1 136 892	1 097 671	849 383	788 800	930 365
	<b>2 527 662</b>	<b>3 548 174</b>	<b>3 306 421</b>	<b>3 018 256</b>	<b>2 811 241</b>	<b>2 832 142</b>
<b>Capital expenditure on new construction works for rates and general services by district and metropolitan municipalities</b>						
	<b>2 527 662</b>	<b>3 548 174</b>	<b>3 306 421</b>	<b>3 018 256</b>	<b>2 811 241</b>	<b>2 832 142</b>
						<b>2 663 053</b>

**Table 8 - Actual capital expenditure by the district and metropolitan municipalities for the financial year ended 30 June 2003 and expected capital expenditure for the financial years ended 30 June 2004, 2005 and 2006 according to the type of capital expenditure (continued)**

Type of capital expenditure	Actual capital expenditure for the financial year ended 30 June 2003		Expected capital expenditure for the financial year ended 30 June based on 87%				
			2004		2005		2006
	Total capital expenditure	Total capital expenditure allocated to private construction firms	Total capital expenditure	Total capital expenditure allocated to private construction firms	Total capital expenditure	Total capital expenditure allocated to private construction firms	Total capital expenditure allocated to private construction firms
<b>Capital expenditure on machinery and equipment</b>	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
<b>Rates and general services</b>							
Capital expenditure on transport equipment	163 048	-	557 414	-	726 053	-	416 986
Capital expenditure on other machinery and equipment	598 833	-	480 059	-	329 699	-	315 849
<b>Capital expenditure on land and existing buildings</b>							
<b>Rates and general services</b>	42 131	-	127 546	-	118 135	-	124 684
<b>Total capital expenditure for rates and general services by district and metropolitan municipalities</b>	<b>3 331 674</b>	<b>2 340 650</b>	<b>4 713 193</b>	<b>3 306 421</b>	<b>4 192 143</b>	<b>2 811 241</b>	<b>3 689 661</b>
							<b>2 663 053</b>

**Table 8 - Actual capital expenditure by the district and metropolitan municipalities for the financial year ended 30 June 2003 and expected capital expenditure for the financial years ended 30 June 2004, 2005 and 2006 according to the type of capital expenditure (continued)**

Type of capital expenditure	Actual capital expenditure for the financial year ended 30 June 2003		Expected capital expenditure for the financial year ended 30 June based on 87%				
			2004		2005		2006
	Total capital expenditure	Total capital expenditure allocated to private construction firms	Total capital expenditure	Total capital expenditure allocated to private construction firms	Total capital expenditure allocated to private construction firms	Total capital expenditure allocated to private construction firms	
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
<b>Capital expenditure on new construction works</b>							
<b>Housing services</b>							
Residential buildings	468 627	350 459	1 727 362	1 558 221	1 811 767	1 583 086	1 617 348
<b>Trading services</b>							
Non-residential buildings	41 267	32 135	31 040	24 935	18 641	11 972	37 252
Roads, streets, bridges, stormwater, drainage and related constructions	368 660	365 993	203 095	203 095	175 122	175 122	164 125
Electricity and gas	998 221	977 339	1 190 888	1 150 339	1 187 937	1 153 730	1 193 471
Water	1 117 026	928 456	1 112 532	1 017 126	1 209 774	1 077 356	1 091 986
Other construction	234 557	215 625	228 437	204 161	208 518	172 992	246 748
<b>Total capital expenditure on new construction works for housing and trading services by district and metropolitan municipalities</b>	<b>3 228 358</b>	<b>2 870 007</b>	<b>4 493 354</b>	<b>4 157 877</b>	<b>4 611 759</b>	<b>4 174 258</b>	<b>4 350 930</b>
							<b>3 993 382</b>

**Table 8 - Actual capital expenditure by the district and metropolitan municipalities for the financial year ended 30 June 2003 and expected capital expenditure for the financial years ended 30 June 2004, 2005 and 2006 according to the type of capital expenditure (concluded)**

Type of capital expenditure	Actual capital expenditure for the financial year ended 30 June 2003		Expected capital expenditure for the financial year ended 30 June based on 87%				
			2004		2005		2006
	Total capital expenditure	Total capital expenditure allocated to private construction firms	Total capital expenditure	Total capital expenditure allocated to private construction firms	Total capital expenditure	Total capital expenditure allocated to private construction firms	Total capital expenditure allocated to private construction firms
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
<b>Capital expenditure on machinery and equipment</b>							
<b>Housing and trading services</b>							
Capital expenditure on transport equipment	35 572	-	35 907	-	40 092	-	41 611
Capital expenditure on other equipment	57 452	-	45 995	-	106 117	-	99 222
<b>Capital expenditure on land and existing buildings</b>							
<b>Housing and trading services</b>							
Housing and trading services	311 063	-	5 263	-	4 014	-	1 437
<b>Total capital expenditure for housing and trading services by district and metropolitan municipalities</b>	<b>3 632 445</b>	<b>2 870 007</b>	<b>4 580 519</b>	<b>4 157 877</b>	<b>4 761 982</b>	<b>4 174 258</b>	<b>4 493 200</b>
<b>Total capital expenditure by district and metropolitan municipalities</b>	<b>6 964 119</b>	<b>5 210 657</b>	<b>9 293 712</b>	<b>7 464 298</b>	<b>8 954 125</b>	<b>6 985 499</b>	<b>8 182 861</b>
							<b>6 656 435</b>

**Table 9 - Financing of actual capital expenditure by the district and metropolitan municipalities for the financial year ended 30 June 2003 and expected capital expenditure for the financial years ended 30 June 2004, 2005 and 2006 according to the source of finance**

Source of finance	Financing of actual capital expenditure for the financial year ended 30 June 2003 R' 000	Financing of expected capital expenditure for the financial year ended 30 June is based on 87%		
		2004 R' 000	2005 R' 000	2006 R' 000
<b>External sources</b>				
National government	776 387	864 902	658 612	466 654
Provincial governments	1 480 870	2 990 579	2 608 811	2 343 079
Local government institutions	97 938	119 809	98 423	100 557
Financial institutions	1 081 339	575 000	863 097	774 269
Foreign sources	0	0	0	0
Other external sources	301 173	397 150	259 314	234 277
<b>Internal sources</b>				
Own income	2 247 453	2 968 482	1 875 003	1 903 182
Internal loans	978 959	1 377 790	2 590 865	2 360 843
<b>Financing of actual and expected capital expenditure by the district and metropolitan municipalities</b>	<b>6 964 119</b>	<b>9 293 712</b>	<b>8 954 125</b>	<b>8 182 861</b>



**Table 10 - Actual capital expenditure by the local municipalities for the financial year ended 30 June 2003 and expected capital expenditure for the financial years ended 30 June 2004, 2005 and 2006 according to the type of capital expenditure**

Type of capital expenditure	Actual capital expenditure for the financial year ended 30 June 2003		Expected capital expenditure for the financial year ended 30 June is based on 87%			
	2004		2005		2006	
	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
<b>Capital expenditure on new construction works</b>						
<b>Rates and general services</b>						
Residential buildings	46 362	35 195	240 364	172 708	140 670	84 056
Non-residential buildings	372 691	328 560	464 765	142 864	108 142	105 397
Roads, streets, bridges and related constructions	573 160	463 759	2 562 859	575 033	424 039	576 427
Sewerage, sanitation and cleansing	404 887	349 022	660 198	376 650	304 765	313 304
Other construction	155 716	120 630	761 309	189 670	118 939	283 101
<b>Capital expenditure on new construction for rates and general services by the local municipalities</b>	<b>1 552 816</b>	<b>1 297 166</b>	<b>4 689 495</b>	<b>1 456 925</b>	<b>1 096 555</b>	<b>1 362 285</b>
						<b>1 001 853</b>

**Table 10 - Actual capital expenditure by the local municipalities for the financial year ended 30 June 2003 and expected capital expenditure for the financial years ended 30 June 2004, 2004 and 2006 according to the type of capital expenditure (continued)**

Type of capital expenditure	Actual capital expenditure for the financial year ended 30 June 2003		Expected capital expenditure for the financial year ended 30 June is based on 87%				
	Capital expenditure	Capital expenditure allocated to private construction firms	2004		2005		2006
	R' 000	R' 000	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure allocated to private construction firms
<b>Capital expenditure on machinery and equipment</b>							
<b>Rates and general services</b>							
Capital expenditure on transport equipment	110 836	-	121 077	-	86 293	-	93 209
Capital expenditure on other machinery and equipment	195 000	-	277 342	-	171 933	-	146 409
<b>Capital expenditure on land and existing buildings</b>							
<b>Rates and general services</b>	127 765	-	159 192	-	60 695	-	69 135
<b>Capital expenditure for rates and general services by the local municipalities</b>	<b>1 986 417</b>	<b>1 297 166</b>	<b>5 247 106</b>	<b>1 913 538</b>	<b>1 775 846</b>	<b>1 096 555</b>	<b>1 671 038</b>
							<b>1 001 853</b>

**Table 10 - Actual capital expenditure by the local municipalities for the financial year ended 30 June 2003 and expected capital expenditure for the financial years ended 30 June 2004, 2005 and 2006 according to the type of capital expenditure (continued)**

Type of capital expenditure	Actual capital expenditure for the financial year ended 30 June 2003		Expected capital expenditure for the financial year ended 30 June is based on 87%				
	2003		2004		2005		2006
	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure allocated to private construction firms	Capital expenditure allocated to private construction firms	Capital expenditure allocated to private construction firms
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
<b>Capital expenditure on new construction works</b>							
<b>Housing services</b>							
Residential buildings	437 179	377 405	852 532	673 132	588 394	505 809	412 761
<b>Trading services</b>							
Non-residential buildings	17 502	11 564	131 569	61 944	73 333	50 139	60 128
Roads, streets, bridges, stormwater, drainage and related constructions	33 087	19 993	114 989	71 654	72 362	47 362	47 174
Electricity and gas	419 902	307 747	547 092	342 867	440 771	288 152	515 080
Water	544 017	389 244	1 073 446	659 037	557 281	442 161	623 329
Other construction	74 750	49 618	147 067	92 974	80 206	58 910	148 071
<b>Capital expenditure on new construction for housing and trading services by the local municipalities</b>	<b>1 526 437</b>	<b>1 155 571</b>	<b>2 866 695</b>	<b>1 901 608</b>	<b>1 812 347</b>	<b>1 392 533</b>	<b>1 806 543</b>
							<b>1 350 379</b>

**Table 10 - Actual capital expenditure by the local municipalities for the financial year ended 30 June 2003 and expected capital expenditure for the financial years ended 30 June 2004, 2005 and 2006 according to the type of capital expenditure (concluded)**

Type of capital expenditure	Actual capital expenditure for the financial year ended 30 June 2003		Expected capital expenditure for the financial year ended 30 June is based on 87%				
	2003		2004		2005		2006
	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure allocated to private construction firms	Capital expenditure allocated to private construction firms	Capital expenditure allocated to private construction firms
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
<b>Capital expenditure on machinery and equipment</b>							
<b>Housing and trading services</b>							
Capital expenditure on transport equipment	22 995	-	33 103	-	18 100	-	16 419
Capital expenditure on other equipment	48 576	-	55 825	-	22 188	-	18 145
<b>Capital expenditure on land and existing buildings</b>							
<b>Housing and trading services</b>							
Capital expenditure on land and existing buildings	13 914	-	25 894	-	7 987	-	2 267
<b>Capital expenditure for housing and trading services by the local municipalities</b>	<b>1 611 922</b>	<b>1 155 571</b>	<b>2 981 517</b>	<b>1 901 608</b>	<b>1 860 622</b>	<b>1 392 533</b>	<b>1 843 374</b>
<b>Capital expenditure by the local municipalities</b>	<b>3 598 339</b>	<b>2 452 737</b>	<b>8 228 623</b>	<b>3 815 146</b>	<b>3 636 468</b>	<b>2 489 088</b>	<b>3 514 412</b>
							<b>2 352 232</b>

**Table 11 - Financing of actual capital expenditure by the local municipalities for the financial year ended 30 June 2003 and expected capital expenditure for the financial years ended 30 June 2004, 2005 and 2006 according to the source of finance**

Source of finance	Financing of actual capital expenditure for the financial year ended 30 June 2003	Financing of expected capital expenditure for the financial year ended 30 June is based on 87%		
	R' 000	2004 R' 000	2005 R' 000	2006 R' 000
<b>External sources</b>				
National government	794 316	1 416 990	783 826	698 657
Provincial governments	1 100 220	1 820 966	1 317 558	1 188 400
Local government institutions	294 730	2 969 913	355 674	409 581
Financial institutions	205 169	286 870	154 824	219 287
Foreign sources	0	0	5 114	0
Other external sources	204 900	552 126	320 748	316 731
<b>Internal sources</b>				
Own income	285 757	283 441	148 939	145 957
Internal loans	713 247	898 317	549 785	535 799
<b>Financing of actual and expected capital expenditure by the local municipalities</b>	<b>3 598 339</b>	<b>8 228 623</b>	<b>3 636 468</b>	<b>3 514 412</b>



**Table 13 - Financing of actual capital expenditure by the universities and technikons for the financial year ended 31 December 2003 and expected capital expenditure for the financial years ended 31 December 2004 2005 and 2006 according to the source of finance**

Source of finance	Financing of actual capital expenditure for the financial year ended 31 December 2003 R' 000	Financing of expected capital expenditure for the financial year ended 31 December is based on 87%		
		2004 R' 000	2005 R' 000	2006 R' 000
<b>External sources</b>				
National government	293 586	225 523	113 244	106 794
Provincial governments	17 095	0	0	0
Local government institutions	0	0	0	0
Financial institutions	69 023	50 850	41 700	44 200
Foreign sources	0	0	0	0
Other external sources	121 195	57 085	58 544	59 868
<b>Internal sources</b>				
Own income	955 466	840 799	646 996	625 828
Internal loans	85 474	55 309	37 540	25 794
<b>Financing of actual and expected capital expenditure by the universities and technikons</b>	<b>1 541 839</b>	<b>1 229 566</b>	<b>898 024</b>	<b>862 484</b>

Table 14 - Actual capital expenditure by the public corporations for the financial year ended 31 March 2003 and expected capital expenditure for the financial years ended 31 March 2004, 2005 and 2006 according to the type of capital expenditure

Type of capital expenditure	Actual capital expenditure for the financial year ended 31 March 2003		Expected capital expenditure for the financial year ended 31 December based on 87%				
	2003		2004		2005		2006
	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure allocated to private construction firms
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
<b>Capital expenditure on new construction works</b>							
Residential buildings	34 484	24 400	87 668	62 795	74 828	54 100	67 640
Non-residential buildings	393 909	330 626	472 345	244 942	295 957	254 218	310 160
Other construction	13 350 551	2 231 701	15 459 320	2 438 050	16 789 355	1 717 489	19 104 156
<b>Total capital expenditure on new construction works by the public corporations</b>	<b>13 778 944</b>	<b>2 586 727</b>	<b>16 019 333</b>	<b>2 745 787</b>	<b>17 160 140</b>	<b>2 025 807</b>	<b>19 481 956</b>
<b>Capital expenditure on transport equipment</b>							
Aircraft	3 783 000	-	3 593 406	-	992 000	-	0
Other	1 228 471	-	977 771	-	2 617 562	-	2 677 195
<b>Capital expenditure on machinery and equipment</b>							
Computer equipment	987 101	-	1 050 367	-	1 051 111	-	1 177 649
Telecommunication equipment	560 726	-	163 003	-	160 917	-	186 042
Other	1 349 383	-	2 084 714	-	2 707 014	-	5 154 147
<b>Capital expenditure on land and existing buildings</b>	<b>430 448</b>	<b>-</b>	<b>361 120</b>	<b>-</b>	<b>798 360</b>	<b>-</b>	<b>483 159</b>
<b>Capital expenditure by the public corporations</b>	<b>22 118 073</b>	<b>2 586 727</b>	<b>24 249 714</b>	<b>2 745 787</b>	<b>25 487 104</b>	<b>2 025 807</b>	<b>29 160 148</b>
							<b>3 421 585</b>



**Table 15 - Financing of actual capital expenditure by the public corporations for the financial year ended 31 March 2003 and expected capital expenditure for the financial years ended 31 March 2004, 2005 and 2006 according to the source of finance**

Source of finance	Financing of actual capital expenditure for the financial year ended 31 March 2003	Financing of expected capital expenditure for the financial year ended 31 December is based 87%		
		2004	2005	2006
	R' 000	R' 000	R' 000	R' 000
<b>Issue of shares to</b>				
Public sector	448 557	876 679	741 472	690 100
Private sector	0	0	0	0
<b>Issue of loan stock</b>	0	5 250 000	0	0
<b>Long-term loans from</b>				
National government and provincial governments	0	0	0	0
Local government institutions	0	0	0	0
Financial institutions	36 541	90 491	270 145	311 138
<b>Foreign loans</b>	5 055	17 469	152 487	2 755 659
<b>Other external loans</b>	9 134 887	4 240 332	5 152 850	4 935 300
<b>Internal sources</b>	12 453 373	13 744 880	19 135 567	20 457 278
<b>Contributions/subsidies by</b>				
Public sector	39 660	29 863	34 583	10 673
Private sector	0	0	0	0
<b>Financing of actual and expected capital expenditure by the public corporations</b>	<b>22 118 073</b>	<b>24 249 714</b>	<b>25 487 104</b>	<b>29 160 148</b>

**Table 16 - Actual capital expenditure by the national government for the financial year ended 31 March 2003 and expected capital expenditure for the financial years ended 31 March 2004, 2005 and 2006 on reconstruction and development projects according to the type of new construction works**

Type of new construction works	Actual capital expenditure for the financial year ended 31 March 2003		Expected capital expenditure for the financial year ended 31 March based on 87%				
	2003		2004		2005		2006
	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure	Capital expenditure allocated to private construction firms	Capital expenditure allocated to private construction firms	Capital expenditure allocated to private construction firms	Capital expenditure allocated to private construction firms
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
<b>Capital expenditure on new construction works</b>							
Residential buildings	0	0	0	0	0	0	0
Non-residential buildings	0	0	0	0	0	0	0
Roads, streets, bridges and related constructions	0	0	0	0	0	0	0
Water schemes and other water works	107 925	64 058	105 223	79 270	45 411	41 424	30 310
Sewerage, sanitation and cleansing	22 904	21 511	43 930	37 252	83 860	36 974	39 770
Electricity	0	0	0	0	0	0	0
Other construction	85 064	85 064	123 095	123 095	101 305	101 305	0
<b>Capital expenditure on reconstruction and development projects by the national government</b>	<b>215 893</b>	<b>170 633</b>	<b>272 248</b>	<b>239 617</b>	<b>230 576</b>	<b>179 703</b>	<b>48 210</b>



**EXPLANATORY NOTES**

- Introduction** 1 This publication contains results of the Survey of Capital Expenditure by Public Sector. The information in this publication reflects only the aggregates of those institutions that responded to the survey. No estimates have been made in respect of those institutions that did not respond in this survey. The possibility that respondents had no actual and/or expected capital expenditure for the period 2003 to 2006 in the questionnaire could also have led to there being a non-response.
- Scope of the survey** 2 This survey covers the actual capital expenditure for the reporting year and an estimate of capital expenditure for the three following years. This survey covers the actual and expected capital expenditure for the national government, provincial governments, local government institutions, public corporations, universities and technikons and extra-budgetary funds.
- Statistical unit** 3 The statistical unit for the collection of information is the public sector institution, which includes the national government, provincial government, local government institutions (district, metropolitan and local municipalities), public corporations, universities and technikons based on capital expenditure, for example, on residential buildings, non-residential buildings, roads, streets, bridges, water schemes, electricity and other construction.
- Survey methodology and design** 4 The survey is collected by mail each year from 590 public sector institutions. The survey covers national government, provincial governments, local government institutions, public corporations, universities and technikons and extra-budgetary funds.
- Related publications** 5 Users may also wish to refer to the following publications, which are available from Stats SA:
- P0401 - Gross geographic product.
  - P0441 - Gross domestic product.
  - P9101.2 - Actual and expenditure on new construction works by the public sector by sector by statistical region.
  - P9102 - Financial statistics of the extra-budgetary accounts and funds.
  - P9103 - Financial statistics of universities and technikons.
  - P9114 - Financial Census of Municipalities
  - P9119 - Consolidated expenditure of total general government.
  - P9119.2 - Expenditure of the National government.
  - P9120 - Expenditure of provincial governments.
  - P9149 - Remuneration of employees and turnover according to the levies received by district and metropolitan municipalities by province.
  - Report No. 50-11-01 - Building plans passed and buildings completed.
- Classification** 6 The 1993 edition of the Standard Industrial Classification of all Economic Activities (SIC), Fifth edition, Report No. 09-90-02, was used to classify the statistical units in this survey. The SIC is based on the 1990 International Standard Industrial Classification of all Economic Activities (ISIC) with suitable adaptations for local conditions. A further source used for the purposes of economic and functional classification of the finances of the general government sector was based on the IMF Manual of Government Finance Statistics (GFS), 2001.



## GLOSSARY

<b>Capital expenditure</b>	<p>Capital expenditure refers to any expenditure incurred or incidental to the acquisition or improvement of land, buildings, engineering structures and machinery and equipment. The expenditure normally confers a lasting benefit and results in the acquisition of, or extends the life period, of a fixed asset.</p> <p>Capital expenditure includes vehicles, office furniture and equipment, but excludes minor items that are generally regarded as being expendable even though in some instances their useful lives may extend beyond one year.</p>
<b>District and metropolitan municipalities</b>	<p>District and metropolitan municipalities means a municipalities that has the exclusive executive and legislative authority in its area, and which is described in section 155(1) of the Constitution as a category A (metropolitan municipality) and category C (district municipality). (Refer to local government: Municipal Structure Act, Act No.117 of 1998).</p>
<b>Expected expenditure</b>	<p>Expected expenditure can be defined as amounts budgeted by the public sector which will be spent on construction, maintenance and improvements of current and acquired assets.</p>
<b>Local government</b>	<p>A local government is a distinct and constitutionally defined sphere of government, pertaining to government that is not national or provincial in nature and is manifested in the form of municipalities. It is a generic term referring to municipalities and local municipalities of varied nature and type involved in activities of a governmental nature in the local sphere.</p>
<b>Local government Institutions</b>	<p>Local government institutions include –</p> <ul style="list-style-type: none"> <li>• District and metropolitan municipalities; and</li> <li>• Local municipalities.</li> </ul>
<b>New construction</b>	<p>New construction is regarded as capital expenditure on new assets as well as capital expenditure on existing assets which leads to improvements of assets. New construction works consist of -</p> <ul style="list-style-type: none"> <li>• fees payable to architects, engineers and other professional firms;</li> <li>• renovation and repairs of existing constructions;</li> <li>• expenditure on works under construction; and</li> <li>• expenditure on improvements.</li> </ul>

**Non-residential buildings** Non-residential buildings are buildings other than residential buildings and include -

- clinics;
- hospitals;
- lecture rooms;
- libraries;
- offices;
- prisons;
- restaurants;
- schools;
- shops; and
- workshops.

**Other constructions** Other constructions include -

- afforestation;
- airports;
- civil engineering works;
- development of plantations;
- electricity projects;
- mining development;
- oil exploration;
- railways and harbours; and
- the development of land.

**Public corporations** Public corporations comprise of public non-financial corporations and public financial corporations.

- Public non-financial corporations consist of residential non-financial corporations and quasi-corporations that are subject to control by government units and which sell industrial or commercial goods and services to the public on a large scale. Public non-financial corporations in South Africa include -
  - SA Energy Corporation;
  - Electricity Supply Commission (ESKOM);
  - Petro SA;
  - Rand Water Board;
  - South African Broadcasting Corporation (SABC); and
  - Transnet Ltd.
- Public financial corporations consist of all corporations, quasi-corporations, and Non Profit Institutions (NPI's) principally engaged in financial intermediation or in auxiliary financial activities closely related to financial intermediation. Public financial corporations in South Africa include -
  - Industrial Development Corporation of South Africa (IDC);
  - Land and Agricultural Bank;
  - Free State Development Corporation; and
  - Limpopo Economic Development Enterprise.

**Reference year**

The reference year for the survey is a calendar year. The reference year is 2003. The reason for the reference year being in terms of a calendar year, is to allow comparisons between various institutions which have different financial year-ends. The financial year of the national government, provincial government, extra budgetary funds and public corporations starts on 1 April of a relevant year and ends on 31 March of the following year, while the financial year of local government institutions starts on 1 July of a relevant year and ends on 30 June of the following year. The financial year of universities and technikons starts on 1 January of a relevant year and ends on 31 December. In the case of the national government, provincial government, extra budgetary funds and public corporations, 25% of the 2002/2003 financial year and 75% of the 2003/2004 financial year make up the amount indicated for the calendar year 2003, while in the case of local government institutions the 2003 calendar year amount is determined by using 50% of the 2002/2003 financial year and 50% of the 2003/2004 financial year. Amounts indicated for universities and technikons are as provided by the respondents as their financial year is a calendar year.

**Residential buildings**

Residential buildings are buildings that are used entirely or primarily by residences and include -

- dwelling houses;
- flats;
- holiday chalets;
- hostels;
- houses;
- institutions for the disabled;
- motels;
- nursing homes;
- old age homes; and
- town houses.



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