

**Estimates of  
National Expenditure**

**2019**

**Abridged version**

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The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). Compared to this Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities. Also included are tables containing information on programme specific personnel expenditure, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of site service delivery is included, where appropriate.

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**National Treasury**

**Republic of South Africa**







# Foreword

The Estimates of National Expenditure (ENE) publications are an integral part of the comprehensive annual budget process. The economic climate has made it necessary to focus on reprioritising existing resources towards areas where the most value can be derived for all South Africans. The budgets shown in this document reflect the outcome of a robust negotiation process, led by a committee of senior officials in central government departments, under the political guidance of the Ministers' Committee on the Budget. There was also wide-ranging intergovernmental consultation on budgets in the provincial and local spheres of government. Ultimately, these decisions are considered and endorsed by Cabinet.

The ENE publications present the detail of national government's expenditure estimates for the three-year 2019 medium-term expenditure framework period, most importantly for 2019/20 allocations contained in the Appropriation Bill, 2019, as tabled by the Minister of Finance, for Parliament's consideration and adoption.

The abridged ENE provides extensive information on the priorities, spending plans and service delivery commitments of all 40 national government votes, as well as for associated government agencies. The e-publications for each vote contain more detail on goods and services, transfers and subsidies, donor funding, public entities, and lower-level spending information on service delivery.

This information in these chapters ensures that Parliament, the public, civil society, the media, government departments, public entities and the executive can keep state institutions accountable and ensure that public funds are spent to achieve the outcomes for which they were intended. Since its launch in February 2018, the Vulekamali online portal has become the main source of transparent, user-friendly information, including information contained in ENE publications, for anybody who wants to know more about how government compiles its budget and spends public funds. The website, [www.vulekamali.gov.za](http://www.vulekamali.gov.za), continues to evolve, and now also provides geospatial information on government's infrastructure projects, which are focal in this year's budget as a key impetus for economic growth. I encourage you to be active citizens and use this information to hold government accountable for obtaining the best possible outcomes with the funds entrusted to it.

I wish to thank the executive for the political leadership shown in the budget process, our government colleagues for all of their efforts and contributions, and my team at the department for working diligently to bring it all together.



**Dondo Mogajane**  
**Director-General: National Treasury**



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# Introduction

## Estimates of National Expenditure publications

The Minister of Finance tables the budget every year in Parliament, and authorisation to spend the budget is sought through the tabling of an Appropriation Bill. Each year, the Appropriation Bill sets out the proposed amounts to be appropriated from the National Revenue Fund for the first year of the medium-term expenditure framework (MTEF) period. The 2019 Appropriation Bill sets out allocations to national government votes<sup>1</sup> by programme and main economic classification<sup>2</sup> for 2019/20.

The abridged Estimates of National Expenditure (ENE) is tabled with the Appropriation Bill. It contains detailed information about the allocations set out in the Appropriation Bill, for the current financial year. In addition, government's proposed spending plans for the full three-year (MTEF) period, 2019/20 to 2021/22, are also shown. The ENE is compiled using data and information provided by national departments and their respective entities. Information on how government institutions have spent their budgets in previous years is included. Explanations are provided of how institutions intend to use their allocations over the medium term to achieve their goals, and the outputs and outcomes their spending is expected to lead to. Tables depict non-financial performance indicators and targets, departmental receipts, and detailed expenditure trends and estimates by programme, subprogramme and economic classification for each department and for selected entities. Brief explanatory narratives set out the institution's purpose (and that of its programmes), mandate, programme-level objectives and descriptions of subprogrammes. A more in-depth narrative analyses the institution's expected expenditure over the MTEF period. A summary table is included at the end of the chapter for votes in which there is significant spending on infrastructure.

A more detailed e-publication for each vote is available online. These e-publications contain programme personnel data tables and detailed information for all entities, as well as additional summary data tables on provincial and municipal conditional grants, public-private partnerships, donor funding, and expenditure at the level of site service delivery, where applicable.

## Budgeting by function

Budget discussions take place within function groups. Function groups are made up of various institutions across the three spheres of government, grouped together according to the objectives or activities they are mandated to perform. Different programmes within the same department may be categorised across different functions depending on their assigned tasks. For example, the *Electrification and Energy Programme and Project Management* programme within the Department of Energy is categorised under the community development function, whereas all the other programmes of this department are categorised under the economic development function. These function groups are strategically grouped to facilitate subject-specific discussions targeting service delivery requirements and policy priorities.

Table 1.1 shows the seven function budget areas by national department and selected entities.

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1. A national government vote is generally synonymous with a national government department. However, in certain instances, a vote may contain more than one national government department. For instance, the Police vote contains two departments: the Department of Police and the Civilian Secretariat for the Police Service.

2. Allocations are made by economic classification. The main categories of economic classification are: current payments (payments made for operational requirements such as those for compensation of employees and goods and services); transfers and subsidies; payments for capital assets (assets that can be used for more than one year); and payments for financial assets (loans or equity investments in public corporations).

**Table 1.1 Function groups**

Function group	National department	Selected entities	
General Public Services	The Presidency		
	Communications	South African Broadcasting Cooperation Independent Communications Authority of South Africa	
	Women		
	Parliament		
	Planning, Monitoring and Evaluation		
	National Treasury (all programmes except programmes 6, 7, and 10)		South African Revenue Service Development Bank of Southern Africa Land and Agricultural Development Bank of South Africa Public Investment Corporation Government Pensions Administration Agency South African Special Risks Insurance Association
	Public Enterprises		
	Statistics South Africa		
	Cooperative Governance and Traditional Affairs (except the local government equitable share and the municipal infrastructure grant)		
	Public Service and Administration		
	Public Works (programmes 1, 2, and 5)		
	International Relations and Cooperation		
National Treasury (programme 6)			
Learning and Culture	Basic Education		
	Higher Education and Training	National Student Financial Aid Scheme Sector education and training authorities (consolidated) National Skills Fund	
	Sport and Recreation		
	Arts and Culture		
Health	Health	National Health Laboratory Service Medical Research Council of South Africa	
Economic Development	Economic Development	Industrial Development Corporation of South Africa	
	Mineral Resources		
	Trade and Industry	National Lotteries Commission Distribution Trust Fund Export Credit Insurance Corporation of South Africa	
	Tourism	South African Tourism	
	Small Business Development		
	Public Works (programme 4)	Property Management Trading Entity	
	Labour	Unemployment Insurance Fund Compensation Fund, including Reserve Fund	
	Public Works (programme 3)		
	National Treasury (programme 7)		
	All expanded public works programmes in other national departments		
	Science and Technology	National Research Foundation Council for Scientific and Industrial Research	
	Environmental Affairs	South African National Parks	
	Agriculture, Forestry and Fisheries	Agricultural Research Council	
Rural Development and Land Reform	Agricultural Land Holding Account		

Table 1.1 Function groups

Function group	National department	Selected entities
Economic Development	Energy (except programme 4)	South African Nuclear Energy Corporation Central Energy Fund
	Telecommunications and Postal Services	Sentech South African Post Office State Information Technology Agency
	Transport (all programmes except programme 7)	South African National Roads Agency Road Accident Fund Air Traffic and Navigation Services Company Airports Company of South Africa
	Water and Sanitation (all programmes except programme 3)	Rand Water Water Trading Entity Trans-Caledon Tunnel Authority Water boards (consolidated) Umgeni Water
Social Development	Social Development	South African Social Security Agency
Peace and Security	Defence and Military Veterans	Armaments Corporation of South Africa
	National Treasury (programme 10)	
	Police	
	Independent Police Investigative Directorate	
	Civilian Secretariat for the Police Service	Legal Aid South Africa
	Justice and Constitutional Development	
	Correctional Services	
	Office of the Chief Justice	
Home Affairs	Government Printing Works Electoral Commission	
Community Development	Human Settlements	National Home Builders Registration Council
	Water and Sanitation (programme 3)	Passenger Rail Agency of South Africa
	Transport (programme 7)	
	Energy (programme 4)	
	Cooperative Governance (local and provincial conditional grants)	

### The 2019 Budget determination process

The technical guidelines issued by National Treasury at the start of the budget determination process informed government institutions that there were no additional resources available for allocation over the 2019 MTEF period. This meant that any additional allocations were to be funded through reductions in other areas. To do this, institutions were tasked with scaling down non-priority programmes and projects, and changing service delivery models through measures such as containing costs, improving efficiency by undertaking appropriate operational changes, and using technology more effectively.

Institutions were also informed that potentially deteriorating economic circumstances, as well as priority programmes, would require them to present a budget scenario where proposals were made for expenditure reductions. Proposals put forward by institutions were examined within budget function groups, culminating in recommendations on how institutional policies, practices and arrangements could be adapted to best achieve the function's outcomes. These recommendations were presented to the ministers' committee on the budget technical committee, comprising the directors-general of central national government departments, who

considered the inevitable trade-offs and priorities for government as a whole and put forward recommendations to the ministers' committee on the budget. The ministers' committee on the budget tabled its recommendations in Cabinet for approval. This formed the basis for the fiscal framework, the division of revenue across the three spheres of government, and the detail of allocations tabled in the 2018 Medium-Term Budget Policy Statement (MTBPS) and in the 2019 Budget.

Budget baseline reallocations are effected across most departments from various economic classification items, including conditional grants to provinces and municipalities, and other transfers to institutions. Total reductions to budget baselines amount to R2.6 billion in 2019/20, R4.3 billion in 2020/21 and R9 billion in 2021/22, as shown by economic classification in the table below.

**Table 1.2 Total general budget baseline reductions by main economic classification category**

R million	2019/20	2020/21	2021/22
Transfers and subsidies, of which a portion is targeted at the compensation of employees and goods and services budgets of sub-national government institutions	-2 468	-4 211	-8 909
Compensation of employees	-106	-93	-98
Goods and services	-5	-5	-6
<b>Total</b>	<b>-2 579</b>	<b>-4 308</b>	<b>-9 012</b>

### Main budget expenditure ceiling

Expenditure ceilings apply to main budget non-interest expenditure, as well as to the portion of vote budgets allocated for compensation of employees. Aggregate allocations approved for the vote for the MTEF period provide an upper limit within which budgets are to be managed. The expenditure ceiling figures differ slightly from those for main budget non-interest expenditure because the ceiling excludes payments directly financed by dedicated revenue flows, as well as payments not subject to policy oversight. These include:

- payments for government financial assets financed by the sale of financial assets
- payment transactions linked to the management of government debt
- direct charges related to specific payments made in terms of legislation, such as the provincial equitable share.

Table 1.3 reflects the aggregate expenditure ceiling as tabled in the Budget Review and MTBPS publications. The expenditure ceiling for compensation of employees for national government departments is R176.5 billion in 2019/20, R189.5 billion in 2020/21 and R201.9 billion in 2021/22.

**Table 1.3 Expenditure ceiling at the main budget level<sup>1</sup> for 2015/16 to 2021/22**

R million	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
2016 Budget Review	1 076 705	1 152 833	1 240 086	1 339 422			
2016 MTBPS	1 074 992	1 144 353	1 229 742	1 323 465	1 435 314		
2017 Budget Review	1 074 970	1 144 225	1 229 823	1 323 553	1 435 408		
2017 MTBPS		1 141 978	1 233 722	1 316 553	1 420 408	1 524 222	
2018 Budget Review		1 141 978	1 232 678	1 315 002	1 416 597	1 523 762	
2018 MTBPS			1 225 455	1 314 865	1 416 597	1 523 762	1 630 026
2019 Budget Review				1 310 156	1 430 595	1 525 052	1 630 758

1. Non-interest spending financed from the National Revenue Fund, excluding the skills development levy, special appropriations in 2015/16 for Eskom and the New Development Bank, debt management, gold and foreign exchange contingency reserve account transactions, and the International Oil Pollution Compensation Fund.

### Composition of changes to government spending by function

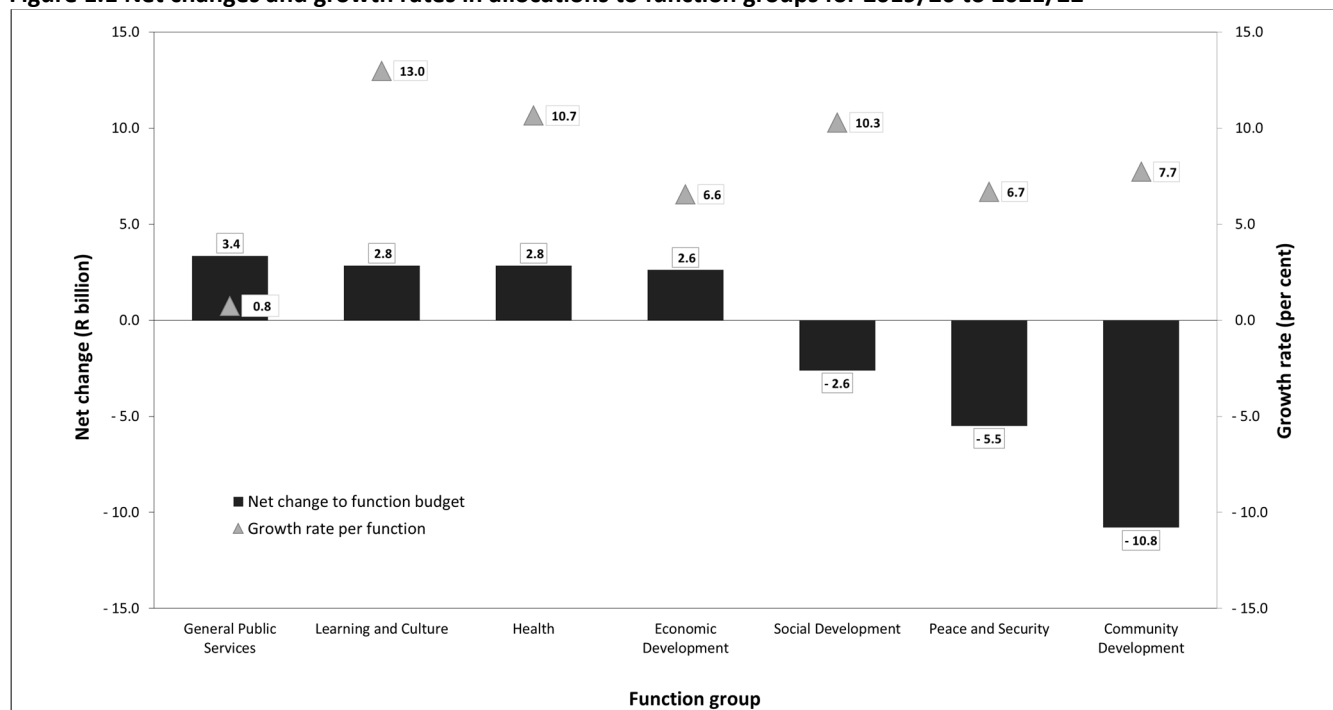
Consolidated expenditure<sup>3</sup> amounts to R1.83 trillion in 2019/20, R1.95 trillion in 2020/21, and R2.09 trillion in 2021/22, and is expected to increase at 2.4 per cent in real terms over the MTEF period. Main budget expenditure, excluding the contingency reserve, is also set to increase at an average annual rate of 2.1 per cent in real terms over the MTEF period, from R1.46 trillion in 2019/20 to R1.65 trillion in 2021/22.

3. Main budget-level expenditure refers to expenditure financed through revenue collected by national government, which is deposited in the National Revenue Fund. Consolidated expenditure consists of main budget expenditure, as well as expenditure financed from revenue raised by government entities, provinces and social security funds. Consolidated government spending forms the basis for discussion in the Budget Review publication.



The effects on main budget spending per function group emanating from the 2019 Budget process are shown in Figure 1.1 alongside spending growth rates. The functions largely retain positive growth rates as the reductions implemented have lowered growth rates, but aggregate planned spending levels have generally not been reduced.

**Figure 1.1 Net changes and growth rates in allocations to function groups for 2019/20 to 2021/22**



The changes are summarised below:

- **General Public Services:** The R3.4 billion net increase to the function, excluding adjustments to debt-service costs, is mainly due to increased transfer payments to the South African Revenue Service for operations, and to Statistics South Africa for Census 2021.
- **Learning and Culture:** The R2.8 billion net increase is mainly on the *school infrastructure backlogs indirect grant* and the *education infrastructure grant* for school infrastructure, repairs and maintenance, including for the replacement of pit latrines; the sanitary dignity project; and student housing.
- **Health:** The R2.8 billion net increase is mainly on the *health infrastructure indirect grant* for the phased building costs of the Limpopo academic hospital.
- **Economic Development:** The R2.6 billion net increase is mainly for increased transfer payments to the South African National Roads Agency for the non-toll network and the South African Post Office for the provision of universal services.
- **Social Development:** The R2.6 billion net decrease is mainly due to reduced estimates of requirements for social assistance grants and reduced transfer payments to the South African Social Security Agency.
- **Peace and Security:** The R5.5 billion net decrease mainly comprises reductions to the special defence account within the Department of Defence; and goods and services payments for other departments within the function.
- **Community Development:** The R10.8 billion net decrease is mainly due to reductions effected on the Passenger Rail Agency of South Africa for its rolling stock fleet renewal and other capital programmes, as well as a reduction on the *human settlements development grant*.

## Baseline adjustments by function and by vote

Adjustments to the main budget non-interest expenditure over the 2019 MTEF period are presented in the tables that follow, by function and for each vote within the function. The estimated<sup>4</sup> function split of the changes to the provincial equitable share, where relevant, is also shown in the tables as provinces have key service delivery mandates aligned with the functions they share with national departments.

All changes are shown relative to the initial function planning baseline allocations for the MTEF period, which originate from the previous year's budget baselines. All changes made to baselines are shown in the tables to account comprehensively for the budget allocation decisions taken throughout the 2019 Budget process. Most budget amendments have been effected through the reduction and reallocation of budget baseline funds.

### General Public Services

The General Public Services function aims to deliver an efficient public service through the improvement of general government administrative services. The function is allocated R62.7 billion in 2019/20, R66 billion in 2020/21 and R71.2 billion in 2021/22. The function baseline is increased by a net amount of R3.4 billion (1.7 per cent) over the MTEF period, from R196.6 billion to R199.9 billion.

**Table 1.4 General Public Services**

Function <sup>1</sup> by vote	2019/20	2020/21	2021/22 <sup>3</sup>	MTEF total
R million				
<b>2018 MTEF function baseline<sup>2</sup></b>	<b>61 852.8</b>	<b>65 392.0</b>	<b>69 322.6</b>	<b>196 567.5</b>
<b>2019 MTEF function baseline<sup>2</sup></b>	<b>62 690.6</b>	<b>66 014.4</b>	<b>71 214.9</b>	<b>199 920.2</b>
<b>Annual growth rate (percentage)</b>	<b>-10.9%</b>	<b>5.3%</b>	<b>7.9%</b>	<b>0.8%</b>
<b>Net change from the 2018 baseline (percentage)</b>	<b>1.4%</b>	<b>1.0%</b>	<b>2.7%</b>	<b>1.7%</b>
<b>Communications</b>	<b>-13.1</b>	<b>-13.5</b>	<b>-14.0</b>	<b>-40.6</b>
Media Development and Diversity Agency: Salary increase freeze/reduction for senior management staff	-0.2	-0.2	-0.2	-0.7
Film and Publication Board: Salary increase freeze/reduction for senior management staff	-0.5	-0.5	-0.6	-1.6
Brand South Africa: Salary increase freeze/reduction for senior management staff	-3.7	-3.9	-4.0	-11.7
Independent Communications Authority of South Africa: Salary increase freeze/reduction for senior management staff, and goods and services	-8.6	-8.9	-9.2	-26.7
<b>Cooperative Governance and Traditional Affairs</b>	<b>-12.7</b>	<b>-13.6</b>	<b>-14.7</b>	<b>-41.0</b>
South African Local Government Association: Salary increase freeze/reduction for senior management staff	-1.1	-1.2	-1.2	-3.4
Municipal Infrastructure Support Agent: Salary increase freeze/reduction for senior management staff, and goods and services	-11.6	-12.5	-13.5	-37.6
<b>International Relations and Cooperation</b>	<b>200.0</b>	<b>213.3</b>	<b>-</b>	<b>413.3</b>
African Union: Membership fees	200.0	213.3	-	413.3
<b>National Treasury</b>	<b>485.8</b>	<b>428.0</b>	<b>460.5</b>	<b>1 374.3</b>
South African Revenue Service: Goods and services	398.7	479.2	512.5	1 390.4
Direct charge against the national revenue fund: National Revenue Fund payments	135.3	-	-	135.3
Provincial equitable share: Infrastructure delivery improvement programme	45.0	45.0	45.0	135.0
Government Technical Advisory Centre: Goods and services	15.0	20.0	25.0	60.0
Cooperative Banks Development Agency: Salary increase freeze/reduction for senior management staff	-0.2	-0.3	-0.3	-0.9
Financial and Fiscal Commission: Salary increase freeze/reduction for senior management staff	-0.4	-0.4	-0.4	-1.1
Accounting Standards Board: Salary increase freeze/reduction for senior management staff	-0.5	-0.5	-0.6	-1.6
Provincial equitable share: Provincial legislatures: Salary increase freeze/reduction for senior management staff	-42.1	-44.9	-45.8	-132.8
Infrastructure delivery improvement programme: Goods and services	-65.0	-70.0	-75.0	-210.0

4. An aggregate monetary amount is allocated from the National Revenue Fund for the provincial equitable share. These funds are then allocated to specific function areas through separate provincial budgetary processes and legislative approval. The details of the function allocations of the funds by each of the provinces are not known with certainty at present.

**Table 1.4 General Public Services**

Function <sup>1</sup> by vote	2019/20	2020/21	2021/22 <sup>3</sup>	MTEF total
R million				
<b>Parliament</b>	<b>-4.5</b>	<b>26.7</b>	<b>39.8</b>	<b>62.0</b>
Budget baseline adjustment <sup>4</sup>	-4.5	26.7	39.8	62.0
<b>Planning, Monitoring and Evaluation</b>	<b>-15.3</b>	<b>-17.1</b>	<b>-18.9</b>	<b>-51.2</b>
National Youth Development Agency: Salary increase freeze/reduction for senior management staff, and goods and services reduction	-4.3	-4.6	-5.4	-14.2
Goods and services	-11.0	-12.5	-13.5	-37.0
<b>Public Service and Administration</b>	<b>-4.8</b>	<b>5.1</b>	<b>20.1</b>	<b>20.3</b>
National School of Government: Operations	8.6	18.5	28.4	55.6
Government Employees Housing Scheme: Capacitation	6.5	7.0	7.5	20.9
Compensation of employees	-5.0	-5.0	-	-10.0
Government Employees Housing Scheme: Goods and services	-6.5	-7.0	-7.5	-20.9
Goods and services	-8.4	-8.5	-8.4	-25.3
<b>Public Works</b>	<b>-23.7</b>	<b>-40.1</b>	<b>-21.3</b>	<b>-85.2</b>
Prestige policy programme: Transfers and subsidies	-0.9	-0.9	-0.8	-2.6
Machinery and equipment	-0.7	-0.7	-1.6	-3.0
Transfers and subsidies: Social benefits	-5.0	-5.5	-6.2	-16.7
Goods and services	-17.0	-33.1	-12.7	-62.9
<b>Statistics South Africa</b>	<b>75.0</b>	<b>-</b>	<b>1 405.8</b>	<b>1 480.8</b>
Census 2021	-	-	1 300.0	1 300.0
Continuous population survey: Goods and services	-	-	83.7	83.7
Social and population surveys: Goods and services	65.0	-	-	65.0
Continuous population survey: Compensation of employees	-	-	22.1	22.1
Economic surveys: Goods and services	10.0	-	-	10.0
<b>The Presidency</b>	<b>151.4</b>	<b>33.7</b>	<b>35.2</b>	<b>220.3</b>
Presidential inauguration: Goods and services	120.0	-	-	120.0
e-Cabinet Transversal system: Goods and services	16.4	17.2	21.4	55.0
Establishment of a policy and research services unit: Goods and services	15.0	16.5	13.8	45.3
<b>Women</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.3</b>
Commission for Gender Equality: Salary increase freeze/reduction for senior management staff, and goods and services reduction	-0.1	-0.1	-0.1	-0.3
<b>Net change to function baseline</b>	<b>838.1</b>	<b>622.3</b>	<b>1 892.3</b>	<b>3 352.7</b>

1. The estimate of the provincial equitable share allocated to this function is included. This amount is in the final instance determined by provincial budgetary and legislative processes, and is thus subject to change.
2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline shown in the Budget Review publication, which includes revenue generated from other sources.
3. The modifications made to the 2021/22 function planning baseline throughout the course of the budget process for the MTEF period are shown. The first estimates for 2021/22 are shown in italics. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.
4. The disaggregation by economic classification of this budget baseline adjustment will be determined by Parliament in accordance with the Financial Management of Parliament and Provincial Legislatures Act (2009).

## Learning and Culture

The Learning and Culture function aims to provide all South Africans with equitable access to relevant and quality basic and higher education and training, and to promote social cohesion. The function is allocated R377.6 billion in 2019/20, R408.2 billion in 2020/21 and R434.8 billion in 2021/22. The function baseline is increased by a net amount of R2.8 billion (0.2 per cent) over the MTEF period, from R1.218 trillion to R1.221 trillion.

**Table 1.5 Learning and Culture**

Function <sup>1</sup> by vote	2019/20	2020/21	2021/22 <sup>3</sup>	MTEF total
R million				
<b>2018 MTEF function baseline<sup>2</sup></b>	<b>376 705.7</b>	<b>407 582.9</b>	<b>433 480.8</b>	<b>1 217 769.4</b>
<b>2019 MTEF function baseline<sup>2</sup></b>	<b>377 605.6</b>	<b>408 249.5</b>	<b>434 761.2</b>	<b>1 220 616.3</b>
<b>Annual growth rate (percentage)</b>	<b>24.3%</b>	<b>8.1%</b>	<b>6.5%</b>	<b>13.0%</b>
<b>Net change from the 2018 baseline (percentage)</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.3%</b>	<b>0.2%</b>
<b>Arts and Culture</b>	<b>-5.2</b>	<b>-5.7</b>	<b>-6.0</b>	<b>-16.9</b>
National Archives: Heritage assets	15.0	65.0	80.0	160.0
War Museum of the Boer Republics: Operations	1.0	1.1	1.1	3.2
uMsunduzi Museum: Salary increase freeze/reduction for senior management staff	-0.0	-0.0	-0.0	-0.1
South African Library for the Blind: Salary increase freeze/reduction for senior management staff	-0.0	-0.0	-0.0	-0.1
War Museum of the Boer Republics: Salary increase freeze/reduction for senior management staff	-0.1	-0.1	-0.1	-0.2
Die Afrikaanse Taal Museum en -monument: Salary increase freeze/reduction for senior management staff	-0.1	-0.1	-0.1	-0.2
KwaZulu-Natal Museum: Salary increase freeze/reduction for senior management staff	-0.1	-0.1	-0.1	-0.2
Nelson Mandela Museum: Salary increase freeze/reduction for senior management staff	-0.1	-0.1	-0.1	-0.2
National Arts Council of South Africa: Salary increase freeze/reduction for senior management staff	-0.1	-0.1	-0.1	-0.2
Luthuli Museum: Salary increase freeze/reduction for senior management staff	-0.1	-0.1	-0.1	-0.2
National Museum Bloemfontein: Salary increase freeze/reduction for senior management staff	-0.1	-0.1	-0.1	-0.3
Ditsong Museums of South Africa: Salary increase freeze/reduction for senior management staff	-0.1	-0.1	-0.1	-0.3
The South African State Theatre: Salary increase freeze/reduction for senior management staff	-0.1	-0.1	-0.1	-0.4
Market Theatre Foundation: Salary increase freeze/reduction for senior management staff	-0.2	-0.2	-0.2	-0.6
Iziko Museums of South Africa: Salary increase freeze/reduction for senior management staff	-0.2	-0.3	-0.3	-0.8
National Library of South Africa: Salary increase freeze/reduction for senior management staff	-0.3	-0.3	-0.3	-0.8
The Playhouse Company: Salary increase freeze/reduction for senior management staff	-0.3	-0.3	-0.3	-0.9
Freedom Park Trust: Salary increase freeze/reduction for senior management staff	-0.3	-0.4	-0.4	-1.1
Artscape Theatre: Salary increase freeze/reduction for senior management staff	-0.4	-0.4	-0.5	-1.3
The Pan South African Language Board: Salary increase freeze/reduction for senior management staff	-0.4	-0.5	-0.5	-1.3
South African Heritage Resources Agency: Salary increase freeze/reduction for senior management staff	-0.5	-0.5	-0.5	-1.4
Performing Arts Council of the Free State: Salary increase freeze/reduction for senior management staff	-0.4	-0.5	-0.5	-1.5
National Film and Video Foundation of South Africa: Salary increase freeze/reduction for senior management staff	-0.5	-0.6	-0.6	-1.7
National Heritage Council of South Africa: Salary increase freeze/reduction for senior management staff	-1.0	-1.0	-1.1	-3.1
Pan South African Language Board: Municipal charges	-1.0	-1.1	-1.1	-3.2
Die Afrikaanse Taal Museum en -monument: Operations	-	-	-12.2	-12.2
Capital works: Ditsong Museums: Heritage assets	-	-10.0	-4.6	-14.6
Capital works: National Film and Video Foundation: Heritage assets	-	-7.7	-8.2	-15.9
Capital works: South African Heritage Resources Agency: Heritage assets	-	-10.3	-15.0	-25.3
Capital works: Liberation Heritage Route: Heritage assets	-15.0	-10.0	-10.0	-35.0
Capital works: National Heritage Monument: Heritage assets	-	-27.0	-30.0	-57.0
<b>Basic Education</b>	<b>889.2</b>	<b>783.8</b>	<b>1 298.7</b>	<b>2 971.8</b>
School infrastructure backlogs indirect grant: Eradication of pit latrines	700.0	800.0	1 300.0	2 800.0
Education infrastructure grant: Repair of schools damaged by floods in KwaZulu-Natal	200.3	-	-	200.3
School infrastructure backlogs indirect grant: Compensation of employees	3.7	4.0	4.2	11.9
uMalusi Council for Quality Assurance in General and Further Education and Training: Salary increase freeze/reduction for senior management staff, and goods and services	-1.1	-1.2	-1.3	-3.6
School infrastructure backlogs indirect grant: Goods and services	-3.7	-4.0	-4.2	-11.9
Second Chance programme: Goods and services	-10.0	-15.0	-	-25.0

**Table 1.5 Learning and Culture**

Function <sup>1</sup> by vote	2019/20	2020/21	2021/22 <sup>3</sup>	MTEF total
R million				
<b>Higher Education and Training</b>	<b>-140.9</b>	<b>-111.4</b>	<b>-12.2</b>	<b>-264.4</b>
Budget facility for infrastructure: Student housing infrastructure programme	120.0	–	–	120.0
Council on Higher Education: Salary increase freeze/reduction for senior management staff	-0.4	-0.3	-0.3	-1.0
South African Qualifications Authority: Salary increase freeze/reduction for senior management staff	-0.6	-0.6	-0.6	-1.8
Quality Council for Trades and Occupations: Salary increase freeze/reduction for senior management staff	-2.9	-3.1	-3.3	-9.3
National Student Financial Aid Scheme: Salary increase freeze/reduction for senior management staff, and goods and services	-7.0	-7.3	-7.9	-22.3
Government Employees Pension Fund: Pension payouts	-50.0	–	–	-50.0
Technical and vocational education and training college subsidies: Operations	-200.0	-100.0	–	-300.0
<b>National Treasury</b>	<b>157.0</b>	<b>–</b>	<b>–</b>	<b>157.0</b>
Provincial equitable share: Sanitary dignity project	157.0	–	–	157.0
<b>Sport and Recreation South Africa</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-0.6</b>
South African Institute for Drug-free Sport: Salary increase freeze/reduction for senior management staff, and goods and services	-0.0	-0.0	-0.0	-0.1
Boxing South Africa: Salary increase freeze/reduction for senior management staff, and goods and services	-0.1	-0.2	-0.2	-0.5
<b>Net change to function baseline</b>	<b>899.9</b>	<b>666.6</b>	<b>1 280.4</b>	<b>2 846.9</b>

1. The estimate of the provincial equitable share allocated to this function is included. This amount is in the final instance determined by provincial budgetary and legislative processes, and is thus subject to change.
2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline shown in the Budget Review publication, which includes revenue generated from other sources.
3. The modifications made to the 2021/22 function planning baseline throughout the course of the budget process for the MTEF period are shown. The first estimates for 2021/22 are shown in italics. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

## Health

The Health function seeks to improve access to affordable, quality health care by ensuring an appropriate balance between preventative care and curative services. The function is allocated R213.3 billion in 2019/20, R231 billion in 2020/21 and R248.4 billion in 2021/22. The function baseline is increased by a net amount of R2.8 billion (0.4 per cent) over the MTEF period, from R689.8 billion to R692.7 billion.

**Table 1.6 Health**

Function <sup>1</sup> by vote	2019/20	2020/21	2021/22 <sup>3</sup>	MTEF total
R million				
<b>2018 MTEF function baseline<sup>2</sup></b>	<b>213 334.1</b>	<b>230 541.2</b>	<b>245 950.2</b>	<b>689 825.4</b>
<b>2019 MTEF function baseline<sup>2</sup></b>	<b>213 341.4</b>	<b>230 958.1</b>	<b>248 363.6</b>	<b>692 663.1</b>
<b>Annual growth rate (percentage)</b>	<b>16.2%</b>	<b>8.3%</b>	<b>7.5%</b>	<b>10.7%</b>
<b>Net change from the 2018 baseline (percentage)</b>	<b>0.0%</b>	<b>0.2%</b>	<b>1.0%</b>	<b>0.4%</b>
<b>Health</b>	<b>7.3</b>	<b>416.9</b>	<b>1 413.4</b>	<b>1 837.7</b>
Human resources capacitation grant	605.7	1 063.1	1 127.2	2 796.0
Health infrastructure indirect grant: Limpopo academic hospital	247.0	653.0	498.0	1 398.0
HIV, Tuberculosis, Malaria and Community Outreach Grant: Community outreach services component	–	–	1 000.0	1 000.0
HIV, Tuberculosis, Malaria and Community Outreach Grant: Malaria elimination programme	90.4	117.2	111.2	318.8
South African Medical Research Council: Research initiatives	40.0	40.0	40.0	120.0
Malaria elimination programme: Regional co-financing project	–	30.0	30.0	60.0
South African Health Products Regulatory Authority: Medical registration backlogs	40.0	20.0	–	60.0
Shift to South African Health Products Regulatory Authority from radiation control	17.4	18.6	19.7	55.6
Interim Traditional Health Practitioners Council: Operations	5.0	5.0	5.0	15.0
Office of Health Standards Compliance: Salary increase freeze/reduction for senior management staff	-0.5	-0.5	-0.5	-1.5
South African Health Products Regulatory Authority: Salary increase freeze/reduction for senior management staff	-6.3	-10.6	-11.2	-28.0
Accelerating HIV prevention and management, including Soul City, Lifeline, loveLife and other non-governmental organisations	-10.0	-10.0	-10.0	-30.0

**Table 1.6 Health**

Function <sup>1</sup> by vote	2019/20	2020/21	2021/22 <sup>3</sup>	MTEF total
R million				
South African Medical Research Council: Salary increase freeze/reduction for senior management staff, and goods and services	-13.2	-13.8	-15.7	-42.7
Radiation control shifted to the South African Health Products Regulatory Authority	-17.4	-18.6	-19.7	-55.6
Health facility revitalisation grant	-40.0	-20.0	–	-60.0
National health insurance indirect grant: Non-personal services component:	-15.0	-20.0	-40.0	-75.0
Medicines stock surveillance system				
Health promotion programme	-60.0	-40.0	–	-100.0
National health insurance indirect grant: Health facility revitalisation component	-51.3	-49.3	–	-100.6
National Health Laboratory Service: Salary increase freeze/reduction for senior management staff, and goods and services	-48.5	-51.9	-57.1	-157.5
HIV, tuberculosis, malaria and community outreach grant: HIV and AIDS component	-90.4	-147.2	-141.2	-378.8
National health insurance indirect grant: Personal services component	-685.7	-1 148.1	-1 122.2	-2 956.0
<b>National Treasury</b>			<b>1 000.0</b>	<b>1 000.0</b>
Provincial equitable share: Medical interns training programme and sector internships	–	–	1 000.0	1 000.0
<b>Net change to function baseline</b>	<b>7.3</b>	<b>416.9</b>	<b>2 413.4</b>	<b>2 837.7</b>

1. The estimate of the provincial equitable share allocated to this function is included. This amount is in the final instance determined by provincial budgetary and legislative processes, and is thus subject to change.
2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline shown in the Budget Review publication, which includes revenue generated from other sources.
3. The modifications made to the 2021/22 function planning baseline throughout the course of the budget process for the MTEF period are shown. The first estimates for 2021/22 are shown in italics. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

## Economic Development

The Economic Development function seeks to stimulate socioeconomic development and promote inclusive economic growth through sector-specific interventions. The function is allocated R151.8 billion in 2019/20, R159.2 billion in 2020/21 and R165.3 billion in 2021/22. The function baseline is increased by a net amount of R2.6 billion (0.6 per cent) over the MTEF period, from R473.7 billion to R476.3 billion.

**Table 1.7 Economic Development**

Function <sup>1</sup> by vote	2019/20	2020/21	2021/22 <sup>3</sup>	MTEF total
R million				
<b>2018 MTEF function baseline<sup>2</sup></b>	<b>149 404.6</b>	<b>158 417.8</b>	<b>165 865.8</b>	<b>473 688.2</b>
<b>2019 MTEF function baseline<sup>2</sup></b>	<b>151 813.3</b>	<b>159 229.9</b>	<b>165 261.7</b>	<b>476 304.8</b>
<b>Annual growth rate (percentage)</b>	<b>11.0%</b>	<b>4.9%</b>	<b>3.8%</b>	<b>6.6%</b>
<b>Net change from the 2018 baseline (percentage)</b>	<b>1.6%</b>	<b>0.5%</b>	<b>-0.4%</b>	<b>0.6%</b>
<b>Agriculture, Forestry and Fisheries</b>	<b>63.6</b>	<b>109.9</b>	<b>119.9</b>	<b>293.3</b>
Agricultural Research Council: Foot-and-mouth disease vaccine production facility	130.0	140.0	130.0	400.0
Expanded public works programme incentive: Working for Forests	2.4	2.5	2.7	7.6
National Agricultural Marketing Council: Salary increase freeze/reduction for senior management staff	-0.4	-0.4	-0.5	-1.3
Agricultural Research Council: Compensation of employees	-2.1	-2.2	-2.4	-6.7
Comprehensive agriculture support programme grant	-66.3	-30.0	-10.0	-106.3
<b>Economic Development</b>	<b>29.1</b>	<b>28.1</b>	<b>59.5</b>	<b>116.8</b>
Presidential Infrastructure Coordinating Commission: Operations	45.0	45.0	75.0	165.0
Competition Tribunal: Salary increase freeze/reduction for senior management staff, and goods and services	-0.9	-0.9	-1.0	-2.8
International Trade Administration Commission: Salary increase freeze/reduction for senior management staff, and goods and services	-1.0	-1.0	-1.1	-3.1
Industrial Development Corporation: Tirisano Construction Fund Trust	-2.0	-2.0	–	-4.0
Goods and services	-1.9	-2.1	-2.0	-6.0
Competition Commission: Salary increase freeze/reduction for senior management staff, and goods and services	-10.1	-10.8	-11.4	-32.4
<b>Energy</b>	<b>181.0</b>	<b>194.7</b>	<b>204.6</b>	<b>580.3</b>
Decontamination and decommissioning of nuclear waste	170.2	179.6	189.4	539.2
National Radioactive Waste Disposal Institute: Nuclear waste disposal licence and operations	4.0	10.0	10.0	24.0
Goods and services	6.8	5.2	5.2	17.1

**Table 1.7 Economic Development**

Function <sup>1</sup> by vote	2019/20	2020/21	2021/22 <sup>3</sup>	MTEF total
R million				
<b>Environmental Affairs</b>	<b>-2.2</b>	<b>-8.1</b>	<b>-57.7</b>	<b>-67.9</b>
South African Weather Service: Drought forecast warning system	40.0	100.0	100.0	240.0
Expanded public works programme: Working on Fire	47.2	49.6	52.4	149.1
South African National Biodiversity Institute: Infrastructure maintenance and upgrading	15.0	25.0	35.0	75.0
Expanded public works programme incentive: Working for Water	12.4	13.4	14.2	39.9
iSimangaliso Wetland Park Authority: Salary increase freeze/reduction for senior management staff	-0.4	-0.4	-0.4	-1.2
Goods and services	–	-5.0	–	-5.0
South African National Parks: Salary increase freeze/reduction for senior management staff, and goods and services	-12.0	-12.7	-15.1	-39.9
South African National Biodiversity Institute: Salary increase freeze/reduction for senior management staff, and goods and services	-14.7	-13.5	-14.2	-42.4
Expanded public works programme: Environmental programmes	-5.0	-75.0	-135.0	-215.0
Expanded public works programme incentive: Environmental protection and infrastructure programmes	-84.6	-89.4	-94.4	-268.4
	<b>2.2</b>	<b>21.8</b>	<b>24.4</b>	<b>48.4</b>
<b>Labour</b>				
Commission for Conciliation, Mediation and Arbitration: Operations	29.8	37.7	40.1	107.6
National Economic Development and Labour Council: Operations	5.2	18.8	19.8	43.7
Productivity South Africa: Salary increase freeze/reduction for senior management staff	-1.6	-1.7	-1.8	-5.2
Commission for Conciliation Mediation and Arbitration: Salary increase freeze/reduction for senior management staff, and goods and services	-4.2	-4.4	-4.6	-13.2
Goods and services	-10.0	-12.0	-13.0	-35.0
Compensation of employees	-17.0	-16.5	-16.0	-49.5
<b>Mineral Resources</b>	<b>-10.8</b>	<b>-16.7</b>	<b>-13.1</b>	<b>-40.6</b>
Expanded public works programme incentive: Derelict and ownerless mines	1.5	1.6	1.7	4.8
Mine Health and Safety Council: Salary increase freeze/reduction for senior management staff	-0.7	-5.0	-0.8	-6.5
South African Diamond and Precious Metals Regulator: Salary increase freeze/reduction for senior management staff	-0.9	-0.9	-1.0	-2.8
Mintek: Salary increase freeze/reduction for senior management staff, and goods and services	-3.8	-4.0	-4.6	-12.5
Council for Geoscience: Salary increase freeze/reduction for senior management staff, and goods and services	-6.9	-8.4	-8.5	-23.8
	<b>-200.2</b>	<b>-488.1</b>	<b>-492.0</b>	<b>-1 180.3</b>
<b>National Treasury</b>				
Goods and services	-15.4	-16.0	-17.4	-48.8
Government Technical Advisory Centre: Goods and services	-29.8	-29.8	-31.4	-91.0
Jobs Fund: Revised estimate of funding requirement	-155.1	-151.3	-133.8	-440.2
Political Office Bearers Pension Fund: Revised estimate of funding requirements	–	-291.0	-309.4	-600.4
	<b>-66.3</b>	<b>-68.5</b>	<b>112.8</b>	<b>-22.0</b>
<b>Public Works</b>				
Expanded public works programme: Non-state sector	–	–	245.5	245.5
Property Management Trading Entity: Correction of government title deeds project	50.0	50.0	–	100.0
Agrément South Africa: Salary increase freeze/reduction for senior management staff	-0.1	-0.1	-0.1	-0.3
Council for the Built Environment: Salary increase freeze/reduction for senior management staff	-0.1	-0.1	-0.1	-0.3
Agrément South Africa: Operations	-0.5	-0.5	-0.5	-1.5
Machinery and equipment	-0.9	-0.9	-1.0	-2.7
Construction Industry Development Board: Salary increase freeze/reduction for senior management staff	-1.3	-1.3	-1.4	-4.0
Commonwealth War Graves Commission: Operations	-2.5	-2.5	-2.5	-7.5
Goods and services	-5.4	-4.4	-3.6	-13.4
Expanded public works programme integrated grant for municipalities	-11.9	-11.7	-11.6	-35.2
Expanded public works programme: Non-profit institutions	-12.2	-12.1	-12.1	-36.4
Expanded public works programme integrated grant for provinces	-14.1	-14.0	-13.7	-41.8
Property Management Trading Entity: Salary increase freeze/reduction for senior management staff, and goods and services	-67.4	-70.9	-86.0	-224.3
	<b>-103.6</b>	<b>-1 035.8</b>	<b>-1 021.0</b>	<b>-2 160.4</b>
<b>Rural Development and Land Reform</b>				
Goods and services	1.8	2.2	11.8	15.9
Rural Enterprise and Industrial Development: Transfers to households	–	-5.0	–	-5.0
Compensation of employees	-1.8	-2.2	-11.8	-15.9
Rural Infrastructure Development: Transfers to households	-32.9	–	–	-32.9
Animal and veld management: Transfers to households	-70.0	-30.0	-20.0	-120.0
Land restitution grants: Transfers to households	–	-500.0	-500.0	-1 000.0
Land Reform programme: Agricultural land holding account	-0.8	-500.8	-501.0	-1 002.5

**Table 1.7 Economic Development**

Function <sup>1</sup> by vote	2019/20	2020/21	2021/22 <sup>3</sup>	MTEF total
R million				
<b>Science and Technology</b>	<b>-97.4</b>	<b>-85.9</b>	<b>-81.4</b>	<b>-264.8</b>
Construction and refurbishment of head office building	58.0	–	–	58.0
Academy of Science of South Africa: Salary increase freeze/reduction for senior management staff	-0.1	-0.1	-0.1	-0.4
South African National Space Agency: Salary increase freeze/reduction for senior management staff	-2.0	-2.1	-2.2	-6.3
International Cooperation and Resources programme: Transfers and subsidies	-2.3	-2.3	-2.3	-6.8
Technology Innovation Agency: Salary increase freeze/reduction for senior management staff, and goods and services	-2.9	-3.1	-3.4	-9.4
Human Sciences Research Council: Salary increase freeze/reduction for senior management staff, and goods and services	-6.2	-6.4	-7.1	-19.8
National Research Foundation: Salary increase freeze/reduction for senior management staff, and goods and services	-10.0	-20.0	-11.1	-41.1
Square Kilometre Array: Antennae project	-82.8	–	–	-82.8
Council for Scientific and Industrial Research: Salary increase freeze/reduction for senior management staff, and goods and services	-49.1	-51.8	-55.2	-156.1
	<b>-5.9</b>	<b>-6.2</b>	<b>-7.3</b>	<b>-19.4</b>
<b>Small Business Development</b>				
Small Enterprise Development Agency: Salary increase freeze/reduction for senior management staff, and goods and services	-5.9	-6.2	-7.3	-19.4
	<b>660.2</b>	<b>697.4</b>	<b>525.9</b>	<b>1 883.4</b>
<b>Telecommunications and Postal Services</b>				
South African Post Office: Operations	474.6	500.7	528.3	1 503.6
Sentech: Operations	187.6	198.9	–	386.5
National Electronic Media Institute of South Africa: Salary increase freeze/reduction for senior management staff	-0.5	-0.5	-0.6	-1.6
Universal Service and Access Agency of South Africa: Salary increase freeze/reduction for senior management staff	-1.6	-1.7	-1.8	-5.2
	<b>-11.6</b>	<b>-6.4</b>	<b>-3.0</b>	<b>-21.1</b>
<b>Tourism</b>				
Expanded public works programme incentive: Operations	21.2	22.3	23.5	66.9
Tourism incentive programme: Operations	-15.4	-11.5	-6.3	-33.2
South African Tourism: Salary increase freeze/reduction for senior management staff, and goods and services	-17.4	-17.2	-20.2	-54.8
	<b>-34.1</b>	<b>-39.8</b>	<b>-4.6</b>	<b>-78.5</b>
<b>Trade and Industry</b>				
Industrial Development Corporation: Clothing and textile incentive support	300.0	300.0	–	600.0
Companies Tribunal: Salary increase freeze/reduction for senior management staff, and goods and services	-0.3	-0.3	-0.4	-1.0
National Consumer Tribunal: Salary increase freeze/reduction for senior management staff, and goods and services	-0.5	-0.6	-0.6	-1.7
National Gambling Board of South Africa: Salary increase freeze/reduction for senior management staff, and goods and services	-0.7	-0.7	-0.7	-2.1
National Consumer Commission: Salary increase freeze/reduction for senior management staff, and goods and services	-0.7	-0.7	-0.8	-2.2
National Metrology Institute of South Africa: Salary increase freeze/reduction for senior management staff, and goods and services	-0.8	-0.8	-0.9	-2.5
South African National Accreditation System: Salary increase freeze/reduction for senior management staff, and goods and services	-1.1	-1.2	-1.2	-3.5
Incentive development and administration programme: Manufacturing development incentive	-30.0	-35.5	–	-65.5
Special economic zones: Infrastructure investment support	-300.0	-300.0	–	-600.0
	<b>2 030.8</b>	<b>1 543.3</b>	<b>62.6</b>	<b>3 636.7</b>
<b>Transport</b>				
South African National Roads Agency: Non-toll network	2 000.0	1 500.0	–	3 500.0
Goods and services	125.8	57.5	57.0	240.3
Ports Regulator of South Africa: Operations	5.0	5.3	5.6	15.9
Provincial roads maintenance grant	-100.0	-19.5	–	-119.5
	<b>-26.2</b>	<b>-27.5</b>	<b>-33.7</b>	<b>-87.4</b>
<b>Water and Sanitation</b>				
Inkomati-Usuthu Catchment Management Agency: Salary increase freeze/reduction for senior management staff	-0.5	-0.6	-0.6	-1.7
Water Trading Entity: Salary increase freeze/reduction for senior management staff, and goods and services	-25.7	-27.0	-33.1	-85.7
	<b>2 408.6</b>	<b>812.1</b>	<b>-604.2</b>	<b>2 616.6</b>

1. The estimate of the provincial equitable share allocated to this function is included. This amount is in the final instance determined by provincial budgetary and legislative processes, and is thus subject to change.
2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline shown in the Budget Review publication, which includes revenue generated from other sources.
3. The modifications made to the 2021/22 function planning baseline throughout the course of the budget process for the MTEF period are shown. The first estimates for 2021/22 are shown in italics. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.



## Social Development

The Social Development function aims to reduce poverty by providing income support to the poor. The function is allocated R206.2 billion in 2019/20, R223 billion in 2020/21 and R238.8 billion in 2021/22. The function baseline is decreased by a net amount of R2.6 billion (0.4 per cent) over the MTEF period, from R670.6 billion to R668 billion.

**Table 1.8 Social Development**

Function <sup>1</sup> by vote				
R million	2019/20	2020/21	2021/22 <sup>3</sup>	MTEF total
<b>2018 MTEF function baseline<sup>2</sup></b>	<b>207 241.0</b>	<b>224 074.2</b>	<i>239 272.6</i>	<i>670 587.8</i>
<b>2019 MTEF function baseline<sup>2</sup></b>	<b>206 157.9</b>	<b>223 043.1</b>	<b>238 770.2</b>	<b>667 971.2</b>
<b>Annual growth rate (percentage)</b>	<b>15.6%</b>	<b>8.2%</b>	<b>7.1%</b>	<b>10.3%</b>
<b>Net change from the 2018 baseline (percentage)</b>	<b>-0.5%</b>	<b>-0.5%</b>	<b>-0.2%</b>	<b>-0.4%</b>
<b>Social Development</b>	<b>-1 370.6</b>	<b>-1 403.7</b>	<b>-896.2</b>	<b>-3 670.5</b>
National Development Agency: Salary increase freeze/reduction for senior management staff	-2.1	-2.3	-2.4	-6.8
Goods and services	-7.1	-7.0	-	-14.0
Food relief: Function shifted to provincial government	-	-66.8	-71.2	-138.0
Substance abuse treatment grant: Function shifted to provincial government	-74.8	-78.9	-83.3	-237.0
Social worker employment grant: Function shifted to provincial government	-212.7	-226.9	-239.4	-678.9
Social assistance grants: Reduced estimates of grant requirements	-500.0	-500.0	-	-1 000.0
South African Social Security Agency: Funding providing for one free ATM withdrawal per month for social grant beneficiaries shifted to provincial government	-574.0	-521.9	-500.0	-1 595.8
<b>National Treasury</b>	<b>287.5</b>	<b>372.6</b>	<b>393.8</b>	<b>1 053.9</b>
Provincial equitable share: Provincial uptake of the substance abuse treatment grant, social worker employment grant and food relief functions	287.5	372.6	393.8	1 053.9
<b>Net change to function baseline</b>	<b>-1 083.1</b>	<b>-1 031.1</b>	<b>-502.4</b>	<b>-2 616.7</b>

1. The estimate of the provincial equitable share allocated to this function is included. This amount is in the final instance determined by provincial budgetary and legislative processes, and is thus subject to change.
2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline shown in the Budget Review publication, which includes revenue generated from other sources.
3. The modifications made to the 2021/22 function planning baseline throughout the course of the budget process for the MTEF period are shown. The first estimates for 2021/22 are shown in italics. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

## Peace and Security

The Peace and Security function aims to enhance measures in domestic and international public protection. The function is allocated R212.4 billion in 2019/20, R226.2 billion in 2020/21 and R236.2 billion in 2021/22. The function baseline is reduced by a net amount of R5.5 billion (0.8 per cent) over the MTEF period, from R680.4 billion to R674.9 billion.

**Table 1.9 Peace and Security**

Function <sup>1</sup> by vote				
R million	2019/20	2020/21	2021/22 <sup>3</sup>	MTEF total
<b>2018 MTEF function baseline<sup>2</sup></b>	<b>212 709.5</b>	<b>226 778.9</b>	<i>240 867.9</i>	<i>680 356.3</i>
<b>2019 MTEF function baseline<sup>2</sup></b>	<b>212 437.2</b>	<b>226 227.0</b>	<b>236 196.0</b>	<b>674 860.1</b>
<b>Annual growth rate (percentage)</b>	<b>9.2%</b>	<b>6.5%</b>	<b>4.4%</b>	<b>6.7%</b>
<b>Net change from the 2018 baseline (percentage)</b>	<b>-0.1%</b>	<b>-0.2%</b>	<b>-1.9%</b>	<b>-0.8%</b>
<b>Correctional Services</b>	<b>-79.9</b>	<b>-74.3</b>	-	<b>-154.2</b>
Compensation of employees	-79.9	-74.3	-	-154.2
<b>Defence and Military Veterans</b>	<b>-183.2</b>	<b>-174.2</b>	<b>-5 034.8</b>	<b>-5 392.2</b>
Department of Military Veterans: Operations	-2.0	-1.8	-	-3.8
Armaments Corporation of South Africa Limited: Salary increase freeze/reduction for senior management staff, and goods and services	-29.9	-31.6	-34.8	-96.2
Goods and services	-151.4	-140.7	-	-292.2
Special defence account: Adequacy of accumulated surplus	-	-	-5 000.0	-5 000.0

**Table 1.9 Peace and security**

<b>Function<sup>1</sup> by vote</b>				
R million	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22<sup>3</sup></b>	<b>MTEF total</b>
<b>Home Affairs</b>	<b>31.2</b>	<b>-7.3</b>	<b>342.3</b>	<b>366.2</b>
Advance Passenger Processing System: Goods and services	162.0	166.0	170.0	498.0
2021 local government elections	–	–	295.0	295.0
Border Management Authority: Goods and services	16.0	28.0	40.0	84.0
Represented Political Parties' Fund: Operations	50.0	–	22.1	72.1
Electoral Commission: Salary increase freeze/reduction for senior management staff	-4.2	-4.5	-4.7	-13.4
Goods and services	-192.6	-196.9	-180.0	-569.5
<b>Justice and Constitutional Development</b>	<b>534.4</b>	<b>282.5</b>	<b>350.2</b>	<b>1 167.1</b>
Shift of the integrated justice system programme budget from the Police vote	269.3	284.1	299.7	853.0
Legal Aid South Africa: Operations	95.2	100.1	105.0	300.3
Judicial commission of inquiry into allegations of state capture, corruption and fraud in the public sector, including organs of state: Goods and services, compensation of employees, and payments for capital assets	272.9	–	–	272.9
South African Human Rights Commission: Salary increase freeze/reduction for senior management staff	-1.3	-1.4	-1.5	-4.2
Public Protector of South Africa: Salary increase freeze/reduction for senior management staff	-1.2	-1.3	-1.4	-3.9
Special Investigating Unit: Salary increase freeze/reduction for senior management staff	-8.0	-8.5	-9.0	-25.5
Goods and services	-92.4	-90.3	-42.7	-225.4
<b>Police</b>	<b>-574.7</b>	<b>-578.7</b>	<b>-329.7</b>	<b>-1 483.0</b>
Civilian Secretariat for the Police Service: Office accommodation	6.2	6.7	7.4	20.3
Goods and services	-311.6	-301.3	-37.4	-650.3
Shift of the integrated justice system programme budget to the Justice and Constitutional Development vote	-269.3	-284.1	-299.7	-853.0
<b>Net change to function baseline</b>	<b>-272.3</b>	<b>-551.9</b>	<b>-4 671.9</b>	<b>-5 496.2</b>

1. The estimate of the provincial equitable share allocated to this function is included. This amount is in the final instance determined by provincial budgetary and legislative processes, and is thus subject to change.
2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline shown in the Budget Review publication, which includes revenue generated from other sources.
3. The modifications made to the 2021/22 function planning baseline throughout the course of the budget process for the MTEF period are shown. The first estimates for 2021/22 are shown in italics. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

## Community Development

The Community Development function seeks to boost investment in local industries to promote more efficient and competitive markets, and provide infrastructure to low-income communities. The function is allocated R200.2 billion in 2019/20, R214.4 billion in 2020/21 and R233.6 billion in 2021/22. The function baseline is reduced by a net amount of R10.8 billion (1.6 per cent) over the MTEF period, from R659 billion to R648.3 billion.

**Table 1.10 Community Development**

<b>Function<sup>1</sup> by vote</b>				
R million	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22<sup>3</sup></b>	<b>MTEF total</b>
<b>2018 MTEF function baseline<sup>2</sup></b>	<b>203 810.5</b>	<b>219 299.2</b>	<b>235 935.0</b>	<b>659 044.7</b>
<b>2019 MTEF function baseline<sup>2</sup></b>	<b>200 243.4</b>	<b>214 402.0</b>	<b>233 605.2</b>	<b>648 250.7</b>
<b>Annual growth rate (percentage)</b>	<b>7.1%</b>	<b>7.1%</b>	<b>9.0%</b>	<b>7.7%</b>
<b>Net change from the 2018 baseline (percentage)</b>	<b>-1.8%</b>	<b>-2.2%</b>	<b>-1.0%</b>	<b>-1.6%</b>
<b>Cooperative Governance and Traditional Affairs</b>	<b>133.2</b>	<b>–</b>	<b>–</b>	<b>133.2</b>
Integrated city development grant	856.9	939.2	1 013.2	2 809.3
Municipal disaster recovery grant	194.0	–	–	194.0
Municipal infrastructure grant	-917.6	-939.2	-1 013.2	-2 870.0
<b>Energy</b>	<b>-314.6</b>	<b>-817.6</b>	<b>-282.3</b>	<b>-1 414.5</b>
Integrated national electrification programme: Electrification master plan	8.4	8.8	–	17.2
Eskom: Integrated national electrification programme	-58.4	-558.8	–	-617.2
Integrated national electrification programme grant	-264.6	-267.6	-282.3	-814.5

**Table 1.10 Community Development**

Function <sup>1</sup> by vote	2019/20	2020/21	2021/22 <sup>3</sup>	MTEF total
R million				
<b>Human Settlements</b>	<b>191.3</b>	<b>-654.1</b>	<b>-1 740.6</b>	<b>-2 203.5</b>
Informal settlements upgrading partnership grant for municipalities	–	2 985.3	4 383.8	7 369.1
Informal settlements upgrading partnership grant for provinces	–	3 015.3	4 321.9	7 337.2
National Housing Finance Corporation: Finance-linked individual subsidy programme	100.0	350.0	500.0	950.0
Human settlements development grant: KwaZulu-Natal disaster recovery funding	247.0	400.0	–	647.0
Housing Development Agency: Salary increase freeze/reduction for senior management staff	-5.6	-5.9	-6.3	-17.8
Social Housing Regulatory Authority: Salary increase freeze/reduction for senior management staff, and goods and services reduction	-14.7	-15.8	-16.7	-47.2
Title deeds restoration grant	–	–	-609.6	-609.6
Urban settlements development grant	164.6	-2 817.7	-4 101.5	-6 754.6
Human settlements development grant	-300.0	-4 565.3	-6 212.3	-11 077.6
<b>National Treasury</b>	<b>116.8</b>	<b>-409.6</b>	<b>-433.0</b>	<b>-725.8</b>
Provincial equitable share: Provincial treasuries: Interventions for municipalities under administration	86.8	89.0	93.0	268.8
Goods and services	30.0	15.8	16.7	62.5
Municipal restructuring grant	–	-514.4	-542.7	-1 057.1
<b>Transport</b>	<b>-3 693.8</b>	<b>-3 015.8</b>	<b>126.2</b>	<b>-6 583.4</b>
Public transport network grant: City of Cape Town for phase 2A of the MyCiTi bus rapid transit system infrastructure project	354.0	1 045.0	1 433.0	2 832.0
Passenger Rail Agency of South Africa: Rail maintenance operations and inventory	403.8	513.8	542.2	1 459.8
Railway Safety Regulator: Salary increase freeze/reduction for senior management staff	-3.0	-3.2	-3.4	-9.6
Passenger Rail Agency of South Africa: Salary increase freeze/reduction for senior management staff, and goods and services reduction	-116.1	-122.6	-140.2	-378.8
The South African National Roads Agency: Salary increase freeze/reduction for senior management staff	-128.3	-135.0	-163.3	-426.6
Passenger Rail Agency of South Africa: Rolling stock fleet renewal programme	-1 800.4	-2 300.0	–	-4 100.4
Passenger Rail Agency of South Africa: Other capital programmes	-2 403.8	-2 013.8	-1 542.2	-5 959.8
<b>Net change to function baseline</b>	<b>-3 567.1</b>	<b>-4 897.1</b>	<b>-2 329.8</b>	<b>-10 794.0</b>

- The estimate of the provincial equitable share allocated to this function is included. This amount is in the final instance determined by provincial budgetary and legislative processes, and is thus subject to change.*
- This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline shown in the Budget Review publication, which includes revenue generated from other sources.*
- The modifications made to the 2021/22 function planning baseline throughout the course of the budget process for the MTEF period are shown. The first estimates for 2021/22 are shown in italics. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.*

## Provisional allocations

An amount of R49.5 billion is provisionally allocated pending further work being undertaken, including baseline reprioritisations, impact evaluations and the further development of business plans, as applicable. The specific details of these allocations will be finalised during the course of the next budget process and thereafter allocated to specific votes.

**Table 1.11 Provisional allocations**

R million	2019/20	2020/21	2021/22	Total
Provisional allocation not assigned to votes	10	376	3 904	4 290
Infrastructure fund not assigned to votes	1 000	–	4 000	5 000
Provisional allocation for Eskom restructuring	23 000	23 000	23 000	69 000
Compensation of employees and other baseline adjustments	-4 800	-12 000	-12 000	-28 800
<b>Total</b>	<b>19 210</b>	<b>11 376</b>	<b>18 904</b>	<b>49 490</b>

## Overview of expenditure for the MTEF period

The table below shows medium-term expenditure projections in three classification categories: consolidated government expenditure, main budget non-interest expenditure and the expenditure ceiling.

**Table 1.12 Expenditure for the MTEF period**

R million	2019/20	2020/21	2021/22	Total	Average real growth (%)
<b>Consolidated government expenditure</b>	<b>1 826 553</b>	<b>1 948 947</b>	<b>2 089 014</b>	<b>5 864 513</b>	<b>2.4%</b>
<i>of which</i>					
Debt-service costs	202 208	224 066	247 408	673 682	
Contingency reserve	13 000	6 000	6 000	25 000	
<b>Main budget non-interest expenditure</b>	<b>1 456 500</b>	<b>1 545 500</b>	<b>1 653 077</b>	<b>4 655 076</b>	<b>2.1%</b>
<i>of which</i>					
National government	705 865	748 522	800 035	2 254 422	
Provincial government	610 346	652 738	697 110	1 960 194	
Local government	127 289	138 240	149 931	415 461	
Contingency reserve	13 000	6 000	6 000	25 000	
<b>Expenditure ceiling</b>	<b>1 430 595</b>	<b>1 525 052</b>	<b>1 630 758</b>	<b>4 586 405</b>	<b>1.8%</b>
<i>of which</i>					
National government	679 960	728 074	777 716	2 185 750	
Provincial government	610 346	652 738	697 110	1 960 194	
Local government	127 289	138 240	149 931	415 461	
Contingency reserve	13 000	6 000	6 000	25 000	

The details of main budget expenditure allocated to a vote are discussed in the ENE publications, with a summary provided in the tables that follow.

## Summary tables

- Table 1: Main budget framework 2015/16 to 2021/22
- Table 2: Expenditure by national vote 2015/16 to 2021/22
- Table 3: Expenditure by economic classification 2015/16 to 2021/22
- Table 4: Amounts to be appropriated from the National Revenue Fund for 2019/20
- Table 5a: Conditional grants to provinces 2015/16 to 2021/22
- Table 5b: Conditional grants to municipalities 2015/16 to 2021/22
- Table 6: Training expenditure per vote 2015/16 to 2021/22
- Table 7a: Infrastructure expenditure per vote 2015/16 to 2021/22
- Table 7b: Type of infrastructure investment 2015/16 to 2021/22
- Table 8: Personnel expenditure per vote 2015/16 to 2021/22
- Table 9: Personnel numbers and unit cost per vote 2017/18 to 2021/22
- Table 10: Departmental receipts per vote 2015/16 to 2021/22

**Table 1 Main budget framework: 2015/16 to 2021/22**

R million	Audited outcome			Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Revenue (National Revenue Fund)</b>							
Tax revenue (gross)	1 069 982.6	1 144 081.0	1 216 463.9	1 302 201.3	1 422 208.0	1 544 868.4	1 670 408.1
Departmental and other receipts, and repayments	57 275.7	33 268.6	35 886.1	31 473.4	31 536.7	26 027.7	27 905.2
Less: Southern African Customs Union (SACU) payments <sup>1</sup>	51 021.9	39 448.3	55 950.9	48 288.6	50 280.3	65 778.4	65 388.7
<b>Total revenue</b>	<b>1 076 236.4</b>	<b>1 137 901.3</b>	<b>1 196 399.1</b>	<b>1 285 386.1</b>	<b>1 403 464.4</b>	<b>1 505 117.7</b>	<b>1 632 924.7</b>
<i>Percentage of GDP</i>	26.1%	25.8%	25.3%	25.4%	25.9%	25.9%	26.1%
<b>Expenditure</b>							
Debt-service costs	128 795.6	146 496.7	162 644.6	182 217.9	202 207.8	224 066.1	247 408.4
<i>Percentage of GDP</i>	3.1%	3.3%	3.4%	3.6%	3.7%	3.9%	4.0%
Current payments <sup>2</sup>	199 375.7	212 537.3	221 195.7	234 791.4	250 663.7	268 177.9	287 185.7
Transfers and subsidies	868 300.1	924 234.6	986 915.5	1 063 312.5	1 153 358.5	1 238 802.3	1 318 377.4
Payments for capital assets <sup>2</sup>	18 276.3	15 577.8	15 213.4	15 631.7	15 424.2	16 230.1	17 425.7
Payments for financial assets	29 875.2	6 639.9	19 016.6	13 904.0	4 843.2	4 913.7	5 183.9
Provisional allocation not assigned to votes	–	–	–	–	10.0	376.2	3 903.9
Infrastructure fund not assigned to votes	–	–	–	–	1 000.0	–	4 000.0
Provisional allocation for Eskom restructuring	–	–	–	–	23 000.0	23 000.0	23 000.0
Compensation of employees and other baseline adjustments	–	–	–	–	-4 800.0	-12 000.0	-12 000.0
<b>Total</b>	<b>1 244 622.9</b>	<b>1 305 486.2</b>	<b>1 404 985.9</b>	<b>1 509 857.5</b>	<b>1 645 707.4</b>	<b>1 763 566.2</b>	<b>1 894 485.1</b>
Contingency reserve	–	–	–	–	13 000.0	6 000.0	6 000.0
<b>Total expenditure</b>	<b>1 244 622.9</b>	<b>1 305 486.2</b>	<b>1 404 985.9</b>	<b>1 509 857.5</b>	<b>1 658 707.4</b>	<b>1 769 566.2</b>	<b>1 900 485.1</b>
<i>Percentage of GDP</i>	30.2%	29.6%	29.8%	29.8%	30.6%	30.4%	30.4%
<b>Main budget balance<sup>3</sup></b>	<b>-168 386.4</b>	<b>-167 585.0</b>	<b>-208 586.8</b>	<b>-224 471.5</b>	<b>-255 243.0</b>	<b>-264 448.5</b>	<b>-267 560.4</b>
<i>Percentage of GDP</i>	-4.1%	-3.8%	-4.4%	-4.4%	-4.7%	-4.5%	-4.3%
<i>GDP</i>	4 126 999.0	4 412 749.0	4 720 955.0	5 059 106.3	5 413 824.5	5 812 415.1	6 249 069.5

1. Payments in terms of SACU agreements.

2. Excludes conditional grants to provinces and local government. These are included in transfers and subsidies.

3. A positive number reflects a surplus and a negative number reflects a deficit.

**Table 2 Expenditure by national vote: 2015/16 to 2021/22**

R million	Audited outcome			Adjusted appropriation
	2015/16	2016/17	2017/18	2018/19
1 The Presidency	466.7	475.3	481.5	505.6
2 Parliament	1 693.6	1 738.9	1 711.9	1 872.7
3 Communications	1 288.0	1 335.7	1 419.0	1 516.2
4 Cooperative Governance and Traditional Affairs	68 097.5	69 852.2	76 362.0	85 037.0
5 Home Affairs	7 343.4	8 143.5	8 401.7	9 047.4
6 International Relations and Cooperation	6 644.8	6 844.9	5 996.9	6 552.8
7 National Treasury	28 690.8	28 199.8	39 792.1	29 710.2
8 Planning, Monitoring and Evaluation	748.8	781.2	866.8	958.0
9 Public Enterprises	23 259.7	253.8	250.4	6 522.9
10 Public Service and Administration	840.9	763.3	856.9	950.7
11 Public Works	6 281.1	6 403.4	6 927.3	7 483.3
12 Statistics South Africa	2 273.5	2 461.2	2 195.5	2 271.7
13 Women	188.4	194.7	204.7	230.2
14 Basic Education	20 796.1	21 476.1	22 932.0	23 699.6
15 Higher Education and Training	41 943.4	49 137.6	52 295.9	73 124.1
16 Health	35 984.9	38 496.2	42 424.7	47 508.4
17 Social Development	136 405.7	147 342.6	159 396.6	172 822.2
18 Correctional Services	20 588.7	21 542.2	22 788.6	23 849.0
19 Defence and Military Veterans	45 071.5	47 197.1	48 977.2	48 496.2
20 Independent Police Investigative Directorate	234.2	241.7	255.3	315.1
21 Justice and Constitutional Development	14 971.8	16 039.0	16 607.2	17 458.8
22 Office of the Chief Justice and Judicial Administration	767.7	855.6	997.5	1 119.7
23 Police	76 720.8	80 984.8	86 605.0	91 684.2
24 Agriculture, Forestry and Fisheries	6 400.5	6 490.8	6 728.1	7 732.8
25 Economic Development	883.7	665.1	912.1	1 072.6
26 Energy	7 142.1	7 512.8	7 944.6	7 163.5
27 Environmental Affairs	5 937.9	6 381.0	6 590.1	7 430.5
28 Labour	2 612.0	2 761.6	2 844.0	3 282.9
29 Mineral Resources	1 638.5	1 661.1	1 776.7	1 890.7
30 Science and Technology	7 437.5	7 383.6	7 489.5	7 958.4
31 Small Business Development	1 098.9	1 197.0	1 459.5	1 488.5
32 Telecommunications and Postal Services	1 300.1	2 075.7	4 892.1	4 006.9
33 Tourism	1 777.4	1 919.6	2 134.0	2 261.8
34 Trade and Industry	9 471.7	10 349.4	9 248.2	9 531.8
35 Transport	53 320.8	56 403.7	54 670.7	59 831.3
36 Water and Sanitation	15 557.0	15 635.4	15 106.2	16 873.7
37 Arts and Culture	3 762.4	3 958.0	4 141.5	4 338.7
38 Human Settlements	30 034.5	30 587.2	33 370.5	32 455.8
39 Rural Development and Land Reform	9 118.0	10 067.0	9 730.2	10 425.2
40 Sport and Recreation South Africa	979.9	1 023.6	1 060.4	1 090.8
<b>Total appropriation by vote</b>	<b>699 774.9</b>	<b>716 833.7</b>	<b>768 845.1</b>	<b>831 572.1</b>
Plus:				
<b>Direct charges against the National Revenue Fund</b>				
President and deputy president salaries (The Presidency)	5.6	5.7	5.7	6.7
Members' remuneration (Parliament)	440.3	436.5	556.3	493.2
Debt-service costs (National Treasury)	128 795.6	146 496.7	162 644.6	181 099.0
Provincial equitable share (National Treasury)	386 500.0	410 698.6	441 331.1	470 286.5
General fuel levy sharing with metropolitan municipalities (National Treasury)	10 658.9	11 223.8	11 785.0	12 468.6
National Revenue Fund payments (National Treasury)	681.7	1 778.0	587.1	149.9
Skills levy and sector education and training authorities (Higher Education and Training)	15 156.4	15 233.0	16 293.6	17 312.2
Magistrates' salaries (Justice and Constitutional Development)	1 721.8	1 845.7	1 933.5	2 215.5
Judges' salaries (Office of the Chief Justice and Judicial Administration)	887.7	930.7	998.4	1 022.1
International Oil Pollution Compensation Fund (Transport)	–	3.8	5.6	10.2
<b>Total direct charges against the National Revenue Fund</b>	<b>544 848.0</b>	<b>588 652.6</b>	<b>636 140.7</b>	<b>685 063.9</b>
Provisional allocation not assigned to votes	–	–	–	–
Infrastructure fund not assigned to votes	–	–	–	–
Provisional allocation for Eskom restructuring	–	–	–	–
Compensation of employees and other baseline adjustments	–	–	–	–
<b>Total</b>	<b>1 244 622.9</b>	<b>1 305 486.2</b>	<b>1 404 985.9</b>	<b>1 516 636.0</b>
Contingency reserve	–	–	–	–
National government projected underspending	–	–	–	-2 700.0
Local government repayment to the National Revenue Fund	–	–	–	-500.0
<b>Total</b>	<b>1 244 622.9</b>	<b>1 305 486.2</b>	<b>1 404 985.9</b>	<b>1 513 436.0</b>

Table 2 Expenditure by national vote: 2015/16 to 2021/22

Revised estimate	Medium-term expenditure estimates			R million
	2018/19	2019/20	2020/21	
505.1	691.4	610.3	647.3	1 The Presidency
1 872.7	1 993.5	2 213.7	2 366.9	2 Parliament
1 513.7	1 576.1	1 670.1	1 737.9	3 Communications
82 823.6	90 717.8	98 494.0	106 592.7	4 Cooperative Governance and Traditional Affairs
9 047.4	8 339.7	8 743.5	9 612.7	5 Home Affairs
6 552.8	6 508.5	6 926.1	7 118.3	6 International Relations and Cooperation
29 550.0	30 771.1	32 307.7	34 146.3	7 National Treasury
928.0	956.9	1 015.2	1 069.7	8 Planning, Monitoring and Evaluation
6 522.9	293.0	312.8	332.0	9 Public Enterprises
950.7	1 002.1	1 081.3	1 162.0	10 Public Service and Administration
7 475.3	7 809.0	8 237.8	8 919.0	11 Public Works
2 271.7	2 514.4	3 304.1	4 912.8	12 Statistics South Africa
230.2	244.4	259.7	274.9	13 Women
23 686.8	24 504.5	25 987.6	28 189.4	14 Basic Education
73 124.1	89 498.2	98 739.3	104 378.9	15 Higher Education and Training
47 008.4	51 460.7	56 686.3	61 939.9	16 Health
172 603.2	184 792.0	199 471.5	213 693.1	17 Social Development
23 849.0	25 407.6	27 177.1	28 962.6	18 Correctional Services
48 496.2	50 513.0	53 825.1	52 277.5	19 Defence and Military Veterans
315.1	336.7	359.4	381.6	20 Independent Police Investigative Directorate
17 458.8	18 717.1	19 656.7	20 909.9	21 Justice and Constitutional Development
1 110.0	1 197.7	1 281.9	1 359.1	22 Office of the Chief Justice and Judicial Administration
91 684.2	97 595.3	104 323.3	111 180.2	23 Police
7 732.8	7 664.9	7 923.2	8 425.6	24 Agriculture, Forestry and Fisheries
1 072.6	1 045.4	1 095.4	1 186.5	25 Economic Development
7 112.5	7 440.0	7 374.7	8 408.8	26 Energy
6 605.5	7 529.7	7 961.3	8 243.6	27 Environmental Affairs
3 278.9	3 435.1	3 670.6	3 893.4	28 Labour
1 890.7	2 005.2	2 123.0	2 042.8	29 Mineral Resources
7 958.4	8 151.0	8 623.2	8 903.2	30 Science and Technology
1 488.5	2 568.6	2 713.3	2 863.3	31 Small Business Development
4 005.1	1 684.6	1 783.0	1 673.8	32 Telecommunications and Postal Services
2 261.8	2 392.7	2 536.2	2 648.5	33 Tourism
9 531.8	10 059.0	10 627.9	9 505.9	34 Trade and Industry
57 290.0	64 194.2	68 087.9	74 501.9	35 Transport
15 751.7	16 440.4	17 381.4	18 552.1	36 Water and Sanitation
4 323.8	4 617.5	4 877.1	5 160.1	37 Arts and Culture
32 245.8	33 879.2	35 132.0	36 670.8	38 Human Settlements
10 425.2	10 946.2	10 669.9	11 355.5	39 Rural Development and Land Reform
1 090.5	1 153.7	1 219.3	1 291.7	40 Sport and Recreation South Africa
<b>823 645.4</b>	<b>882 647.8</b>	<b>946 483.9</b>	<b>1 007 492.6</b>	<b>Total appropriation by vote</b>
				Plus:
				<b>Direct charges against the National Revenue Fund</b>
6.7	7.3	7.8	8.3	President and deputy president salaries (The Presidency)
493.2	527.5	507.2	541.0	Members' remuneration (Parliament)
182 217.9	202 207.8	224 066.1	247 408.4	Debt-service costs (National Treasury)
470 286.5	505 553.8	542 908.6	578 645.2	Provincial equitable share (National Treasury)
12 468.6	13 166.8	14 026.9	15 182.5	General fuel levy sharing with metropolitan municipalities (National Treasury)
161.5	135.3	–	–	National Revenue Fund payments (National Treasury)
17 312.2	18 758.5	20 437.4	22 307.3	Skills levy and sector education and training authorities (Higher Education and Training)
2 215.5	2 383.7	2 560.2	2 726.6	Magistrates' salaries (Justice and Constitutional Development)
1 039.8	1 098.5	1 180.9	1 257.7	Judges' salaries (Office of the Chief Justice and Judicial Administration)
10.2	10.4	11.0	11.6	International Oil Pollution Compensation Fund (Transport)
<b>686 212.1</b>	<b>743 849.6</b>	<b>805 706.1</b>	<b>868 088.6</b>	<b>Total direct charges against the National Revenue Fund</b>
–	10.0	376.2	3 903.9	Provisional allocation not assigned to votes
–	1 000.0	–	4 000.0	Infrastructure fund not assigned to votes
–	23 000.0	23 000.0	23 000.0	Provisional allocation for Eskom restructuring
–	-4 800.0	-12 000.0	-12 000.0	Compensation of employees and other baseline adjustments
<b>1 509 857.5</b>	<b>1 645 707.4</b>	<b>1 763 566.2</b>	<b>1 894 485.1</b>	<b>Total</b>
–	13 000.0	6 000.0	6 000.0	Contingency reserve
–	–	–	–	National government projected underspending
–	–	–	–	Local government repayment to the National Revenue Fund
<b>1 509 857.5</b>	<b>1 658 707.4</b>	<b>1 769 566.2</b>	<b>1 900 485.1</b>	<b>Total</b>

**Table 3 Expenditure by economic classification: 2015/16 to 2021/22**

R million	Audited outcome			Adjusted appropriation
	2015/16	2016/17	2017/18	2018/19
<b>Current payments</b>				
<b>Compensation of employees</b>	<b>136 387.3</b>	<b>147 114.8</b>	<b>156 319.3</b>	<b>163 564.9</b>
Salaries and wages	114 044.1	122 975.1	130 343.9	136 921.4
Social contributions	22 343.2	24 139.6	25 975.3	26 643.5
<b>Goods and services</b>	<b>62 873.4</b>	<b>65 306.2</b>	<b>64 716.6</b>	<b>72 756.3</b>
<b>Interest and rent on land</b>	<b>128 910.6</b>	<b>146 613.0</b>	<b>162 804.5</b>	<b>181 239.6</b>
Interest (incl. interest on unitary payments)	128 902.5	146 612.6	162 794.8	181 238.2
Rent on land	8.1	0.4	9.7	1.5
<b>Total current payments</b>	<b>328 171.3</b>	<b>359 034.0</b>	<b>383 840.3</b>	<b>417 560.8</b>
<b>Transfers and subsidies to:</b>				
<b>Provinces and municipalities</b>	<b>570 140.0</b>	<b>603 418.8</b>	<b>649 928.4</b>	<b>692 347.0</b>
<b>Provinces</b>	<b>471 425.7</b>	<b>500 385.4</b>	<b>538 553.9</b>	<b>572 219.8</b>
Provincial revenue funds	471 424.2	500 383.8	538 553.9	572 218.7
Provincial agencies and funds	1.5	1.6	0.0	1.1
<b>Municipalities</b>	<b>98 714.3</b>	<b>103 033.4</b>	<b>111 374.5</b>	<b>120 127.2</b>
Municipal bank accounts	98 714.3	103 033.4	111 374.3	120 127.2
Municipal agencies and funds	0.0	0.0	0.1	0.0
<b>Departmental agencies and accounts</b>	<b>91 580.0</b>	<b>99 170.4</b>	<b>104 668.1</b>	<b>119 692.2</b>
Social security funds	19.2	31.4	22.3	19.9
Departmental agencies (non-business entities)	91 560.9	99 139.0	104 645.9	119 672.2
<b>Higher education institutions</b>	<b>26 521.7</b>	<b>28 177.9</b>	<b>31 589.9</b>	<b>38 672.9</b>
<b>Foreign governments and international organisations</b>	<b>1 932.9</b>	<b>2 205.0</b>	<b>1 971.1</b>	<b>2 245.5</b>
<b>Public corporations and private enterprises</b>	<b>35 894.7</b>	<b>36 758.8</b>	<b>32 461.4</b>	<b>33 488.1</b>
<b>Public corporations</b>	<b>30 289.2</b>	<b>31 014.0</b>	<b>27 959.9</b>	<b>28 407.8</b>
Subsidies on products or production	24 266.7	24 931.6	21 128.8	22 124.6
Other transfers to public corporations	6 022.4	6 082.5	6 831.1	6 283.2
<b>Private enterprises</b>	<b>5 605.5</b>	<b>5 744.8</b>	<b>4 501.5</b>	<b>5 080.4</b>
Subsidies on products or production	4 682.9	4 899.8	3 652.6	3 921.7
Other transfers to private enterprises	922.6	845.0	848.8	1 158.7
<b>Non-profit institutions</b>	<b>3 465.0</b>	<b>3 876.2</b>	<b>4 216.8</b>	<b>7 272.1</b>
<b>Households</b>	<b>138 765.8</b>	<b>150 627.5</b>	<b>162 079.9</b>	<b>175 319.7</b>
Social benefits	4 721.5	5 212.1	5 643.2	6 089.2
Other transfers to households	134 044.3	145 415.4	156 436.6	169 230.5
<b>Total transfers and subsidies</b>	<b>868 300.1</b>	<b>924 234.6</b>	<b>986 915.5</b>	<b>1 069 037.6</b>
<b>Payments for capital assets</b>				
<b>Buildings and other fixed structures</b>	<b>13 525.7</b>	<b>10 908.3</b>	<b>9 995.9</b>	<b>11 178.4</b>
Buildings	5 374.8	4 894.9	6 657.0	6 387.1
Other fixed structures	8 150.9	6 013.4	3 338.9	4 791.3
<b>Machinery and equipment</b>	<b>4 371.4</b>	<b>3 703.0</b>	<b>4 618.5</b>	<b>4 630.2</b>
Transport equipment	2 053.0	1 880.9	2 538.2	2 279.7
Other machinery and equipment	2 318.4	1 822.0	2 080.2	2 350.5
<b>Heritage assets</b>	<b>104.4</b>	<b>94.0</b>	<b>43.4</b>	<b>109.6</b>
<b>Specialised military assets</b>	<b>58.1</b>	<b>7.6</b>	<b>-</b>	<b>2.8</b>
<b>Biological assets</b>	<b>6.6</b>	<b>7.2</b>	<b>8.8</b>	<b>9.5</b>
<b>Land and subsoil assets</b>	<b>90.6</b>	<b>104.4</b>	<b>111.1</b>	<b>19.1</b>
<b>Software and other intangible assets</b>	<b>119.4</b>	<b>753.4</b>	<b>435.7</b>	<b>305.8</b>
<b>Total payments for capital assets</b>	<b>18 276.3</b>	<b>15 577.8</b>	<b>15 213.4</b>	<b>16 255.3</b>
<b>Payments for financial assets</b>	<b>29 875.2</b>	<b>6 639.9</b>	<b>19 016.6</b>	<b>13 782.4</b>
<b>Provisional allocation not assigned to votes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Infrastructure fund not assigned to votes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisional allocation for Eskom restructuring</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Compensation of employees and other baseline adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 244 622.9</b>	<b>1 305 486.2</b>	<b>1 404 985.9</b>	<b>1 516 636.0</b>
Contingency reserve	-	-	-	-
National government projected underspending	-	-	-	-2 700.0
Local government repayment to the National Revenue Fund	-	-	-	-500.0
<b>Total</b>	<b>1 244 622.9</b>	<b>1 305 486.2</b>	<b>1 404 985.9</b>	<b>1 513 436.0</b>



Table 3 Expenditure by economic classification: 2015/16 to 2021/22

Revised estimate	Medium-term expenditure estimates			R million
	2018/19	2019/20	2020/21	
<b>163 387.1</b>	<b>175 642.5</b>	<b>188 541.8</b>	<b>200 895.9</b>	<b>Current payments</b>
136 746.2	147 871.0	158 947.6	169 550.1	<b>Compensation of employees</b>
26 641.0	27 771.5	29 594.2	31 345.8	Salaries and wages
<b>71 255.7</b>	<b>74 874.7</b>	<b>79 485.1</b>	<b>86 134.2</b>	Social contributions
<b>182 366.5</b>	<b>202 354.4</b>	<b>224 217.0</b>	<b>247 564.1</b>	<b>Goods and services</b>
182 365.1	202 343.4	224 205.5	247 552.0	<b>Interest and rent on land</b>
1.5	11.0	11.5	12.1	Interest (incl. interest on unitary payments)
				Rent on land
<b>417 009.3</b>	<b>452 871.5</b>	<b>492 244.0</b>	<b>534 594.1</b>	<b>Total current payments</b>
<b>689 626.5</b>	<b>739 695.9</b>	<b>795 143.9</b>	<b>850 655.1</b>	<b>Transfers and subsidies to:</b>
<b>572 212.7</b>	<b>612 267.2</b>	<b>657 115.9</b>	<b>701 001.7</b>	<b>Provinces and municipalities</b>
572 211.6	612 266.1	657 114.7	701 000.4	<b>Provinces</b>
1.1	1.1	1.2	1.3	Provincial revenue funds
<b>117 413.7</b>	<b>127 428.7</b>	<b>138 028.0</b>	<b>149 653.4</b>	Provincial agencies and funds
117 413.7	127 428.7	138 028.0	149 653.4	<b>Municipalities</b>
0.0	0.0	0.0	0.0	Municipal bank accounts
<b>119 406.4</b>	<b>136 813.5</b>	<b>147 082.9</b>	<b>149 643.7</b>	Municipal agencies and funds
19.9	20.9	22.1	23.3	<b>Departmental agencies and accounts</b>
119 386.4	136 792.5	147 060.8	149 620.4	Social security funds
<b>38 672.9</b>	<b>42 319.0</b>	<b>45 074.4</b>	<b>47 553.6</b>	Departmental agencies (non-business entities)
<b>2 503.4</b>	<b>2 361.4</b>	<b>2 491.3</b>	<b>2 402.1</b>	<b>Higher education institutions</b>
<b>30 530.0</b>	<b>35 452.3</b>	<b>36 989.7</b>	<b>40 888.7</b>	<b>Foreign governments and international organisations</b>
<b>25 494.7</b>	<b>29 743.7</b>	<b>30 772.7</b>	<b>36 071.8</b>	<b>Public corporations and private enterprises</b>
19 936.5	23 185.2	24 137.4	29 322.9	<b>Public corporations</b>
5 558.2	6 558.5	6 635.3	6 749.0	Subsidies on products or production
<b>5 035.3</b>	<b>5 708.7</b>	<b>6 217.0</b>	<b>4 816.9</b>	Other transfers to public corporations
3 870.6	4 480.2	4 909.6	3 459.2	<b>Private enterprises</b>
1 164.7	1 228.5	1 307.4	1 357.7	Subsidies on products or production
<b>7 268.2</b>	<b>8 607.2</b>	<b>9 938.4</b>	<b>10 839.3</b>	Other transfers to private enterprises
<b>175 305.1</b>	<b>188 109.2</b>	<b>202 081.7</b>	<b>216 395.0</b>	<b>Non-profit institutions</b>
5 986.9	6 535.7	6 600.2	6 952.0	<b>Households</b>
169 318.2	181 573.5	195 481.5	209 443.0	Social benefits
				Other transfers to households
<b>1 063 312.5</b>	<b>1 153 358.5</b>	<b>1 238 802.3</b>	<b>1 318 377.4</b>	<b>Total transfers and subsidies</b>
<b>10 595.9</b>	<b>10 360.2</b>	<b>10 976.1</b>	<b>11 832.0</b>	<b>Payments for capital assets</b>
6 304.6	6 609.5	7 018.8	7 580.6	<b>Buildings and other fixed structures</b>
4 291.3	3 750.7	3 957.3	4 251.4	Buildings
<b>4 629.2</b>	<b>4 555.4</b>	<b>4 763.3</b>	<b>5 216.3</b>	Other fixed structures
2 278.7	2 034.6	2 159.7	2 269.3	<b>Machinery and equipment</b>
2 350.5	2 520.8	2 603.6	2 947.0	Transport equipment
<b>69.6</b>	<b>236.6</b>	<b>247.0</b>	<b>270.4</b>	Other machinery and equipment
<b>2.8</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>Heritage assets</b>
<b>9.5</b>	<b>8.7</b>	<b>8.8</b>	<b>9.3</b>	<b>Specialised military assets</b>
<b>19.1</b>	–	–	–	<b>Biological assets</b>
<b>305.8</b>	<b>261.4</b>	<b>233.1</b>	<b>95.9</b>	<b>Land and subsoil assets</b>
<b>15 631.7</b>	<b>15 424.2</b>	<b>16 230.1</b>	<b>17 425.7</b>	<b>Software and other intangible assets</b>
				<b>Total payments for capital assets</b>
<b>13 904.0</b>	<b>4 843.2</b>	<b>4 913.7</b>	<b>5 183.9</b>	<b>Payments for financial assets</b>
–	<b>10.0</b>	<b>376.2</b>	<b>3 903.9</b>	<b>Provisional allocation not assigned to votes</b>
–	<b>1 000.0</b>	–	<b>4 000.0</b>	<b>Infrastructure fund not assigned to votes</b>
–	<b>23 000.0</b>	<b>23 000.0</b>	<b>23 000.0</b>	<b>Provisional allocation for Eskom restructuring</b>
–	<b>-4 800.0</b>	<b>-12 000.0</b>	<b>-12 000.0</b>	<b>Compensation of employees and other baseline adjustments</b>
<b>1 509 857.5</b>	<b>1 645 707.4</b>	<b>1 763 566.2</b>	<b>1 894 485.1</b>	<b>Total</b>
–	13 000.0	6 000.0	6 000.0	Contingency reserve
–	–	–	–	National government projected underspending
–	–	–	–	Local government repayment to the National Revenue Fund
<b>1 509 857.5</b>	<b>1 658 707.4</b>	<b>1 769 566.2</b>	<b>1 900 485.1</b>	<b>Total</b>

**Table 4 Amounts to be appropriated from the National Revenue Fund for 2019/20**

R million	Appropriated (including direct charges)	Current	Transfers and subsidies	Payments for capital assets	Payments for financial assets	To be appropriated	Increase/ Decrease <sup>1</sup>	
	2018/19	payments		2019/20				
1	The Presidency	512.3	685.7	0.0	12.9	–	698.6	186.3
2	Parliament <sup>2</sup>	2 365.9	2 046.0	463.3	11.6	–	2 521.0	155.1
3	Communications	1 513.1	143.6	1 432.4	0.1	–	1 576.1	62.9
4	Cooperative Governance and Traditional Affairs	83 651.9	4 792.4	85 920.2	5.2	–	90 717.8	7 065.9
5	Home Affairs	7 915.4	6 150.9	2 176.2	12.6	–	8 339.7	424.3
6	International Relations and Cooperation	6 552.8	5 247.3	866.0	395.3	–	6 508.5	-44.3
7	National Treasury	692 372.5	204 713.9	542 290.9	36.8	4 793.2	751 834.8	59 462.3
8	Planning, Monitoring and Evaluation	927.4	483.6	459.6	13.7	–	956.9	29.6
9	Public Enterprises	273.9	289.7	0.0	3.3	–	293.0	19.1
10	Public Service and Administration	956.7	489.6	506.9	5.7	–	1 002.1	45.5
11	Public Works	7 453.3	1 011.4	6 774.4	23.2	–	7 809.0	355.7
12	Statistics South Africa	2 271.7	2 142.5	1.6	370.2	–	2 514.4	242.7
13	Women	230.2	156.0	85.2	3.2	–	244.4	14.2
14	Basic Education	22 722.4	2 537.6	20 080.7	1 886.2	–	24 504.5	1 782.1
15	Higher Education and Training	89 950.0	10 300.2	97 944.4	12.0	–	108 256.7	18 306.7
16	Health	47 142.9	3 289.8	46 986.6	1 184.3	–	51 460.7	4 317.8
17	Social Development	172 901.6	944.7	183 835.6	11.6	–	184 792.0	11 890.4
18	Correctional Services	23 848.5	24 621.2	163.6	622.8	–	25 407.6	1 559.1
19	Defence and Military Veterans	47 949.7	42 127.9	7 622.4	762.8	–	50 513.0	2 563.2
20	Independent Police Investigative Directorate	315.1	330.5	0.8	5.4	–	336.7	21.5
21	Justice and Constitutional Development	19 265.0	16 895.3	2 995.3	1 210.1	–	21 100.8	1 835.8
22	Office of the Chief Justice and Judicial Administration	2 141.8	2 096.1	95.6	104.5	–	2 296.2	154.4
23	Police	91 834.2	93 016.4	1 211.6	3 367.4	–	97 595.3	5 761.1
24	Agriculture, Forestry and Fisheries	7 165.0	3 250.8	4 283.5	130.6	–	7 664.9	499.9
25	Economic Development	1 072.6	142.7	898.0	4.7	–	1 045.4	-27.2
26	Energy	7 045.0	671.5	6 763.7	4.8	–	7 440.0	395.0
27	Environmental Affairs	7 112.5	5 950.3	1 393.3	186.1	–	7 529.7	417.1
28	Labour	3 295.2	2 065.6	1 309.4	60.2	–	3 435.1	139.9
29	Mineral Resources	1 890.7	914.2	1 078.0	13.0	–	2 005.2	114.6
30	Science and Technology	7 790.5	635.3	7 513.0	2.7	–	8 151.0	360.5
31	Small Business Development	1 488.5	237.9	2 326.3	4.3	–	2 568.6	1 080.1
32	Telecommunications and Postal Services	923.4	612.8	1 048.7	23.1	–	1 684.6	761.2
33	Tourism	2 261.8	693.6	1 554.5	144.6	–	2 392.7	130.9
34	Trade and Industry	9 462.6	1 701.8	8 330.8	26.5	–	10 059.0	596.4
35	Transport	59 808.5	1 448.2	62 751.4	5.0	–	64 204.6	4 396.1
36	Water and Sanitation	15 571.5	3 462.1	9 135.0	3 843.3	–	16 440.4	868.9
37	Arts and Culture	4 372.3	675.6	3 696.6	245.3	–	4 617.5	245.2
38	Human Settlements	32 355.7	839.9	32 985.8	3.4	50.0	33 879.2	1 523.5
39	Rural Development and Land Reform	10 425.2	4 760.7	5 522.7	662.8	–	10 946.2	521.0
40	Sport and Recreation South Africa	1 090.8	296.4	854.7	2.5	–	1 153.7	62.9
<b>Total</b>	<b>1 498 200.2</b>	<b>452 871.5</b>	<b>1 153 358.5</b>	<b>15 424.2</b>	<b>4 843.2</b>	<b>1 626 497.4</b>	<b>128 297.3</b>	

1. A positive number reflects an increase and a negative number reflects a decrease.

2. This is the executive's proposal for Parliament's budget, as such the economic classification disaggregation of the vote is not appropriated in the Appropriation Bill (2019).

**Table 5a Conditional grants to provinces: 2015/16 to 2021/22<sup>1</sup>**

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2015/16	2016/17	2017/18	2018/19		2019/20	2020/21	2021/22	
4	Cooperative Governance and Traditional Affairs	35.6	–	82.3	339.9	339.9	130.9	138.5	146.1
11	Public Works	551.7	761.7	781.2	824.0	824.0	868.2	916.9	968.3
14	Basic Education	15 631.8	16 579.6	17 570.1	17 696.1	17 689.0	18 569.2	20 089.3	21 469.7
16	Health	31 904.7	33 981.0	37 570.2	41 364.1	41 364.1	44 988.8	49 224.9	54 088.3
17	Social Development	47.5	85.5	524.4	776.9	776.9	518.2	552.9	583.4
24	Agriculture, Forestry and Fisheries	2 171.5	2 202.5	2 241.7	2 848.9	2 848.9	2 203.9	2 378.2	2 558.2
35	Transport	14 471.2	15 878.5	16 476.5	17 026.0	17 026.0	17 707.4	18 842.8	20 141.9
37	Arts and Culture	1 274.3	1 357.1	1 420.0	1 423.7	1 423.7	1 501.2	1 584.1	1 679.2
38	Human Settlements	18 302.7	18 284.0	19 969.3	19 045.3	19 045.3	19 604.4	19 824.6	20 030.3
40	Sport and Recreation South Africa	533.2	555.4	585.8	587.4	587.4	620.0	653.9	689.9
<b>Total</b>		<b>84 924.2</b>	<b>89 685.2</b>	<b>97 221.5</b>	<b>101 932.2</b>	<b>101 925.1</b>	<b>106 712.3</b>	<b>114 206.2</b>	<b>122 355.3</b>

**Table 5b Conditional grants to municipalities: 2015/16 to 2021/22<sup>1</sup>**

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2015/16	2016/17	2017/18	2018/19		2019/20	2020/21	2021/22	
4	Cooperative Governance and Traditional Affairs	15 145.6	15 469.5	16 398.5	16 850.3	16 850.3	16 202.4	16 953.0	18 217.4
7	National Treasury	1 411.8	1 454.4	1 592.7	1 541.5	1 541.5	1 613.5	1 701.9	1 815.1
11	Public Works	587.7	664.0	691.4	692.9	692.9	730.0	771.2	814.4
26	Energy	2 158.2	2 131.9	2 290.3	2 119.5	2 119.5	2 090.4	2 216.9	2 383.7
35	Transport	6 049.9	5 694.2	6 214.4	6 394.2	6 394.2	6 582.1	7 615.7	8 494.0
36	Water and Sanitation	2 305.0	4 680.8	5 134.2	5 726.1	5 226.1	5 735.7	6 051.0	6 504.8
38	Human Settlements	10 654.3	10 839.5	11 382.2	11 446.1	11 446.1	12 194.5	12 860.9	13 924.4
<b>Total</b>		<b>38 312.7</b>	<b>40 934.2</b>	<b>43 703.8</b>	<b>44 770.7</b>	<b>44 270.7</b>	<b>45 148.6</b>	<b>48 170.5</b>	<b>52 154.0</b>

1. Details provided in the Division of Revenue Bill (2019).

**Table 6 Training expenditure per vote: 2015/16 to 2021/22**

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates			
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	
1	The Presidency	2.5	3.5	1.0	3.2	3.4	3.6	3.8
2	Parliament	10.9	4.7	–	17.2	18.5	18.7	22.2
3	Communications	0.2	0.1	0.1	0.5	0.5	0.6	0.6
4	Cooperative Governance and Traditional Affairs	2.7	2.2	0.8	3.4	3.7	3.9	4.2
5	Home Affairs	3.5	2.6	5.4	33.1	35.6	38.3	40.7
6	International Relations and Cooperation	9.7	10.2	18.5	27.2	27.0	27.0	22.0
7	National Treasury	5.1	5.9	1.7	7.4	7.7	8.9	9.2
8	Planning, Monitoring and Evaluation	2.5	3.9	4.7	4.4	5.1	5.4	5.8
9	Public Enterprises	1.5	1.3	0.7	1.1	1.2	0.9	1.0
10	Public Service and Administration	3.5	2.4	1.5	4.0	3.2	4.0	4.0
11	Public Works	5.1	6.2	4.8	6.1	6.6	6.8	7.3
12	Statistics South Africa	4.9	7.6	7.5	9.1	16.9	18.0	18.9
13	Women	0.1	0.4	0.5	1.1	1.2	1.2	1.3
14	Basic Education	1.8	1.2	1.8	1.5	1.7	1.9	2.0
15	Higher Education and Training	2.3	2.5	2.4	3.1	3.6	3.7	3.9
16	Health	5.6	5.6	6.2	8.3	8.9	9.6	10.2
17	Social Development	3.3	3.2	4.4	8.8	7.5	7.9	8.4
18	Correctional Services	173.8	169.0	152.0	189.9	195.6	208.3	217.6
19	Defence and Military Veterans	228.3	239.7	196.5	337.3	370.1	388.7	398.4
20	Independent Police Investigative Directorate	0.5	0.7	0.9	2.0	2.4	2.5	3.0
21	Justice and Constitutional Development	16.1	5.8	10.1	89.0	95.6	102.8	109.4
22	Office of the Chief Justice and Judicial Administration	1.1	1.9	3.6	6.6	6.9	7.2	7.4
23	Police	1 963.6	2 136.8	2 408.9	2 057.1	2 149.6	2 278.6	2 369.7
24	Agriculture, Forestry and Fisheries	33.8	37.6	44.8	57.5	47.7	50.8	53.6
25	Economic Development	0.3	0.8	0.2	0.2	0.2	0.2	0.2
26	Energy	4.7	4.0	3.4	4.1	4.3	4.6	4.8
27	Environmental Affairs	17.7	15.4	13.2	11.9	13.1	13.8	14.3
28	Labour	12.5	9.1	7.1	16.8	16.0	16.4	16.2
29	Mineral Resources	1.4	4.9	4.7	6.0	6.7	7.2	7.6
30	Science and Technology	5.0	4.9	4.5	5.5	6.2	6.6	6.9
31	Small Business Development	–	1.0	2.1	1.4	1.5	1.6	1.7
32	Telecommunications and Postal Services	2.4	3.1	2.6	2.2	2.4	2.6	2.7
33	Tourism	1.2	5.8	3.9	2.8	3.0	3.3	3.8
34	Trade and Industry	6.6	2.9	8.3	11.5	12.7	12.7	14.1
35	Transport	3.1	5.4	7.3	4.6	4.9	5.3	5.6
36	Water and Sanitation	17.0	33.3	581.1	17.2	18.5	19.9	21.2
37	Arts and Culture	1.6	1.3	1.3	2.9	2.7	2.9	3.1
38	Human Settlements	3.7	2.8	2.8	5.6	5.2	5.5	5.8
39	Rural Development and Land Reform	7.9	17.2	7.2	24.0	24.6	26.0	27.2
40	Sport and Recreation South Africa	0.4	1.5	0.2	2.2	2.3	2.5	2.6
<b>Total</b>		<b>2 567.8</b>	<b>2 768.0</b>	<b>3 528.7</b>	<b>2 997.9</b>	<b>3 144.7</b>	<b>3 330.3</b>	<b>3 462.7</b>

**Table 7a Infrastructure expenditure per vote: 2015/16 to 2021/22<sup>1</sup>**

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates			
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	
4	Cooperative Governance and Traditional Affairs	14 955.8	14 914.0	15 891.6	16 787.7	15 673.0	16 599.1	17 844.0
5	Home Affairs	223.4	239.5	234.8	238.7	218.7	298.9	382.9
6	International Relations and Cooperation	102.0	173.7	1.2	238.5	251.9	265.7	285.7
7	National Treasury	583.6	591.9	657.8	601.9	621.2	654.9	704.1
8	Planning, Monitoring and Evaluation	0.4	0.1	0.1	0.3	3.5	1.5	0.3
11	Public Works	628.4	633.0	701.0	804.6	849.7	896.4	945.7
13	Women	–	–	–	–	–	–	–
14	Basic Education	11 039.7	11 345.3	12 450.1	11 785.1	12 775.3	13 508.5	14 953.4
15	Higher Education and Training	3 301.2	3 396.7	3 520.4	3 793.4	3 988.0	4 096.5	4 303.9
16	Health	6 031.6	5 959.2	6 341.6	6 893.6	7 143.4	7 955.4	8 420.1
17	Social Development	47.8	5.6	87.1	51.5	–	–	–
18	Correctional Services	775.8	748.1	740.6	680.4	718.5	758.0	799.7
19	Defence and Military Veterans	82.6	147.9	697.3	529.7	351.3	401.6	410.0
21	Justice and Constitutional Development	739.5	1 023.0	963.8	823.4	855.6	902.7	952.3
22	Office of the Chief Justice and Judicial Administration	–	0.1	–	–	–	–	–
23	Police	1 192.4	1 001.3	575.4	824.9	870.7	921.4	990.5
24	Agriculture, Forestry and Fisheries	383.5	145.5	220.9	247.7	297.9	245.3	224.9
26	Energy	5 749.8	5 610.3	6 092.2	6 015.7	5 450.3	5 264.8	6 188.7
27	Environmental Affairs	129.4	136.9	501.4	147.4	159.1	167.3	179.8
28	Labour	0.5	29.2	2.4	16.0	16.0	16.9	18.1
29	Mineral Resources	1.1	0.2	0.3	2.0	2.1	2.2	2.3
30	Science and Technology	1 046.3	1 011.5	1 300.6	1 025.9	1 043.6	1 182.2	1 246.2
32	Telecommunications and Postal Services	–	–	53.0	60.0	58.4	61.7	70.5
33	Tourism	87.2	159.0	214.5	218.6	133.3	143.3	151.0
34	Trade and Industry	957.3	1 668.4	1 775.4	1 127.6	1 396.5	1 489.8	1 888.3
35	Transport	38 532.6	40 008.9	37 341.3	32 633.9	44 590.4	45 487.2	49 798.5
36	Water and Sanitation	12 518.9	11 897.5	11 309.7	12 937.9	12 373.4	13 055.3	13 967.4
37	Arts and Culture	325.4	381.3	187.5	494.5	526.9	554.5	585.0
38	Human Settlements	28 966.2	29 547.8	32 203.2	30 216.3	31 563.6	32 416.7	34 280.7
39	Rural Development and Land Reform	555.1	345.7	484.7	7.0	19.0	17.2	8.5
<b>Total</b>		<b>128 957.4</b>	<b>131 121.7</b>	<b>134 549.7</b>	<b>129 204.0</b>	<b>141 951.2</b>	<b>147 364.9</b>	<b>159 602.4</b>

**Table 7b Type of infrastructure investment: 2015/16 to 2021/22<sup>1</sup>**

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates			
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	
	<b>New infrastructure assets</b>	<b>7 334.0</b>	<b>3 733.9</b>	<b>4 538.3</b>	<b>4 858.3</b>	<b>5 625.4</b>	<b>5 756.3</b>	<b>6 728.1</b>
	<b>Existing infrastructure assets</b>	<b>5 559.1</b>	<b>6 743.7</b>	<b>5 078.8</b>	<b>5 939.5</b>	<b>4 982.7</b>	<b>5 583.8</b>	<b>5 728.2</b>
	Upgrading and additions	4 386.5	5 441.9	3 089.9	4 268.4	3 498.3	4 192.4	4 525.6
	Rehabilitation, renovations and refurbishment	728.3	891.0	1 343.2	958.4	1 013.5	827.4	566.4
	Maintenance and repairs	444.3	410.8	645.7	712.8	470.9	564.0	636.3
	<b>Infrastructure transfers</b>	<b>116 064.4</b>	<b>120 644.1</b>	<b>124 932.7</b>	<b>118 406.1</b>	<b>131 343.0</b>	<b>136 024.9</b>	<b>147 146.0</b>
	Current	687.0	709.8	930.1	1 090.3	1 446.3	1 540.9	1 242.8
	Capital	115 377.3	119 934.3	124 002.6	117 315.8	129 896.7	134 484.0	145 903.2
	<b>Total Infrastructure</b>	<b>128 957.4</b>	<b>131 121.7</b>	<b>134 549.7</b>	<b>129 204.0</b>	<b>141 951.2</b>	<b>147 364.9</b>	<b>159 602.4</b>
	<i>Current infrastructure<sup>2</sup></i>	<i>1 131.3</i>	<i>1 120.6</i>	<i>1 575.8</i>	<i>1 803.1</i>	<i>1 917.2</i>	<i>2 104.9</i>	<i>1 879.1</i>
	<i>Capital infrastructure<sup>3</sup></i>	<i>127 826.1</i>	<i>130 001.1</i>	<i>132 974.0</i>	<i>127 400.9</i>	<i>140 033.9</i>	<i>145 260.0</i>	<i>157 723.3</i>

1. Amounts include: Mega infrastructure projects and programmes for which the total cost is at least R1 billion over the project lifecycle; large projects and programmes for which the total cost is at least R250 million but less than R1 billion over the project lifecycle; and small projects and programmes for which the total cost is less than R250 million over the project lifecycle. Amounts also include: infrastructure transfers to other spheres, agencies and entities; and maintenance and repair projects.
2. Current infrastructure refers to the maintenance and repairs of existing infrastructure assets and is aimed at maintaining the capacity and effectiveness of an asset at the designed level.
3. Capital infrastructure refers to the construction, replacement, upgrade, rehabilitation, renovation and refurbishment of infrastructure resulting in a new asset or an increase in the capacity, effectiveness and value of an existing one.

**Table 8 Personnel expenditure per vote: 2015/16 to 2021/22**

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2015/16	2016/17	2017/18	2018/19		2019/20	2020/21	2021/22	
1	The Presidency	295.1	308.7	309.2	327.4	326.9	364.1	389.3	417.1
2	Parliament	1 242.7	1 317.5	1 341.8	1 388.3	1 388.3	1 388.3	1 513.4	1 612.7
3	Communications	47.6	65.5	64.5	80.9	78.4	87.7	94.3	100.4
4	Cooperative Governance and Traditional Affairs	258.3	272.4	288.1	310.0	310.0	365.4	392.8	418.3
5	Home Affairs	2 845.3	3 069.8	3 192.6	3 308.1	3 308.1	3 559.0	3 825.9	4 074.6
6	International Relations and Cooperation	3 083.7	3 115.6	3 018.8	2 964.5	2 964.5	2 874.5	3 090.1	3 290.9
7	National Treasury	732.7	786.4	803.7	807.8	807.8	869.3	934.5	995.3
8	Planning, Monitoring and Evaluation	176.9	202.2	234.2	312.6	282.6	331.6	356.4	376.1
9	Public Enterprises	140.0	148.3	142.2	171.4	171.4	184.5	198.3	211.2
10	Public Service and Administration	242.5	254.5	260.4	283.1	282.2	311.9	335.7	362.9
11	Public Works	435.9	438.8	445.0	518.3	510.3	557.8	599.7	638.6
12	Statistics South Africa	1 288.4	1 371.8	1 409.5	1 442.7	1 442.7	1 460.1	1 575.9	1 700.4
13	Women	63.6	70.6	72.6	85.5	85.4	91.4	98.3	104.7
14	Basic Education	439.5	454.4	472.5	510.6	510.6	546.8	587.8	625.9
15	Higher Education and Training	7 166.4	7 516.6	8 268.0	8 952.3	8 952.3	9 637.7	10 360.5	11 034.0
16	Health	750.1	837.3	856.3	828.8	828.8	880.5	946.5	1 008.2
17	Social Development	419.9	454.2	461.1	490.4	490.4	527.4	567.0	603.9
18	Correctional Services	13 189.5	14 417.2	15 613.5	16 994.9	16 994.9	18 213.6	19 594.3	20 947.1
19	Defence and Military Veterans	24 788.0	27 059.7	28 040.9	27 116.7	27 116.7	29 193.7	31 365.9	33 404.7
20	Independent Police Investigative Directorate	149.6	169.2	168.8	197.4	197.4	228.8	246.5	262.6
21	Justice and Constitutional Development	9 250.2	9 995.4	10 392.2	11 042.8	11 042.8	11 885.7	12 758.1	13 587.3
22	Office of the Chief Justice and Judicial Administration	1 303.7	1 418.6	1 519.0	1 644.0	1 647.9	1 755.4	1 865.7	1 987.1
23	Police	57 478.4	62 038.1	67 124.5	70 801.9	70 801.9	76 357.7	81 883.2	87 205.7
24	Agriculture, Forestry and Fisheries	1 761.1	1 938.3	2 072.8	2 176.1	2 176.1	2 351.2	2 522.4	2 686.3
25	Economic Development	79.4	85.0	88.5	90.8	90.8	97.7	105.0	111.8
26	Energy	296.0	321.5	322.2	360.5	360.5	384.3	409.2	435.9
27	Environmental Affairs	909.2	992.7	1 050.1	1 149.0	1 149.0	1 237.5	1 333.1	1 419.7
28	Labour	1 025.6	1 064.7	1 059.5	1 293.1	1 289.1	1 393.2	1 499.5	1 598.5
29	Mineral Resources	526.3	558.8	588.4	617.6	617.6	665.2	715.6	762.1
30	Science and Technology	301.1	319.0	323.8	352.4	352.4	380.5	408.4	435.0
31	Small Business Development	93.1	114.0	129.0	140.6	140.6	151.8	163.3	173.9
32	Telecommunications and Postal Services	181.7	205.2	219.8	224.3	224.3	241.4	259.5	276.4
33	Tourism	252.9	266.1	296.2	310.4	310.4	334.4	360.3	383.7
34	Trade and Industry	874.2	915.5	946.8	987.5	987.5	1 046.8	1 073.5	1 143.2
35	Transport	382.9	392.8	427.2	496.7	483.6	534.7	574.8	612.2
36	Water and Sanitation	1 360.4	1 439.9	1 535.6	1 718.0	1 595.9	1 851.3	1 990.2	2 119.6
37	Arts and Culture	214.4	226.4	228.7	253.5	253.5	272.9	293.3	312.4
38	Human Settlements	310.2	325.3	345.9	376.9	376.9	405.7	436.1	464.5
39	Rural Development and Land Reform	1 937.2	2 065.3	2 085.6	2 325.6	2 325.6	2 501.0	2 688.4	2 853.7
40	Sport and Recreation South Africa	93.8	101.3	99.9	111.5	111.2	120.1	129.1	137.5
<b>Total</b>		<b>136 387.3</b>	<b>147 114.8</b>	<b>156 319.3</b>	<b>163 564.9</b>	<b>163 387.1</b>	<b>175 642.5</b>	<b>188 541.8</b>	<b>200 895.9</b>

Table 9 Personnel numbers and unit cost per vote: 2017/18 to 2021/22

	Number of posts estimated for 31 March 2019		Number and cost of personnel posts filled/ planned for on funded establishment									
	Number of funded posts	Number of posts additional to the establishment	Actual		Revised estimate		Medium-term expenditure estimate					
			2017/18		2018/19		2019/20		2020/21		2021/22	
			Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost
1 The Presidency	627	49	550	562	556	588	570	639	568	685	570	732
2 Parliament	1 334	–	1 274	652	1 334	717	1 389	782	1 389	852	1 389	929
3 Communications	92	25	90	716	107	733	120	731	120	785	121	830
4 Cooperative Governance and Traditional Affairs	474	3	480	600	491	631	551	663	553	710	548	763
5 Home Affairs	9 239	–	9 330	342	8 600	385	8 599	414	8 569	446	8 692	469
6 International Relations and Cooperation	3 826	93	3 826	789	3 801	780	3 615	795	3 634	850	3 617	910
7 National Treasury	1 011	116	1 128	713	1 045	773	1 048	830	1 044	895	1 041	956
8 Planning, Monitoring and Evaluation	473	41	424	552	458	617	480	691	478	746	473	795
9 Public Enterprises	233	–	206	690	230	745	232	795	232	855	231	914
10 Public Service and Administration	491	–	477	546	449	629	460	678	459	731	462	785
11 Public Works	841	166	831	535	879	581	859	649	855	701	833	767
12 Statistics South Africa	3 511	–	2 927	482	3 007	480	2 767	528	2 836	556	2 912	584
13 Women	104	8	109	666	120	711	120	762	120	819	120	872
14 Basic Education	825	–	715	661	699	730	697	784	693	848	688	910
15 Higher Education and Training	32 730	176	27 152	305	26 821	334	26 839	359	26 830	386	26 526	416
16 Health	1 512	–	1 509	567	1 532	541	1 513	582	1 507	628	1 503	671
17 Social Development	801	25	892	517	857	572	861	613	863	657	859	703
18 Correctional Services	41 463	242	39 520	395	39 612	429	39 260	464	39 136	501	39 191	534
19 Defence and Military Veterans	75 211	–	75 051	374	75 210	361	74 900	390	74 662	420	74 309	450
20 Independent Police Investigative Directorate	415	12	359	470	428	461	428	534	428	576	428	613
21 Justice and Constitutional Development	22 080	21	22 807	456	22 763	485	22 818	521	22 767	560	22 583	602
22 Office of the Chief Justice and Judicial Administration	1 894	2	2 321	654	2 601	634	2 634	666	2 620	712	2 611	761
23 Police	190 000	–	193 297	347	192 431	368	191 431	399	191 431	428	191 431	456
24 Agriculture, Forestry and Fisheries	6 515	395	5 459	380	5 434	400	5 460	431	5 439	464	5 387	499
25 Economic Development	133	1	122	726	115	789	114	857	114	921	114	981
26 Energy	596	53	549	587	569	634	563	683	559	732	559	780
27 Environmental Affairs	2 187	374	2 047	513	2 039	564	2 049	604	2 051	650	2 039	696
28 Labour	2 918	18	3 025	350	3 346	385	3 341	417	3 341	449	3 337	479
29 Mineral Resources	1 167	4	1 118	526	1 100	561	1 103	603	1 103	649	1 096	695
30 Science and Technology	483	–	433	748	444	794	447	851	448	912	446	975
31 Small Business Development	226	19	213	606	211	667	215	706	215	760	213	816
32 Telecommunications and Postal Services	282	–	293	750	290	773	291	830	294	883	293	943
33 Tourism	484	–	488	607	484	641	471	710	473	762	471	815
34 Trade and Industry	1 434	106	1 413	670	1 392	709	1 364	767	1 319	814	1 297	881
35 Transport	817	7	697	613	793	610	819	653	819	702	816	750
36 Water and Sanitation	3 643	103	3 218	477	3 204	498	3 397	545	3 395	586	3 359	631
37 Arts and Culture	416	16	397	576	397	639	400	682	399	735	396	789
38 Human Settlements	557	25	597	579	628	600	629	645	629	693	626	742
39 Rural Development and Land Reform	4 124	284	4 297	485	4 522	514	4 619	541	4 385	613	4 339	658
40 Sport and Recreation South Africa	222	12	155	645	195	570	197	609	198	652	196	701
<b>Total</b>	<b>415 391</b>	<b>2 396</b>	<b>409 796</b>	<b>22 430</b>	<b>409 194</b>	<b>23 633</b>	<b>407 670</b>	<b>25 402</b>	<b>406 975</b>	<b>27 325</b>	<b>406 122</b>	<b>29 253</b>

**Table 10 Departmental receipts per vote<sup>1</sup>: 2015/16 to 2021/22**

R million	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimates			
	2015/16	2016/17	2017/18	2018/19		2019/20	2020/21	2021/22	
1	The Presidency	2.9	1.4	0.9	0.6	1.3	0.6	0.6	0.6
2	Parliament	33.7	29.0	23.5	10.0	20.0	30.0	25.0	20.0
3	Communications	7.7	6.6	6.1	6.1	6.1	3.7	3.9	3.9
4	Cooperative Governance and Traditional Affairs	1.1	24.4	1.8	43.9	43.9	2.0	2.4	2.6
5	Home Affairs	1 079.3	1 099.5	1 159.3	1 132.0	1 132.0	1 183.3	1 249.4	1 322.3
6	International Relations and Cooperation	34.9	29.0	38.6	40.4	40.4	34.5	35.5	36.5
7	National Treasury	19 979.9	19 191.9	21 031.0	14 008.0	15 725.9	8 649.1	9 328.0	10 382.8
8	Planning, Monitoring and Evaluation	0.4	1.2	1.2	1.6	1.6	1.0	0.8	0.8
9	Public Enterprises	3.4	5.2	0.2	0.2	0.2	7 000.2	0.3	0.3
10	Public Service and Administration	1.8	1.3	1.1	1.4	1.4	1.4	1.5	1.3
11	Public Works	7.1	14.6	10.4	3.4	3.4	1.9	1.5	1.5
12	Statistics South Africa	10.1	8.6	2.0	3.1	3.2	1.7	1.7	1.7
13	Women	0.0	0.6	0.0	0.1	0.1	0.1	0.1	0.1
14	Basic Education	18.3	15.5	25.7	14.9	14.9	10.9	10.0	9.2
15	Higher Education and Training	15.4	25.5	29.7	29.9	29.9	30.4	31.3	36.0
16	Health	53.9	59.2	76.1	7.8	7.8	4.0	4.7	5.0
17	Social Development	23.9	77.5	52.4	16.6	16.6	12.8	13.2	13.6
18	Correctional Services	129.3	147.5	165.0	144.1	144.1	156.2	163.7	172.5
19	Defence and Military Veterans	1 083.4	1 387.6	936.1	1 085.8	1 085.8	1 145.4	1 203.0	1 207.8
20	Independent Police Investigative Directorate	0.2	0.3	0.3	0.3	0.3	0.2	0.2	0.2
21	Justice and Constitutional Development	328.6	371.4	339.1	355.7	355.7	430.4	453.8	478.8
22	Office of the Chief Justice and Judicial Administration	0.8	0.9	2.8	1.2	1.2	0.9	1.0	1.1
23	Police	478.2	756.1	677.8	540.5	540.5	530.6	542.0	552.8
24	Agriculture, Forestry and Fisheries	212.4	202.7	228.1	251.1	251.1	262.1	273.7	285.7
25	Economic Development	50.3	137.3	167.6	285.0	285.0	173.4	173.5	175.5
26	Energy	806.0	956.9	8.0	6.2	6.2	6.3	6.6	6.9
27	Environmental Affairs	11.5	21.2	29.2	8.2	8.2	21.1	21.3	21.7
28	Labour	10.1	11.7	16.8	10.5	10.5	12.4	13.3	14.2
29	Mineral Resources	29.8	38.1	38.9	43.0	39.7	41.1	42.5	43.9
30	Science and Technology	0.5	8.2	10.3	9.6	35.1	0.5	0.5	0.6
31	Small Business Development	0.1	0.1	0.6	0.1	1.2	0.1	0.1	0.1
32	Telecommunications and Postal Services	26 804.4	831.4	1 141.1	517.8	517.8	600.6	600.6	600.7
33	Tourism	6.8	5.3	1.1	3.9	3.9	3.9	4.0	4.0
34	Trade and Industry	62.0	98.1	106.6	73.7	73.6	77.9	78.5	77.1
35	Transport	209.9	292.3	368.5	281.8	281.8	326.8	344.8	363.8
36	Water and Sanitation	11.0	21.0	12.9	18.2	18.2	8.0	8.2	15.0
37	Arts and Culture	3.0	1.3	1.5	0.6	0.3	0.8	0.8	0.9
38	Human Settlements	1.2	0.5	0.6	0.9	0.9	0.2	0.3	0.3
39	Rural Development and Land Reform	54.6	89.8	81.6	86.6	71.0	83.5	91.7	100.8
40	Sport and Recreation South Africa	0.4	0.1	0.2	0.2	0.2	0.2	0.2	0.2
	<b>Total departmental receipts</b>	<b>51 568.3</b>	<b>25 970.9</b>	<b>26 794.5</b>	<b>19 044.9</b>	<b>20 780.7</b>	<b>20 850.4</b>	<b>14 733.9</b>	<b>15 962.7</b>
	Less: Revenue retained by departments	37.0	32.2	25.8	13.1	23.1	30.0	25.0	20.0
	<i>Parliament</i>	33.7	29.0	23.5	10.0	20.0	30.0	25.0	20.0
	<i>Government Communication and Information System</i>	3.3	3.1	2.3	3.1	3.1	–	–	–
	Plus: Public entities conduit <sup>2</sup> receipts	2 001.1	1 416.6	1 320.4	1 935.7	1 935.7	1 732.6	1 833.0	1 933.1
	<i>Independent Communications Authority of South Africa</i>	1 324.6	1 168.6	1 318.4	1 308.6	1 308.6	1 380.6	1 456.5	1 536.6
	<i>Competition Commission</i>	676.5	248.0	2.0	627.1	627.1	352.0	376.5	396.5
	Plus: South African Revenue Service departmental receipts collection	3 743.4	5 913.4	7 797.0	7 990.1	8 780.2	8 983.7	9 485.8	10 029.5
	<b>Total departmental and other receipts as per Budget</b>	<b>57 275.7</b>	<b>33 268.6</b>	<b>35 886.1</b>	<b>28 957.6</b>	<b>31 473.4</b>	<b>31 536.7</b>	<b>26 027.7</b>	<b>27 905.2</b>

**Review**

1. Includes departmental receipts of all the departments within a vote.

2. Receipts for which a department serves as a conduit to deposit funds into the National Revenue Fund and hence included as other receipts for consolidation purposes. These receipts are however accordingly excluded from both departmental and entity financial statements.



# Information contained in each vote

The Estimates of National Expenditure (ENE) publications describe in detail the planned spending in all national government votes over the three-year medium-term expenditure framework (MTEF) period, government's expenditure planning window.

The ENE publication is tabled in Parliament by the Minister of Finance alongside the main budget. The publication is the explanatory memorandum to the Appropriation Bill. Through the bill and the publication, the executive seeks Parliament's approval and adoption of its spending plans for the first year of the MTEF period. Once the Appropriation Act has been assented to by the president, funds allocated for the first year of the new MTEF period are then appropriated from the National Revenue Fund in terms of the act. Parliament authorises expenditure annually, thus the spending estimates for the two outer years of the MTEF period are not included in the Appropriation Bill. These forward estimates or indicative allocations do, however, form the basis of the planning of the following year's budget.

The main budget expenditure, determined by the fiscal stance adopted, includes direct charges against the National Revenue Fund. Direct charges, such as debt-service costs, constitute spending in terms of a statute, and therefore do not require parliamentary approval. Such spending is therefore not contained in the Appropriation Bill, nor is it budgeted for in any particular programme within a vote. Main budget expenditure also includes a contingency reserve and any provisional allocations not assigned to votes for expenditure related to unforeseen circumstances and emerging government policy priorities. Similarly, this expenditure is not contained in the Appropriation Bill.

Information in the Appropriation Bill is divided according to vote. Generally, a vote specifies the total amount appropriated to a department. In some cases, a vote may contain more than one department. Each chapter in the ENE publication relates to a vote.

A separate e-publication is also available for each vote. The ENE e-publications for individual votes provide more comprehensive coverage of vote-specific information, particularly about personnel, entities, donor funding, public-private partnerships, conditional grants<sup>1</sup> to provinces and municipalities, and expenditure information at the level of site service delivery, where appropriate. These publications are available at [www.treasury.gov.za](http://www.treasury.gov.za).

For each vote, the ENE publications follow the format shown below:

## Budget summary

This table shows the budgeted expenditure for the vote for the three-year MTEF period.

R million	2019/20					2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
<b>MTEF allocation</b>							
Programme name							
<b>Subtotal</b>							
<b>Direct charge against the National Revenue Fund</b>							
Item							
<b>Total expenditure estimates</b>							

Executive authority                      Minister  
 Accounting officer                      Director-General / Chief Operating Officer  
 Website address

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of site service delivery, where appropriate.*

1. The terms conditional allocation and allocation-in-kind, as contained in legislation, are commonly referred to as conditional grant and indirect grant, respectively, in the budget documentation that accompanies this legislation.

The **2019/20 total** shows the total allocation per programme and the total allocation for the vote for 2019/20, and corresponds with the information in the 2019 Appropriation Bill.

The total vote allocation to be appropriated by Parliament is categorised by economic classification, into **current payments, transfers and subsidies, payments for capital assets** and **payments for financial assets**.

**Current payments** are payments made by an institution for its operational requirements.

**Transfers and subsidies** are payments made by an institution for which the institution does not directly receive anything in return.

**Payments for capital assets** are payments made by an institution for an asset that can be used for more than one year, and from which future economic benefits or service potential are expected to flow.

**Payments for financial assets** are mainly payments made by institutions as loans to public corporations or as equity investments in public corporations. Payments are reflected as expenditure rather than financing because the purpose of the transaction is not profit oriented. This column is shown only in votes where such payments have been budgeted for. Payments for theft and losses are included in this category. However, it is not possible to budget for these in advance and, if applicable, payments will appear only in the historical information once they are known.

For **2020/21** and **2021/22**, the estimates of expenditure in the vote are shown for the two outer years of the MTEF period.

**MTEF allocation** shows the expenditure allocation for the upcoming financial year and the expenditure estimates for the two outer years of the MTEF period for each programme.

**Direct charge against the National Revenue Fund** is an amount spent in terms of a statute and is not budgeted for in any programme in a particular vote. Hence it is shown as a separate item and is not contained in the Appropriation Bill.

**Total expenditure estimates** is the sum of expenditure on programmes plus direct charges against the National Revenue Fund.

The last three rows of the table provide accountability information: the vote's executive authority, accounting officer and website address.

## Vote purpose

*The purpose of the vote captures a department's mandate, objectives or administrative functions, as stated in the Appropriation Bill.*

## Mandate

The institution's mandate, as contained in the relevant act(s) or policy document(s) that govern(s) the institution's establishment and operations, is described.

## Selected performance indicators

This table highlights a vote's performance in terms of key indicators for the past three years, the current year, and the projections for the three-year MTEF period.

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22

The table presents only a selected set of a department or entity's performance indicators and is not intended to provide a comprehensive view of institutional performance. The table, however, contains key indicators linked to strategic and annual performance plans, as informed by the 2014-2019 medium-term strategic framework and ministerial delivery agreements. Managing, monitoring and measuring performance are integral to improving service delivery.

An **indicator** is a measure that tracks a department or entity's progress towards meeting the target it has set. An indicator may measure inputs, activities, outputs and outcomes, or, in certain instances, explanatory information relating to the internal or external environment.

The **programme** links the indicator to the programme associated with it.

The **MTEF outcome** links the indicator to one or more of the 14 outcomes targeted in government's 2014-2019 medium-term strategic framework.

The **past** column shows what level of performance the institution achieved in the past three financial years.

The **current** column shows what the institution projects it will have achieved in the current financial year.

The **projections** column shows what the institution expects to achieve over the three years of the MTEF period.

**In the selected performance indicators table, a dash (–) means that information is not available, generally because the indicator was introduced only in subsequent years. However, in all expenditure and revenue tables, a dash (–) indicates that information is either unavailable or equal to zero. Due to rounding off, the line item figures in tables may not necessarily add up to the total of the figures in the table.**

## Expenditure analysis

This is a narrative discussion that provides an outline of what the institution aims to achieve over the medium term and how it plans to spend its budget in support of this. The discussion centres on the institution's primary focus areas, including its policy and spending focus over the period, as contained in its planning documents.

Significant increases or decreases in expenditure, including in the past, are explained in terms of the institution's performance outcomes, service delivery methods, policies, personnel profiles or any other applicable factors. The average annual estimated growth rates are presented in the tables in nominal, not real, terms.

A summary of key changes to the vote's baseline budget, as approved by Cabinet, is also provided.

## Expenditure trends

This table on the following page shows audited expenditure for the past three years, and the revised expenditure estimate for the current financial year, by programme and economic classification. For each year, budgeted and adjusted appropriations are provided for comparison with actual expenditure outcomes.

Programmes						
1. Administration						
2. Programme name						
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome
	2015/16	2016/17	2017/18	2018/19	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million					2015/16 - 2018/19	
Programme 1						
Programme 2						
<b>Subtotal</b>						
<b>Direct charge against the National Revenue Fund</b>						
<b>Total</b>						
Change to 2018 Budget estimate						
<b>Economic classification</b>						
<b>Current payments</b>						
Compensation of employees						
Goods and services						
<b>Transfers and subsidies</b>						
<b>Payments for capital assets</b>						
<b>Payments for financial assets</b>						
<b>Total</b>						

Expenditure over a four-year period is set out first by **programme** and then by **economic classification**. Expenditure is classified as current payments, transfers and subsidies, payments for capital assets and payments for financial assets. Where programme structures have been changed in recent years, expenditure and budgets have, to the extent possible, been reallocated to the new approved programme structure for all the years shown, to enable comparison.

**Direct charge against the National Revenue Fund** is an amount spent in terms of a statute and is not budgeted for in any programme in a particular vote. It is shown as a separate item and is not contained in the Appropriation Bill.

**Annual budget** shows the total amount voted at the beginning of a financial year.

**Adjusted appropriation** shows the adjusted total amount that is voted in a financial year. Most changes are made mid-year at the time of the adjustments budget. These adjustments can be made only in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999). These adjustments are included in an adjustments appropriation bill, which Parliament approves before expenditure can take place. Particulars are tabled in acts of Parliament and the accompanying Adjusted Estimates of National Expenditure and other publications.

**Audited outcomes** are presented as they appear in the institution's annual financial statements. However, reallocations are made for any subsequent approved budget changes to the programme structure.

The **revised estimate** for 2018/19 shows the current estimate of the institution's expenditure for the current financial year. This does not imply a change in the amount voted to an institution in the Adjustments Appropriation Act (2018). It is rather an updated estimate of what the department is likely to spend in the current financial year.

The **average: outcome/annual budget (%)** shows annual audited expenditure as a percentage of the annual budget appropriation, averaged over the three-year period.

The **average: outcome/adjusted appropriation budget (%)** shows annual audited expenditure as a percentage of the annual adjusted budget appropriation, averaged over the three-year period.

Significant amounts and trends are discussed in the expenditure analysis section, particularly in relation to performance and spending.

## Expenditure estimates

This table shows the revised expenditure estimate for 2018/19, and expenditure estimates over the three-year MTEF period, by programme and economic classification.

Programmes								
1. Administration								
2. Programme name								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1								
Programme 2								
<b>Subtotal</b>								
<b>Direct charge against the National Revenue Fund</b>								
<b>Total</b>								
Change to 2018 Budget estimate								
<b>Economic classification</b>								
<b>Current payments</b>								
Compensation of employees								
Goods and services								
<b>Transfers and subsidies</b>								
<b>Payments for capital assets</b>								
<b>Payments for financial assets</b>								
<b>Total</b>								

Expenditure over a four-year period is set out first by **programme** and then by **economic classification**. Expenditure is classified as current payments, transfers and subsidies, payments for capital assets and payments for financial assets.

**Direct charge against the National Revenue Fund** is an amount spent in terms of a statute and is not budgeted for in any programme in a particular vote. Hence it is shown as a separate item and is not contained in the Appropriation Bill.

The **revised estimate 2018/19** shows the current estimate of the institution's expenditure for the current financial year. This does not imply a change in the amount voted to an institution in the Adjustments Appropriation Act (2018). It is rather an updated estimate of what the department is likely to spend in the current financial year.

The **average growth rate (%)** is the growth rate per year, averaged over the three-year period, expressed as a percentage.

The **average: expenditure/total (%)** shows the proportion of total institutional expenditure an expenditure item comprises, averaged over the three-year period, expressed as a percentage.

The **medium-term expenditure estimate** shows expenditure estimates for 2019/20, 2020/21 and 2021/22. The estimates for 2019/20 are the appropriations proposed in the 2019 Appropriation Bill considered by Parliament. The estimates for 2020/21 and 2021/22 are indicative allocations, and will form the basis for planning the 2020 Budget.

Significant amounts and trends are discussed in the expenditure analysis section, particularly in relation to performance and spending.

## Expenditure trends and estimates for significant spending items

This table on the following page shows expenditure trends for significant spending items for the past three years, the revised expenditure estimate for the current financial year, and expenditure estimates over the three-year MTEF period, by spending item.

	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total vote (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total vote (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R thousand											
Spending item											
Spending item											
Spending item											
Spending item											
Spending item											
<b>Total</b>											

The **audited outcome** is presented as it appears in the institution's annual financial statements or calculated from the relevant data in the institution's ENE database.

**Adjusted appropriation** shows the adjusted total amount voted in a financial year. Most changes are made mid-year at the time of the adjustments budget. These adjustments can be made only in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999).

The **average growth rate (%)** is the growth rate per year, averaged over the three-year period, expressed as a percentage.

The **average: expenditure/total vote (%)** shows the proportion of total institutional expenditure an expenditure item comprises, averaged over the three-year period, expressed as a percentage.

The **medium-term expenditure estimate** shows expenditure estimates for 2019/20, 2020/21 and 2021/22.

Significant amounts and trends are discussed in the expenditure analysis section, particularly in relation to performance and spending.

## Goods and services expenditure trends and estimates

This table shows goods and services expenditure trends for the past three years, the revised expenditure estimate for the current financial year, and expenditure estimates over the three-year MTEF period, by item.

	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R thousand											
Goods and services item											
Goods and services item											
Goods and services item											
Goods and services item											
Goods and services item											
<b>Total</b>											

The **audited outcome** is presented as it appears in the institution's annual financial statements.

**Adjusted appropriation** shows the adjusted total amount that is voted in a financial year. Most changes are made mid-year at the time of the adjustments budget. These adjustments can be made only in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999).

The **average growth rate (%)** is the growth rate per year, averaged over the three-year period, expressed as a percentage.

The **average: expenditure/total (%)** shows the proportion of total institutional expenditure an expenditure item comprises, averaged over the three-year period, expressed as a percentage.

The **medium-term expenditure estimate** shows expenditure estimates for 2019/20, 2020/21 and 2021/22.

Significant amounts and trends are discussed in the expenditure analysis section, particularly in relation to performance and spending.

## Transfers and subsidies expenditure trends and estimates

This table shows the transfers and subsidies expenditure trends for the past three years, the revised expenditure estimate for the current financial year, and expenditure estimates over the three-year MTEF period, by transfer item.

	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2015/16	2016/17	2017/18		2015/16 - 2016/17	2016/17 - 2017/18	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22 - 2022/23	
R thousand												
Economic classification item												
Lower-level economic classification item												
Current												
Transfer name												
Capital												
Transfer name												
Total												

The **audited outcome** is presented as it appears in the institution's annual financial statements.

**Adjusted appropriation** shows the adjusted total amount that is voted in a financial year. Most changes are made mid-year at the time of the adjustments budget. These adjustments can be made only in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999).

The **average growth rate (%)** is the growth rate per year, averaged over the three-year period, expressed as a percentage.

The **average: expenditure/total (%)** shows the proportion of total institutional expenditure an expenditure item comprises, averaged over the three-year period, expressed as a percentage.

The **medium-term expenditure estimate** shows expenditure estimates for 2019/20, 2020/2021 and 2021/22.

Significant amounts and trends are discussed in the expenditure analysis section, particularly in relation to performance and spending.

## Personnel information

Personnel information relating to salary level bands is set out for a five-year period. The number of posts, the cost to the institution, and the average unit cost of a post are shown as estimated by the department.

### Vote personnel numbers and cost by salary level and programme level<sup>1</sup>

Programmes														
1. Administration														
2. Programme name														
Department name	Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment									Number		
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate			Average growth rate (%)	Average: Salary level/Total (%)	
			2017/18	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22 - 2022/23	2018/19 - 2021/22	2021/22 - 2022/23			
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost
Salary level														
1 – 6														
7 – 10														
11 – 12														
13 – 16														
Other														
Programme														
Programme 1														
Programme 2														

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Details are provided of total personnel numbers by **salary level** and **programme**.

**Number of funded posts** refers to the number of posts in an institution's establishment for which provision is made in its budget.

**Number of posts additional to the establishment** refers to posts that do not form part of the institution's approved establishment but which have been budgeted for.

Information is provided on the **number** and **cost** of posts filled or planned to be filled in the total establishment by salary level.

The **unit cost** is calculated by dividing the cost by the number of posts.

The **average growth rate (%)** in the number of posts for the three-year period is shown, expressed as a percentage.

The **average: salary level/total (%)** shows the proportion of total posts per salary level band, on average over the period, expressed as a percentage.

Personnel information is discussed in the expenditure analysis section, particularly in relation to performance and spending.

## Departmental receipts

This table provides details of the revenue collected on the vote over a seven-year period.

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/Total (%)	
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21			2021/22
<b>Departmental receipts</b>													
<b>Economic classification item</b>													
<i>Lower-level economic classification item</i>													
<b>Economic classification Item</b>													
<i>Lower-level economic classification item</i>													
<i>Lower-level economic classification item</i>													
<b>Total</b>													

Departmental receipts are set out by **economic classification item**.

The **audited outcome** is presented as it appears in the institution's annual financial statements.

The **adjusted estimate** for 2018/19 shows the estimate of the institution's receipts published in the 2018 Adjusted Estimates of National Expenditure.

The **revised estimate** shows the current estimate of institutional receipts for 2018/19.

The **average growth rate (%)** shows the growth in revenue as a percentage, averaged over a three-year period.

The **average: receipt item/total (%)** shows the proportion of total departmental revenue that receipts in a particular economic classification item comprises, averaged over a three-year period, expressed as a percentage.



## Information on each programme

### Programme purpose

The purpose of each programme is stated as it is set out in the 2019 Appropriation Bill. The programme purpose outlines the functions and activities of the particular programme, as per the approved budget programme structure. Programme 1 is usually the *Administration* programme, comprising the administrative functions and activities required to keep the department operating. It includes the ministry and deputy ministry, the director-general's office and central corporate services.

### Objectives

Objectives are stated for each programme, with the exception, in most cases, of the *Administration* programme. A programme objective includes an explanation of its strategic intent, as well as of the specific interventions and progress measures for that objective. Objectives are broadly aligned with institutional strategic plans and annual performance plans, as informed by ministerial service delivery agreements and the National Development Plan, and articulated in government's 2014-2019 medium-term strategic framework.

### Subprogrammes (per programme)

The key activities carried out by each subprogramme are described, generally with the exception of the *Administration* programme. Explanatory notes are provided on transfers to entities or partner organisations, and on subsidies, incentives or financial assistance programmes, where applicable.

### Expenditure trends and estimates (per programme)

The table for each programme sets out expenditure by subprogramme and economic classification item over a seven-year period.

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Subprogramme name											
<b>Total</b>											
Change to 2018 Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>											
Economic classification item											
<b>Transfers and subsidies</b>											
Economic classification item											
<b>Payments for capital assets</b>											
Economic classification item											
<b>Payments for financial assets</b>											
<b>Total</b>											
<b>Proportion of total programme expenditure to vote expenditure</b>											

Expenditure over the seven-year period is set out, first by **subprogramme** and then by **economic classification**, as current payments, transfers and subsidies, payments for capital assets and payments for financial assets.

**Audited outcome** is presented as it appears in the institution's annual financial statements, with amounts reallocated for any subsequent approved changes to the budget programme structure.

**Adjusted appropriation** shows the adjusted total amount that is voted in a financial year. Most changes are made mid-year at the time of the adjustments budget. These adjustments can be made only in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999). These adjustments are included in an adjustments appropriation bill, which Parliament approves before expenditure can take

place. Particulars are tabled in acts of Parliament and the accompanying Adjusted Estimates of National Expenditure and other publications.

The **average growth rate (%)** is the growth rate per year averaged over a three-year period, shown as a percentage.

The **average: expenditure/total (%)** shows the proportion of total programme expenditure that a subprogramme or an expenditure item comprises, averaged over a three-year period, expressed as a percentage.

The **medium-term expenditure estimate** shows programme expenditure estimates for the MTEF period. The estimates for 2019/20 are the appropriations proposed in the 2019 Appropriation Bill. The estimates for 2020/21 and 2021/22 are indicative allocations and will form the basis for planning the 2020 Budget.

Significant amounts and trends are discussed in the departmental expenditure analysis section, particularly in relation to performance and spending.

## Additional programme information

The ENE e-publications for each vote include personnel information for each programme.

### Personnel information (per programme)

Personnel information relating to salary level bands is set out for a five-year period. The number of posts, the cost to the institution and the average unit cost of a post are shown as estimated by the department.

#### Programme personnel numbers and cost by salary level<sup>1</sup>

Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)	
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22				
Programme name		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost
Salary level																
1 – 6																
7 – 10																
11 – 12																
13 – 16																
Other																

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Details are provided of total personnel numbers by **salary level**.

**Number of funded posts** refers to the number of posts in an institution's programme establishment for which provision is made in its budget.

**Number of posts additional to the establishment** refers to posts that have been budgeted for ad hoc and that do not form part of the institution's approved establishment.

Information is provided on the **number** and **cost** of posts filled or planned to be filled in the total programme establishment by salary level.

The **unit cost** is calculated by dividing the cost by the number of posts.

The **average growth rate (%)** in the number of posts for the three-year period is shown, expressed as a percentage.

The **average: salary level/total (%)** shows the proportion of the total programme posts per salary level band, on average over the period, expressed as a percentage.

Programme personnel information is discussed in the expenditure analysis section, particularly in relation to performance and spending.

## Entities

The information provided on entities is similar to what is reported on for a department. However, as the basis of accounting used by entities is different to the basis used by departments, entities' statements of financial performance and financial position are provided.

Entity accounts are prepared using the accrual basis of accounting, whereas departmental accounts are prepared using a modified cash basis of accounting.

In the accrual basis of accounting, a transaction is recorded whenever there is an economic event, regardless of when a cash transaction takes place. This basis of accounting also includes items that do not involve any flow of cash at all, such as adjustments made to account for depreciation.

In the modified cash basis of accounting, a transaction is recorded only if cash has been exchanged and at the time that this exchange takes place.

Information on each of the entities generally consists of:

- the entity's legislative mandate
- selected performance indicators relating to the entity's mandate
- an expenditure analysis narrative that provides an outline of what the entity aims to achieve over the medium term and its planned spending in support of this
- expenditure trends and estimates by programme/objective/activity
- statements of historical financial performance and position
- statements of estimates of future financial performance and position
- personnel numbers and cost by salary level.

## Additional tables

### Summary of expenditure on infrastructure

The table on infrastructure includes spending on new and replacement assets; maintenance and repairs; upgrades and additions; and the rehabilitation, renovation and refurbishment of assets.

**Departmental infrastructure** refers to direct spending by a department on infrastructure assets that the department will construct.

**Infrastructure transfers to other spheres, agencies and departments** refers to transfers and grants to other government institutions for expenditure on infrastructure.

***The Estimates of National Expenditure e-publications for each vote may also include the following tables:***

### Summary of conditional grants to provinces and municipalities

This table provides details of allocations made by national government to provinces, local government or municipalities, on condition that certain requirements are met. The purpose and conditions of such allocations are specified in the 2019 Division of Revenue Bill.

### Summary of departmental public-private partnership projects

Disclosure notes with additional details are provided for projects signed in terms of Treasury Regulation 16.

Public-private partnerships refer to contractual arrangements in which a private party performs part of a government function and assumes the associated risks. In return, the private party receives a fee based on predefined performance criteria.

**Project signed** is a public-private partnership project that has reached financial close and is being implemented.

**Project in preparation** is at some stage of inception, feasibility or procurement, but has not yet reached financial close.

**Unitary fee** refers to the total payment made to the private party for the provision of various services.

**Advisory fee** is a cost for hiring transaction advisers, who assist government with feasibility studies and procurement in the public-private partnership project process.

**Project monitoring cost** is associated with the ongoing monitoring and evaluation of public-private partnerships while they are in operation.

### Summary of donor funding

Donor funding is received by departments over and above the allocations provided in government's appropriation legislation. Donor funding comprises official development assistance, and other local and international donations. Official development assistance is an official resource flow from the international donor community to the South African government in the form of grants and technical cooperation.

The **programme** column links the donor funding to the vote programme associated with it.

The **spending focus** shows what the department aims to achieve by using the donated funds.

### Summary of site service expenditure information

A summary of expenditure information estimated by the department at the level of site service delivery may also be included.

# Vote 1

## The Presidency

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	624.0	612.3	0.0	11.6	533.1	574.7
Executive Support	67.4	66.1	–	1.3	77.2	72.6
<b>Subtotal</b>	<b>691.4</b>	<b>678.4</b>	<b>0.0</b>	<b>12.9</b>	<b>610.3</b>	<b>647.3</b>
<b>Direct charge against the National Revenue Fund</b>						
Salary of the president	3.9	3.9	–	–	4.2	4.5
Salary of the deputy president	3.3	3.3	–	–	3.6	3.8
<b>Total expenditure estimates</b>	<b>698.6</b>	<b>685.7</b>	<b>0.0</b>	<b>12.9</b>	<b>618.1</b>	<b>655.6</b>
Executive authority	Minister in the Presidency: Planning, Monitoring and Evaluation as well as Administration					
Accounting officer	Chief Operations Officer in the Presidency					
Website address	<a href="http://www.thepresidency.gov.za">www.thepresidency.gov.za</a>					

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

### Vote purpose

Facilitate a common programme towards the achievement of the electoral mandate and the enhanced integrity of the state through considered planning, coordination, oversight, mobilisation and support.

### Mandate

The mandate of the Presidency is to ensure that the president is able to execute his constitutional responsibilities in leading and galvanising the whole of government and society to implement the electoral mandate.

### Selected performance indicators

**Table 1.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of quarterly monitoring reports on the implementation of the annual programme of action of the organised structures to mobilise society, promote social cohesion and accelerate social transformation per year	Administration	Outcome 14: Nation building and social cohesion	– <sup>1</sup>	– <sup>1</sup>	– <sup>1</sup>	– <sup>1</sup>	4	4	4
Number of engagements facilitated between the leaders of mechanisms, state institutions and spheres of government to strengthen governance and accountability per year	Administration	Outcome 12: An efficient, effective and development-oriented public service	– <sup>1</sup>	– <sup>1</sup>	– <sup>1</sup>	– <sup>1</sup>	4	4	4

**Table 1.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of quarterly monitoring reports on the implementation of the annual programme of action of the organised structures to drive greater coherence and consistency in the implementation of economic policy, and to support economic growth and job creation per year	Administration	Outcome 4: Decent employment through inclusive growth	-1	-1	-1	-1	4	4	4
Number of quarterly monitoring reports on the implementation of the annual programme of action of the intergovernmental mechanisms aimed at fighting corruption in the public and private sectors, enhancing public and institutional ethics, and ensuring that South Africans are and feel safe per year	Administration	Outcome 3: All people in South Africa are and feel safe	-1	-1	-1	-1	4	4	4
Number of quarterly monitoring reports on the implementation of the annual programme of action of the intergovernmental mechanisms to unblock issues impeding service delivery in priority areas per year	Executive Support	Outcome 12: An efficient, effective and development-oriented public service	-1	-1	-1	-1	4	4	4

1. No historical data available.

## Expenditure analysis

Chapter 1 of the National Development Plan sets out a vision for increased government integration towards developing policy in a complex domestic and international environment. This is given expression by outcome 11 (create a better South Africa, a better Africa and a better world) and outcome 12 (an efficient, effective and development-oriented public service) of government's 2014-2019 medium-term strategic framework, with which the work of the Presidency is closely aligned. Accordingly, over the medium term, the department will focus on promoting an integrated approach to governance, operationalising the e-Cabinet system, leading the coordination of government policies and programmes, promoting nation building and social cohesion, and advancing South Africa's interests regionally and internationally.

Spending on compensation of employees accounts for an estimated 59.3 per cent (R1.2 billion) of the department's total expenditure over the medium term. This spending is set to increase at an average annual rate of 8.5 per cent, from R326.9 million in 2018/19 to R417.1 million in 2021/22, mainly due to the anticipated re-establishment of the department's research and policy support unit in 2019/20. As a result, the department's total budget is expected to increase at an average annual rate of 8.6 per cent, from R511.8 million in 2018/19 to R655.6 million in 2021/22.

### **Promoting an integrated approach to governance**

The department endeavours to improve coordination among all government departments to ensure that policies are implemented in line with national priorities, that executive authorities and departments are better prepared to engage and understand the Cabinet system, and that Cabinet members take collective decisions and responsibilities. This requires the department to provide training or briefing sessions on Cabinet decision-making processes for relevant officials in ministerial offices and offices of directors-general. Executive orientation sessions are also provided to Cabinet members and their staff, as and when required.

### **Operationalising the e-Cabinet system**

The e-Cabinet system is a tool used to streamline Cabinet's decision-making processes, ensuring that an integrated approach to governance is adopted. The system enables members of the executive, heads of department and executive support staff to share, manage and store information securely, and provides a platform for collaboration among relevant support staff. To date, the system has been designed, developed, installed, piloted and made available to all Cabinet members, as well as certain ministerial and Cabinet secretariat personnel, via an online portal. The system will be operationalised over the medium term after

receiving security certification in 2018/19. As a result of these activities, expenditure in the *Cabinet Services* subprogramme in the *Executive Support* programme is expected to increase at an average annual rate of 14.5 per cent, from R48.4 million in 2018/19 to R72.6 million in 2021/22. Cabinet members and directors-general will be trained on its appropriate use, within specified security parameters. Accordingly, the e-Cabinet user application policy and the e-Cabinet security policy are expected to be adopted in early 2019/20.

### ***Leading the coordination of government policies and programmes***

As government's lead coordinating department, the Presidency seeks to promote good governance through ensuring greater policy coordination on an ongoing basis. Towards achieving this, in 2019/20, the department plans to re-establish the research and policy support unit, which will be tasked with: providing content and technical support to the political principals in the department and Cabinet on the efficacy of government policy, and the accuracy of submissions on the approach and strategy of government policy; advising the president, deputy president and Cabinet on interventions necessary to ensure more efficient and effective service delivery across government; providing technical support to working groups and other structures chaired by the president and deputy president; and developing, together with the Department of Planning, Monitoring and Evaluation, an early warning mechanism on potential contradictions or shortcomings related to the implementation of policy. To carry out these activities, the unit is allocated R45.3 million over the medium term in the *Cabinet Services* subprogramme in the *Executive Support* programme.

To ensure effective planning and policy coordination, over the MTEF period, the department, through quarterly reports, will monitor the implementation of the youth employment service initiative; the establishment of the youth working group; and track progress on the outcome of the 2018 youth summit. To this end, R100.1 million over the MTEF period has been allocated in the *Support Services to the President* subprogramme in the *Administration* programme. This will also enable the department to provide support to the deputy president to carry out his role as the leader of government business; hold engagements with stakeholders such as labour, business, civil society and black professionals; and support various other commitments made by government to advance youth development.

### ***Promoting nation building and social cohesion***

Over the medium term, the department plans to continue providing support to initiatives that promote nation building and social cohesion. The deputy president will continue to lead the Moral Regeneration Movement, a civil society organisation mandated to facilitate and coordinate processes and initiatives aimed at promoting collective activism on issues of moral renewal. As part of the deputy president's delegated responsibilities, the deputy president will also lead the government's efforts to fast-track land reform. The president will lead initiatives on national days, national orders and special events, and use them as platforms to promote nation building and social cohesion. These initiatives are budgeted for in *Support Services to the President* subprogramme in the *Administration* programme. Spending in the subprogramme is expected to increase at an average annual rate of 6.6 per cent, from R65.6 million in 2018/19 to R79.5 million in 2021/22. In the *Management* subprogramme in the *Administration* programme, an additional R11.6 million over the MTEF period is allocated for officiating and hosting annual national orders ceremonies; and R120 million in 2019/20 for the 2019 presidential inauguration.

### ***Advancing South Africa's interests***

The fundamental role of the Presidency in the international arena is to assist the president and deputy president in advancing South Africa's interests in the global community. Over the MTEF period, the department expects to continue providing strategic and administrative support to unilateral, bilateral and multilateral meetings and summits, and state visits; and assist in fulfilling South Africa's obligations to the United Nations, the Brazil-Russia-India-China-South Africa group of countries, the G20, the African Union, the Southern African Development Community, and regional and continental peacekeeping processes. Activities related to advancing South Africa's interests in the international arena are expected to result in expenditure over the MTEF period of R61.2 million in the *Support Services to the President* subprogramme and R38.9 million in the *Support Services to the Deputy President* subprogramme.

## Expenditure trends

**Table 1.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Executive Support														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	483.9	443.7	446.2	453.4	454.2	447.7	449.0	454.3	440.1	456.0	457.1	459.2	97.3%	99.1%
Programme 2	26.4	32.3	20.5	46.3	35.6	27.6	46.2	46.8	41.4	49.6	48.4	45.9	80.4%	83.0%
<b>Subtotal</b>	<b>510.3</b>	<b>475.9</b>	<b>466.7</b>	<b>499.7</b>	<b>489.8</b>	<b>475.3</b>	<b>495.2</b>	<b>501.2</b>	<b>481.5</b>	<b>505.6</b>	<b>505.6</b>	<b>505.1</b>	<b>95.9%</b>	<b>97.8%</b>
<b>Direct charge against the National Revenue Fund</b>	<b>5.7</b>	<b>5.7</b>	<b>5.6</b>	<b>6.0</b>	<b>6.0</b>	<b>5.7</b>	<b>6.4</b>	<b>6.4</b>	<b>5.7</b>	<b>6.7</b>	<b>6.7</b>	<b>6.7</b>	<b>95.6%</b>	<b>95.6%</b>
Salary of the president	3.1	3.1	2.9	3.3	3.3	3.0	3.4	3.4	3.1	3.6	3.6	3.6	93.8%	93.8%
Salary of the deputy president	2.6	2.6	2.7	2.8	2.8	2.7	2.9	2.9	2.6	3.1	3.1	3.1	97.8%	97.8%
<b>Total</b>	<b>516.1</b>	<b>481.7</b>	<b>472.4</b>	<b>505.7</b>	<b>495.8</b>	<b>481.0</b>	<b>501.5</b>	<b>507.5</b>	<b>487.2</b>	<b>512.3</b>	<b>512.3</b>	<b>511.8</b>	<b>95.9%</b>	<b>97.8%</b>
Change to 2018 Budget estimate														
Economic classification														
<b>Current payments</b>	<b>503.5</b>	<b>465.5</b>	<b>431.4</b>	<b>491.8</b>	<b>479.4</b>	<b>464.8</b>	<b>487.2</b>	<b>487.0</b>	<b>462.8</b>	<b>500.1</b>	<b>498.5</b>	<b>498.0</b>	<b>93.7%</b>	<b>96.2%</b>
Compensation of employees	326.4	301.8	295.1	329.0	314.6	308.7	318.4	318.2	309.2	328.9	327.4	326.9	95.2%	98.2%
Goods and services	177.1	163.7	136.3	162.8	164.8	156.0	168.8	168.8	153.6	171.2	171.2	171.2	90.8%	92.3%
<b>Transfers and subsidies</b>	<b>0.1</b>	<b>0.9</b>	<b>1.1</b>	<b>0.0</b>	<b>2.4</b>	<b>3.2</b>	<b>0.0</b>	<b>6.2</b>	<b>6.2</b>	<b>0.0</b>	<b>1.6</b>	<b>1.6</b>	<b>7 622.8%</b>	<b>109.0%</b>
Departmental agencies and accounts	0.1	0.1	0.0	0.0	0.0	–	0.0	0.0	–	0.0	0.0	0.0	25.9%	25.9%
Households	–	0.8	1.0	–	2.4	3.2	–	6.2	6.1	–	1.6	1.6	–	109.7%
<b>Payments for capital assets</b>	<b>12.5</b>	<b>15.2</b>	<b>38.8</b>	<b>13.9</b>	<b>14.0</b>	<b>12.1</b>	<b>14.3</b>	<b>14.3</b>	<b>17.2</b>	<b>12.2</b>	<b>12.2</b>	<b>12.2</b>	<b>151.6%</b>	<b>143.8%</b>
Machinery and equipment	12.4	15.2	38.8	13.9	14.0	12.1	14.3	14.3	17.0	12.2	12.2	12.2	151.5%	143.7%
Software and other intangible assets	0.1	0.1	–	–	–	–	–	–	0.1	–	–	–	228.6%	228.6%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>1.1</b>	<b>–</b>	<b>–</b>	<b>1.0</b>	<b>–</b>	<b>–</b>	<b>1.2</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>516.1</b>	<b>481.7</b>	<b>472.4</b>	<b>505.7</b>	<b>495.8</b>	<b>481.0</b>	<b>501.5</b>	<b>507.5</b>	<b>487.2</b>	<b>512.3</b>	<b>512.3</b>	<b>511.8</b>	<b>95.9%</b>	<b>97.8%</b>

## Expenditure estimates

**Table 1.3 Vote expenditure estimates by programme and economic classification**

Programmes								
1. Administration								
2. Executive Support								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	459.2	1.2%	91.8%	624.0	533.1	574.7	7.8%	88.2%
Programme 2	45.9	12.4%	6.9%	67.4	77.2	72.6	16.6%	10.6%
<b>Subtotal</b>	<b>505.1</b>	<b>2.0%</b>	<b>98.8%</b>	<b>691.4</b>	<b>610.3</b>	<b>647.3</b>	<b>8.6%</b>	<b>98.8%</b>
<b>Direct charge against the National Revenue Fund</b>	<b>6.7</b>	<b>5.6%</b>	<b>1.2%</b>	<b>7.3</b>	<b>7.8</b>	<b>8.3</b>	<b>7.2%</b>	<b>1.2%</b>
Salary of the president	3.6	5.4%	0.6%	3.9	4.2	4.5	7.2%	0.7%
Salary of the deputy president	3.1	5.9%	0.6%	3.3	3.6	3.8	7.2%	0.6%
<b>Total</b>	<b>511.8</b>	<b>2.0%</b>	<b>100.0%</b>	<b>698.6</b>	<b>618.1</b>	<b>655.6</b>	<b>8.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				151.4	33.7	35.2		
Economic classification								
<b>Current payments</b>	<b>498.0</b>	<b>2.3%</b>	<b>95.1%</b>	<b>685.7</b>	<b>604.6</b>	<b>641.3</b>	<b>8.8%</b>	<b>97.8%</b>
Compensation of employees	326.9	2.7%	63.5%	364.1	389.3	417.1	8.5%	60.3%
Goods and services	171.2	1.5%	31.6%	321.6	215.2	224.2	9.4%	37.5%
<b>Transfers and subsidies</b>	<b>1.6</b>	<b>21.9%</b>	<b>0.6%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-69.7%</b>	<b>0.1%</b>
Households	1.6	23.4%	0.6%	–	–	–	-100.0%	0.1%
<b>Payments for capital assets</b>	<b>12.2</b>	<b>-7.2%</b>	<b>4.1%</b>	<b>12.9</b>	<b>13.5</b>	<b>14.2</b>	<b>5.3%</b>	<b>2.1%</b>
Machinery and equipment	12.2	-7.1%	4.1%	12.9	13.5	14.2	5.3%	2.1%
<b>Total</b>	<b>511.8</b>	<b>2.0%</b>	<b>100.0%</b>	<b>698.6</b>	<b>618.1</b>	<b>655.6</b>	<b>8.6%</b>	<b>100.0%</b>



## Expenditure trends and estimates for significant spending items

**Table 1.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total vote (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
Compensation of employees	295 098	308 728	309 162	327 385	3.5%	64.3%	364 092	389 323	417 113	8.4%	61.0%
Communication	17 220	11 170	7 435	13 677	-7.4%	2.6%	24 392	14 780	14 749	2.5%	2.8%
Computer services	5 946	23 833	33 033	40 130	89.0%	5.3%	41 950	47 753	45 178	4.0%	7.1%
Travel and subsistence	60 838	59 232	49 796	59 050	-1.0%	11.9%	116 480	82 522	89 665	14.9%	14.2%
<b>Total</b>	<b>379 102</b>	<b>402 963</b>	<b>399 426</b>	<b>440 242</b>	<b>84.1%</b>	<b>84.1%</b>	<b>546 914</b>	<b>534 378</b>	<b>566 705</b>	<b>29.8%</b>	<b>85.1%</b>

## Goods and services expenditure trends and estimates

**Table 1.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
Administrative fees	2 767	3 052	3 275	2 172	-7.8%	1.8%	7 150	2 237	2 513	5.0%	1.5%
Advertising	1 063	447	422	646	-15.3%	0.4%	3 970	1 023	1 085	18.9%	0.7%
Minor assets	934	776	561	1 854	25.7%	0.7%	2 135	1 690	2 383	8.7%	0.9%
Audit costs: External	4 432	4 618	5 606	5 368	6.6%	3.2%	5 653	5 997	6 327	5.6%	2.5%
Bursaries: Employees	1 094	1 421	1 302	1 203	3.2%	0.8%	1 267	1 337	1 411	5.5%	0.6%
Catering: Departmental activities	2 399	2 724	3 043	3 242	10.6%	1.8%	24 032	4 170	4 030	7.5%	3.8%
Communication	17 220	11 170	7 435	13 677	-7.4%	8.0%	24 392	14 780	14 749	2.5%	7.3%
Computer services	5 946	23 833	33 033	40 130	89.0%	16.7%	41 950	47 753	45 178	4.0%	18.8%
Consultants: Business and advisory services	3 779	3 397	2 648	4 113	2.9%	2.3%	9 098	9 109	9 171	30.6%	3.4%
Legal services	9 110	12 259	18 914	7 055	-8.2%	7.7%	7 429	7 836	8 267	5.4%	3.3%
Contractors	1 207	4 012	3 171	5 718	67.9%	2.3%	17 390	5 697	6 220	2.8%	3.8%
Agency and support/outsourced services	2 517	3 489	5 618	5 179	27.2%	2.7%	6 401	6 739	7 045	10.8%	2.7%
Entertainment	7	1	-	115	154.2%	-	5 108	113	110	-1.5%	0.6%
Fleet services (including government motor transport)	2 558	2 926	2 721	1 822	-10.7%	1.6%	4 924	1 856	2 036	3.8%	1.1%
Consumable supplies	3 538	3 928	2 961	4 883	11.3%	2.5%	4 878	5 281	5 648	5.0%	2.2%
Consumables: Stationery, printing and office supplies	4 355	5 079	3 925	5 027	4.9%	3.0%	6 838	5 896	6 130	6.8%	2.6%
Operating leases	4 966	5 529	5 111	2 511	-20.3%	2.9%	2 664	3 128	3 336	9.9%	1.2%
Rental and hiring	1 425	314	143	276	-42.1%	0.3%	279	314	601	29.6%	0.2%
Property payments	434	823	389	214	-21.0%	0.3%	214	226	226	1.8%	0.1%
Travel and subsistence	60 838	59 232	49 796	59 050	-1.0%	37.1%	116 480	82 522	89 665	14.9%	37.3%
Training and development	2 507	3 501	1 036	3 371	10.4%	1.7%	3 422	3 761	3 970	5.6%	1.6%
Operating payments	2 319	2 224	2 147	2 442	1.7%	1.5%	24 935	3 107	3 365	11.3%	3.6%
Venues and facilities	859	1 236	336	1 094	8.4%	0.6%	954	664	738	-12.3%	0.4%
<b>Total</b>	<b>136 274</b>	<b>155 991</b>	<b>153 593</b>	<b>171 162</b>	<b>7.9%</b>	<b>100.0%</b>	<b>321 563</b>	<b>215 236</b>	<b>224 204</b>	<b>9.4%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 1.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
Current	799	2 994	6 107	1 519	23.9%	95.3%	-	-	-	-100.0%	88.6%
Employee social benefits	799	2 994	6 107	1 519	23.9%	95.3%	-	-	-	-100.0%	88.6%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
Current	3	-	-	38	133.1%	0.3%	40	42	44	5.0%	9.6%
Communication	3	-	-	38	133.1%	0.3%	40	42	44	5.0%	9.6%
<b>Households</b>											
<b>Other transfers to households</b>											
Current	244	204	40	31	-49.7%	4.3%	-	-	-	-100.0%	1.8%
Employee social benefits	244	204	40	31	-49.7%	4.3%	-	-	-	-100.0%	1.8%
<b>Total</b>	<b>1 046</b>	<b>3 198</b>	<b>6 147</b>	<b>1 588</b>	<b>14.9%</b>	<b>100.0%</b>	<b>40</b>	<b>42</b>	<b>44</b>	<b>-69.7%</b>	<b>100.0%</b>

## Personnel information

**Table 1.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number						
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22								
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				
<b>The Presidency</b>		<b>627</b>	<b>49</b>	<b>550</b>	<b>309.2</b>	<b>0.6</b>	<b>556</b>	<b>326.9</b>	<b>0.6</b>	<b>570</b>	<b>364.1</b>	<b>0.6</b>	<b>568</b>	<b>389.3</b>	<b>0.7</b>	<b>570</b>	<b>417.1</b>	<b>0.7</b>	<b>0.8%</b>	<b>100.0%</b>
Salary level																				
1 – 6	259	27	239	64.7	0.3	237	64.8	0.3	240	70.7	0.3	240	76.4	0.3	243	82.9	0.3	0.8%	42.4%	
7 – 10	179	4	151	75.1	0.5	151	78.1	0.5	151	84.0	0.6	151	90.9	0.6	151	97.8	0.6	–	26.7%	
11 – 12	97	4	90	73.9	0.8	88	73.3	0.8	93	83.3	0.9	93	89.4	1.0	91	93.3	1.0	1.1%	16.1%	
13 – 16	83	14	62	86.2	1.4	72	99.7	1.4	78	114.4	1.5	76	120.1	1.6	77	129.7	1.7	2.3%	13.4%	
Other	9	–	8	9.2	1.2	8	11.0	1.4	8	11.7	1.5	8	12.5	1.6	8	13.4	1.7	–	1.4%	
<b>Programme</b>	<b>627</b>	<b>49</b>	<b>550</b>	<b>309.2</b>	<b>0.6</b>	<b>556</b>	<b>326.9</b>	<b>0.6</b>	<b>570</b>	<b>364.1</b>	<b>0.6</b>	<b>568</b>	<b>389.3</b>	<b>0.7</b>	<b>570</b>	<b>417.1</b>	<b>0.7</b>	<b>0.8%</b>	<b>100.0%</b>	
Programme 1	606	47	529	290.1	0.5	534	305.5	0.6	537	329.7	0.6	536	353.0	0.7	537	378.0	0.7	0.2%	94.7%	
Programme 2	21	2	19	13.3	0.7	20	14.7	0.7	31	27.1	0.9	30	28.6	1.0	31	30.8	1.0	15.7%	4.9%	
Direct charges	–	–	2	5.7	2.9	2	6.7	3.4	2	7.3	3.6	2	7.8	3.9	2	8.3	4.2	–	0.4%	

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 1.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>2 924</b>	<b>1 365</b>	<b>898</b>	<b>636</b>	<b>1 260</b>	<b>-24.5%</b>	<b>100.0%</b>	<b>562</b>	<b>573</b>	<b>573</b>	<b>-23.1%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>355</b>	<b>350</b>	<b>301</b>	<b>281</b>	<b>275</b>	<b>-8.2%</b>	<b>19.9%</b>	<b>287</b>	<b>298</b>	<b>298</b>	<b>2.7%</b>	<b>39.0%</b>
Sales by market establishments	179	176	135	110	114	-14.0%	9.4%	117	123	123	2.6%	16.1%
of which:												
Rental dwellings	179	176	94	110	77	-24.5%	8.2%	77	78	78	0.4%	10.4%
Rental parking: Covered and open	–	–	41	–	37	–	1.2%	40	45	45	6.7%	5.6%
Other sales	176	174	166	171	161	-2.9%	10.5%	170	175	175	2.8%	22.9%
of which:												
Services rendered: Commission on insurance and garnishee	176	174	108	110	100	-17.2%	8.7%	105	110	110	3.2%	14.3%
Service rendered: Transport fees	–	–	58	61	61	–	1.8%	65	65	65	2.1%	8.6%
<b>Interest, dividends and rent on land</b>	<b>107</b>	<b>59</b>	<b>28</b>	<b>20</b>	<b>20</b>	<b>-42.8%</b>	<b>3.3%</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>7.7%</b>	<b>3.2%</b>
Interest	107	59	28	20	20	-42.8%	3.3%	25	25	25	7.7%	3.2%
<b>Sales of capital assets</b>	<b>495</b>	<b>107</b>	<b>–</b>	<b>–</b>	<b>650</b>	<b>9.5%</b>	<b>19.4%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>21.9%</b>
<b>Transactions in financial assets and liabilities</b>	<b>1 967</b>	<b>849</b>	<b>569</b>	<b>335</b>	<b>315</b>	<b>-45.7%</b>	<b>57.4%</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>-7.4%</b>	<b>35.9%</b>
<b>Total</b>	<b>2 924</b>	<b>1 365</b>	<b>898</b>	<b>636</b>	<b>1 260</b>	<b>-24.5%</b>	<b>100.0%</b>	<b>562</b>	<b>573</b>	<b>573</b>	<b>-23.1%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the Presidency.

### Objectives

Strengthen the implementation of the strategic programme of political principals by providing technical and administrative support on an ongoing basis by:

- exercising political oversight of the implementation of government policies and programmes
- leading integrated planning and policy coherence in government to advance socioeconomic transformation and inclusion supporting the execution of the deputy president and minister's programmes
- supporting interventions and participation engagements aimed at enhancing public accountability and integrated communication

- accelerating service delivery and economic development
- monitoring infrastructure projects
- supporting presidential working group structures, strategic partnerships, and the promotion of nation building and social cohesion.

## Subprogrammes

- *Management* provides leadership, strategic management and administrative support within the department.
- *Support Services to the President* provides strategic, executive and personal support services to the president in the execution of his constitutional responsibilities and in leading the work of government.
- *Support Services to the Deputy President* provides support to the deputy president in the execution of his delegated responsibilities towards the attainment of the electoral mandate and the Presidency's mission.

## Expenditure trends and estimates

**Table 1.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Management	331.2	336.8	336.6	336.7	0.5%	74.9%	495.1	395.5	428.6	8.4%	75.7%
Support Services to the President	65.9	63.0	57.1	65.6	-0.2%	14.0%	70.2	74.9	79.5	6.6%	13.3%
Support Services to the Deputy President	49.0	48.0	46.5	54.9	3.8%	11.1%	58.7	62.7	66.6	6.7%	11.1%
<b>Total</b>	<b>446.2</b>	<b>447.7</b>	<b>440.1</b>	<b>457.1</b>	<b>0.8%</b>	<b>100.0%</b>	<b>624.0</b>	<b>533.1</b>	<b>574.7</b>	<b>7.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				1.1			136.4	12.1	21.4		
<b>Economic classification</b>											
<b>Current payments</b>	<b>406.0</b>	<b>432.4</b>	<b>417.4</b>	<b>444.5</b>	<b>3.1%</b>	<b>94.9%</b>	<b>612.3</b>	<b>521.0</b>	<b>561.8</b>	<b>8.1%</b>	<b>97.8%</b>
Compensation of employees	273.8	288.7	290.1	303.4	3.5%	64.5%	329.7	353.0	378.0	7.6%	62.3%
Goods and services <sup>1</sup>	132.2	143.7	127.2	141.1	2.2%	30.4%	282.6	168.0	183.8	9.2%	35.4%
of which:											
<i>Catering: Departmental activities</i>	1.0	1.3	1.1	1.8	21.3%	0.3%	21.9	2.0	2.1	5.6%	1.3%
<i>Communication</i>	17.0	11.1	7.4	13.5	-7.4%	2.7%	23.8	14.1	14.5	2.3%	3.0%
<i>Computer services</i>	5.9	15.3	10.9	16.2	40.0%	2.7%	15.5	14.7	15.7	-1.0%	2.8%
<i>Contractors</i>	1.2	4.0	3.2	5.7	67.4%	0.8%	17.4	5.7	6.2	3.1%	1.6%
<i>Travel and subsistence</i>	59.3	57.6	48.3	55.9	-2.0%	12.3%	109.3	73.8	83.2	14.2%	14.7%
<i>Operating payments</i>	1.9	2.0	1.9	1.8	-1.5%	0.4%	24.2	2.3	2.5	10.1%	1.4%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1.1</b>	<b>2.7</b>	<b>4.8</b>	<b>1.6</b>	<b>14.6%</b>	<b>0.6%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-69.7%</b>	<b>0.1%</b>
Households	1.0	2.6	4.8	1.6	13.9%	0.6%	-	-	-	-100.0%	0.1%
<b>Payments for capital assets</b>	<b>38.0</b>	<b>11.6</b>	<b>17.1</b>	<b>11.0</b>	<b>-33.8%</b>	<b>4.3%</b>	<b>11.6</b>	<b>12.1</b>	<b>12.8</b>	<b>5.0%</b>	<b>2.2%</b>
Machinery and equipment	38.0	11.6	16.9	11.0	-33.8%	4.3%	11.6	12.1	12.8	5.0%	2.2%
Software and other intangible assets	-	-	0.1	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>1.1</b>	<b>1.0</b>	<b>0.9</b>	<b>-</b>	<b>-100.0%</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>446.2</b>	<b>447.7</b>	<b>440.1</b>	<b>457.1</b>	<b>0.8%</b>	<b>100.0%</b>	<b>624.0</b>	<b>533.1</b>	<b>574.7</b>	<b>7.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>95.6%</b>	<b>94.2%</b>	<b>91.4%</b>	<b>90.4%</b>	<b>-</b>	<b>-</b>	<b>90.3%</b>	<b>87.4%</b>	<b>88.8%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Executive Support

### Programme purpose

Provide strategic and administrative support to enable Cabinet to foster accountability and policy coherence through integrated planning, policy coordination, and the implementation of the strategic agenda of government.

### Objectives

- Provide policy advisory support to political principals to ensure policy coherence by implementing Cabinet programmes on an ongoing basis.

- Strengthen technical support provided to the president and other political principals in the department by:
  - participating in Cabinet structures on an ongoing basis
  - implementing the recommendations of the evaluation of coordinating structures, which are aimed at improving systems of governance and compliance for Cabinet and the forum of South African directors-general, over the medium term.

### Subprogramme

- *Cabinet Services* provides strategic and administrative support to allow Cabinet to foster accountability and policy coherence through integrated planning, policy coordination and the implementation of the strategic agenda of government.

## Expenditure trends and estimates

**Table 1.10 Executive Support expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Cabinet Services	20.5	27.6	41.4	48.4	33.1%	100.0%	67.4	77.2	72.6	14.5%	100.0%
<b>Total</b>	<b>20.5</b>	<b>27.6</b>	<b>41.4</b>	<b>48.4</b>	<b>33.1%</b>	<b>100.0%</b>	<b>67.4</b>	<b>77.2</b>	<b>72.6</b>	<b>14.5%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(1.1)			15.0	21.6	13.8		
<b>Economic classification</b>											
<b>Current payments</b>	<b>19.7</b>	<b>26.6</b>	<b>39.7</b>	<b>47.3</b>	<b>33.9%</b>	<b>96.6%</b>	<b>66.1</b>	<b>75.8</b>	<b>71.2</b>	<b>14.6%</b>	<b>98.0%</b>
Compensation of employees	15.7	14.3	13.3	17.2	3.2%	43.9%	27.1	28.6	30.8	21.4%	39.1%
Goods and services <sup>1</sup>	4.0	12.3	26.4	30.0	95.4%	52.8%	38.9	47.2	40.4	10.3%	58.9%
of which:											
<i>Catering: Departmental activities</i>	1.4	1.5	2.0	1.4	1.1%	4.5%	2.2	2.2	1.9	9.9%	2.9%
<i>Communication</i>	0.2	0.1	0.0	0.1	-11.2%	0.3%	0.6	0.7	0.3	24.8%	0.6%
<i>Computer services</i>	0.1	8.5	22.1	24.0	653.5%	39.6%	26.5	33.0	29.5	7.2%	42.5%
<i>Consultants: Business and advisory services</i>	–	–	–	–	–	–	0.8	0.8	0.3	–	0.7%
<i>Travel and subsistence</i>	1.5	1.6	1.5	3.2	27.4%	5.7%	7.2	8.7	6.5	27.1%	9.6%
<i>Operating payments</i>	0.4	0.3	0.3	0.6	15.6%	1.1%	0.7	0.8	0.9	14.8%	1.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>–</b>	<b>0.6</b>	<b>1.3</b>	<b>–</b>	<b>–</b>	<b>1.4%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Households	–	0.6	1.3	–	–	1.4%	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.8</b>	<b>0.4</b>	<b>0.1</b>	<b>1.2</b>	<b>12.6%</b>	<b>1.8%</b>	<b>1.3</b>	<b>1.4</b>	<b>1.5</b>	<b>8.2%</b>	<b>2.0%</b>
Machinery and equipment	0.8	0.4	0.1	1.2	12.6%	1.8%	1.3	1.4	1.5	8.2%	2.0%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.3</b>	<b>–</b>	<b>-100.0%</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>20.5</b>	<b>27.6</b>	<b>41.4</b>	<b>48.4</b>	<b>–</b>	<b>100.0%</b>	<b>67.4</b>	<b>77.2</b>	<b>72.6</b>	<b>–</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>4.4%</b>	<b>5.8%</b>	<b>8.6%</b>	<b>9.6%</b>	<b>–</b>	<b>–</b>	<b>9.7%</b>	<b>12.6%</b>	<b>11.2%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

# Vote 2

## Parliament

This is the executive's proposal for Parliament's budget. The final budget will be determined by Parliament in accordance with the Financial Management of Parliament and Provincial Legislatures Act (2009).

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Strategic Leadership and Governance	105.7	105.6	–	0.2	127.8	138.7
Administration	118.5	117.6	–	0.9	195.0	174.3
Core Business	642.9	641.5	–	1.4	701.1	776.0
Support Services	421.9	412.7	–	9.1	441.3	482.5
Associated Services	704.4	241.1	463.3	–	748.5	795.5
<b>Subtotal</b>	<b>1 993.5</b>	<b>1 518.5</b>	<b>463.3</b>	<b>11.6</b>	<b>2 213.7</b>	<b>2 366.9</b>
<b>Direct charge against the National Revenue Fund</b>						
Members' Remuneration	527.5	527.5	–	–	507.2	541.0
<b>Total expenditure estimates</b>	<b>2 521.0</b>	<b>2 046.0</b>	<b>463.3</b>	<b>11.6</b>	<b>2 720.8</b>	<b>2 907.9</b>
Executive authority	Speaker of the National Assembly and Chairperson of the National Council of Provinces					
Accounting officer	Secretary to Parliament					
Website address	<a href="http://www.parliament.gov.za">www.parliament.gov.za</a>					

### Vote purpose

*Provide the support services required by Parliament to fulfil its constitutional functions, assist political parties represented in Parliament to secure administrative support and service constituents, and provide members of Parliament with the necessary facilities.*

### Mandate

The mandate of Parliament is based on the provisions of chapter 4 of the Constitution, which establishes Parliament and sets out the functions it performs. Parliament is elected to represent the people, ensure government by the people under the Constitution, and represent the interests of provinces in the national sphere of government. Members of Parliament elect the president, provide a national forum for the public consideration of issues, pass legislation, and scrutinise and oversee executive action.

Parliament's policy priorities set out long-term policy and outcomes. These are aligned with the priorities and outcomes of the National Development Plan. To ensure that these outcomes are met over feasible timeframes, 5-year, 10-year and 15-year milestones have been set.



# Vote 3

## Communications

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	64.9	64.8	–	0.1	68.9	74.8
Communications Policy, Research and Development	16.4	16.4	–	–	17.5	18.9
Industry and Capacity Development	47.4	47.4	–	0.0	50.8	24.4
Entity Oversight	1 447.4	14.9	1 432.4	–	1 532.9	1 619.8
<b>Total expenditure estimates</b>	<b>1 576.1</b>	<b>143.6</b>	<b>1 432.4</b>	<b>0.1</b>	<b>1 670.1</b>	<b>1 737.9</b>

Executive authority Minister of Communications  
Accounting officer Director-General of Communications  
Website address [www.doc.gov.za](http://www.doc.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Create an enabling environment for the provision of inclusive communication services to all South Africans in a manner that promotes socioeconomic development and investment through broadcasting, new media, print media and other new technologies. Brand the country locally and internationally.*

### Mandate

The Department of Communications is responsible for the national communications policy and strategy; information dissemination and publicity; and the branding of South Africa. Improved communication and marketing will promote an informed citizenry and assist the country in promoting investments, economic growth and job creation. The department's mandate is derived from section 192 of the Constitution, which provides for the independence of broadcasting regulation in the public interest; the International Telecommunications Union; and the World Intellectual Property Organisation.

The department is responsible for the administration and implementation of the following legislation:

- the Films and Publications Act (1996)
- the Broadcasting Act (1999)
- the Media Development and Diversity Agency Act (2002)
- the Independent Communications Authority of South Africa Act (2000), a joint responsibility with the Minister of Telecommunications and Postal Services
- Chapter 9, sections 3, 4(5), 5(6) and 79B of the Electronic Communications Act (2005), a joint responsibility with the Minister of Telecommunications and Postal Services.

## Selected performance indicators

**Table 3.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of digital broadcasting awareness campaigns hosted per year	Industry and Capacity Development	Outcome 14: Nation building and social cohesion	- <sup>1</sup>	59 <sup>2</sup>	- <sup>3</sup>	- <sup>3</sup>	- <sup>3</sup>	- <sup>3</sup>	- <sup>3</sup>
Number of monitoring reports on the implementation of broadcasting digital migration programme per year <sup>4</sup>	Industry and Capacity Development		4	4	4	4	4	4	4
Number of position papers tabled at multilateral engagements per year	Industry and Capacity Development		- <sup>1</sup>	2	2	2	1	1	1
Number of bilateral engagements coordinated to advance 8digital migrations and communication agendas per year <sup>4</sup>	Industry and Capacity Development		- <sup>1</sup>	10	10	4	4	4	4
Number of state-owned entities governance frameworks reviewed per year <sup>4</sup>	Entity Oversight		4	4	2	5	2	2	2

1. No historical data available.

2. Increase due to additional funds allocated for the digital migration project in the 2016 Adjusted Estimates of National Expenditure.

3. Indicator discontinued from 2017/18.

4. Indicator changed to align with the department's 2019/20 annual performance plan, which was finalised after the 2018 Estimates of National Expenditure had been published.

## Expenditure analysis

The National Development Plan envisages a citizenry that actively participates in government's socioeconomic transformation programmes to address poverty, unemployment and inequality in South Africa. This is given expression by outcome 14 (nation building and social cohesion) of government's 2014-2019 medium-term strategic framework, which is closely aligned with the work of the Department of Communications. Over the medium term, the department will continue to focus on: strengthening entity oversight, developing a responsive communications policy and regulatory framework, and transforming the communications sector through digital broadcasting.

Over the MTEF period, 91.3 per cent (R4.6 billion) of the department's total budget will be transferred to entities for the implementation of communications and broadcasting policies, while 28.4 per cent (R1.4 billion) will be transferred to the Government Communication and Information System to carry out its functions. The remaining 8.7 per cent (R431.2 million) will be used by the department for its operating costs, of which R282.3 million will be spent on compensation of employees, and R148.6 million on goods and services.

### Strengthening entity oversight

As the bulk of the department's budget is transferred to entities, the onus is on the department to exercise effective oversight of them to ensure that they operate efficiently towards fulfilling their respective mandates. Over the medium term, the department intends to review and benchmark shareholder compacts and accountability instruments to strengthen oversight of all entities. The department will also continue to monitor and assess the delivery of entities on their mandates and compliance to all relevant founding legislative prescripts. This is expected to be achieved through analysing quarterly performance and annual reports, and coordinating monthly and quarterly accountability forums between the department and its entities. In 2018/19, the department established a task team to ensure progress in resolving the financial constraints faced by the South African Broadcasting Corporation. The task team's purpose is to, among other things, monitor the implementation of the corporation's turnaround strategy, and assist with the development of a revised corporate plan and government guarantee application with the aim of making the corporation profitable. All activities related to strengthening entity oversight are carried out in the *Entity Oversight* programme, which has an allocation of R4.6 billion over the MTEF period.



### ***Developing a responsive communications policy and regulatory framework***

The department is committed to promoting an informed citizenry through developing a responsive communications policy and regulatory framework. As such, over the medium term, the department will focus on amending and updating communications policies to ensure they are aligned with international standards, especially in relation to online and on-demand broadcasting. As this involves content classification, it will ensure that children are protected from harmful content and cyberbullying. To promote a vibrant community media and communications sector, over the MTEF period, the department plans to launch an appropriate course curriculum for digital media literacy in line with international best practice. This is expected to be done in partnership with private institutions and individuals, including NGOs and other civil society organisations. Over the medium term, the department also plans to develop and implement the Audio-Visual and Digital Content Bill, and a charter for media transformation and diversity; and review and finalise the Media Development and Diversity Amendment Bill, which seeks to update outdated laws. These activities are carried out in the *Communications Policy, Research and Development* programme, which has a budget of R52.8 million over the MTEF period.

### ***Transforming the communications sector through digital broadcasting***

The shift from analogue to digital broadcasting is critical to transforming the communications sector, as it frees up much needed spectrum for broadband and other modern communications services. Digital broadcasting, therefore, will enable South Africa to adapt to and participate meaningfully in a globalised economy. As such, the department plans to fast-track the rollout of the digital migration project, which involves migrating all citizens by July 2020 to digital broadcast platforms. This is in line with the department's adoption of a new delivery model for digital migration, which was approved by Cabinet in 2018. The new model entails supplying digital set-top boxes to citizens through retail stores rather than directly by government, thereby freeing up government procurement processes.

The model will follow a phased provincial approach, where targeted public awareness and messaging will be done by the department through marketing and education programmes broadcast mainly on the South African Broadcasting Corporation's television and radio platforms, community radio and print media. Consumer awareness and registration campaigns will also be conducted by field teams comprising volunteers and contracted staff between April 2019 and July 2020. In addition, consumers will be provided with call centre support for all decoder installation and other related queries. This service will be administered and operated by Sentech due to its core role in the project. To carry out all activities related to the fast-tracking of the digital migration project, R96.9 million has been set aside over the medium term in the *Broadcasting Digital Migration* subprogramme in the *Industry and Capacity Development* programme.

## **Expenditure trends**

**Table 3.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Communications Policy, Research and Development														
3. Industry and Capacity Development														
4. Entity Oversight														
Programme														
	Annual budget			Adjusted appropriation			Audited outcome			Revised estimate			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16	2016/17	2017/18	2018/19	2015/16	2016/17	2017/18	2018/19	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2015/16 - 2018/19
Programme 1	42.4	42.4	48.2	45.1	57.1	57.3	62.8	67.4	65.5	64.6	70.4	67.9	111.1%	100.6%
Programme 2	7.9	7.9	4.9	8.4	7.7	6.3	8.5	6.9	5.8	11.5	11.2	11.2	78.0%	83.8%
Programme 3	10.2	20.2	20.4	10.9	47.7	35.2	22.3	28.2	21.4	53.3	45.3	45.3	126.4%	86.5%
Programme 4	1 220.4	1 220.4	1 214.6	1 281.0	1 237.2	1 237.0	1 331.5	1 325.9	1 326.3	1 383.7	1 389.3	1 389.3	99.1%	99.9%
<b>Total</b>	<b>1 280.9</b>	<b>1 290.9</b>	<b>1 288.0</b>	<b>1 345.4</b>	<b>1 349.7</b>	<b>1 335.7</b>	<b>1 425.1</b>	<b>1 428.3</b>	<b>1 419.0</b>	<b>1 513.1</b>	<b>1 516.2</b>	<b>1 513.7</b>	<b>99.9%</b>	<b>99.5%</b>
Change to 2018 Budget estimate												3.1		

**Table 3.2 Vote expenditure trends by programme and economic classification**

Economic classification	2015/16			2016/17			2017/18			2018/19			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate		
R million														
<b>Current payments</b>	<b>70.1</b>	<b>80.1</b>	<b>76.3</b>	<b>75.1</b>	<b>114.0</b>	<b>99.8</b>	<b>100.2</b>	<b>104.4</b>	<b>93.9</b>	<b>135.6</b>	<b>134.7</b>	<b>132.1</b>	<b>105.6%</b>	<b>92.9%</b>
Compensation of employees	56.0	56.0	47.6	59.2	68.2	65.5	76.7	71.2	64.5	81.3	80.9	78.4	93.7%	92.6%
Goods and services	14.1	24.1	28.7	16.0	45.8	34.4	23.5	33.2	29.5	54.3	53.8	53.8	135.7%	93.3%
<b>Transfers and subsidies</b>	<b>1 210.2</b>	<b>1 210.2</b>	<b>1 210.2</b>	<b>1 270.2</b>	<b>1 231.9</b>	<b>1 232.1</b>	<b>1 324.9</b>	<b>1 322.3</b>	<b>1 322.9</b>	<b>1 377.5</b>	<b>1 381.5</b>	<b>1 381.5</b>	<b>99.3%</b>	<b>100.0%</b>
Departmental agencies and accounts	1 037.2	1 037.2	1 037.2	1 088.1	1 049.8	1 049.8	1 151.1	1 147.8	1 147.8	1 190.1	1 193.2	1 193.2	99.1%	100.0%
Public corporations and private enterprises	172.9	172.9	172.9	182.1	182.1	182.1	173.8	173.8	173.8	187.4	187.4	187.4	100.0%	100.0%
Households	–	–	0.0	–	0.1	0.2	–	0.7	1.3	–	0.8	0.8	–	144.6%
<b>Payments for capital assets</b>	<b>0.7</b>	<b>0.7</b>	<b>1.6</b>	<b>0.1</b>	<b>3.8</b>	<b>3.8</b>	<b>0.0</b>	<b>1.6</b>	<b>2.1</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>896.2%</b>	<b>122.0%</b>
Machinery and equipment	0.7	0.7	1.6	0.1	3.8	3.8	0.0	1.6	2.1	0.0	0.1	0.1	896.2%	122.0%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>0.0</b>	<b>–</b>	<b>–</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>1 280.9</b>	<b>1 290.9</b>	<b>1 288.0</b>	<b>1 345.4</b>	<b>1 349.7</b>	<b>1 335.7</b>	<b>1 425.1</b>	<b>1 428.3</b>	<b>1 419.0</b>	<b>1 513.1</b>	<b>1 516.2</b>	<b>1 513.7</b>	<b>99.9%</b>	<b>99.5%</b>

## Expenditure estimates

**Table 3.3 Vote expenditure estimates by programme and economic classification**

Programmes								
1. Administration								
2. Communications Policy, Research and Development								
3. Industry and Capacity Development								
4. Entity Oversight								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	67.9	17.0%	4.3%	64.9	68.9	74.8	3.3%	4.3%
Programme 2	11.2	12.5%	0.5%	16.4	17.5	18.9	18.8%	1.0%
Programme 3	45.3	30.9%	2.2%	47.4	50.8	24.4	-18.6%	2.6%
Programme 4	1 389.3	4.4%	93.0%	1 447.4	1 532.9	1 619.8	5.2%	92.2%
<b>Total</b>	<b>1 513.7</b>	<b>5.5%</b>	<b>100.0%</b>	<b>1 576.1</b>	<b>1 670.1</b>	<b>1 737.9</b>	<b>4.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(12.3)	(13.2)	(13.0)		
Economic classification								
<b>Current payments</b>	<b>132.1</b>	<b>18.2%</b>	<b>7.2%</b>	<b>143.6</b>	<b>153.1</b>	<b>134.3</b>	<b>0.5%</b>	<b>8.7%</b>
Compensation of employees	78.4	11.9%	4.6%	87.7	94.3	100.4	8.6%	5.6%
Goods and services	53.8	30.7%	2.6%	55.9	58.8	33.9	-14.2%	3.1%
<b>Transfers and subsidies</b>	<b>1 381.5</b>	<b>4.5%</b>	<b>92.6%</b>	<b>1 432.4</b>	<b>1 516.9</b>	<b>1 603.6</b>	<b>5.1%</b>	<b>91.3%</b>
Departmental agencies and accounts	1 193.2	4.8%	79.7%	1 233.4	1 307.0	1 382.0	5.0%	78.7%
Public corporations and private enterprises	187.4	2.7%	12.9%	199.0	210.0	221.5	5.7%	12.6%
Households	0.8	–	0.0%	–	–	–	-100.0%	0.0%
<b>Payments for capital assets</b>	<b>0.1</b>	<b>-45.8%</b>	<b>0.1%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-21.4%</b>	<b>0.0%</b>
Machinery and equipment	0.1	-45.8%	0.1%	0.0	0.0	0.1	-21.4%	0.0%
Software and other intangible assets	–	–	–	0.1	0.1	–	–	0.0%
<b>Total</b>	<b>1 513.7</b>	<b>5.5%</b>	<b>100.0%</b>	<b>1 576.1</b>	<b>1 670.1</b>	<b>1 737.9</b>	<b>4.7%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 3.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2019/20	2020/21	2021/22			
Government Communication and Information System	365 476	385 256	401 450	423 585	5.0%	28.4%	441 683	471 442	500 309	5.7%	28.3%
Independent Communications Authority of South Africa	393 619	373 071	430 383	443 961	4.1%	29.5%	452 645	477 721	504 186	4.3%	28.9%
Brand South Africa	173 160	181 186	194 300	200 430	5.0%	13.5%	207 914	219 397	231 546	4.9%	13.2%
Film and Publication Board	82 359	86 472	91 684	94 577	4.7%	6.4%	99 373	104 833	110 599	5.4%	6.3%
<b>Total</b>	<b>1 014 614</b>	<b>1 025 985</b>	<b>1 117 817</b>	<b>1 162 553</b>	<b>4.6%</b>	<b>77.8%</b>	<b>1 201 615</b>	<b>1 273 393</b>	<b>1 346 640</b>	<b>5.0%</b>	<b>76.7%</b>

## Goods and services expenditure trends and estimates

**Table 3.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2019/20	2020/21	2021/22			
Administrative fees	280	556	534	970	51.3%	1.6%	961	1 037	1 099	4.2%	2.0%
Advertising	3 163	1 462	1 535	7 070	30.7%	9.0%	11 415	11 770	88	-76.8%	15.0%
Minor assets	89	136	42	84	-1.9%	0.2%	208	209	221	38.1%	0.4%
Audit costs: External	–	790	1 056	1 750	–	2.5%	1 100	1 161	1 242	-10.8%	2.6%
Bursaries: Employees	62	32	13	20	-31.4%	0.1%	50	58	121	82.2%	0.1%
Catering: Departmental activities	1 085	2 519	600	824	-8.8%	3.4%	508	562	828	0.2%	1.3%
Communication	1 887	5 675	1 584	2 073	3.2%	7.7%	1 999	1 726	1 824	-4.2%	3.8%
Computer services	34	253	313	566	155.3%	0.8%	352	358	366	-13.5%	0.8%
Consultants: Business and advisory services	31	39	553	1 850	290.8%	1.7%	1 500	1 583	–	-100.0%	2.4%
Legal services	2 416	2 149	2 747	1 960	-6.7%	6.3%	1 044	2 110	1 788	-3.0%	3.4%
Contractors	342	104	32	217	-14.1%	0.5%	235	243	261	6.3%	0.5%
Agency and support/outsourced services	98	32	–	126	8.7%	0.2%	1 387	1 459	1 539	130.3%	2.2%
Entertainment	11	9	43	51	66.7%	0.1%	310	56	333	86.9%	0.4%
Fleet services (including government motor transport)	2 317	3 924	2 689	2 793	6.4%	8.0%	2 557	2 295	2 178	-8.0%	4.9%
Consumable supplies	139	99	194	458	48.8%	0.6%	398	339	461	0.2%	0.8%
Consumables: Stationery, printing and office supplies	967	703	1 173	1 951	26.4%	3.3%	2 271	2 345	2 482	8.4%	4.5%
Operating leases	201	219	287	365	22.0%	0.7%	274	290	306	-5.7%	0.6%
Rental and hiring	279	1 122	377	3 054	122.0%	3.3%	5 741	4 941	177	-61.3%	6.9%
Property payments	–	–	87	2 936	–	2.1%	4 036	3 249	3 428	5.3%	6.7%
Travel and subsistence	14 454	13 602	15 258	22 518	15.9%	45.0%	17 770	21 234	13 077	-16.6%	36.9%
Training and development	207	106	51	500	34.2%	0.6%	557	588	590	5.7%	1.1%
Operating payments	625	654	280	799	8.5%	1.6%	516	485	634	-7.4%	1.2%
Venues and facilities	–	177	5	817	–	0.7%	688	725	856	1.6%	1.5%
<b>Total</b>	<b>28 687</b>	<b>34 362</b>	<b>29 453</b>	<b>53 752</b>	<b>23.3%</b>	<b>100.0%</b>	<b>55 877</b>	<b>58 823</b>	<b>33 899</b>	<b>-14.2%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 3.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2019/20	2020/21	2021/22			
Households											
<b>Social benefits</b>											
<b>Current</b>	<b>49</b>	<b>199</b>	<b>1 263</b>	<b>828</b>	<b>156.6%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Households	49	199	1 263	828	156.6%	–	–	–	–	-100.0%	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>1 037 229</b>	<b>1 049 799</b>	<b>1 147 822</b>	<b>1 193 222</b>	<b>4.8%</b>	<b>86.0%</b>	<b>1 233 410</b>	<b>1 306 950</b>	<b>1 382 042</b>	<b>5.0%</b>	<b>86.2%</b>
Media Development and Diversity Agency	22 615	23 814	30 005	30 669	10.7%	2.1%	31 795	33 557	35 402	4.9%	2.2%
Brand South Africa	173 160	181 186	194 300	200 430	5.0%	14.6%	207 914	219 397	231 546	4.9%	14.5%

Table 3.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Government Communication and Information System	365 476	385 256	401 450	423 585	5.0%	30.6%	441 683	471 442	500 309	5.7%	31.0%
Independent Communications Authority of South Africa	393 619	373 071	430 383	443 961	4.1%	31.9%	452 645	477 721	504 186	4.3%	31.7%
Film and Publication Board	82 359	86 472	91 684	94 577	4.7%	6.9%	99 373	104 833	110 599	5.4%	6.9%
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>172 927</b>	<b>182 093</b>	<b>173 766</b>	<b>187 421</b>	<b>2.7%</b>	<b>13.9%</b>	<b>199 016</b>	<b>209 963</b>	<b>221 510</b>	<b>5.7%</b>	<b>13.8%</b>
South African Broadcasting Corporation: Channel Africa	49 640	52 271	54 885	58 068	5.4%	4.2%	61 320	64 693	68 251	5.5%	4.3%
South African Broadcasting Corporation: Public broadcaster	101 785	107 180	105 947	115 669	4.4%	8.4%	123 246	130 025	137 176	5.8%	8.5%
South African Broadcasting Corporation: Community radio stations	9 804	10 324	–	–	-100.0%	0.4%	–	–	–	–	–
South African Broadcasting Corporation: Programme productions	11 698	12 318	12 934	13 684	5.4%	1.0%	14 450	15 245	16 083	5.5%	1.0%
<b>Total</b>	<b>1 210 205</b>	<b>1 232 091</b>	<b>1 322 851</b>	<b>1 381 471</b>	<b>4.5%</b>	<b>100.0%</b>	<b>1 432 426</b>	<b>1 516 913</b>	<b>1 603 552</b>	<b>5.1%</b>	<b>100.0%</b>

## Personnel information

Table 3.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment															Number			
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%) 2018/19 - 2021/22	Average: Salary level/Total (%)		
		2017/18		2018/19		2019/20			2020/21			2021/22								
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				
<b>Communications</b>		<b>92</b>	<b>25</b>	<b>90</b>	<b>64.5</b>	<b>0.7</b>	<b>107</b>	<b>78.4</b>	<b>0.7</b>	<b>120</b>	<b>87.7</b>	<b>0.7</b>	<b>120</b>	<b>94.3</b>	<b>0.8</b>	<b>121</b>	<b>100.4</b>	<b>0.8</b>	<b>4.2%</b>	<b>100.0%</b>
Salary level																				
1 – 6	14	6	15	5.2	0.3	17	4.8	0.3	20	5.6	0.3	20	6.2	0.3	22	7.0	0.3	9.0%	16.9%	
7 – 10	25	2	24	8.8	0.4	34	14.2	0.4	41	18.7	0.5	41	20.1	0.5	41	21.7	0.5	6.4%	33.5%	
11 – 12	21	7	19	13.1	0.7	20	14.1	0.7	27	22.0	0.8	27	23.6	0.9	26	24.3	0.9	9.1%	21.4%	
13 – 16	30	10	30	31.8	1.1	34	42.2	1.2	31	39.6	1.3	31	42.4	1.4	31	45.4	1.5	-3.0%	27.1%	
Other	2	–	2	5.7	2.9	2	3.0	1.5	1	1.8	1.8	1	1.9	1.9	1	2.0	2.0	-20.6%	1.1%	
<b>Programme</b>	<b>92</b>	<b>25</b>	<b>90</b>	<b>64.5</b>	<b>0.7</b>	<b>107</b>	<b>78.4</b>	<b>0.7</b>	<b>120</b>	<b>87.7</b>	<b>0.7</b>	<b>120</b>	<b>94.3</b>	<b>0.8</b>	<b>121</b>	<b>100.4</b>	<b>0.8</b>	<b>4.2%</b>	<b>100.0%</b>	
Programme 1	65	20	63	42.3	0.7	75	45.6	0.6	71	45.9	0.6	70	49.2	0.7	71	52.8	0.7	-1.8%	61.3%	
Programme 2	9	–	7	4.4	0.6	11	8.0	0.7	17	12.6	0.7	17	13.5	0.8	17	14.6	0.9	15.6%	13.2%	
Programme 3	11	5	12	13.5	1.1	13	18.4	1.4	17	16.4	1.0	18	17.9	1.0	18	19.2	1.1	11.5%	14.1%	
Programme 4	7	–	8	4.2	0.5	8	6.5	0.8	15	12.7	0.8	15	13.6	0.9	15	13.7	0.9	23.3%	11.3%	

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

Table 3.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate 2018/19	Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Receipt item/ Total (%) 2015/16 - 2018/19	Medium-term receipts estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Receipt item/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18					2019/20	2020/21	2021/22		
<b>Departmental receipts</b>	<b>3 486</b>	<b>2 579</b>	<b>2 225</b>	<b>2 061</b>	<b>2 061</b>	<b>-16.1%</b>	<b>100.0%</b>	<b>2 745</b>	<b>2 896</b>	<b>2 907</b>	<b>12.1%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>12</b>	<b>61</b>	<b>51</b>	<b>88</b>	<b>88</b>	<b>94.3%</b>	<b>2.0%</b>	<b>92</b>	<b>97</b>	<b>100</b>	<b>4.4%</b>	<b>3.6%</b>
Sales by market establishments of which:	5	50	41	73	73	144.4%	1.6%	76	80	82	4.0%	2.9%
Market Establishment: Rental Parking (covered and open)	5	50	41	73	73	144.4%	1.6%	76	80	82	4.0%	2.9%

**Table 3.8 Departmental receipts by economic classification**

	Audited outcome			Adjusted estimate 2018/19	Revised estimate	Average growth rate (%)		Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18			2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22		
R thousand												
Other sales	7	11	10	15	15	28.9%	0.4%	16	17	18	6.3%	0.6%
of which:												
Commission on insurance	7	11	10	15	15	28.9%	0.4%	16	17	18	6.3%	0.6%
Interest, dividends and rent on land	3 406	2 239	1 992	1 900	1 900	-17.7%	92.1%	2 458	2 593	2 596	11.0%	90.0%
Interest	3 406	2 239	1 992	1 900	1 900	-17.7%	92.1%	2 458	2 593	2 596	11.0%	90.0%
Transactions in financial assets and liabilities	68	279	182	73	73	2.4%	5.8%	195	206	211	42.4%	6.5%
<b>Total</b>	<b>3 486</b>	<b>2 579</b>	<b>2 225</b>	<b>2 061</b>	<b>2 061</b>	<b>-16.1%</b>	<b>100.0%</b>	<b>2 745</b>	<b>2 896</b>	<b>2 907</b>	<b>12.1%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 3.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22		
R million											
Ministry	12.0	8.4	10.1	9.7	-6.8%	16.7%	7.1	7.6	8.2	-5.7%	11.7%
Departmental Management	28.7	31.6	32.3	29.8	1.3%	50.8%	25.7	27.5	31.1	1.4%	40.9%
Internal Audit	-	0.9	1.1	2.3	-	1.8%	1.7	1.8	1.9	-7.3%	2.7%
Corporate Services	4.9	9.9	12.5	16.6	50.5%	18.2%	18.1	19.1	20.1	6.5%	26.5%
Financial Management	2.6	6.5	9.5	11.9	66.7%	12.6%	12.3	13.0	13.7	4.7%	18.2%
<b>Total</b>	<b>48.2</b>	<b>57.3</b>	<b>65.5</b>	<b>70.4</b>	<b>13.5%</b>	<b>100.0%</b>	<b>64.9</b>	<b>68.9</b>	<b>74.8</b>	<b>2.0%</b>	<b>100.0%</b>
Change to 2018				5.8			(11.8)	(12.7)	(13.6)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>47.3</b>	<b>56.0</b>	<b>62.5</b>	<b>69.7</b>	<b>13.8%</b>	<b>97.6%</b>	<b>64.8</b>	<b>68.9</b>	<b>74.8</b>	<b>2.4%</b>	<b>99.7%</b>
Compensation of employees	29.3	42.6	42.3	48.1	17.9%	67.3%	45.9	49.2	52.8	3.2%	70.3%
Goods and services <sup>1</sup>	18.0	13.3	20.2	21.7	6.4%	30.3%	18.9	19.6	22.0	0.5%	29.5%
of which:											
Audit costs: External	-	0.8	1.1	1.8	-	1.5%	1.1	1.2	1.2	-10.8%	1.9%
Communication	1.1	1.2	1.3	1.3	5.4%	2.0%	1.3	1.0	1.1	-7.2%	1.7%
Legal services	0.6	0.2	2.5	1.5	36.3%	2.0%	0.5	1.6	1.7	4.6%	1.9%
Fleet services (including government motor transport)	2.3	3.3	2.6	2.4	0.8%	4.4%	2.2	1.9	1.7	-10.0%	2.9%
Property payments	-	-	-	2.9	-	1.2%	4.0	3.2	3.4	5.3%	4.9%
Travel and subsistence	11.7	6.1	10.7	8.5	-10.1%	15.3%	6.4	7.7	8.7	0.9%	11.2%
Transfers and subsidies <sup>1</sup>	0.0	-	0.8	0.7	136.8%	0.6%	-	-	-	-100.0%	0.2%
Households	0.0	-	0.8	0.7	136.8%	0.6%	-	-	-	-100.0%	0.2%
Payments for capital assets	0.8	1.3	2.1	0.0	-68.9%	1.7%	0.1	0.1	-	-100.0%	0.1%
Machinery and equipment	0.8	1.3	2.1	0.0	-68.9%	1.7%	-	-	-	-100.0%	-
Software and other intangible assets	-	-	-	-	-	-	0.1	0.1	-	-	-
<b>Total</b>	<b>48.2</b>	<b>57.3</b>	<b>65.5</b>	<b>70.4</b>	<b>13.5%</b>	<b>100.0%</b>	<b>64.9</b>	<b>68.9</b>	<b>74.8</b>	<b>2.0%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	3.7%	4.3%	4.6%	4.6%	-	-	4.1%	4.1%	4.3%	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Communications Policy, Research and Development

### Programme purpose

Conduct research, and develop communications and broadcasting policies.

## Objectives

- Improve universal access to broadcasting services and information to all citizens by developing broadcasting and communications legislation by March 2020.
- Support the growth and development of the creative industries sector by developing a charter on media transformation and diversity by March 2020.

## Subprogrammes

- *Broadcasting Policy* oversees the development and implementation of public and community broadcasting policies and strategies, policies and strategies to promote the commercial broadcasting tier; and facilitates the implementation of policies by regulatory institutions in the sector.
- *Media Policy* conducts research and develops print media, new media and communications policies.
- *Technology and Engineering Services* conducts research and develops broadcasting spectrum policy and plans, develops standards, and manages technology and engineering services.

## Expenditure trends and estimates

**Table 3.10 Communications Policy, Research and Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Broadcasting Policy	4.9	6.3	5.8	8.6	20.6%	90.4%	10.5	11.3	12.0	11.8%	66.1%
Media Policy	–	–	0.0	0.3	–	1.0%	5.6	6.0	6.6	197.6%	28.8%
Technology and Engineering Services	0.0	–	0.0	2.4	471.1%	8.6%	0.3	0.3	0.3	-50.5%	5.1%
<b>Total</b>	<b>4.9</b>	<b>6.3</b>	<b>5.8</b>	<b>11.2</b>	<b>31.9%</b>	<b>100.0%</b>	<b>16.4</b>	<b>17.5</b>	<b>18.9</b>	<b>18.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(0.3)			2.6	2.8	2.9		
<b>Economic classification</b>											
<b>Current payments</b>	<b>4.3</b>	<b>6.2</b>	<b>5.8</b>	<b>11.2</b>	<b>38.0%</b>	<b>97.5%</b>	<b>16.4</b>	<b>17.5</b>	<b>18.9</b>	<b>18.8%</b>	<b>100.0%</b>
Compensation of employees	3.8	4.8	4.4	8.0	28.4%	73.9%	12.6	13.5	14.6	22.5%	76.1%
Goods and services <sup>1</sup>	0.5	1.5	1.4	3.3	84.9%	23.6%	3.8	4.0	4.2	8.9%	23.9%
of which:											
Catering: Departmental activities	–	0.0	0.0	0.1	–	0.3%	0.1	0.1	0.1	24.2%	0.7%
Communication	0.0	1.0	0.1	0.1	139.3%	4.3%	0.1	0.1	0.1	-0.2%	0.8%
Agency and support/outsourced services	0.0	–	–	0.1	247.6%	0.5%	0.3	0.3	0.3	29.7%	1.4%
Consumables: Stationery, printing and office supplies	0.1	0.0	–	0.3	36.5%	1.6%	0.4	0.4	0.4	9.2%	2.3%
Travel and subsistence	0.3	0.2	1.3	1.7	88.5%	12.2%	2.3	2.4	2.6	14.4%	14.1%
Venues and facilities	–	0.2	–	0.4	–	2.0%	0.3	0.3	0.3	-7.4%	2.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>–</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Households	–	0.1	–	–	–	0.2%	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.6</b>	<b>0.0</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>2.3%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Machinery and equipment	0.6	0.0	–	–	-100.0%	2.3%	–	–	–	–	–
<b>Total</b>	<b>4.9</b>	<b>6.3</b>	<b>5.8</b>	<b>11.2</b>	<b>31.9%</b>	<b>100.0%</b>	<b>16.4</b>	<b>17.5</b>	<b>18.9</b>	<b>18.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.4%</b>	<b>0.5%</b>	<b>0.4%</b>	<b>0.7%</b>	<b>–</b>	<b>–</b>	<b>1.0%</b>	<b>1.1%</b>	<b>1.1%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Industry and Capacity Development

### Programme purpose

Manage enterprise development, broadcasting digital migration, and industry research and analysis. Implement a structured programme of engagement with stakeholders in support of the department's programmes and projects.

## Objectives

- Support the growth and development of the creative industries sector by providing necessary skills to the youth and women for digital platforms by March 2020.
- Ensure the country migrates from analogue to digital broadcasting through the installation of digital devices to access digital broadcasting by March 2020.
- Strengthen support, guidance and interrelations with stakeholders through coordinating bilateral engagement and position papers by March 2020.
- Market the country locally and internationally to provide an enabling environment for investment through participation in multilateral structures by March 2020.

## Subprogrammes

- *Enterprise Development* manages enterprise development; implements policy; manages and supports creative industries and media transformation; compiles skills profiles; and develops skills development programmes, including the development and implementation of broadcasting industry development strategies and plans.
- *Broadcasting Digital Migration* manages broadcasting digital migration with the aim of migrating from analogue to digital broadcasting, and plays an important role in creating and supporting small, medium and micro enterprises in the digital domain.
- *Industry Research and Analysis* manages industry research and analysis.
- *Intergovernmental Relations and Stakeholder Management* manages intergovernmental relations and stakeholder relations.

## Expenditure trends and estimates

**Table 3.11 Industry and Capacity Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)	
R million												
Enterprise Development	2.4	0.2	0.0	2.0	-5.8%	3.8%	2.1	2.2	2.4	5.5%	5.2%	
Broadcasting Digital Migration	15.3	27.9	15.1	37.9	35.4%	78.6%	39.3	42.2	15.4	-25.9%	80.2%	
Industry Research and Analysis	1.7	5.4	3.8	3.2	23.0%	11.6%	1.7	1.8	1.9	-16.5%	5.1%	
Intergovernmental Relations and Stakeholder Management	1.0	1.7	2.4	2.2	30.5%	6.0%	4.3	4.6	4.8	29.3%	9.5%	
<b>Total</b>	<b>20.4</b>	<b>35.2</b>	<b>21.4</b>	<b>45.3</b>	<b>30.5%</b>	<b>100.0%</b>	<b>47.4</b>	<b>50.8</b>	<b>24.4</b>	<b>-18.6%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				(8.0)			4.7	5.1	5.5			
<b>Economic classification</b>												
<b>Current payments</b>	<b>20.3</b>	<b>32.6</b>	<b>20.9</b>	<b>45.1</b>	<b>30.5%</b>	<b>97.3%</b>	<b>47.4</b>	<b>50.7</b>	<b>24.4</b>	<b>-18.6%</b>	<b>99.8%</b>	
Compensation of employees	11.0	13.4	13.5	18.4	18.6%	46.0%	16.4	17.9	19.2	1.4%	42.8%	
Goods and services <sup>1</sup>	9.3	19.2	7.4	26.7	42.2%	51.3%	31.0	32.8	5.2	-42.0%	57.0%	
of which:												
Advertising	3.0	1.3	1.3	7.0	32.1%	10.4%	11.3	11.7	-	-100.0%	17.9%	
Consultants: Business and advisory services	0.0	0.0	0.5	1.5	336.8%	1.7%	1.5	1.6	-	-100.0%	2.7%	
Agency and support/outsourced services	-	-	-	-	-	-	1.1	1.1	1.2	-	2.0%	
Consumables: Stationery, printing and office supplies	0.4	0.4	1.0	1.0	33.4%	2.2%	1.0	1.1	1.1	5.0%	2.5%	
Rental and hiring	0.2	1.1	0.4	3.1	150.6%	3.9%	5.7	4.9	0.2	-61.3%	8.3%	
Travel and subsistence	2.2	7.1	3.1	11.1	71.4%	19.2%	7.8	9.8	0.4	-67.2%	17.4%	
Transfers and subsidies <sup>1</sup>	-	0.1	0.5	0.1	-	0.5%	-	-	-	-100.0%	0.1%	
Households	-	0.1	0.5	0.1	-	0.5%	-	-	-	-100.0%	0.1%	
Payments for capital assets	0.1	2.5	-	0.1	5.4%	2.2%	0.0	0.0	0.1	-14.1%	0.1%	
Machinery and equipment	0.1	2.5	-	0.1	5.4%	2.2%	0.0	0.0	0.1	-14.1%	0.1%	
<b>Total</b>	<b>20.4</b>	<b>35.2</b>	<b>21.4</b>	<b>45.3</b>	<b>30.5%</b>	<b>100.0%</b>	<b>47.4</b>	<b>50.8</b>	<b>24.4</b>	<b>-18.6%</b>	<b>100.0%</b>	
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.6%</b>	<b>2.6%</b>	<b>1.5%</b>	<b>3.0%</b>			<b>3.0%</b>	<b>3.0%</b>	<b>1.4%</b>			

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Entity Oversight

### Programme purpose

Monitor the implementation of policies by state-owned entities and regulatory institutions, and provide guidance and oversight on their governance matters.

### Objective

- Improve the capacity of the department's entities to deliver their services by periodically reviewing and continually monitoring the governance frameworks of public entities.

### Subprogrammes

- *Programme Management for Entity Oversight* strengthens the capacity of the department and that of its state-owned entities to effectively deliver on their public mandates.
- *Broadcasting and Community Media* monitors the implementation of broadcasting and community media policies, and provides guidance in and oversight of the governance matters of state-owned entities.
- *Communication and Branding* monitors the implementation of communications and branding policies, and provides guidance in and oversight of the governance matters of state-owned entities.
- *Regulatory Institutions* monitors the implementation of policies, and provides guidance in and oversight of the governance matters of regulatory institutions.

### Expenditure trends and estimates

**Table 3.12 Entity Oversight expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
Programme Management for Entity Oversight	2.6	4.1	3.4	2.5	-0.3%	0.2%	8.5	9.2	9.0	52.5%	0.5%
Broadcasting and Community Media	196.9	206.9	205.0	221.6	4.0%	16.1%	234.5	247.4	261.0	5.6%	16.1%
Communication and Branding	539.1	566.4	595.8	624.5	5.0%	45.0%	650.1	691.4	732.5	5.5%	45.1%
Regulatory Institutions	476.0	459.5	522.1	540.6	4.3%	38.7%	554.2	584.9	617.2	4.5%	38.3%
Strategy and Policy Alignment	0.0	–	–	–	-100.0%	–	–	–	–	–	–
<b>Total</b>	<b>1 214.6</b>	<b>1 237.0</b>	<b>1 326.3</b>	<b>1 389.3</b>	<b>4.6%</b>	<b>100.0%</b>	<b>1 447.4</b>	<b>1 532.9</b>	<b>1 619.8</b>	<b>5.2%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				5.6			(8.6)	(8.8)	(8.8)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>4.4</b>	<b>5.0</b>	<b>4.7</b>	<b>8.6</b>	<b>25.3%</b>	<b>0.4%</b>	<b>14.9</b>	<b>16.0</b>	<b>16.2</b>	<b>23.7%</b>	<b>0.9%</b>
Compensation of employees	3.5	4.7	4.2	6.5	23.0%	0.4%	12.7	13.6	13.7	28.5%	0.8%
Goods and services <sup>1</sup>	0.9	0.3	0.4	2.1	33.6%	0.1%	2.2	2.3	2.5	5.7%	0.2%
<i>of which:</i>											
<i>Catering: Departmental activities</i>	0.0	0.0	0.0	0.0	71.0%	–	0.0	0.0	0.0	103.3%	–
<i>Communication</i>	0.0	0.1	0.1	0.3	86.8%	–	0.3	0.3	0.3	2.7%	–
<i>Consumables: Stationery, printing and office supplies</i>	0.0	0.0	0.0	0.3	133.8%	–	0.4	0.4	0.4	12.3%	–
<i>Operating leases</i>	–	–	0.0	0.1	–	–	0.1	0.2	0.2	3.6%	–
<i>Travel and subsistence</i>	0.3	0.2	0.3	1.2	63.8%	–	1.2	1.3	1.4	5.3%	0.1%
<i>Operating payments</i>	–	–	0.0	0.1	–	–	0.1	0.1	0.1	-22.3%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 210.2</b>	<b>1 232.0</b>	<b>1 321.6</b>	<b>1 380.7</b>	<b>4.5%</b>	<b>99.6%</b>	<b>1 432.4</b>	<b>1 516.9</b>	<b>1 603.6</b>	<b>5.1%</b>	<b>99.1%</b>
Departmental agencies and accounts	1 037.2	1 049.8	1 147.8	1 193.2	4.8%	85.7%	1 233.4	1 307.0	1 382.0	5.0%	85.4%
Public corporations and private enterprises	172.9	182.1	173.8	187.4	2.7%	13.9%	199.0	210.0	221.5	5.7%	13.7%
Households	–	0.1	–	0.1	–	–	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>0.0</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Machinery and equipment	0.0	–	–	–	-100.0%	–	–	–	–	–	–
<b>Total</b>	<b>1 214.6</b>	<b>1 237.0</b>	<b>1 326.3</b>	<b>1 389.3</b>	<b>4.6%</b>	<b>100.0%</b>	<b>1 447.4</b>	<b>1 532.9</b>	<b>1 619.8</b>	<b>5.2%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	94.3%	92.6%	93.5%	91.6%	–	–	91.8%	91.8%	93.2%	–	–



**Table 3.12 Entity Oversight expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies											
R million	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>1 037.2</b>	<b>1 049.8</b>	<b>1 147.8</b>	<b>1 193.2</b>	<b>4.8%</b>	<b>85.7%</b>	<b>1 233.4</b>	<b>1 307.0</b>	<b>1 382.0</b>	<b>5.0%</b>	<b>85.4%</b>
Media Development and Diversity Agency	22.6	23.8	30.0	30.7	10.7%	2.1%	31.8	33.6	35.4	4.9%	2.2%
Brand South Africa	173.2	181.2	194.3	200.4	5.0%	14.5%	207.9	219.4	231.5	4.9%	14.3%
Government Communication and Information System	365.5	385.3	401.5	423.6	5.0%	30.5%	441.7	471.4	500.3	5.7%	30.7%
Independent Communications Authority of South Africa	393.6	373.1	430.4	444.0	4.1%	31.8%	452.6	477.7	504.2	4.3%	31.4%
Film and Publication Board	82.4	86.5	91.7	94.6	4.7%	6.9%	99.4	104.8	110.6	5.4%	6.8%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>172.9</b>	<b>182.1</b>	<b>173.8</b>	<b>187.4</b>	<b>2.7%</b>	<b>13.9%</b>	<b>199.0</b>	<b>210.0</b>	<b>221.5</b>	<b>5.7%</b>	<b>13.7%</b>
South African Broadcasting Corporation: Channel Africa	49.6	52.3	54.9	58.1	5.4%	4.2%	61.3	64.7	68.3	5.5%	4.2%
South African Broadcasting Corporation: Public broadcaster	101.8	107.2	105.9	115.7	4.4%	8.3%	123.2	130.0	137.2	5.8%	8.5%
South African Broadcasting Corporation: Community radio stations	9.8	10.3	–	–	-100.0%	0.4%	–	–	–	–	–
South African Broadcasting Corporation: Programme productions	11.7	12.3	12.9	13.7	5.4%	1.0%	14.5	15.2	16.1	5.5%	1.0%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Other department within the vote

### Government Communication and Information System

#### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	163.8	163.1	0.1	0.7	173.8	184.3
Content Processing and Dissemination	152.9	152.0	–	0.9	163.1	173.5
Intergovernmental Coordination and Stakeholder Management	125.0	124.3	0.0	0.6	134.5	142.6
<b>Total expenditure estimates</b>	<b>441.7</b>	<b>439.4</b>	<b>0.1</b>	<b>2.2</b>	<b>471.4</b>	<b>500.3</b>

Executive authority: Minister of Communications  
 Accounting officer: Director-General of Government Communication and Information System  
 Website address: [www.gcis.gov.za](http://www.gcis.gov.za)

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

#### Department purpose

Provide a comprehensive communication service on behalf of government to facilitate the involvement of the majority of South Africans in governance, reconstruction and development, nation building, and reconciliation.

#### Mandate

The mandate of the Government Communication and Information System is derived from section 195(g) of the Constitution, which stipulates that the public should be provided with information that is timely, accurate and accessible. This is in support of the constitutional principles of freedom of expression, transparency and openness of government. The department is responsible for providing strategic leadership and coordinating government communication to ensure that the public is informed and have access to government programmes and policies that benefit them.

## Selected performance indicators

**Table 3.13 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF Outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of cluster reports on perceptions of government delivery and performance reports per year	Content Processing and Dissemination	Outcome 14: Nation building and social cohesion	14	10	10	10	10	10	10
Number of copies of Vuk'uzenzele newspaper published per year	Content Processing and Dissemination		18.7m	21.4m	23.5m	18.7m	18.7m	18.7m	18.7m
Number of radio advertisements and dramas produced per year	Content Processing and Dissemination		41	48	15	-1	-1	-1	-1
Number of radio products and services provided per year <sup>2,3</sup>	Content Processing and Dissemination		220	229	288	240	240	240	240
Number of video programmes produced per year	Content Processing and Dissemination		183	120	472	-1	-1	-1	-1
Number of video services provided per year <sup>2,3</sup>	Content Processing and Dissemination		1 337	664	652	600	600	600	600
Number of requests for photographic coverage handled per year	Content Processing and Dissemination		564	500	544	-1	-1	-1	-1
Number of photographic services provided per year <sup>2,3</sup>	Content Processing and Dissemination		1 049	582	537	450	450	450	450
Number of live broadcasts on community radio stations per year	Content Processing and Dissemination		66	54	85	-1	-1	-1	-1
Number of government and national events covered by video per year	Content Processing and Dissemination		572	400	640	-1	-1	-1	-1
Number of graphic designs produced per year <sup>2</sup>	Content Processing and Dissemination		294	160	503	400	400	400	400
Number of requests for media briefings received from government departments per year <sup>2</sup>	Intergovernmental Coordination and Stakeholder Management		21	100	133	100	100	100	110
Number of community and stakeholder liaison visits undertaken per year	Intergovernmental Coordination and Stakeholder Management		2 170	2 127	1 959	1 800	1 710	1 710	1 710
Number of development communication projects aligned with the government communication programme per year <sup>2</sup>	Intergovernmental Coordination and Stakeholder Management		1 920	1 839	1 727	1 200	1 140	1 140	1 140
Number of reports on rapid response facilitated per year	Intergovernmental Coordination and Stakeholder Management	23	311	24	24	24	24	24	
Number of marketing events per Thusong service centre per year	Intergovernmental Coordination and Stakeholder Management	580	555	511	486	252	252	252	

1. Indicator discontinued.

2. Fluctuations in targets achieved are due to the indicator being driven by demand.

3. Old indicator selected for publication in the 2019 ENE.

## Expenditure analysis

The National Development Plan emphasises the need to unite all South Africans around a common goal, ensure citizens are active in their own development, and build a capable and developmental state. This is given expression by outcome 12 (an efficient, effective and development-oriented public service) and outcome 14 (nation building and social cohesion) of government's 2014-2019 medium-term strategic framework, with which the work of the Government Communication and Information System is directly aligned. To support the realisation of these outcomes, over the medium term, the department will continue to focus on providing and facilitating strategic government communication, and facilitating active citizen participation.

As the work of the department is labour intensive, spending on compensation of employees across all programmes accounts for 62.3 per cent (R880 million) of its total budget over the MTEF period, increasing at an average annual rate of 7.4 per cent, from R252.6 million in 2018/19 to R312.9 million in 2021/22. The department's number of personnel is expected to average 465 over the MTEF period.

### Providing and facilitating strategic government communication

One of the key functions of the department is to provide information about government policies, plans, programmes and activities to the public. Accordingly, the department plans to produce and publish 14 788 various communication products and reports over the medium term. This excludes the production and distribution of 18.7 million copies of 22 editions of the Vuk'uzenzele newspaper and 9 600 Braille copies of the

publication in each year over the medium term. Information published in Vuk'uzenzele focuses on key government priorities, such as issues affecting youth, service delivery and rural development, and includes advertisements for vacant posts in government. The printing and distribution cost of Vuk'uzenzele, which amounts to R87 million over the medium term, is funded in the *Products and Platforms* subprogramme in the *Content Processing and Dissemination* programme.

The department also plans to produce 36 analysis reports based on research surveys conducted on behalf of various national departments and premiers' offices. These reports seek to provide guidance and assistance to government communicators in departments and premiers' offices on how to develop communication strategies, and to understand the broader communications environment. The department also drives a proactive and reactive media liaison strategy by hosting cluster and Cabinet media briefings, and communicating directly with the public through direct communication activities such as door-to-door, community workshops and gatherings in all provinces. These activities are carried out in the *Content Processing and Dissemination* programme, which has a total budget of R489.4 million over the medium term.

To reduce government's cost of media advertising while maintaining the visibility of government's communication campaigns, over the medium term, the department plans to provide media advertising bulk buying and media production services to other government departments. As such, the department aims to provide approximately 1 000 media advertising bulk buying services over the MTEF period; and annual media production services that include 1 000 photographic and video products and services, and 240 radio products and services. These products and services include advertisements, the hosting of talk shows, the compilation of voice-overs, and video and photographic services to client departments and public entities, and are funded through the communication budgets of the respective client departments and entities.

Through the *Media Engagement Facility* subprogramme in the *Intergovernmental Coordination and Stakeholder Management* programme, the department will continue to manage the interface between government, and commercial and community media. In doing so, it will, among other things, coordinate a support function across government departments on the occasion of key communication projects carried out by the president and deputy president, and for cluster media programmes. The subprogramme also manages daily responses to issues in the communication environment through the Government Communication and Information System rapid response function. To carry out activities related to interface management, R9.4 million is allocated over the MTEF period in the *Intergovernmental Coordination and Stakeholder Management* programme, which has a total budget of R402.1 million over the MTEF period.

### ***Facilitating active citizen participation***

The department is committed to aligning provincial and local communications strategies to the national communication strategy framework. Accordingly, over the medium term, the department plans to conduct an estimated 9 300 outreach campaigns to improve public participation in government policies, plans, programmes and achievements. These include the development of 1 140 development communication activations per year, 1 710 community and stakeholder liaison visits per year, and 252 marketing events at Thusong service centres per year. These initiatives are expected to deliver information to more than 1 million people per month through direct and indirect communication with citizens, community radio talk shows, community newspapers, and awareness campaigns. These activities are carried out in the *Intergovernmental Coordination and Stakeholder Management* programme at an estimated cost of R10 million over the medium term. Over the same period, the department plans to continue the imbizo programme, which facilitates interactions between political principals and the public, and develops content for print and electronic products, including leaflets during the state of the nation address. An additional R1 million in the *Intergovernmental Coordination and Stakeholder Management* programme is allocated over the medium term to carry out activities related to the imbizo programme.

## Expenditure trends

**Table 3.14 Departmental expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Content Processing and Dissemination														
3. Intergovernmental Coordination and Stakeholder Management														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	2015/16 - 2018/19
Programme 1	139.8	139.8	144.9	143.1	144.2	147.4	154.3	150.7	156.0	164.2	162.0	160.9	101.3%	102.1%
Programme 2	130.9	130.9	126.9	133.6	136.1	134.8	140.4	143.6	136.7	145.0	148.0	146.6	99.1%	97.6%
Programme 3	94.7	94.7	93.5	105.5	104.9	97.9	110.1	107.2	101.1	111.3	113.6	116.0	96.9%	97.2%
<b>Total</b>	<b>365.5</b>	<b>365.5</b>	<b>365.2</b>	<b>382.2</b>	<b>385.3</b>	<b>380.1</b>	<b>404.8</b>	<b>401.5</b>	<b>393.8</b>	<b>420.5</b>	<b>423.6</b>	<b>423.6</b>	<b>99.4%</b>	<b>99.2%</b>
Change to 2018 Budget estimate											3.1			
Economic classification														
<b>Current payments</b>	<b>364.5</b>	<b>363.9</b>	<b>362.9</b>	<b>381.0</b>	<b>384.1</b>	<b>377.0</b>	<b>403.5</b>	<b>399.7</b>	<b>385.7</b>	<b>417.2</b>	<b>418.9</b>	<b>416.6</b>	<b>98.5%</b>	<b>98.4%</b>
Compensation of employees	210.0	209.4	202.5	222.8	222.8	216.5	236.8	229.9	224.1	254.0	252.6	252.6	97.0%	97.9%
Goods and services	154.5	154.5	160.4	158.2	161.3	160.4	166.7	169.8	161.6	163.2	166.3	164.0	100.6%	99.2%
<b>Transfers and subsidies</b>	<b>0.1</b>	<b>0.7</b>	<b>1.0</b>	<b>0.1</b>	<b>0.1</b>	<b>1.2</b>	<b>0.1</b>	<b>0.5</b>	<b>0.8</b>	<b>0.1</b>	<b>1.4</b>	<b>1.4</b>	<b>1 949.8%</b>	<b>163.9%</b>
Departmental agencies and accounts	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1	0.0	0.1	0.1	0.1	86.9%	86.9%
Households	-	0.6	1.0	-	-	1.2	-	0.5	0.8	-	1.4	1.4	-	170.9%
<b>Payments for capital assets</b>	<b>0.9</b>	<b>0.9</b>	<b>1.2</b>	<b>1.1</b>	<b>1.1</b>	<b>1.6</b>	<b>1.2</b>	<b>1.2</b>	<b>3.2</b>	<b>3.2</b>	<b>3.2</b>	<b>5.6</b>	<b>179.9%</b>	<b>179.9%</b>
Buildings and other fixed structures	-	-	0.1	-	-	0.0	-	-	0.0	-	-	-	-	-
Machinery and equipment	0.7	0.7	1.1	0.9	0.9	1.5	1.2	1.2	2.9	3.2	3.2	5.6	184.9%	184.9%
Software and other intangible assets	0.2	0.2	-	0.3	0.3	0.1	(0.0)	(0.0)	0.3	-	-	-	79.6%	79.6%
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.2</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>-</b>	<b>-</b>	<b>4.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>365.5</b>	<b>365.5</b>	<b>365.2</b>	<b>382.2</b>	<b>385.3</b>	<b>380.1</b>	<b>404.8</b>	<b>401.5</b>	<b>393.8</b>	<b>420.5</b>	<b>423.6</b>	<b>423.6</b>	<b>99.4%</b>	<b>99.2%</b>

## Expenditure estimates

**Table 3.15 Departmental expenditure estimates by programme and economic classification**

Programmes								
1. Administration								
2. Content Processing and Dissemination								
3. Intergovernmental Coordination and Stakeholder Management								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	160.9	4.8%	39.0%	163.8	173.8	184.3	4.6%	37.2%
Programme 2	146.6	3.9%	34.9%	152.9	163.1	173.5	5.8%	34.6%
Programme 3	116.0	7.0%	26.1%	125.0	134.5	142.6	7.1%	28.2%
<b>Total</b>	<b>423.6</b>	<b>5.0%</b>	<b>100.0%</b>	<b>441.7</b>	<b>471.4</b>	<b>500.3</b>	<b>5.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-	-	-		
Economic classification								
<b>Current payments</b>	<b>416.6</b>	<b>4.6%</b>	<b>98.7%</b>	<b>439.4</b>	<b>469.1</b>	<b>497.9</b>	<b>6.1%</b>	<b>99.2%</b>
Compensation of employees	252.6	6.5%	57.3%	273.3	293.8	312.9	7.4%	61.7%
Goods and services	164.0	2.0%	41.4%	166.1	175.3	185.0	4.1%	37.6%
<b>Transfers and subsidies</b>	<b>1.4</b>	<b>26.6%</b>	<b>0.3%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-63.0%</b>	<b>0.1%</b>
Departmental agencies and accounts	0.1	4.2%	0.0%	0.1	0.1	0.1	6.3%	0.0%
Households	1.4	28.1%	0.3%	-	-	-	-100.0%	0.1%
<b>Payments for capital assets</b>	<b>5.6</b>	<b>82.6%</b>	<b>0.7%</b>	<b>2.2</b>	<b>2.2</b>	<b>2.4</b>	<b>-24.9%</b>	<b>0.7%</b>
Machinery and equipment	5.6	98.2%	0.7%	2.2	2.2	2.4	-24.9%	0.7%
<b>Total</b>	<b>423.6</b>	<b>5.0%</b>	<b>100.0%</b>	<b>441.7</b>	<b>471.4</b>	<b>500.3</b>	<b>5.7%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 3.16 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total vote (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total vote (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Compensation of employees	202 461	216 536	224 077	252 621	7.7%	57.3%	273 302	293 800	312 897	7.4%	61.7%
Computer services	15 129	14 604	13 540	15 458	0.7%	3.8%	15 392	16 310	17 199	3.6%	3.5%
Operating leases	47 556	51 688	55 437	53 984	4.3%	13.4%	52 114	55 198	58 236	2.6%	12.0%
Operating payments	30 833	36 811	35 619	37 016	6.3%	9.0%	35 266	37 290	39 394	2.1%	8.1%
Travel and subsistence	21 137	17 486	19 688	18 553	-4.3%	4.9%	17 918	18 812	19 790	2.2%	4.1%
<b>Total</b>	<b>317 116</b>	<b>337 125</b>	<b>348 361</b>	<b>377 632</b>	<b>14.7%</b>	<b>88.4%</b>	<b>393 992</b>	<b>421 410</b>	<b>447 516</b>	<b>17.9%</b>	<b>89.4%</b>

## Goods and services expenditure trends and estimates

**Table 3.17 Departmental goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administrative fees	478	537	364	643	10.4%	0.3%	622	647	684	2.1%	0.4%
Advertising	5 078	2 645	1 049	4 316	-5.3%	2.0%	3 854	4 059	4 284	-0.2%	2.4%
Minor assets	156	282	298	168	2.5%	0.1%	94	99	105	-14.5%	0.1%
Audit costs: External	2 349	2 467	2 862	2 511	2.2%	1.6%	2 391	2 426	2 560	0.6%	1.4%
Bursaries: Employees	460	702	702	408	-3.9%	0.4%	404	404	427	1.5%	0.2%
Catering: Departmental activities	679	891	880	708	1.4%	0.5%	1 091	1 041	1 100	15.8%	0.6%
Communication	9 988	8 628	8 096	8 150	-6.6%	5.4%	8 404	8 816	9 298	4.5%	5.0%
Computer services	15 129	14 604	13 540	15 458	0.7%	9.1%	15 392	16 310	17 199	3.6%	9.3%
Consultants: Business and advisory services	2 349	84	82	474	-41.3%	0.5%	2 491	2 727	2 877	82.4%	1.2%
Laboratory services	-	5	-	-	-	-	-	-	-	-	-
Legal services	740	796	1 024	432	-16.4%	0.5%	483	483	510	5.7%	0.3%
Contractors	3 895	3 294	2 146	3 356	-4.8%	2.0%	2 893	3 171	3 346	-0.1%	1.8%
Agency and support/outourced services	3 460	4 718	6 030	4 579	9.8%	2.9%	5 731	6 058	6 392	11.8%	3.3%
Fleet services (including government motor transport)	2 000	1 423	1 184	865	-24.4%	0.8%	1 133	1 187	1 253	13.1%	0.6%
Consumable supplies	709	523	628	726	0.8%	0.4%	643	665	702	-1.1%	0.4%
Consumables: Stationery, printing and office supplies	3 118	2 782	2 281	3 268	1.6%	1.8%	3 446	3 552	3 749	4.7%	2.0%
Operating leases	47 556	51 688	55 437	53 984	4.3%	32.2%	52 114	55 198	58 236	2.6%	31.7%
Rental and hiring	109	141	62	78	-10.6%	0.1%	127	134	141	21.8%	0.1%
Property payments	8 799	9 302	9 048	9 009	0.8%	5.6%	9 373	9 638	10 169	4.1%	5.5%
Travel and subsistence	21 137	17 486	19 688	18 553	-4.3%	11.8%	17 918	18 812	19 790	2.2%	10.8%
Training and development	827	617	568	1 227	14.1%	0.5%	1 732	1 927	2 035	18.4%	1.0%
Operating payments	30 833	36 811	35 619	37 016	6.3%	21.6%	35 266	37 290	39 394	2.1%	21.5%
Venues and facilities	545	17	40	370	-12.1%	0.1%	539	690	726	25.2%	0.3%
<b>Total</b>	<b>160 394</b>	<b>160 443</b>	<b>161 628</b>	<b>166 299</b>	<b>1.2%</b>	<b>100.0%</b>	<b>166 141</b>	<b>175 334</b>	<b>184 977</b>	<b>3.6%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 3.18 Departmental transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>963</b>	<b>1 160</b>	<b>781</b>	<b>1 362</b>	<b>12.2%</b>	<b>95.5%</b>	-	-	-	<b>-100.0%</b>	<b>83.8%</b>
Employee social benefits	963	1 160	781	1 362	12.2%	95.5%	-	-	-	-100.0%	83.8%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>56</b>	<b>45</b>	<b>38</b>	<b>60</b>	<b>2.3%</b>	<b>4.5%</b>	<b>64</b>	<b>68</b>	<b>72</b>	<b>6.3%</b>	<b>16.2%</b>
Communication	56	45	38	60	2.3%	4.5%	64	68	72	6.3%	16.2%
<b>Total</b>	<b>1 019</b>	<b>1 205</b>	<b>819</b>	<b>1 422</b>	<b>11.7%</b>	<b>100.0%</b>	<b>64</b>	<b>68</b>	<b>72</b>	<b>-63.0%</b>	<b>100.0%</b>

## Personnel information

**Table 3.19 Departmental personnel numbers and cost by salary level and programme<sup>1</sup>**

Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment															Number			
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		2017/18			2018/19			2019/20		2020/21		2021/22								
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost		
<b>Government Communication and Information System</b>		<b>472</b>	<b>5</b>	<b>430</b>	<b>224.1</b>	<b>0.5</b>	<b>463</b>	<b>252.6</b>	<b>0.5</b>	<b>467</b>	<b>273.3</b>	<b>0.6</b>	<b>466</b>	<b>293.8</b>	<b>0.6</b>	<b>462</b>	<b>312.9</b>	<b>0.7</b>	<b>-0.1%</b>	<b>100.0%</b>
Salary level		472	5	430	224.1	0.5	463	252.6	0.5	467	273.3	0.6	466	293.8	0.6	462	312.9	0.7	-0.1%	100.0%
1 – 6	119	2	115	28.7	0.2	127	34.5	0.3	128	37.6	0.3	126	40.0	0.3	124	42.4	0.3	-0.8%	27.2%	
7 – 10	216	1	195	89.0	0.5	210	103.9	0.5	212	112.7	0.5	213	122.0	0.6	212	130.5	0.6	0.3%	45.6%	
11 – 12	83	1	75	58.0	0.8	80	65.6	0.8	77	67.4	0.9	77	72.2	0.9	76	76.2	1.0	-1.7%	16.7%	
13 – 16	54	1	45	45.3	1.0	46	48.5	1.1	50	55.7	1.1	50	59.6	1.2	50	63.8	1.3	2.8%	10.5%	
Other	–	–	–	2.9	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
<b>Programme</b>	<b>472</b>	<b>5</b>	<b>430</b>	<b>224.1</b>	<b>0.5</b>	<b>463</b>	<b>252.6</b>	<b>0.5</b>	<b>467</b>	<b>273.3</b>	<b>0.6</b>	<b>466</b>	<b>293.8</b>	<b>0.6</b>	<b>462</b>	<b>312.9</b>	<b>0.7</b>	<b>-0.1%</b>	<b>100.0%</b>	
Programme 1	147	4	136	64.6	0.5	141	72.5	0.5	140	75.4	0.5	138	80.5	0.6	137	85.8	0.6	-1.0%	29.9%	
Programme 2	148	1	129	76.6	0.6	142	85.5	0.6	144	94.2	0.7	144	101.2	0.7	143	108.2	0.8	0.2%	30.8%	
Programme 3	177	–	165	82.9	0.5	180	94.6	0.5	183	103.7	0.6	184	112.1	0.6	182	118.9	0.7	0.4%	39.2%	

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 3.20 Departmental receipts by economic classification**

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
R thousand												
<b>Departmental receipts</b>	<b>4 203</b>	<b>3 995</b>	<b>3 832</b>	<b>4 004</b>	<b>4 004</b>	<b>-1.6%</b>	<b>100.0%</b>	<b>934</b>	<b>973</b>	<b>1 015</b>	<b>-36.7%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>3 537</b>	<b>3 389</b>	<b>2 604</b>	<b>3 363</b>	<b>3 363</b>	<b>-1.7%</b>	<b>80.4%</b>	<b>270</b>	<b>283</b>	<b>298</b>	<b>-55.4%</b>	<b>60.8%</b>
Sales by market establishments of which:	141	136	135	146	146	1.2%	3.5%	150	157	165	4.2%	8.9%
Market establishment: Rental parking: Covered and open	141	136	135	146	146	1.2%	3.5%	150	157	165	4.2%	8.9%
Other sales of which:	3 396	3 253	2 469	3 217	3 217	-1.8%	76.9%	120	126	133	-65.4%	51.9%
Services rendered: Commission on insurance and garnishee	73	75	80	79	79	2.7%	1.9%	80	84	89	4.1%	4.8%
Sales: Departmental publications and production	3 323	3 178	2 389	3 138	3 138	-1.9%	75.0%	40	42	44	-75.9%	47.1%
Sales of scrap, waste, arms and other used current goods of which:	1	2	3	3	3	44.2%	0.1%	4	4	4	10.1%	0.2%
Sales: Wastepaper	1	2	3	3	3	44.2%	0.1%	4	4	4	10.1%	0.2%
Interest, dividends and rent on land	224	255	290	357	357	16.8%	7.0%	360	370	380	2.1%	21.2%
Interest	224	255	290	357	357	16.8%	7.0%	360	370	380	2.1%	21.2%
Sales of capital assets	–	7	–	–	–	–	–	–	–	–	–	–
Transactions in financial assets and liabilities	441	342	935	281	281	-13.9%	12.5%	300	316	333	5.8%	17.8%
<b>Total</b>	<b>4 203</b>	<b>3 995</b>	<b>3 832</b>	<b>4 004</b>	<b>4 004</b>	<b>-1.6%</b>	<b>100.0%</b>	<b>934</b>	<b>973</b>	<b>1 015</b>	<b>-36.7%</b>	<b>100.0%</b>

### Programme 1: Administration

#### Programme purpose

Provide strategic leadership, management and support services to the department.

## Expenditure trends and estimates

**Table 3.21 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average Expenditure/Total (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16	2018/19	2019/20	2020/21	2021/22	2018/19
R million											
Departmental Management	6.5	5.6	8.7	8.2	8.1%	4.7%	7.7	8.1	8.6	1.6%	4.8%
Corporate Services	50.8	47.2	48.1	53.4	1.7%	32.7%	56.2	59.5	63.2	5.7%	34.0%
Financial Administration	29.8	32.3	32.3	37.5	8.0%	21.6%	38.0	40.6	43.1	4.8%	23.3%
Internal Audit	7.7	7.9	9.0	8.6	3.8%	5.4%	8.9	9.6	10.2	5.6%	5.5%
Office Accommodation	50.1	54.3	58.0	54.3	2.7%	35.5%	53.0	56.1	59.2	2.9%	32.6%
<b>Total</b>	<b>144.9</b>	<b>147.4</b>	<b>156.0</b>	<b>162.0</b>	<b>3.8%</b>	<b>100.0%</b>	<b>163.8</b>	<b>173.8</b>	<b>184.3</b>	<b>4.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(2.1)			(8.1)	(8.6)	(9.1)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>144.0</b>	<b>146.4</b>	<b>154.1</b>	<b>160.7</b>	<b>3.7%</b>	<b>99.2%</b>	<b>163.1</b>	<b>173.1</b>	<b>183.5</b>	<b>4.5%</b>	<b>99.5%</b>
Compensation of employees	59.5	60.2	64.6	74.0	7.5%	42.3%	75.4	80.5	85.8	5.1%	46.1%
Goods and services <sup>1</sup>	84.5	86.2	89.6	86.8	0.9%	56.9%	87.7	92.6	97.7	4.0%	53.3%
<i>of which:</i>											
<i>Audit costs: External</i>	2.3	2.5	2.9	2.5	2.2%	1.7%	2.4	2.4	2.6	0.6%	1.4%
<i>Computer services</i>	12.1	11.1	10.3	11.5	-1.6%	7.4%	11.8	12.4	13.1	4.5%	7.1%
<i>Operating leases</i>	46.7	50.9	54.8	52.9	4.2%	33.6%	51.1	54.1	57.1	2.6%	31.4%
<i>Property payments</i>	8.7	9.2	9.0	8.9	0.5%	5.9%	9.1	9.4	9.9	3.7%	5.5%
<i>Travel and subsistence</i>	3.7	2.2	3.6	2.8	-8.7%	2.0%	2.7	2.9	3.0	2.5%	1.7%
<i>Operating payments</i>	3.0	3.1	2.5	1.7	-17.0%	1.7%	3.1	3.4	3.6	27.9%	1.7%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.2</b>	<b>0.3</b>	<b>0.4</b>	<b>0.6</b>	<b>55.7%</b>	<b>0.2%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-53.5%</b>	<b>0.1%</b>
Departmental agencies and accounts	0.0	0.0	0.0	0.0	1.4%	–	0.1	0.1	0.1	5.9%	–
Households	0.1	0.2	0.4	0.5	70.8%	0.2%	–	–	–	-100.0%	0.1%
<b>Payments for capital assets</b>	<b>0.7</b>	<b>0.6</b>	<b>1.4</b>	<b>0.7</b>	<b>2.9%</b>	<b>0.6%</b>	<b>0.7</b>	<b>0.7</b>	<b>0.8</b>	<b>0.9%</b>	<b>0.4%</b>
Buildings and other fixed structures	0.1	0.0	–	–	-100.0%	–	–	–	–	–	–
Machinery and equipment	0.6	0.6	1.1	0.7	7.4%	0.5%	0.7	0.7	0.8	0.9%	0.4%
Software and other intangible assets	–	–	0.3	–	–	–	–	–	–	–	–
<b>Total</b>	<b>144.9</b>	<b>147.4</b>	<b>156.0</b>	<b>162.0</b>	<b>3.8%</b>	<b>100.0%</b>	<b>163.8</b>	<b>173.8</b>	<b>184.3</b>	<b>4.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>39.7%</b>	<b>38.8%</b>	<b>39.6%</b>	<b>38.3%</b>	<b>–</b>	<b>–</b>	<b>37.1%</b>	<b>36.9%</b>	<b>36.8%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Content Processing and Dissemination

### Programme purpose

Provide strategic leadership in government communication to ensure coherence, coordination, consistency, quality, impact and responsiveness.

### Objectives

- Provide strategic leadership and support in government communication by conducting research on public opinion and analysis of media coverage to understand the communications environment and inform government messages over the medium term.
- Increase the share of government's voice and messages in the public domain by producing government's communication products and services over the medium term.
- Improve the dissemination of information by providing effective and efficient marketing and distribution services, cost-effective media bulk buying services, and media products and services for government on an ongoing basis.
- Maintain a positive image of government through the management of government's corporate identity by conducting identity workshops per year over the medium term.

### Subprogrammes

- *Programme Management for Content Processing and Dissemination* coordinates strategic planning for communications in the department and other government departments, and ensures adherence to government communication standards.
- *Policy and Research* conducts research to assess the information needs of the public and how government should address these needs; monitors media coverage of issues affecting government and the country; provides analyses on how the media interprets and reports on government policies and programmes;

formulates policy proposals where they are required; assesses public perception in relation to government performance; and oversees the process of reviewing the government communication policy by monitoring its implementation and facilitating workshops.

- *Products and Platforms* develops content for the department; provides language services for products that require translation; conducts editing and proofreading; manages the department's and government's websites; produces government publications; provides social media and news services; and develops the national communication strategy.
- *Communication Service Agency* provides media bulk buying services and media production services to all spheres of government; develops distribution strategies for all government communication; oversees the outsourcing of distribution services to service providers; manages government's corporate identity; and provides marketing services for the department and other government departments.

### Expenditure trends and estimates

**Table 3.22 Content Processing and Dissemination expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
Programme Management for Content Processing and Dissemination	3.0	2.8	2.0	3.8	8.3%	2.1%	4.1	4.4	4.7	7.4%	2.7%
Policy and Research	29.6	31.5	32.2	35.4	6.1%	23.6%	38.2	40.9	43.4	7.1%	24.8%
Products and Platforms	42.4	44.4	48.7	52.3	7.2%	34.4%	54.0	57.7	61.2	5.4%	35.3%
Communication Service Agency	51.9	56.1	53.8	56.5	2.9%	40.0%	56.6	60.1	64.2	4.3%	37.2%
<b>Total</b>	<b>126.9</b>	<b>134.8</b>	<b>136.7</b>	<b>148.0</b>	<b>5.3%</b>	<b>100.0%</b>	<b>152.9</b>	<b>163.1</b>	<b>173.5</b>	<b>5.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				3.0			0.4	0.1	0.6		
<b>Economic classification</b>											
<b>Current payments</b>	<b>126.0</b>	<b>134.0</b>	<b>131.3</b>	<b>146.2</b>	<b>5.1%</b>	<b>98.4%</b>	<b>152.0</b>	<b>162.1</b>	<b>172.5</b>	<b>5.7%</b>	<b>99.3%</b>
Compensation of employees	70.4	77.6	76.6	86.5	7.1%	56.9%	94.2	101.2	108.2	7.8%	61.2%
Goods and services <sup>1</sup>	55.6	56.4	54.7	59.8	2.4%	41.5%	57.8	60.9	64.3	2.4%	38.1%
of which:											
Communication	3.5	2.7	2.8	2.0	-17.3%	2.0%	2.5	2.6	2.8	11.6%	1.6%
Computer services	3.1	3.5	3.3	4.0	8.9%	2.5%	3.6	3.9	4.1	0.9%	2.4%
Consultants: Business and advisory services	2.2	–	–	0.3	-47.4%	0.5%	2.4	2.5	2.6	100.2%	1.2%
Agency and support/outsourced services	3.4	4.7	5.9	4.6	10.2%	3.4%	5.7	6.1	6.4	11.8%	3.6%
Travel and subsistence	9.5	7.7	7.6	7.8	-6.7%	6.0%	7.7	8.1	8.5	3.1%	5.0%
Operating payments	26.7	33.1	32.6	34.2	8.7%	23.2%	30.9	32.6	34.4	0.1%	20.7%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.6</b>	<b>0.1</b>	<b>0.3</b>	<b>0.3</b>	<b>-17.4%</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>
Households	0.6	0.1	0.3	0.3	-17.4%	0.2%	–	–	–	-100.0%	0.1%
<b>Payments for capital assets</b>	<b>0.2</b>	<b>0.5</b>	<b>1.1</b>	<b>1.4</b>	<b>82.0%</b>	<b>0.6%</b>	<b>0.9</b>	<b>0.9</b>	<b>1.0</b>	<b>-10.8%</b>	<b>0.7%</b>
Machinery and equipment	0.2	0.5	1.1	1.4	82.0%	0.6%	0.9	0.9	1.0	-10.8%	0.7%
Software and other intangible assets	–	0.1	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.3</b>	<b>4.1</b>	<b>–</b>	<b>-100.0%</b>	<b>0.8%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>126.9</b>	<b>134.8</b>	<b>136.7</b>	<b>148.0</b>	<b>–</b>	<b>100.0%</b>	<b>152.9</b>	<b>163.1</b>	<b>173.5</b>	<b>–</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>34.7%</b>	<b>35.5%</b>	<b>34.7%</b>	<b>34.9%</b>	<b>–</b>	<b>–</b>	<b>34.6%</b>	<b>34.6%</b>	<b>34.7%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Intergovernmental Coordination and Stakeholder Management

### Programme purpose

Implement development communication through mediated and unmediated communication channels, and foster sound stakeholder relations and partnerships.

### Objectives

- Improve interdepartmental coordination to ensure that all government messages are coherent and aligned by jointly planning and sharing communications messages across the three spheres of government over the medium term.



- Ensure an informed and empowered citizenry on government's policies, plans, programmes and achievements; and increase public participation in government's activities through engaging with stakeholders over the medium term.
- Implement a proactive and reactive media engagement system by building, maintaining and improving relations with the media, and driving government's communication agenda over the medium term.

### Subprogrammes

- *Programme Management for Intergovernmental Coordination and Stakeholder Management* ensures a well-functioning communication system that proactively informs and engages the public, and manages and oversees roles regarding the implementation of development communication. It does this by building sound stakeholder relations and partnerships, and ensuring that the public is informed about government policies and programmes.
- *Provincial and Local Liaison* ensures that the national communication strategy framework is aligned with provincial and local communications strategies, procures time on media channels and platforms to promote government messages to the public at the local government level, promotes the Thusong service centres to the public, and coordinates the imbizo programme.
- *Media Engagement* leads and drives interaction and communication between government and the media; ensures effective liaison between ministers and the media; manages ongoing media liaison services to government by providing government information; establishes, strengthens and maintains relationships with foreign and independent media; and establishes relations with South African missions with the view of disseminating government information and key targeted messages.
- *Cluster Supervision (Human Development, Social Protection and Governance and Administration)* provides strategic cluster communications advice and support to national departments and leadership on key cluster communication issues and campaigns, and coordinates Cabinet cluster communications and the development of government's communication programme. This subprogramme also develops communications strategies and key messages for the campaigns of the departments in these clusters.
- *Cluster Supervision (Economic and Infrastructure, Justice and International)* provides strategic cluster communications advice and support to national departments and leadership on key cluster communication issues and campaigns; and coordinates Cabinet cluster communications and the development of government's communication programme. This subprogramme also develops communications strategies and key messages for the campaigns of the departments in these clusters.

### Expenditure trends and estimates

**Table 3.23 Intergovernmental Coordination and Stakeholder Management expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Programme Management for Intergovernmental Coordination and Stakeholder Management	2.9	2.0	1.4	3.0	1.9%	2.3%	3.2	3.5	3.7	7.3%	2.6%
Provincial and Local Liaison	68.0	70.1	73.9	80.8	5.9%	72.1%	88.5	95.3	100.9	7.7%	70.9%
Media Engagement	13.2	12.2	11.5	13.3	0.2%	12.3%	15.2	16.4	17.4	9.4%	12.1%
Cluster Supervision (Human Development, Social Protection and Governance and Administration)	5.5	6.6	7.0	8.7	16.6%	6.9%	9.5	10.2	10.9	7.8%	7.6%

**Table 3.23 Intergovernmental Coordination and Stakeholder Management expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Cluster Supervision (Economic and Infrastructure, Justice and International)	3.9	7.1	7.3	7.8	25.9%	6.4%	8.5	9.1	9.7	7.7%	6.8%
<b>Total</b>	<b>93.5</b>	<b>97.9</b>	<b>101.1</b>	<b>113.6</b>	<b>6.7%</b>	<b>100.0%</b>	<b>125.0</b>	<b>134.5</b>	<b>142.6</b>	<b>7.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				2.3			7.7	8.5	8.5		
<b>Economic classification</b>											
<b>Current payments</b>	<b>92.8</b>	<b>96.6</b>	<b>100.3</b>	<b>112.0</b>	<b>6.5%</b>	<b>98.9%</b>	<b>124.3</b>	<b>133.9</b>	<b>141.9</b>	<b>8.2%</b>	<b>99.3%</b>
Compensation of employees	72.6	78.7	82.9	92.2	8.3%	80.4%	103.7	112.1	118.9	8.8%	82.8%
Goods and services <sup>1</sup>	20.2	17.9	17.4	19.7	-0.8%	18.5%	20.6	21.8	23.0	5.3%	16.5%
of which:											
Advertising	0.8	0.6	0.5	1.0	8.0%	0.7%	1.2	1.3	1.4	12.9%	0.9%
Communication	4.9	4.4	3.8	5.0	1.1%	4.5%	4.8	5.1	5.4	2.2%	3.9%
Contractors	1.2	0.8	0.8	0.8	-15.0%	0.9%	1.1	1.2	1.3	19.0%	0.9%
Fleet services (including government motor transport)	1.8	1.2	1.0	0.7	-28.0%	1.2%	0.9	0.9	1.0	14.0%	0.7%
Travel and subsistence	7.9	7.7	8.4	8.0	0.3%	7.9%	7.5	7.9	8.3	1.2%	6.1%
Operating payments	1.2	0.7	0.6	1.1	-2.3%	0.9%	1.3	1.3	1.5	10.7%	1.0%
Transfers and subsidies <sup>1</sup>	0.3	0.9	0.1	0.5	23.0%	0.4%	0.0	0.0	0.0	-69.4%	0.1%
Households	0.3	0.9	0.1	0.5	23.6%	0.4%	-	-	-	-100.0%	0.1%
Payments for capital assets	0.3	0.5	0.7	1.1	54.2%	0.6%	0.6	0.6	0.6	-17.9%	0.6%
Machinery and equipment	0.3	0.5	0.7	1.1	54.2%	0.6%	0.6	0.6	0.6	-17.9%	0.6%
Payments for financial assets	0.1	0.0	0.0	-	-100.0%	-	-	-	-	-	-
<b>Total</b>	<b>93.5</b>	<b>97.9</b>	<b>101.1</b>	<b>113.6</b>	<b>6.7%</b>	<b>100.0%</b>	<b>125.0</b>	<b>134.5</b>	<b>142.6</b>	<b>7.9%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	25.6%	25.8%	25.7%	26.8%	-	-	28.3%	28.5%	28.5%	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

### Independent Communications Authority of South Africa

#### Mandate

The Independent Communications Authority of South Africa was established by the Independent Communications Authority of South Africa Act (2000) to regulate the South African communications, broadcasting and postal services sectors. The regulator's mandate is defined in the Electronic Communications Act (2005) as licensing and regulating electronic communications and broadcasting services, and in the Postal Services Act (1998) as regulating the postal services sector. Enabling legislation also empowers the regulator to monitor licensee compliance with licence terms and conditions, develop regulations for the three sectors, plan and manage the radio frequency spectrum, and protect consumers in relation to these services.

#### Selected performance indicators

**Table 3.24 Independent Communications Authority of South Africa performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Access to high-demand spectrum from 566.695 megahertz (MHz) to 958 MHz per year <sup>1</sup>	Licensing	Outcome 14: Nation building and social cohesion	566.695 MHz	810 MHz	850.305 MHz	958 MHz	958 MHz	958 MHz	958 MHz
Number of electronic communications services per year	Licensing		475	515	545	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>
Number of new spectrum licences issued per year	Licensing		5 022	7 072	9 172	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>

**Table 3.24 Independent Communications Authority of South Africa performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of community television licences issued per year	Licensing	Outcome 14: Nation building and social cohesion	0	0	0	0	0	14	13
Number of tariff analysis reports produced <sup>1</sup>	Policy research and analysis		- <sup>3</sup>	3	3	2	2	2	2
Percentage of consumer complaints resolved per year	Compliance and consumer affairs		91% (4 095/ 4 500)	92% (4 324/ 4 700)	93% (5 706/ 6 115)	85%	85%	85%	85%
Number of broadcasting licensees monitored per year	Compliance and consumer affairs		64	69	71	60	65	70	75
Number of economic communications network service licensees monitored per year	Compliance and consumer affairs		55	94	100	60	65	70	75
Number of high-site investigations conducted per year	Regions		1 220	1 748	1 250	1 300	1 350	- <sup>2</sup>	- <sup>2</sup>

1. Old indicator selected for publication in the 2019 Estimates of National Expenditure.

2. Indicator discontinued.

3. No historical data available.

### Expenditure analysis

Over the medium term, the Independent Communications Authority of South Africa intends to focus on increasing access to wireless broadband services to meet demand; protecting consumers against unfair practices by service providers; increasing competition in the telecommunications and broadcasting sector; and developing a framework for dynamic spectrum management.

To meet the demand for wireless broadband services, the regulator plans to obtain inputs from the South African 5G Forum, which the authority established in 2018/19 to investigate the uptake of 5G systems, as well as update the national radio frequency plan after the world radiocommunication conference in 2019. It is also expected to employ regulations for television white space (unused broadcasting frequencies in the wireless spectrum that can be used to deliver widespread broadband internet) as a first step to providing broadband services on a secondary basis in the 470-694 MHz band.

Over the medium term, the regulator plans to continue monitoring services provided by network operators in order to promote quality service delivery and protect consumers. Maintaining access to the high-demand spectrum at 958 MHz is expected to promote the investment and deployment of infrastructure in the sector over the MTEF period. Access to spectrum will enable licensees to roll out wireless broadband infrastructure.

The regulator receives 95.6 per cent (R1.4 billion) of its revenue over the MTEF period from transfers from the department. Total expenditure is expected to increase at an annual average rate of 3.7 per cent, from R472.6 million in 2018/19 to R527.5 million in 2021/22.

### Programmes/Objectives/Activities

**Table 3.25 Independent Communications Authority of South Africa expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administration	295.0	315.4	270.8	252.3	-5.1%	65.4%	244.6	258.3	272.6	2.6%	52.1%
Licensing	42.7	47.4	52.5	61.4	12.9%	11.6%	63.8	67.3	71.0	5.0%	13.3%
Engineering and technology	11.8	16.2	18.3	21.0	21.2%	3.8%	21.9	23.1	24.3	5.0%	4.6%
Policy research and analysis	15.4	20.7	22.5	29.5	24.1%	5.0%	30.6	32.3	34.1	5.0%	6.4%
Compliance and consumer affairs	20.0	29.7	31.0	30.9	15.7%	6.3%	32.1	33.9	35.8	5.0%	6.7%
Regions	-	-	69.6	77.5	-	7.8%	80.5	84.9	89.6	5.0%	16.8%
<b>Total</b>	<b>384.9</b>	<b>429.4</b>	<b>464.7</b>	<b>472.6</b>	<b>7.1%</b>	<b>100.0%</b>	<b>473.6</b>	<b>499.8</b>	<b>527.5</b>	<b>3.7%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

**Table 3.26 Independent Communications Authority of South Africa statements of historical financial performance and position**

Statement of financial performance		Budget		Audited outcome		Budget		Audited outcome		Budget estimate		Revised estimate		Average: Outcome/Budget (%)
R million		2015/16		2016/17		2017/18		2018/19		2018/19		2018/19		2015/16 - 2018/19
<b>Revenue</b>														
Non-tax revenue	10.0	22.1	11.0	24.4	27.0	19.4	28.6	19.8						111.9%
Other non-tax revenue	10.0	22.1	11.0	24.4	27.0	19.4	28.6	19.8						111.9%
Transfers received	393.6	418.8	414.5	431.4	430.4	432.2	444.0	444.0						102.6%
<b>Total revenue</b>	<b>403.6</b>	<b>440.9</b>	<b>425.5</b>	<b>455.8</b>	<b>457.4</b>	<b>451.6</b>	<b>472.5</b>	<b>463.8</b>						<b>103.0%</b>
<b>Expenses</b>														
Current expenses	392.3	384.9	414.5	429.4	458.0	464.7	465.6	472.6						101.2%
Compensation of employees	253.7	221.6	242.3	244.8	285.2	290.1	298.7	308.5						98.6%
Goods and services	120.6	147.8	155.7	167.2	154.7	157.4	147.6	144.1						106.6%
Depreciation	18.0	15.5	16.5	17.3	18.2	17.2	19.2	20.0						97.2%
Interest, dividends and rent on land	–	0.0	–	0.1	–	0.0	–	0.0						–
<b>Total expenses</b>	<b>392.3</b>	<b>384.9</b>	<b>414.5</b>	<b>429.4</b>	<b>458.0</b>	<b>464.7</b>	<b>465.6</b>	<b>472.6</b>						<b>101.2%</b>
<b>Surplus/(Deficit)</b>	<b>11.0</b>	<b>56.0</b>	<b>11.0</b>	<b>26.0</b>	<b>(1.0)</b>	<b>(13.0)</b>	<b>7.0</b>	<b>(9.0)</b>						
<b>Statement of financial position</b>														
Carrying value of assets	203.0	120.9	197.3	141.4	171.8	134.4	181.7	181.7						76.7%
<i>of which:</i>														
Acquisition of assets	(9.3)	(28.2)	(9.8)	(40.6)	(33.0)	(14.7)	(33.6)	(33.6)						136.6%
Inventory	0.6	0.6	0.6	0.5	0.5	0.7	0.5	0.5						106.6%
Receivables and prepayments	8.3	756.0	8.6	822.4	853.6	866.0	903.1	903.1						188.7%
Cash and cash equivalents	23.5	711.2	23.5	755.0	783.6	633.2	829.1	829.1						176.4%
<b>Total assets</b>	<b>235.4</b>	<b>1 588.7</b>	<b>230.0</b>	<b>1 719.2</b>	<b>1 809.5</b>	<b>1 634.3</b>	<b>1 914.5</b>	<b>1 914.5</b>						<b>163.7%</b>
Accumulated surplus/(deficit)	198.9	282.5	190.6	301.7	313.1	162.1	331.3	331.3						104.2%
Finance lease	2.3	1.0	1.4	0.6	2.3	0.3	2.5	2.5						53.3%
Trade and other payables	4.5	1 287.5	5.0	1 397.2	1 473.6	1 444.6	1 559.1	1 559.1						187.0%
Provisions	29.7	17.6	33.0	19.7	20.4	27.3	21.6	21.6						82.3%
<b>Total equity and liabilities</b>	<b>235.4</b>	<b>1 588.7</b>	<b>230.0</b>	<b>1 719.2</b>	<b>1 809.5</b>	<b>1 634.3</b>	<b>1 914.5</b>	<b>1 914.5</b>						<b>163.7%</b>

## Statements of estimates of financial performance and position

**Table 3.27 Independent Communications Authority of South Africa statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million		2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	2018/19 - 2021/22
<b>Revenue</b>								
Non-tax revenue	19.8	-3.5%	4.7%	20.9	22.1	23.3	5.5%	4.4%
Other non-tax revenue	19.8	-3.5%	4.7%	20.9	22.1	23.3	5.5%	4.4%
Transfers received	444.0	2.0%	95.3%	452.6	477.7	504.2	4.3%	95.6%
<b>Total revenue</b>	<b>463.8</b>	<b>1.7%</b>	<b>100.0%</b>	<b>473.6</b>	<b>499.8</b>	<b>527.5</b>	<b>4.4%</b>	<b>100.0%</b>
<b>Expenses</b>								
Current expenses	472.6	7.1%	100.0%	473.6	499.8	527.5	3.7%	100.0%
Compensation of employees	308.5	11.7%	60.6%	315.9	333.2	351.6	4.4%	66.3%
Goods and services	144.1	-0.8%	35.4%	137.7	145.4	153.6	2.1%	29.4%
Depreciation	20.0	8.8%	4.0%	20.0	21.1	22.3	3.8%	4.2%
Interest, dividends and rent on land	0.0	-18.1%	0.0%	0.0	0.0	0.0	3.8%	0.0%
<b>Total expenses</b>	<b>472.6</b>	<b>7.1%</b>	<b>100.0%</b>	<b>473.6</b>	<b>499.8</b>	<b>527.5</b>	<b>3.7%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(9.0)</b>			<b>–</b>	<b>–</b>	<b>–</b>		
<b>Statement of financial position</b>								
Carrying value of assets	181.7	14.6%	8.4%	166.9	176.1	179.5	-0.4%	8.7%
<i>of which:</i>								
Acquisition of assets	(33.6)	6.1%	-1.7%	(11.6)	(12.3)	(5.5)	-45.3%	-0.8%
Inventory	0.5	-2.5%	0.0%	0.6	0.6	0.6	3.7%	0.0%
Receivables and prepayments	903.1	6.1%	48.9%	953.7	1 006.2	999.6	3.4%	47.5%
Cash and cash equivalents	829.1	5.2%	42.7%	875.5	923.7	930.0	3.9%	43.8%
<b>Total assets</b>	<b>1 914.5</b>	<b>6.4%</b>	<b>100.0%</b>	<b>1 996.7</b>	<b>2 106.5</b>	<b>2 109.7</b>	<b>3.3%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	331.3	5.5%	15.6%	349.9	369.1	378.4	4.5%	17.6%
Finance lease	2.5	33.0%	0.1%	2.6	2.7	2.7	3.2%	0.1%
Trade and other payables	1 559.1	6.6%	83.0%	1 621.4	1 710.6	1 701.6	3.0%	81.1%
Provisions	21.6	7.1%	1.3%	22.8	24.1	27.0	7.7%	1.2%
<b>Total equity and liabilities</b>	<b>1 914.5</b>	<b>6.4%</b>	<b>100.0%</b>	<b>1 996.7</b>	<b>2 106.5</b>	<b>2 109.7</b>	<b>3.3%</b>	<b>100.0%</b>

## Personnel information

**Table 3.28 Independent Communications Authority of South Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019			Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number						
Number of funded posts	Number of posts on approved establishment	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
			2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22				
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost							
Independent Communications Authority of South Africa			354	354	361	290.1	0.8	354	308.5	0.9	356	315.9	0.9	356	333.2	0.9	356	351.6	1.0	4.4%	100.0%
Salary level	354	354	361	290.1	0.8	354	308.5	0.9	356	315.9	0.9	356	333.2	0.9	356	351.6	1.0	4.4%	100.0%		
1-6	3	3	3	5.4	1.8	3	5.8	1.9	3	5.9	2.0	3	6.2	2.1	3	6.6	2.2	4.4%	0.8%		
7-10	209	209	216	129.7	0.6	209	138.0	0.7	211	141.2	0.7	211	149.0	0.7	211	157.2	0.7	4.4%	59.2%		
11-12	92	92	92	81.9	0.9	92	87.1	0.9	92	89.2	1.0	92	94.1	1.0	92	99.2	1.1	4.4%	25.9%		
13-16	49	49	49	70.7	1.4	49	75.2	1.5	49	77.0	1.6	49	81.2	1.7	49	85.7	1.7	4.4%	13.8%		
17-22	1	1	1	2.4	2.4	1	2.5	2.5	1	2.6	2.6	1	2.7	2.7	1	2.9	2.9	4.4%	0.3%		

1. Rand million.

## South African Broadcasting Corporation

### Mandate

The South African Broadcasting Corporation is listed as a schedule 2 public entity in terms of the Public Finance Management Act (1999). Its mandate is set out in its charter and in the Broadcasting Act (1999), and requires the corporation to provide radio and television broadcasting services to South Africa.

### Selected performance indicators

**Table 3.29 South African Broadcasting Corporation performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
Number of new/additional programmes broadcast with sign language per year	Local content delivery: Television	Outcome 12: An efficient, effective and development-oriented public service	3	3	-1	-1	-1	-1	-1
Number of companies controlled/owned by people with disabilities from which content was procured per year	Local content delivery: Television		3	2	-1	-1	-1	-1	-1
Number of provincial programmes and inserts broadcast per year	Local content delivery: Television		26	100	-1	-1	-1	-1	-1
Number of provincial programmes broadcast across SABC television channels per year <sup>3</sup>	Local content delivery: Television	Outcome 14: Nation building and social cohesion	-2	1	1	10	12	14	14
Percentage of local content quotas achieved for SABC 1 per year as set out by the Independent Communications Authority of South Africa <sup>3,4</sup>	Local content delivery: Television		76% (239 016 minutes / 314 496 minutes)	80% (251 596 minutes / 314 496 minutes)	73% (229 582 minutes / 314 496 minutes)	55%	55%	55%	55%
Percentage of local content quotas achieved for SABC 2 per year set out by the Independent Communications Authority of South Africa <sup>3,4</sup>	Local content delivery: Television		60% (188 697 minutes / 314 496 minutes)	67% (210 712 minutes / 314 496 minutes)	71% (223 292 minutes / 314 496 minutes)	55%	55%	55%	55%
Percentage of local content quotas achieved for SABC 3 per year as set out by the Independent Communications Authority of South Africa <sup>3,4</sup>	Local content delivery: Television		37% (116 363 minutes / 314 496 minutes)	53% (166 682 minutes / 314 496 minutes)	52% (163 537 minutes / 314 496 minutes)	35%	45%	45%	45%

1. Indicator discontinued.

2. No historical data available.

3. New indicator.

4. Overachievement was driven by an increase in local content produced and acquired by the corporation.

### Expenditure analysis

Over the medium term, the South African Broadcasting Corporation plans to focus on improving the quality, diversity and accessibility of content; embracing diversity by acquiring or producing content from various demographic groups; and ensuring its long-term financial sustainability. To improve content over the MTEF period, the corporation aims to continue producing editorially independent news and current affairs content, and acquiring local and international television programmes. In addition, over the MTEF period, the corporation plans to facilitate diverse programming by acquiring or producing content that represents all demographic groups and that portrays the African continent in a positive light. To further broaden diversity, it intends to broadcast 40 provincial programmes across its television channels. The corporation intends to broadcast 55 per cent local content on SABC 1 and SABC 2, and 45 per cent local content on SABC 3. It will also continue to broadcast all sporting codes of national interest. Total spending on local content for television

over the MTEF period is expected to be R7.2 billion, while total spending on local content for radio over the same period is expected to be R2.6 billion.

The corporation expects to generate 97.5 per cent (R23.7 billion) of its revenue over the medium term from licence fees, advertising, and sports sponsorship across television, radio and online platforms. Transfers from the department account for 2.6 per cent (R630.5 million) of its revenue over this period. Total revenue is expected to increase at an average annual rate of 4.3 per cent, from R7.4 billion in 2018/19 to R8.4 billion in 2021/22. Expenditure is expected to increase at an average rate of 0.8 per cent, from R7.8 billion in 2018/19 to R8 billion in 2021/22. This low increase in expenditure is due to the continued implementation of austerity measures as part of the corporation's turnaround strategy. Much of the corporation's budget is spent on compensation of employees, which is expected to increase at an average rate of 5.5 per cent, from R2.8 billion in 2018/19 to R3.3 billion in 2021/22.

### Programmes/Objectives/Activities

**Table 3.30 South African Broadcasting Corporation expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22		
Administration	1 845.3	1 661.3	1 748.1	1 653.2	-3.6%	22.1%	1 876.8	1 720.0	1 737.2	1.7%	22.2%
Local content delivery:	2 729.3	2 604.4	2 269.2	2 554.6	-2.2%	32.4%	2 283.6	2 480.6	2 435.2	-1.6%	31.0%
Television											
Local content delivery: Radio	1 098.2	747.7	925.8	920.5	-5.7%	11.8%	972.1	812.9	851.9	-2.5%	11.3%
Universal access transmitter rollout news	875.8	905.1	808.7	844.6	-1.2%	11.0%	891.9	860.9	912.7	2.6%	11.2%
Sports of national interest and mandate	885.4	887.3	674.8	821.2	-2.5%	10.4%	867.2	834.9	885.2	2.5%	10.8%
Digital terrestrial migration and technology	1 135.7	909.0	835.4	970.0	-5.1%	12.3%	1 024.3	1 080.7	1 140.1	5.5%	13.4%
<b>Total</b>	<b>8 569.7</b>	<b>7 714.7</b>	<b>7 261.9</b>	<b>7 764.2</b>	<b>-3.2%</b>	<b>100.0%</b>	<b>7 915.8</b>	<b>7 790.0</b>	<b>7 962.3</b>	<b>0.8%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 3.31 South African Broadcasting Corporation statements of historical financial performance and position**

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget	2015/16	Budget	2016/17	Budget	2017/18			
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>8 266.5</b>	<b>7 945.9</b>	<b>9 032.4</b>	<b>6 560.7</b>	<b>7 358.0</b>	<b>6 430.5</b>	<b>7 638.1</b>	<b>7 242.9</b>	<b>87.3%</b>
Sale of goods and services other than capital assets	7 341.6	7 287.8	8 317.8	6 298.4	6 887.2	5 881.3	7 143.5	6 797.3	88.5%
of which:									
Administrative fees	1 040.7	986.4	1 147.0	915.1	1 055.0	941.4	1 072.9	1 072.0	90.7%
Sales by market establishment	6 300.8	6 301.4	7 170.8	5 383.3	5 832.2	4 940.0	6 070.6	5 725.3	88.1%
Other non-tax revenue	924.9	658.2	714.7	262.3	470.8	549.2	494.5	445.5	73.5%
<b>Transfers received</b>	<b>194.7</b>	<b>212.1</b>	<b>233.0</b>	<b>253.5</b>	<b>233.4</b>	<b>209.7</b>	<b>187.4</b>	<b>187.4</b>	<b>101.7%</b>
<b>Total revenue</b>	<b>8 461.1</b>	<b>8 158.1</b>	<b>9 265.5</b>	<b>6 737.8</b>	<b>7 591.3</b>	<b>6 640.3</b>	<b>7 825.5</b>	<b>7 430.3</b>	<b>87.4%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>8 367.8</b>	<b>8 724.2</b>	<b>9 255.7</b>	<b>7 726.1</b>	<b>7 440.8</b>	<b>7 287.5</b>	<b>7 586.3</b>	<b>7 764.2</b>	<b>96.5%</b>
Compensation of employees	2 676.0	3 264.8	2 999.8	3 117.6	2 983.9	3 127.9	3 013.9	2 821.1	105.6%
Goods and services	5 407.0	5 203.6	6 005.3	3 830.1	4 178.2	3 525.7	4 373.3	4 667.2	86.3%
Depreciation	270.1	201.6	237.5	765.3	233.3	618.5	199.1	271.2	197.5%
Interest, dividends and rent on land	14.6	54.2	13.1	13.1	45.5	15.4	-	4.6	119.3%
<b>Transfers and subsidies</b>	<b>74.2</b>	<b>7.9</b>	<b>6.4</b>	<b>(11.4)</b>	<b>(5.0)</b>	<b>(25.5)</b>	<b>-</b>	<b>-</b>	<b>-38.4%</b>
<b>Total expenses</b>	<b>8 442.0</b>	<b>8 569.7</b>	<b>9 262.1</b>	<b>7 714.7</b>	<b>7 435.8</b>	<b>7 261.9</b>	<b>7 586.3</b>	<b>7 764.2</b>	<b>95.7%</b>
<b>Surplus/(Deficit)</b>	<b>19.0</b>	<b>(412.0)</b>	<b>3.0</b>	<b>(977.0)</b>	<b>156.0</b>	<b>(622.0)</b>	<b>239.0</b>	<b>(334.0)</b>	
Statement of financial position									
Carrying value of assets	1 489.3	1 694.5	1 812.2	1 790.2	1 873.8	1 708.5	1 920.6	1 774.3	98.2%
of which:									
Acquisition of assets	(650.2)	(323.9)	(432.2)	(313.5)	(240.0)	(145.1)	(350.0)	(350.0)	67.7%
Investments	156.9	11.1	158.7	4.7	10.9	16.5	12.1	4.8	11.0%
Inventory	652.7	761.8	786.2	773.8	841.5	761.8	930.4	862.8	98.4%
Receivables and prepayments	1 599.9	1 248.9	1 476.9	860.6	894.0	883.5	936.2	965.9	80.7%
Cash and cash equivalents	1 200.7	874.7	900.0	81.7	0.0	130.5	(1.5)	317.9	66.9%

**Table 3.31 South African Broadcasting Corporation statements of historical financial performance and position**

Statement of financial position		2015/16		2016/17		2017/18		2018/19		Average: Outcome/ Budget (%)
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	2015/16 - 2018/19	
Defined benefit plan assets	–	805.4	–	1 333.7	1 600.5	852.9	1 490.5	1 333.7	139.9%	
Taxation	–	113.9	–	–	–	–	–	–	–	
Derivatives financial instruments	8.2	9.8	13.8	9.7	–	12.2	–	11.9	197.6%	
<b>Total assets</b>	<b>5 107.7</b>	<b>5 520.1</b>	<b>5 148.0</b>	<b>4 854.3</b>	<b>5 220.7</b>	<b>4 366.0</b>	<b>5 288.4</b>	<b>5 271.3</b>	<b>96.4%</b>	
Accumulated surplus/(deficit)	1 962.0	2 448.5	2 001.3	2 057.8	2 287.9	871.2	2 527.1	1 340.2	76.5%	
Capital and reserves	7.0	8.3	11.8	8.1	10.2	10.1	11.3	10.0	90.8%	
Capital reserve fund	341.5	400.3	270.7	328.6	368.2	314.4	307.1	265.7	101.7%	
Borrowings	–	2.6	32.2	–	330.2	–	69.2	1 333.6	309.6%	
Finance lease	–	0.7	–	56.5	43.3	44.6	30.1	30.1	179.9%	
Deferred income	204.1	49.1	106.0	84.3	103.0	65.8	134.4	56.0	46.6%	
Trade and other payables	1 134.5	852.8	737.3	746.3	768.0	1 336.6	546.2	401.5	104.7%	
Taxation	–	281.4	–	19.8	(112.8)	97.0	57.8	19.9	-760.3%	
Provisions	257.3	1 449.0	1 961.3	1 525.5	1 402.0	1 605.4	1 587.4	1 786.9	122.2%	
Managed funds (e.g. poverty alleviation fund)	1 173.9	–	–	–	–	–	–	–	–	
Derivatives financial instruments	27.4	27.4	27.4	27.4	20.8	20.8	17.9	27.4	110.2%	
<b>Total equity and liabilities</b>	<b>5 107.7</b>	<b>5 520.1</b>	<b>5 148.0</b>	<b>4 854.3</b>	<b>5 220.7</b>	<b>4 366.0</b>	<b>5 288.4</b>	<b>5 271.3</b>	<b>96.4%</b>	

**Statements of estimates of financial performance and position****Table 3.32 South African Broadcasting Corporation statements of estimates of financial performance and position**

Statement of financial performance		Average: growth rate (%)		Average: Expenditure/ Total (%)		Medium-term estimate			Average: growth rate (%)		Average: Expenditure/ Total (%)	
R million	Revised estimate	2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22				
<b>Revenue</b>												
<b>Non-tax revenue</b>	<b>7 242.9</b>	<b>-3.0%</b>	<b>97.3%</b>	<b>7 550.3</b>	<b>7 938.7</b>	<b>8 204.3</b>	<b>4.2%</b>	<b>97.4%</b>				
Sale of goods and services other than capital assets	6 797.3	-2.3%	90.7%	7 087.3	7 457.6	7 704.4	4.3%	91.5%				
<i>of which:</i>												
Administrative fees	1 072.0	2.8%	13.6%	1 074.1	1 076.3	1 078.4	0.2%	13.6%				
Sales by market establishment	5 725.3	-3.1%	77.1%	6 013.2	6 381.3	6 625.9	5.0%	77.9%				
Other non-tax revenue	445.5	-12.2%	6.6%	463.0	481.1	499.9	3.9%	6.0%				
<b>Transfers received</b>	<b>187.4</b>	<b>-4.0%</b>	<b>3.0%</b>	<b>199.0</b>	<b>210.0</b>	<b>221.5</b>	<b>5.7%</b>	<b>2.6%</b>				
<b>Total revenue</b>	<b>7 430.3</b>	<b>-3.1%</b>	<b>100.0%</b>	<b>7 749.3</b>	<b>8 148.7</b>	<b>8 425.8</b>	<b>4.3%</b>	<b>100.0%</b>				
<b>Expenses</b>												
<b>Current expenses</b>	<b>7 764.2</b>	<b>-3.8%</b>	<b>100.6%</b>	<b>7 914.2</b>	<b>7 786.8</b>	<b>7 958.8</b>	<b>0.8%</b>	<b>100.0%</b>				
Compensation of employees	2 821.1	-4.8%	39.5%	2 979.1	3 143.0	3 315.8	5.5%	39.0%				
Goods and services	4 667.2	-3.6%	54.8%	4 645.4	4 339.8	4 322.3	-2.5%	57.2%				
Depreciation	271.2	10.4%	6.1%	286.4	302.1	318.7	5.5%	3.7%				
Interest, dividends and rent on land	4.6	-56.1%	0.3%	3.2	1.9	1.9	-25.5%	0.0%				
<b>Transfers and subsidies</b>	<b>–</b>	<b>-100.0%</b>	<b>-0.1%</b>	<b>1.6</b>	<b>3.3</b>	<b>3.5</b>	<b>–</b>	<b>0.0%</b>				
<b>Total expenses</b>	<b>7 764.2</b>	<b>-3.2%</b>	<b>100.0%</b>	<b>7 915.8</b>	<b>7 790.0</b>	<b>7 962.3</b>	<b>0.8%</b>	<b>100.0%</b>				
<b>Surplus/(Deficit)</b>	<b>(334.0)</b>			<b>(166.0)</b>	<b>359.0</b>	<b>463.0</b>						
<b>Statement of financial position</b>												
Carrying value of assets	1 774.3	1.5%	35.1%	1 714.2	1 687.3	1 768.6	-0.1%	29.5%				
<i>of which:</i>												
Acquisition of assets	(350.0)	2.6%	-5.6%	(350.0)	(350.0)	(350.0)	–	-5.9%				
Investments	4.8	-24.6%	0.2%	4.8	4.8	4.8	–	0.1%				
Inventory	862.8	4.2%	15.9%	909.2	958.1	958.1	3.6%	15.6%				
Receivables and prepayments	965.9	-8.2%	19.7%	1 059.7	1 142.7	1 142.7	5.8%	18.2%				
Cash and cash equivalents	317.9	-28.6%	6.6%	601.0	950.9	1 528.2	68.8%	13.7%				
Defined benefit plan assets	1 333.7	18.3%	21.7%	1 333.7	1 333.7	1 333.7	–	22.7%				
Derivatives financial instruments	11.9	6.7%	0.2%	13.2	14.7	14.7	7.2%	0.2%				
<b>Total assets</b>	<b>5 271.3</b>	<b>-1.5%</b>	<b>100.0%</b>	<b>5 635.8</b>	<b>6 092.2</b>	<b>6 750.8</b>	<b>8.6%</b>	<b>100.0%</b>				
Accumulated surplus/(deficit)	1 340.2	-18.2%	33.0%	1 276.6	1 836.4	2 498.8	23.1%	28.8%				
Capital and reserves	10.0	6.8%	0.2%	12.0	13.2	12.4	7.2%	0.2%				
Capital reserve fund	265.7	-12.8%	6.6%	147.1	112.2	112.2	-25.0%	2.8%				
Borrowings	1 333.6	696.8%	6.3%	1 405.5	1 294.2	1 294.2	-1.0%	22.7%				
Finance lease	30.1	244.4%	0.7%	16.8	3.9	–	-100.0%	0.2%				
Deferred income	56.0	4.5%	1.3%	58.5	61.1	61.1	2.9%	1.0%				
Trade and other payables	401.5	-22.2%	17.3%	882.1	899.2	899.2	30.8%	12.8%				
Taxation	19.9	-58.6%	2.0%	–	–	–	-100.0%	0.1%				
Provisions	1 786.9	7.2%	32.1%	1 819.7	1 854.6	1 854.6	1.2%	31.0%				
Derivatives financial instruments	27.4	–	0.5%	17.4	17.4	18.2	-12.7%	0.3%				
<b>Total equity and liabilities</b>	<b>5 271.3</b>	<b>-1.5%</b>	<b>100.0%</b>	<b>5 635.8</b>	<b>6 092.2</b>	<b>6 750.8</b>	<b>8.6%</b>	<b>100.0%</b>				

**Personnel information**

**Table 3.33 South African Broadcasting Corporation personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019			Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment														Number		
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate								Average growth rate (%)	Average: Salary level/Total (%)	
			2017/18			2018/19			2019/20		2020/21			2021/22					2018/19 - 2021/22
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost			
South African Broadcasting Corporation			3 562	3 127.9	0.9	3 635	2 821.1	0.8	3 635	2 979.1	0.8	3 635	3 143.0	0.9	3 635	3 315.8	0.9	5.5%	100.0%
Salary level																			
1 – 6	100	100	100	17.2	0.2	100	16.9	0.2	100	17.9	0.2	100	19.0	0.2	100	20.2	0.2	6.0%	2.8%
7 – 10	2 317	2 321	2 317	1 883.7	0.8	2 321	1 496.2	0.6	2 321	1 574.6	0.7	2 321	1 654.2	0.7	2 321	1 737.8	0.7	5.1%	63.9%
11 – 12	840	877	840	780.5	0.9	877	814.4	0.9	877	863.3	1.0	877	915.1	1.0	877	970.0	1.1	6.0%	24.1%
13 – 16	291	320	291	405.1	1.4	320	440.0	1.4	320	466.4	1.5	320	494.4	1.5	320	524.1	1.6	6.0%	8.8%
17 – 22	14	17	14	41.4	3.0	17	53.6	3.2	17	56.9	3.3	17	60.3	3.5	17	63.9	3.8	6.0%	0.5%

1. Rand million.

**Other entities**

Comprehensive coverage of the following public entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- **Brand South Africa** develops and implements a proactive and coordinated international marketing and communications strategy for South Africa to contribute to job creation and poverty reduction, and to attract inward investment, trade and tourism. The organisation’s total budget for 2019/20 is R218.9 million.
- **The Film and Publication Board** regulates and controls the creation, production, possession, exhibition and distribution of certain films, interactive computer games and publications in terms of the Films and Publications Act (1996). The board is also responsible for monitoring age restricted business premises for compliance with their licence and registration terms. The board’s total budget for 2019/20 is R110.4 million.
- **The Media Development and Diversity Agency** promotes media development and diversity to ensure that all citizens can access information in a language of their choice, and to transform media access, ownership and control patterns in South Africa. The agency’s total budget for 2019/20 is R69 million.



# Vote 4

## Cooperative Governance and Traditional Affairs

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	275.7	273.1	0.1	2.5	294.0	313.0
Regional and Urban Development and Legislative Support	966.6	45.4	921.2	–	1 055.4	1 136.3
Institutional Development	69 370.3	191.9	69 178.5	–	76 109.7	82 612.8
National Disaster Management Centre	761.2	98.2	660.3	2.6	602.6	636.1
Local Government Support and Intervention Management	15 259.8	99.7	15 160.1	–	16 120.7	17 317.3
Community Work Programme	4 084.1	4 084.1	–	–	4 311.6	4 577.2
<b>Total expenditure estimates</b>	<b>90 717.8</b>	<b>4 792.4</b>	<b>85 920.2</b>	<b>5.2</b>	<b>98 494.0</b>	<b>106 592.7</b>

Executive authority

Minister of Cooperative Governance and Traditional Affairs

Accounting officer

Director-General of Cooperative Governance and Director-General of Traditional Affairs

Website address

[www.cogta.gov.za](http://www.cogta.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Improve cooperative governance across the three spheres of government, in partnership with institutions of traditional leadership, to ensure that provinces and municipalities carry out their service delivery and development functions effectively.*

### Mandate

The Department of Cooperative Governance is mandated to: develop and monitor the implementation of national policy and legislation aimed at transforming and strengthening key institutions and mechanisms of governance in national, provincial and local government to fulfil their developmental role; develop, promote and monitor mechanisms, systems and structures to enable integrated service delivery and implementation within government; and promote sustainable development by providing support to and exercising oversight of provincial and local government. This mandate is derived from the following legislation:

- the Intergovernmental Relations Framework Act (2005)
- the Municipal Property Rates Act (2004)
- the Municipal Systems Act (2000)
- the Municipal Structures Act (1998)
- The Disaster Management Act (2002).

## Selected performance indicators

**Table 4.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of secondary cities supported to implement the integrated urban development framework per year	Regional and Urban Development and Legislative Support	Outcome 9: Responsive, accountable, effective and efficient developmental local government	- <sup>1</sup>	- <sup>1</sup>	3	4	6	6	6
Number of municipalities assessed and guided to comply with the rating criteria of the Municipal Property Rates Act (2004) per year	Institutional Development		- <sup>1</sup>	193	110	110	71	71	71
Percentage of municipalities spending on municipal infrastructure grant per year	Institutional Development		93% (R13.8bn/ R14.9bn)	90% (R13.4bn/ R14.9bn)	99% (R16.3bn/ R16.4bn)	100% (R15.3bn)	100% (R15.7bn)	100% (R16.6bn)	100% (R17.8bn)
Number of municipalities where Back to Basics interventions are being implemented per year	Local Government Support and Intervention Management		- <sup>1</sup>	36	47	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>
Number of Back to Basics municipal performance progress reports per year	Local Government Support and Intervention Management		- <sup>1</sup>	1	1	1	1	1	1
Number of work opportunities provided through the community work programme per year	Community Work Programme		197 000	234 823	264 041	259 157	247 466	247 466	247 466

1. No historical data available.

2. Indicator changed to align with departmental activities.

## Expenditure analysis

Chapter 13 of the National Development Plan (NDP) outlines a vision for building a capable and developmental state through interdepartmental coordination and strengthening local government. This vision is given expression by outcome 9 (responsive, accountable, effective and efficient developmental local government) of government's 2014-2019 medium-term strategic framework, with which the work of the Department of Cooperative Governance is closely aligned. Over the medium term the department intends to focus on facilitating access to sustainable basic services through municipal infrastructure, alleviating poverty through the community work programme, providing disaster relief and enhancing proactive disaster planning.

The department has a total budget of R295.8 billion over the medium term. Of this, R278.6 billion is allocated to transfers and subsidies to provinces and municipalities, mainly for the local government equitable share and the *municipal infrastructure grant*, which amount to R274.1 billion over the MTEF period. A projected R14.1 billion of the department's total budget over the medium term is allocated to goods and services, mainly for the payment of participants in the community work programme. Total expenditure is expected to increase at an average annual rate of 8.8 per cent, from R82.8 billion in 2018/19 to R106.6 billion in 2021/22.

The department anticipates an increase in personnel, from 491 in 2018/19 to 548 in 2021/22, across all programmes to strengthen its capacity for the implementation of the integrated urban development framework, and municipal support and reporting functions. As such, spending on compensation of employees is expected to increase at an annual average rate of 10.5 per cent, from R310 million in 2018/19 to R418.3 million in 2021/22.

### ***Providing and improving sustainable basic services***

The department administers the local government equitable share to municipalities to fund core municipal functions, and the operation and maintenance of basic services infrastructure such as water and sanitation, electricity, refuse removal, and sports and recreation facilities. The local government equitable share constitutes R226.8 billion of the total budget in the *Institutional Development* programme over the medium term. Spending in the programme is set to increase at an average annual rate of 10.7 per cent, from R69.4 billion in 2019/20 to R82.6 billion in 2021/22.

The *municipal infrastructure grant* is a conditional grant to municipalities to increase access to basic services. The grant accounts for R47.3 billion of the *Local Government Support and Intervention Management* programme's budget over the MTEF period, with allocations expected to increase at an average annual rate of 3.3 per cent, from R15.7 billion in 2018/19 to R17.3 billion in 2021/22. The Municipal Infrastructure Support Agent, a departmental entity with a total budget of R1.1 billion over the MTEF period, supports the capabilities of municipalities to develop infrastructure and improve spending effectiveness on the *municipal infrastructure grant*. Over the medium term, these units will address challenges related to planning, project implementation and management, and contracting.

### ***Alleviating poverty by creating employment***

The community work programme provides work opportunities through projects such as food gardens, home-based care and auxiliary care for vulnerable individuals. The programme, which is funded through the department's *Community Work Programme*, with a total budget of R13 billion over the MTEF period, mostly providing bridging opportunities for unemployed youth and women who are actively seeking employment, and prioritises labour-intensive activities. Spending in the programme is set to increase at an average annual rate of 5.8 per cent, from R3.9 billion in 2018/19 to R4.6 billion in 2021/22.

An estimated 70 per cent (R9.1 billion) of the programme's total budget over the medium term is used for worker wages, and the remaining 30 per cent (R3.9 billion) for items such as tools and materials, protective clothing, training and technical support, and project management on site and through the department. The community work programme is implemented in 208 sites across 201 municipalities, and is expected to lead to the creation of 247 466 work opportunities each year over the medium term.

### ***Providing disaster relief and enhancing proactive disaster planning***

The *provincial disaster relief grant* and the *municipal disaster relief grant* are designed for the immediate release of funds for emergency repairs to infrastructure for basic services, the provision of temporary infrastructure, humanitarian relief, and other immediate essential services after a classified and declared state of disaster. These grants account for a projected R1.5 billion of total expenditure in the *National Disaster Management Centre* programme over the MTEF period.

In 2018/19, the department was allocated an additional R1.2 billion to provide immediate drought relief and future mitigation funding to affected sectors such as water, agriculture and environmental affairs. Given this once-off allocation, spending in the *National Disaster Management Centre* programme is set to decrease at an average annual rate of 31.4 per cent, from R2 billion in 2018/19 to R636.1 million in 2021/22.

## Expenditure trends

Table 4.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Regional and Urban Development and Legislative Support														
3. Institutional Development														
4. National Disaster Management Centre														
5. Local Government Support and Intervention Management														
6. Community Work Programme														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	236.5	228.6	236.5	266.5	263.7	267.3	247.3	244.3	260.4	258.6	278.5	278.5	103.4%	102.7%
Programme 2	76.2	76.2	93.0	397.0	423.6	389.3	210.3	248.6	232.4	103.5	104.4	104.4	104.1%	96.0%
Programme 3	65 898.4	67 407.6	49 818.6	52 887.7	52 888.0	50 931.0	57 372.8	57 373.1	55 899.1	63 111.5	63 114.7	60 901.3	90.9%	90.4%
Programme 4	606.8	606.8	258.2	598.9	588.9	295.3	521.9	548.1	492.4	592.2	1 967.7	1 967.7	129.9%	81.2%
Programme 5	120.4	120.4	15 317.1	15 652.8	15 666.5	15 598.2	16 366.4	16 409.8	16 361.9	15 716.2	15 708.1	15 708.1	131.6%	131.5%
Programme 6	2 375.9	2 375.9	2 374.2	3 191.2	3 191.2	2 371.1	3 695.9	3 640.1	3 115.8	3 869.9	3 863.7	3 863.7	89.3%	89.7%
<b>Total</b>	<b>69 314.2</b>	<b>70 815.5</b>	<b>68 097.5</b>	<b>72 994.0</b>	<b>73 021.9</b>	<b>69 852.2</b>	<b>78 414.5</b>	<b>78 463.9</b>	<b>76 362.0</b>	<b>83 651.9</b>	<b>85 037.0</b>	<b>82 823.6</b>	<b>97.6%</b>	<b>96.7%</b>
Change to 2018 Budget estimate	1 385.1													
Economic classification														
<b>Current payments</b>	<b>2 808.6</b>	<b>2 811.5</b>	<b>2 759.6</b>	<b>3 801.7</b>	<b>3 826.5</b>	<b>2 815.7</b>	<b>4 346.2</b>	<b>4 275.6</b>	<b>3 596.2</b>	<b>3 532.4</b>	<b>4 495.3</b>	<b>4 495.3</b>	<b>94.3%</b>	<b>88.7%</b>
Compensation of employees	271.8	271.8	258.3	320.5	320.5	272.4	338.9	307.6	288.1	339.5	310.0	310.0	88.8%	93.3%
Goods and services	2 536.8	2 539.7	2 501.3	3 481.2	3 505.9	2 543.3	4 007.2	3 967.9	3 308.1	3 192.9	4 185.3	4 185.3	94.9%	88.3%
<b>Transfers and subsidies</b>	<b>66 497.8</b>	<b>67 997.4</b>	<b>65 290.9</b>	<b>69 185.0</b>	<b>69 188.0</b>	<b>67 027.0</b>	<b>74 060.8</b>	<b>74 180.7</b>	<b>72 747.7</b>	<b>80 111.8</b>	<b>80 533.9</b>	<b>78 320.4</b>	<b>97.8%</b>	<b>97.1%</b>
Provinces and municipalities	66 007.2	67 506.1	64 799.2	68 301.7	68 301.7	66 178.5	73 439.1	73 493.1	72 094.6	78 513.8	79 922.2	77 708.7	98.1%	97.1%
Departmental agencies and accounts	478.5	484.9	484.9	567.4	570.4	574.6	608.4	622.9	622.9	582.4	594.4	594.4	101.8%	100.2%
Foreign governments and international organisations	–	–	–	–	–	–	1.3	1.3	1.2	1.9	1.9	1.9	97.2%	97.2%
Non-profit institutions	12.1	6.3	6.3	6.6	6.6	9.1	12.1	18.0	18.0	1 013.6	14.9	14.9	4.6%	105.5%
Households	–	0.1	0.5	309.3	309.3	264.8	–	45.5	11.1	–	0.4	0.4	89.5%	77.9%
<b>Payments for capital assets</b>	<b>7.8</b>	<b>6.5</b>	<b>46.1</b>	<b>7.3</b>	<b>7.3</b>	<b>9.3</b>	<b>7.5</b>	<b>7.5</b>	<b>17.9</b>	<b>7.8</b>	<b>7.8</b>	<b>7.8</b>	<b>266.8%</b>	<b>278.4%</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	0.3	–	–	–	–	–
Machinery and equipment	7.8	6.5	46.1	7.3	7.3	9.3	7.5	7.5	17.6	7.8	7.8	7.8	265.8%	277.3%
<b>Payments for financial assets</b>	<b>–</b>	<b>0.1</b>	<b>0.9</b>	<b>–</b>	<b>0.1</b>	<b>0.2</b>	<b>–</b>	<b>0.1</b>	<b>0.2</b>	<b>–</b>	<b>0.1</b>	<b>0.1</b>	<b>–</b>	<b>400.3%</b>
<b>Total</b>	<b>69 314.2</b>	<b>70 815.5</b>	<b>68 097.5</b>	<b>72 994.0</b>	<b>73 021.9</b>	<b>69 852.2</b>	<b>78 414.5</b>	<b>78 463.9</b>	<b>76 362.0</b>	<b>83 651.9</b>	<b>85 037.0</b>	<b>82 823.6</b>	<b>97.6%</b>	<b>96.7%</b>

## Expenditure estimates

**Table 4.3 Vote expenditure estimates by programme and economic classification**

Programmes								
1. Administration								
2. Regional and Urban Development and Legislative Support								
3. Institutional Development								
4. National Disaster Management Centre								
5. Local Government Support and Intervention Management								
6. Community Work Programme								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	278.5	6.8%	0.4%	275.7	294.0	313.0	4.0%	0.3%
Programme 2	104.4	11.1%	0.3%	966.6	1 055.4	1 136.3	121.6%	0.9%
Programme 3	60 901.3	-3.3%	73.2%	69 370.3	76 109.7	82 612.8	10.7%	76.3%
Programme 4	1 967.7	48.0%	1.0%	761.2	602.6	636.1	-31.4%	1.0%
Programme 5	15 708.1	407.3%	21.2%	15 259.8	16 120.7	17 317.3	3.3%	17.0%
Programme 6	3 863.7	17.6%	3.9%	4 084.1	4 311.6	4 577.2	5.8%	4.4%
<b>Total</b>	<b>82 823.6</b>	<b>5.4%</b>	<b>100.0%</b>	<b>90 717.8</b>	<b>98 494.0</b>	<b>106 592.7</b>	<b>8.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				120.5	(13.6)	(14.7)		
Economic classification								
<b>Current payments</b>	<b>4 495.3</b>	<b>16.9%</b>	<b>4.6%</b>	<b>4 792.4</b>	<b>5 065.2</b>	<b>5 374.6</b>	<b>6.1%</b>	<b>5.2%</b>
Compensation of employees	310.0	4.5%	0.4%	365.4	392.8	418.3	10.5%	0.4%
Goods and services	4 185.3	18.1%	4.2%	4 427.0	4 672.4	4 956.4	5.8%	4.8%
<b>Transfers and subsidies</b>	<b>78 320.4</b>	<b>4.8%</b>	<b>95.4%</b>	<b>85 920.2</b>	<b>93 423.4</b>	<b>101 211.3</b>	<b>8.9%</b>	<b>94.8%</b>
Provinces and municipalities	77 708.7	4.8%	94.5%	85 306.9	92 775.0	100 525.5	9.0%	94.1%
Departmental agencies and accounts	594.4	7.0%	0.8%	597.8	632.0	668.2	4.0%	0.7%
Foreign governments and international organisations	1.9	-	0.0%	2.0	2.2	2.3	5.3%	0.0%
Non-profit institutions	14.9	33.3%	0.0%	13.5	14.2	15.3	0.9%	0.0%
Households	0.4	71.6%	0.1%	-	-	-	-100.0%	0.0%
<b>Payments for capital assets</b>	<b>7.8</b>	<b>6.0%</b>	<b>0.0%</b>	<b>5.2</b>	<b>5.4</b>	<b>6.8</b>	<b>-4.3%</b>	<b>0.0%</b>
Machinery and equipment	7.8	6.0%	0.0%	5.2	5.4	6.8	-4.3%	0.0%
<b>Payments for financial assets</b>	<b>0.1</b>	<b>-20.6%</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.0%</b>
<b>Total</b>	<b>82 823.6</b>	<b>5.4%</b>	<b>100.0%</b>	<b>90 717.8</b>	<b>98 494.0</b>	<b>106 592.7</b>	<b>8.8%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 4.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
Community Work Programme	2 374 230	2 371 096	3 115 766	3 863 703	17.6%	3.9%	4 024 890	4 248 752	4 510 752	5.8%	4.4%
Local Government Equitable Share	49 366 507	50 708 988	55 613 725	62 731 845	8.3%	73.5%	68 973 465	75 683 326	82 161 819	9.4%	76.5%
Municipal infrastructure grant	14 955 762	14 914 028	15 891 252	15 287 685	0.7%	20.5%	14 816 103	15 659 923	16 830 814	3.3%	16.5%
Municipal disaster relief grant	-	118 075	341 373	349 280	-	0.3%	335 488	353 940	373 407	2.3%	0.4%
Provincial disaster relief grant	35 588	-	82 339	323 591	108.7%	0.1%	130 904	138 489	146 106	-23.3%	0.2%
<b>Total</b>	<b>66 732 087</b>	<b>68 112 187</b>	<b>75 044 455</b>	<b>82 556 104</b>	<b>7.4%</b>	<b>98.4%</b>	<b>88 280 850</b>	<b>96 084 430</b>	<b>104 022 898</b>	<b>8.0%</b>	<b>98.0%</b>

## Goods and services expenditure trends and estimates

**Table 4.5 Vote goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
Administrative fees	11 949	11 580	9 303	10 191	-5.2%	0.3%	10 966	11 918	12 776	7.8%	0.3%
Advertising	2 438	16 224	3 506	6 572	39.2%	0.2%	6 658	7 021	7 405	4.1%	0.2%
Minor assets	8 804	1 109	14 238	2 013	-38.9%	0.2%	2 139	2 259	2 381	5.8%	-
Audit costs: External	6 678	7 622	15 514	14 199	28.6%	0.4%	15 659	16 488	17 469	7.2%	0.3%

**Table 4.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Bursaries: Employees	1 086	845	1 927	2 013	22.8%	–	2 126	2 243	2 366	5.5%	–
Catering: Departmental activities	5 198	3 292	3 701	13 785	38.4%	0.2%	14 688	14 369	15 088	3.1%	0.3%
Communication	11 671	4 661	3 715	14 527	7.6%	0.3%	12 611	13 281	12 712	-4.4%	0.3%
Computer services	16 754	23 815	33 302	34 647	27.4%	0.9%	43 214	47 791	49 259	12.4%	1.0%
Consultants: Business and advisory services	232 359	196 536	287 770	230 106	-0.3%	7.6%	1 468 922	1 677 311	1 797 485	98.4%	28.4%
Infrastructure and planning services	519	–	–	–	-100.0%	–	–	–	–	–	–
Legal services	3 850	–	7 054	5 144	10.1%	0.1%	4 377	4 618	4 871	-1.8%	0.1%
Science and technological services	–	4 429	–	–	–	–	–	–	–	–	–
Contractors	1 817 448	2 032 592	2 440 195	2 923 715	17.2%	73.5%	1 892 658	1 869 768	1 972 605	-12.3%	47.5%
Agency and support/outsourced services	5 784	7 946	–	1 064	-43.1%	0.1%	1 665	1 757	1 853	20.3%	–
Entertainment	60	61	–	25	-25.3%	–	3	3	3	-50.7%	–
Fleet services (including government motor transport)	225	2 814	2 822	3 136	140.7%	0.1%	4 025	4 235	4 551	13.2%	0.1%
Inventory: Food and food supplies	10	–	–	12	6.3%	–	13	14	15	7.7%	–
Inventory: Fuel, oil and gas	83	–	380	685	102.1%	–	100	105	111	-45.5%	–
Inventory: Learner and teacher support material	2	–	–	576	560.4%	–	608	641	676	5.5%	–
Inventory: Materials and supplies	87 778	16 760	–	671 857	97.1%	6.2%	600 391	603 907	605 372	-3.4%	13.6%
Inventory: Medical supplies	8	–	–	–	-100.0%	–	–	–	–	–	–
Inventory: Other supplies	360	–	–	820	31.6%	–	867	915	965	5.6%	–
Consumable supplies	121 851	73 776	212 738	4 432	-66.9%	3.3%	113 679	154 936	195 207	253.2%	2.6%
Consumables: Stationery, printing and office supplies	8 769	5 289	5 080	19 112	29.7%	0.3%	20 339	21 383	22 489	5.6%	0.5%
Operating leases	6 670	39 910	38 882	9 168	11.2%	0.8%	3 278	3 458	3 648	-26.4%	0.1%
Rental and hiring	–	368	78	5 561	–	–	65	69	73	-76.4%	–
Property payments	40 035	14 944	25 278	49 595	7.4%	1.0%	49 204	51 911	56 026	4.1%	1.1%
Transport provided: Departmental activity	295	6 808	–	326	3.4%	0.1%	344	363	383	5.5%	–
Travel and subsistence	29 809	23 844	39 691	50 374	19.1%	1.1%	48 358	51 055	53 860	2.3%	1.1%
Training and development	74 015	41 853	154 349	103 812	11.9%	3.0%	104 022	104 241	109 974	1.9%	2.3%
Operating payments	1 673	4 478	4 111	1 834	3.1%	0.1%	1 935	2 042	2 153	5.5%	–
Venues and facilities	5 106	1 753	4 504	6 016	5.6%	0.1%	4 121	4 347	4 583	-8.7%	0.1%
<b>Total</b>	<b>2 501 287</b>	<b>2 543 309</b>	<b>3 308 138</b>	<b>4 185 317</b>	<b>18.7%</b>	<b>100.0%</b>	<b>4 427 035</b>	<b>4 672 449</b>	<b>4 956 359</b>	<b>5.8%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 4.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>408</b>	<b>2 491</b>	<b>262</b>	<b>289</b>	<b>-10.9%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Employee social benefits	408	2 491	262	289	-10.9%	–	–	–	–	-100.0%	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>484 949</b>	<b>574 607</b>	<b>622 920</b>	<b>594 430</b>	<b>7.0%</b>	<b>0.8%</b>	<b>597 774</b>	<b>632 006</b>	<b>668 220</b>	<b>4.0%</b>	<b>0.7%</b>
Municipal Demarcation Board	45 793	59 220	57 631	55 568	6.7%	0.1%	56 568	59 679	62 961	4.3%	0.1%
Department of Traditional Affairs	125 928	133 998	152 506	163 306	9.1%	0.2%	163 351	173 912	185 285	4.3%	0.2%
South African Local Government Association	9 215	31 500	31 300	33 100	53.1%	–	33 879	35 724	37 689	4.4%	–
Municipal Infrastructure Support Agent	304 013	349 889	381 483	342 456	4.0%	0.5%	343 976	362 691	382 285	3.7%	0.4%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>119</b>	<b>262 277</b>	<b>10 801</b>	<b>156</b>	<b>9.4%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Employee social benefits	119	34	307	156	9.4%	–	–	–	–	-100.0%	–
Non-returning local government councillors	–	262 243	10 494	–	–	0.1%	–	–	–	–	–
<b>Provinces and municipalities</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>5</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Vehicle licences	5	–	–	–	-100.0%	–	–	–	–	–	–

Table 4.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
<b>Capital</b>	<b>35 588</b>	<b>–</b>	<b>82 339</b>	<b>339 895</b>	<b>112.2%</b>	<b>0.2%</b>	<b>130 904</b>	<b>138 489</b>	<b>146 106</b>	<b>-24.5%</b>	<b>0.2%</b>
Provincial disaster relief grant	35 588	–	82 339	323 591	108.7%	0.2%	130 904	138 489	146 106	-23.3%	0.2%
Provincial disaster recovery grant	–	–	–	16 304	–	–	–	–	–	-100.0%	–
<b>Non-profit institutions</b>											
<b>Current</b>	<b>6 286</b>	<b>9 119</b>	<b>17 972</b>	<b>14 878</b>	<b>33.3%</b>	<b>–</b>	<b>13 495</b>	<b>14 237</b>	<b>15 304</b>	<b>0.9%</b>	<b>–</b>
South African Cities Network	6 286	9 119	6 950	9 353	14.2%	–	7 765	8 192	8 806	-2.0%	–
United Cities and Local Governments of Africa (South African Regional office)	–	–	10 923	5 426	–	–	5 730	6 045	6 498	6.2%	–
Disaster Management Institute of Southern Africa	–	–	99	99	–	–	–	–	–	-100.0%	–
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>49 807 806</b>	<b>51 264 510</b>	<b>56 120 981</b>	<b>64 294 583</b>	<b>8.9%</b>	<b>77.6%</b>	<b>70 359 913</b>	<b>76 976 547</b>	<b>83 548 553</b>	<b>9.1%</b>	<b>81.7%</b>
Vehicle licences	22	25	22	106	68.9%	–	112	118	124	5.4%	–
Municipal demarcation transition grant	3 714	297 422	139 714	–	-100.0%	0.2%	–	–	–	–	–
Municipal systems improvement grant	251 442	–	–	23 216	-54.8%	0.1%	–	–	–	-100.0%	–
Local government equitable share	49 366 507	50 708 988	55 613 725	62 731 845	8.3%	76.5%	68 973 465	75 683 326	82 161 819	9.4%	80.2%
Municipal disaster relief grant	–	118 075	341 373	349 280	–	0.3%	335 488	353 940	373 407	2.3%	0.4%
Municipal disaster recovery grant	186 121	140 000	26 147	1 190 136	85.6%	0.5%	193 953	–	–	-100.0%	0.4%
Integrated urban development grant	–	–	–	–	–	–	856 895	939 163	1 013 203	–	0.8%
<b>Capital</b>	<b>14 955 762</b>	<b>14 914 028</b>	<b>15 891 252</b>	<b>15 287 685</b>	<b>0.7%</b>	<b>21.4%</b>	<b>14 816 103</b>	<b>15 659 923</b>	<b>16 830 814</b>	<b>3.3%</b>	<b>17.3%</b>
Municipal infrastructure grant	14 955 762	14 914 028	15 891 252	15 287 685	0.7%	21.4%	14 816 103	15 659 923	16 830 814	3.3%	17.3%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>–</b>	<b>–</b>	<b>1 190</b>	<b>1 946</b>	<b>–</b>	<b>–</b>	<b>2 032</b>	<b>2 151</b>	<b>2 269</b>	<b>5.3%</b>	<b>–</b>
United Cities and Local Governments of Africa (Moroccan office)	–	–	677	1 356	–	–	1 432	1 511	1 594	5.5%	–
Commonwealth Local Government Forum	–	–	513	590	–	–	600	640	675	4.6%	–
<b>Total</b>	<b>65 290 923</b>	<b>67 027 032</b>	<b>72 747 717</b>	<b>80 533 862</b>	<b>7.2%</b>	<b>100.0%</b>	<b>85 920 221</b>	<b>93 423 353</b>	<b>101 211 266</b>	<b>7.9%</b>	<b>100.0%</b>

## Personnel information

Table 4.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes		Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number				
Cooperative Governance and Traditional Affairs	Salary level	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
				2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22		
				Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
		<b>474</b>	<b>3</b>	<b>480</b>	<b>288.1</b>	<b>0.6</b>	<b>491</b>	<b>310.0</b>	<b>0.6</b>	<b>551</b>	<b>365.4</b>	<b>0.7</b>	<b>553</b>	<b>392.8</b>	<b>0.7</b>	<b>548</b>	<b>418.3</b>	<b>0.8</b>	<b>3.7%</b>	<b>100.0%</b>
	1 – 6	146	–	145	36.5	0.3	148	38.0	0.3	170	47.7	0.3	171	51.9	0.3	168	54.8	0.3	4.3%	30.7%
	7 – 10	129	–	136	63.2	0.5	143	70.5	0.5	168	89.2	0.5	169	96.4	0.6	167	102.1	0.6	5.3%	30.2%
	11 – 12	92	–	92	69.6	0.8	94	76.4	0.8	100	86.5	0.9	100	92.7	0.9	100	99.0	1.0	2.1%	18.4%
	13 – 16	105	3	105	114.4	1.1	104	120.4	1.2	111	136.9	1.2	111	146.4	1.3	111	156.6	1.4	2.2%	20.4%
	Other	2	–	2	4.4	2.2	2	4.7	2.3	2	5.0	2.5	2	5.4	2.7	2	5.7	2.9	–	0.4%
	<b>Programme</b>	<b>474</b>	<b>3</b>	<b>480</b>	<b>288.1</b>	<b>0.6</b>	<b>491</b>	<b>310.0</b>	<b>0.6</b>	<b>551</b>	<b>365.4</b>	<b>0.7</b>	<b>553</b>	<b>392.8</b>	<b>0.7</b>	<b>548</b>	<b>418.3</b>	<b>0.8</b>	<b>3.7%</b>	<b>100.0%</b>
	Programme 1	239	3	239	124.0	0.5	237	130.8	0.6	258	152.2	0.6	258	163.6	0.6	257	174.2	0.7	2.7%	47.1%
	Programme 2	33	–	29	16.8	0.6	36	22.0	0.6	50	29.7	0.6	50	31.9	0.6	50	34.0	0.7	11.6%	8.7%
	Programme 3	45	–	45	29.5	0.7	57	36.5	0.6	62	41.0	0.7	62	44.1	0.7	61	47.0	0.8	2.3%	11.3%
	Programme 4	29	–	29	20.4	0.7	29	21.9	0.8	34	26.9	0.8	35	28.9	0.8	35	30.8	0.9	6.5%	6.2%
	Programme 5	75	–	75	58.7	0.8	72	60.6	0.8	78	67.7	0.9	78	72.8	0.9	77	77.5	1.0	2.3%	14.2%
	Programme 6	53	–	63	38.6	0.6	60	38.2	0.6	69	47.9	0.7	70	51.4	0.7	68	54.8	0.8	4.3%	12.5%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

Table 4.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate 2018/19	Revised estimate	Average growth rate (%) 2015/16 - 2018/19	Average: Receipt item/ Total (%) 2015/16 - 2018/19	Medium-term receipts estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Receipt item/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18					2019/20	2020/21	2021/22		
<b>Departmental receipts</b>	<b>1 116</b>	<b>23 451</b>	<b>1 661</b>	<b>43 768</b>	<b>43 768</b>	<b>239.8%</b>	<b>100.0%</b>	<b>1 965</b>	<b>2 325</b>	<b>2 580</b>	<b>-61.1%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>157</b>	<b>167</b>	<b>184</b>	<b>335</b>	<b>335</b>	<b>28.7%</b>	<b>1.2%</b>	<b>395</b>	<b>450</b>	<b>705</b>	<b>28.1%</b>	<b>3.7%</b>
Sales by market establishments	157	167	184	335	335	28.7%	1.2%	390	450	700	27.8%	3.7%
of which:												
Rental parking: Covered and open	157	167	184	335	80	-20.1%	0.8%	390	450	600	95.7%	3.0%
Sale of assets less than R5 000	-	-	-	-	200	-	0.3%	-	-	100	-20.6%	0.6%
Promotion of Access to information Act (2000)	-	-	-	-	55	-	0.1%	-	-	-	-100.0%	0.1%
Other sales	-	-	-	-	-	-	-	5	-	5	-	-
of which:												
Replacement of security cards	-	-	-	-	-	-	-	5	-	5	-	-
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>1</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>10</b>	<b>5</b>	<b>5</b>	<b>-</b>	<b>-</b>
of which:												
Sale of paper	1	-	2	-	-	-100.0%	-	10	5	5	-	-
<b>Interest, dividends and rent on land</b>	<b>291</b>	<b>1 218</b>	<b>777</b>	<b>950</b>	<b>950</b>	<b>48.3%</b>	<b>4.6%</b>	<b>1 020</b>	<b>1 220</b>	<b>1 220</b>	<b>8.7%</b>	<b>8.7%</b>
Interest	-	-	777	950	950	-	2.5%	20	20	20	-72.4%	2.0%
Dividends	291	1 218	-	-	-	-100.0%	2.2%	1 000	1 200	1 200	-	6.7%
of which:												
Bank accounts	291	1 218	-	-	-	-100.0%	2.2%	1 000	1 200	1 200	-	6.7%
<b>Sales of capital assets</b>	<b>-</b>	<b>40</b>	<b>-</b>	<b>100</b>	<b>100</b>	<b>-</b>	<b>0.2%</b>	<b>40</b>	<b>50</b>	<b>45</b>	<b>-23.4%</b>	<b>0.5%</b>
<b>Transactions in financial assets and liabilities</b>	<b>667</b>	<b>22 026</b>	<b>698</b>	<b>42 383</b>	<b>42 383</b>	<b>299.0%</b>	<b>94.0%</b>	<b>500</b>	<b>600</b>	<b>605</b>	<b>-75.7%</b>	<b>87.1%</b>
<b>Total</b>	<b>1 116</b>	<b>23 451</b>	<b>1 661</b>	<b>43 768</b>	<b>43 768</b>	<b>239.8%</b>	<b>100.0%</b>	<b>1 965</b>	<b>2 325</b>	<b>2 580</b>	<b>-61.1%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

Table 4.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
<b>Total</b>	<b>236.5</b>	<b>267.3</b>	<b>260.4</b>	<b>278.5</b>	<b>5.6%</b>	<b>100.0%</b>	<b>275.7</b>	<b>294.0</b>	<b>313.0</b>	<b>4.0%</b>	<b>100.0%</b>
Change to 2018				19.9			-	-	-		
Budget estimate											
<b>Economic classification</b>	<b>225.6</b>	<b>260.3</b>	<b>254.3</b>	<b>273.1</b>	<b>6.6%</b>	<b>97.2%</b>	<b>273.1</b>	<b>291.2</b>	<b>309.0</b>	<b>4.2%</b>	<b>98.7%</b>
<b>Current payments</b>	<b>109.1</b>	<b>121.8</b>	<b>124.0</b>	<b>130.8</b>	<b>6.2%</b>	<b>46.6%</b>	<b>152.2</b>	<b>163.6</b>	<b>174.2</b>	<b>10.0%</b>	<b>53.5%</b>
Compensation of employees	109.1	121.8	124.0	130.8	6.2%	46.6%	152.2	163.6	174.2	10.0%	53.5%
Goods and services <sup>1</sup>	116.5	138.5	130.2	142.3	6.9%	50.6%	120.9	127.6	134.8	-1.8%	45.3%
of which:											
Audit costs: External	6.6	6.6	9.1	9.2	11.6%	3.0%	10.0	10.5	11.1	6.5%	3.5%
Communication	9.1	2.5	1.8	7.1	-7.8%	2.0%	5.3	5.6	5.9	-5.8%	2.1%
Computer services	12.2	18.4	20.5	4.8	-26.8%	5.4%	5.4	6.8	6.0	8.0%	2.0%
Consultants: Business and advisory services	10.1	6.4	3.6	10.1	-	2.9%	9.6	10.1	10.6	1.6%	3.5%
Property payments	40.0	14.9	25.3	49.6	7.4%	12.5%	49.2	51.9	56.0	4.1%	17.8%
Travel and subsistence	9.7	3.9	15.3	16.6	19.6%	4.4%	10.5	11.1	11.7	-11.0%	4.3%



**Table 4.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22
R million											
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.4</b>	<b>0.2</b>	<b>0.1</b>	<b>0.2</b>	<b>-28.3%</b>	<b>0.1%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-9.1%</b>	<b>-</b>
Provinces and municipalities	0.0	0.0	0.0	0.1	68.9%	-	0.1	0.1	0.1	5.4%	-
Households	0.4	0.2	0.1	0.1	-48.3%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>9.5</b>	<b>6.6</b>	<b>5.8</b>	<b>5.2</b>	<b>-18.4%</b>	<b>2.6%</b>	<b>2.5</b>	<b>2.6</b>	<b>3.9</b>	<b>-9.2%</b>	<b>1.2%</b>
Machinery and equipment	9.5	6.6	5.8	5.2	-18.4%	2.6%	2.5	2.6	3.9	-9.2%	1.2%
<b>Payments for financial assets</b>	<b>0.9</b>	<b>0.2</b>	<b>0.2</b>	<b>0.1</b>	<b>-62.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
<b>Total</b>	<b>236.5</b>	<b>267.3</b>	<b>260.4</b>	<b>278.5</b>	<b>5.6%</b>	<b>100.0%</b>	<b>275.7</b>	<b>294.0</b>	<b>313.0</b>	<b>4.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.3%</b>	<b>0.4%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>-</b>	<b>-</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	22.0	20.0	22.0	106.0	68.9%	16.3%	112.0	118.0	124.0	5.4%	39.6%
Vehicle licences	22.0	20.0	22.0	106.0	68.9%	16.3%	112.0	118.0	124.0	5.4%	39.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Regional and Urban Development and Legislative Support

### Programme purpose

Provide policy analysis and development in order to transform local government and improve cooperative governance.

### Objectives

- Facilitate and target the restructuring of municipal spatial economy through integrated development planning on a continual basis.
- Support the effective management of the cooperative governance system through strengthened intergovernmental reporting and liaison, and a revised framework for local government powers and functions on a continual basis.

### Subprogrammes

- *Management: Regional and Urban Development and Legislative Support* provides strategic leadership to the programme to ensure compliance with, and the achievement of targets in line with, the department's mandate.
- *Local Government Legislative Support and Institutional Establishment* drafts, amends primary and secondary legislation administered by the department. The subprogramme provides legal opinions to the department's stakeholders on the interpretation of legislation and matters affecting the mandate of the department; and technical support and advice on the determination and redetermination of municipal boundaries, provincial boundaries and local government elections.
- *Urban Development Planning* facilitates and monitors the implementation of the integrated urban development framework policy and local economic development plans. The subprogramme also supports municipalities in implementing various tools to facilitate integrated urban development and spatial contracts in key restructuring zones.
- *Spatial Planning Districts and Regions* facilitates the implementation of planning frameworks to promote integrated development across government, and build the capacity of geographic information systems in district and local municipalities to enhance evidence-based decision-making.
- *Intergovernmental Policy and Practice* facilitates the review, clarification and strengthening of the policy and institutional environment for the assignment and management of municipal powers and functions. This

subprogramme is also responsible for strengthening collaborative intergovernmental management and practice between sectors, provinces and local government.

- *Municipal Demarcation Transition Grant* made transfers to assist municipalities in building in-house capacity to perform their functions, and stabilise institutional and governance systems. This grant ended in 2017/18.
- *Municipal Demarcation Board* makes transfers to the Municipal Demarcation Board to fund operational activities such as capacity assessments, ward delimitation and boundary redetermination. This subprogramme's budget is transferred in full to the board.
- *South African Cities Network* makes transfers to the South African Cities Network to fund operational activities, including enabling cooperation between South African cities. This subprogramme's budget is transferred in full to the network.
- *Integrated Urban Development Grant* makes transfers to intermediate city municipalities to supplement their capital budgets to implement the objectives of the Integrated Urban Development Framework

## Expenditure trends and estimates

**Table 4.10 Regional and Urban Development and Legislative Support expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/Total (%)
R million											
Management: Regional and Urban Development and Legislative Support	6.1	0.4	0.7	1.4	-38.6%	1.1%	3.7	3.9	4.1	43.1%	0.4%
Local Government Legislative Support and Institutional Establishment	5.6	4.0	5.3	6.3	4.0%	2.6%	6.7	7.2	7.6	6.5%	0.9%
Urban Development Planning	8.8	4.9	9.6	13.1	14.1%	4.4%	11.3	12.0	12.7	-1.0%	1.5%
Spatial Planning Districts and Regions	8.8	9.9	7.4	11.5	9.2%	4.6%	12.3	13.1	13.8	6.2%	1.6%
Intergovernmental Policy and Practice	7.8	4.3	5.1	7.1	-3.1%	3.0%	11.5	12.3	13.0	22.5%	1.3%
Municipal Demarcation Transition Grant	3.7	297.4	139.7	-	-100.0%	53.8%	-	-	-	-	-
Municipal Demarcation Board	45.8	59.2	57.6	55.6	6.7%	26.6%	56.6	59.7	63.0	4.3%	7.2%
South African Cities Network	6.3	9.1	7.0	9.4	14.2%	3.9%	7.8	8.2	8.8	-2.0%	1.0%
Integrated Urban Development Grant	-	-	-	-	-	-	856.9	939.2	1 013.2	-	86.1%
<b>Total</b>	<b>93.0</b>	<b>389.3</b>	<b>232.4</b>	<b>104.4</b>	<b>3.9%</b>	<b>100.0%</b>	<b>966.6</b>	<b>1 055.4</b>	<b>1 136.3</b>	<b>121.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				0.9			856.9	939.2	1 013.2		
<b>Economic classification</b>											
<b>Current payments</b>	<b>37.2</b>	<b>23.5</b>	<b>28.1</b>	<b>39.5</b>	<b>2.0%</b>	<b>15.7%</b>	<b>45.4</b>	<b>48.4</b>	<b>51.4</b>	<b>9.2%</b>	<b>5.7%</b>
Compensation of employees	23.0	17.9	16.8	22.0	-1.4%	9.7%	29.7	31.9	34.0	15.6%	3.6%
Goods and services <sup>1</sup>	14.2	5.6	11.3	17.5	7.0%	5.9%	15.7	16.5	17.4	-0.1%	2.1%
<i>of which:</i>											
<i>Catering: Departmental activities</i>	0.9	0.0	0.2	0.9	1.8%	0.2%	1.0	1.0	1.1	6.2%	0.1%
<i>Communication</i>	0.5	0.3	0.2	1.4	37.5%	0.3%	1.4	1.5	1.6	5.5%	0.2%
<i>Computer services</i>	1.0	-	0.1	0.8	-8.3%	0.2%	0.8	0.9	0.9	5.5%	0.1%
<i>Consultants: Business and advisory services</i>	2.9	1.7	5.6	6.2	29.0%	2.0%	4.0	4.2	4.4	-11.0%	0.6%
<i>Consumables: Stationery, printing and office supplies</i>	1.3	0.4	0.3	1.6	7.3%	0.4%	1.6	1.7	1.8	5.5%	0.2%
<i>Travel and subsistence</i>	6.1	2.5	2.9	5.0	-6.3%	2.0%	5.2	5.4	5.7	4.4%	0.7%
<b>Transfers and subsidies<sup>1</sup></b>	<b>55.8</b>	<b>365.8</b>	<b>204.3</b>	<b>64.9</b>	<b>5.2%</b>	<b>84.3%</b>	<b>921.2</b>	<b>1 007.0</b>	<b>1 085.0</b>	<b>155.7%</b>	<b>94.3%</b>
Provinces and municipalities	3.7	297.4	139.7	-	-100.0%	53.8%	856.9	939.2	1 013.2	-	86.1%
Departmental agencies and accounts	45.8	59.2	57.6	55.6	6.7%	26.6%	56.6	59.7	63.0	4.3%	7.2%
Non-profit institutions	6.3	9.1	7.0	9.4	14.2%	3.9%	7.8	8.2	8.8	-2.0%	1.0%
<b>Total</b>	<b>93.0</b>	<b>389.3</b>	<b>232.4</b>	<b>104.4</b>	<b>3.9%</b>	<b>100.0%</b>	<b>966.6</b>	<b>1 055.4</b>	<b>1 136.3</b>	<b>121.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.1%</b>	<b>0.6%</b>	<b>0.3%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>1.1%</b>	<b>1.1%</b>	<b>1.1%</b>	<b>-</b>	<b>-</b>

**Table 4.10 Regional and Urban Development and Legislative Support expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	45.8	59.2	57.6	55.6	6.7%	26.6%	56.6	59.7	63.0	4.3%	7.2%
Municipal Demarcation Board	45.8	59.2	57.6	55.6	6.7%	26.6%	56.6	59.7	63.0	4.3%	7.2%
<b>Non-profit institutions</b>											
<b>Current</b>	6.3	9.1	7.0	9.4	14.2%	3.9%	7.8	8.2	8.8	-2.0%	1.0%
South African Cities Network	6.3	9.1	7.0	9.4	14.2%	3.9%	7.8	8.2	8.8	-2.0%	1.0%
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	3.7	297.4	139.7	-	-100.0%	53.8%	856.9	939.2	1 013.2	-	86.1%
Municipal demarcation transition grant	3.7	297.4	139.7	-	-100.0%	53.8%	-	-	-	-	-
Integrated urban development grant	-	-	-	-	-	-	856.9	939.2	1 013.2	-	86.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Institutional Development

### Programme purpose

Build institutional resilience in the local government system by supporting system development, governance, capacity building and revenue management; and provide for the functions of the Department of Traditional Affairs.

### Objectives

- Support municipalities in improving their financial sustainability and revenue management through the *municipal systems improvement grant* by helping them develop simplified revenue plans, property and consumer databases, record management systems, and organograms aligned with municipal functions on an ongoing basis.
- Support municipalities' efforts to improve municipal finances and increase revenue by monitoring the implementation of the Municipal Property Rates Act (2004) on an ongoing basis.
- Strengthen the functionality of municipalities by developing and implementing human resources and administrative systems, as per the Municipal Systems Act (2000), by March 2022.

### Subprogrammes

- *Management: Institutional Development* provides strategic leadership to the programme to ensure compliance with, and the achievement of targets in line with, the department's mandate.
- *Municipal Human Resource Management Systems* builds sound municipal institutional capabilities through the development, implementation and enforcement of an efficient and effective human resource management framework, as per the Municipal Systems Act (2000).
- *Municipal Finances* provides support and technical capacity to municipalities on municipal revenue management and enhancement strategies, debt collection, free basic services and procurement policies.
- *Citizen Engagement* promotes local government accountability and engagement with communities implementing the citizen engagement framework.
- *Anti-Corruption and Good Governance* conducts anti-corruption campaigns to instil ethical conduct at local government level. This subprogramme also strengthens and implements preventative measures against corruption and creates a conducive environment for the expeditious resolution of corruption cases.
- *Municipal Property Rates* guides municipalities to comply with critical rating and valuation aspects of the Municipal Property Rates Act (2004) and its regulations. This subprogramme also provides for indirect

transfers to municipalities to support them in performing their functions and stabilise institutional and governance systems, as required by the Municipal Systems Act (2000), the Municipal Property Rates Act (2004) and related legislation.

- *Local Government Equitable Share* is the share of nationally raised revenue payable to local government in terms of section 214 of the Constitution. This transfer supplements municipal revenue for the provision of free basic services to poor households, and for the funding of institutional capacity and support to weaker municipalities.
- *South African Local Government Association* makes transfers to the South African Local Government Association to fund operational activities, including participation in intergovernmental structures and legislatures.
- *Municipal Systems Improvement Grant* makes transfers to assist municipalities in building in-house capacity to perform functions, and stabilise institutional and governmental systems.
- *Department of Traditional Affairs* makes transfers to the Department of Traditional Affairs to support traditional leadership.
- *United Cities and Local Government of Africa* makes transfers to United Cities and Local Government of Africa to fund operational activities, enhance cooperation and knowledge sharing among local governments in Africa, and improve the delivery of services to communities across the continent.

### Expenditure trends and estimates

**Table 4.11 Institutional Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Management: Institutional Development	20.8	5.4	1.5	2.5	-50.7%	-	3.6	3.9	4.1	18.4%	-
Municipal Human Resource Management Systems	9.6	8.9	8.4	10.2	1.9%	-	10.4	11.0	11.7	4.6%	-
Municipal Finance	13.1	5.9	8.6	26.0	25.7%	-	31.2	38.3	39.4	14.9%	-
Citizen Engagement	7.0	6.5	8.0	7.3	1.6%	-	7.5	8.0	8.5	5.2%	-
Anti-Corruption and Good Governance	5.5	3.9	6.0	6.7	6.9%	-	5.7	6.1	6.4	-1.3%	-
Municipal Property Rates	9.5	6.6	6.9	12.0	7.9%	-	12.5	13.6	14.5	6.6%	-
Local Government Equitable Share	49 366.5	50 709.0	55 613.7	62 731.8	8.3%	99.4%	68 973.5	75 683.3	82 161.8	9.4%	99.4%
South African Local Government Association	9.2	31.5	31.3	33.1	53.1%	-	33.9	35.7	37.7	4.4%	-
Municipal Systems Improvement Grant	251.4	19.4	50.6	115.1	-22.9%	0.2%	121.6	128.2	135.3	5.5%	0.2%
Department of Traditional Affairs	125.9	134.0	152.5	163.3	9.1%	0.3%	163.4	173.9	185.3	4.3%	0.2%
United Cities and Local Government of Africa	-	-	11.6	6.8	-	-	7.2	7.6	8.1	6.1%	-
<b>Total</b>	<b>49 818.6</b>	<b>50 931.0</b>	<b>55 899.1</b>	<b>63 114.7</b>	<b>8.2%</b>	<b>100.0%</b>	<b>69 370.3</b>	<b>76 109.7</b>	<b>82 612.8</b>	<b>9.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				3.2			(6.1)	(1.2)	(1.2)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>65.5</b>	<b>56.5</b>	<b>89.5</b>	<b>155.8</b>	<b>33.5%</b>	<b>0.2%</b>	<b>191.9</b>	<b>208.5</b>	<b>219.2</b>	<b>12.1%</b>	<b>0.3%</b>
Compensation of employees	39.6	28.7	29.5	36.5	-2.6%	0.1%	41.0	44.1	47.0	8.7%	0.1%
Goods and services <sup>1</sup>	25.9	27.9	60.0	119.3	66.3%	0.1%	150.9	164.4	172.2	13.0%	0.2%
of which:											
Catering: Departmental activities	0.7	0.3	0.5	1.5	28.2%	-	1.2	1.3	1.3	-4.5%	-
Communication	0.5	0.3	0.3	1.8	53.3%	-	1.9	2.0	0.9	-21.4%	-
Consultants: Business and advisory services	12.3	22.5	52.8	99.2	100.5%	0.1%	128.4	135.5	142.9	13.0%	0.2%
Contractors	1.2	-	-	3.6	44.0%	-	6.9	12.4	13.1	53.6%	-
Consumables: Stationery, printing and office supplies	1.3	0.8	0.4	2.3	22.3%	-	2.5	2.7	2.8	6.2%	-
Travel and subsistence	5.8	2.2	5.2	7.9	10.8%	-	6.9	7.4	7.8	-0.1%	-
<b>Transfers and subsidies<sup>1</sup></b>	<b>49 753.1</b>	<b>50 874.5</b>	<b>55 809.6</b>	<b>62 958.8</b>	<b>8.2%</b>	<b>99.8%</b>	<b>69 178.5</b>	<b>75 901.2</b>	<b>82 393.6</b>	<b>9.4%</b>	<b>99.7%</b>
Provinces and municipalities	49 617.9	50 709.0	55 613.7	62 755.1	8.1%	99.5%	68 973.5	75 683.3	82 161.8	9.4%	99.4%
Departmental agencies and accounts	135.1	165.5	183.8	196.4	13.3%	0.3%	197.2	209.6	223.0	4.3%	0.3%
Foreign governments and international organisations	-	-	1.2	1.9	-	-	2.0	2.2	2.3	5.3%	-
Non-profit institutions	-	-	10.9	5.4	-	-	5.7	6.0	6.5	6.2%	-

**Table 4.11 Institutional Development expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
R million											
<b>Payments for capital assets</b>		<b>0.0</b>		<b>0.1</b>						<b>-100.0%</b>	
Machinery and equipment		0.0		0.1						-100.0%	
<b>Total</b>	<b>49 818.6</b>	<b>50 931.0</b>	<b>55 899.1</b>	<b>63 114.7</b>	<b>8.2%</b>	<b>100.0%</b>	<b>69 370.3</b>	<b>76 109.7</b>	<b>82 612.8</b>	<b>9.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>73.2%</b>	<b>72.9%</b>	<b>73.2%</b>	<b>74.2%</b>			<b>76.5%</b>	<b>77.3%</b>	<b>77.5%</b>		
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>135.1</b>	<b>165.5</b>	<b>183.8</b>	<b>196.4</b>	<b>13.3%</b>	<b>0.3%</b>	<b>197.2</b>	<b>209.6</b>	<b>223.0</b>	<b>4.3%</b>	<b>0.3%</b>
Department of Traditional Affairs	125.9	134.0	152.5	163.3	9.1%	0.3%	163.4	173.9	185.3	4.3%	0.2%
South African Local Government Association	9.2	31.5	31.3	33.1	53.1%	-	33.9	35.7	37.7	4.4%	-
<b>Non-profit institutions</b>											
<b>Current</b>			<b>10.9</b>	<b>5.4</b>			<b>5.7</b>	<b>6.0</b>	<b>6.5</b>	<b>6.2%</b>	
United Cities and Local Governments of Africa (South African Regional office)			10.9	5.4			5.7	6.0	6.5	6.2%	
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>49 617.9</b>	<b>50 709.0</b>	<b>55 613.7</b>	<b>62 755.1</b>	<b>8.1%</b>	<b>99.5%</b>	<b>68 973.5</b>	<b>75 683.3</b>	<b>82 161.8</b>	<b>9.4%</b>	<b>99.4%</b>
Municipal systems improvement grant	251.4			23.2	-54.8%	0.1%				-100.0%	
Local government equitable share	49 366.5	50 709.0	55 613.7	62 731.8	8.3%	99.4%	68 973.5	75 683.3	82 161.8	9.4%	99.4%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: National Disaster Management Centre

### Programme purpose

Promote an integrated and coordinated system of disaster prevention, mitigation and risk management.

### Objectives

- Oversee disaster management institutional systems and improve legislative compliance by upgrading the regulatory and policy frameworks related to disaster management on an ongoing basis.
- Improve and strengthen the system of disaster management for all common disasters, such as drought, floods and fire, in all provinces by raising public awareness about the impact of disasters and the importance of disaster management on an ongoing basis.

### Subprogrammes

- *Management: Head of the National Disaster Management Centre* provides strategic leadership to the programme.
- *Disaster Risk Reduction, Capacity Building and Intervention* develops and implements operational systems for disaster management; coordinates disaster management capacity building and strategic research across all three spheres of government; and provides for the allocation of disaster response, relief and rehabilitation funding when a disaster has occurred.
- *Legislation and Policy Management* develops disaster management policies and legislative frameworks derived from the Disaster Management Act (2002) and the national disaster management framework, and manages the improvement of legislative compliance across sectors and spheres of government.
- *Integrated Provincial Disaster Management Support, Monitoring and Evaluation Systems* develops and implements integrated support to provinces, and monitoring and evaluation systems for disaster management and fire services. The subprogramme promotes a culture of risk avoidance among stakeholders by capacitating role players through integrated education, training and public awareness programmes informed by scientific research.

- *Fire Services* develops policies and legislative frameworks for fire services, and coordinates programmes related to the support and administration of fire services.
- *Information Technology, Intelligence and Information Management Systems* guides the development of a comprehensive information management and communications system, and establishes integrated communication links with all disaster management role players.
- *Disaster Relief Grant* is a conditional allocation that aims to provide immediate relief for legally declared disasters. Transfers are made only when a disaster has been declared.
- *Municipal Disaster Recovery Grant* is a conditional allocation that aims to repair municipal infrastructure damaged by disasters. Transfers are made only when a disaster has been declared.
- *Provincial Disaster Recovery Grant* is a conditional allocation to rehabilitate and reconstruct the provincial infrastructure damaged by disasters. Transfers are made only when a disaster has been declared.

## Expenditure trends and estimates

**Table 4.12 National Disaster Management Centre expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Management: Head of the National Disaster Management Centre	5.7	5.6	4.8	4.1	-10.3%	0.7%	4.1	4.4	4.6	4.1%	0.4%
Disaster Risk Reduction, Capacity Building and Intervention	12.6	7.1	10.4	51.6	60.1%	2.7%	51.8	57.5	60.5	5.5%	5.6%
Legislation and Policy Management	6.1	4.5	5.7	6.4	1.2%	0.8%	6.8	7.2	7.7	6.6%	0.7%
Integrated Provincial Disaster Management Support, Monitoring and Evaluation Systems	1.8	2.7	2.2	3.4	23.1%	0.3%	4.8	5.2	5.5	17.4%	0.5%
Fire Services	–	2.7	3.3	3.3	–	0.3%	4.7	5.5	6.0	22.8%	0.5%
Information Technology, Intelligence and Information Management Systems	10.3	14.6	16.2	19.6	24.2%	2.0%	28.7	30.4	32.2	17.9%	2.8%
Disaster Relief Grant	35.6	118.1	423.7	672.9	166.4%	41.5%	466.4	492.4	519.5	-8.3%	54.2%
Municipal Disaster Recovery Grant	186.1	140.0	26.1	1 190.1	85.6%	51.2%	194.0	–	–	-100.0%	34.9%
Provincial Disaster Recovery Grant	–	–	–	16.3	–	0.5%	–	–	–	-100.0%	0.4%
<b>Total</b>	<b>258.2</b>	<b>295.3</b>	<b>492.4</b>	<b>1 967.7</b>	<b>96.8%</b>	<b>100.0%</b>	<b>761.2</b>	<b>602.6</b>	<b>636.1</b>	<b>-31.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				1 375.4			191.0	–	–		
<b>Economic classification</b>											
<b>Current payments</b>	<b>35.8</b>	<b>33.6</b>	<b>41.2</b>	<b>85.8</b>	<b>33.9%</b>	<b>6.5%</b>	<b>98.2</b>	<b>107.4</b>	<b>113.6</b>	<b>9.8%</b>	<b>10.2%</b>
Compensation of employees	20.8	19.7	20.4	21.9	1.8%	2.7%	26.9	28.9	30.8	12.0%	2.7%
Goods and services <sup>1</sup>	15.0	13.8	20.8	63.9	62.2%	3.8%	71.4	78.5	82.8	9.0%	7.5%
<i>of which:</i>											
<i>Catering: Departmental activities</i>	0.4	0.4	0.4	0.5	2.0%	0.1%	0.5	0.5	0.6	6.2%	0.1%
<i>Communication</i>	0.5	0.6	0.4	0.6	2.5%	0.1%	0.6	0.6	0.7	5.5%	0.1%
<i>Computer services</i>	2.9	4.6	4.0	2.1	-9.2%	0.5%	8.2	8.6	9.1	62.0%	0.7%
<i>Consultants: Business and advisory services</i>	3.9	–	3.8	53.8	139.6%	2.0%	55.4	61.7	65.1	6.6%	5.9%
<i>Inventory: Other supplies</i>	–	–	–	0.5	–	–	0.5	0.6	0.6	5.6%	0.1%
<i>Travel and subsistence</i>	2.2	2.3	3.5	4.2	23.8%	0.4%	4.0	4.2	4.4	2.0%	0.4%
Interest and rent on land	–	–	0.0	–	–	–	–	–	–	–	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>221.7</b>	<b>260.3</b>	<b>450.2</b>	<b>1 879.4</b>	<b>103.9%</b>	<b>93.3%</b>	<b>660.3</b>	<b>492.4</b>	<b>519.5</b>	<b>-34.9%</b>	<b>89.5%</b>
Provinces and municipalities	221.7	258.1	449.9	1 879.3	103.9%	93.2%	660.3	492.4	519.5	-34.9%	89.5%
Non-profit institutions	–	–	0.1	0.1	–	–	–	–	–	-100.0%	–
Households	0.0	2.2	0.2	–	-100.0%	0.1%	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.7</b>	<b>1.4</b>	<b>1.1</b>	<b>2.5</b>	<b>54.9%</b>	<b>0.2%</b>	<b>2.6</b>	<b>2.8</b>	<b>2.9</b>	<b>5.5%</b>	<b>0.3%</b>
Machinery and equipment	0.7	1.4	1.1	2.5	54.9%	0.2%	2.6	2.8	2.9	5.5%	0.3%
<b>Total</b>	<b>258.2</b>	<b>295.3</b>	<b>492.4</b>	<b>1 967.7</b>	<b>96.8%</b>	<b>100.0%</b>	<b>761.2</b>	<b>602.6</b>	<b>636.1</b>	<b>-31.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.6%</b>	<b>2.3%</b>	<b>–</b>	<b>–</b>	<b>0.8%</b>	<b>0.6%</b>	<b>0.6%</b>	<b>–</b>	<b>–</b>

**Table 4.12 National Disaster Management Centre expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Capital	35.6	–	82.3	339.9	112.2%	15.2%	130.9	138.5	146.1	-24.5%	19.0%
Provincial disaster relief grant	35.6	–	82.3	323.6	108.7%	14.7%	130.9	138.5	146.1	-23.3%	18.6%
Provincial disaster recovery grant	–	–	–	16.3	–	0.5%	–	–	–	-100.0%	0.4%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	186.1	258.1	367.5	1 539.4	102.2%	78.0%	529.4	353.9	373.4	-37.6%	70.5%
Municipal disaster relief grant	–	118.1	341.4	349.3	–	26.8%	335.5	353.9	373.4	2.3%	35.6%
Municipal disaster recovery grant	186.1	140.0	26.1	1 190.1	85.6%	51.2%	194.0	–	–	-100.0%	34.9%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Local Government Support and Intervention Management

### Programme purpose

Conduct performance monitoring, support and interventions in municipalities and provincial departments of cooperative governance that will drive Back to Basics activities.

### Objectives

- Improve reporting on and accountability for performance in local government by overseeing, coordinating and leading municipalities' implementation of government policies and programmes on an ongoing basis.
- Coordinate and facilitate municipal infrastructure development through *municipal infrastructure grant* funding to extend services to unserved communities on an ongoing basis.
- Coordinate the implementation of Back to Basics interventions in dysfunctional municipalities by monitoring and reporting municipal performance on an ongoing basis.
- Coordinate and implement sustainable infrastructure development and maintenance initiatives by establishing partnerships with the Municipal Infrastructure Support Agent, sector departments and other entities to improve the quality of service and extend infrastructure to unserved communities by March 2022.

### Subprogrammes

- *Management: Local Government Support and Interventions* provides strategic leadership to the programme to ensure compliance with the department's mandate, and the achievement of targets in line with the Back to Basics strategy and the department's mandate.
- *Municipal Performance Monitoring* monitors and reports on local government performance information by institutionalising monthly performance reporting by municipalities (consolidated into quarterly analysis reports) to the department, analysing Back to Basics performance information for each municipality on a quarterly basis, and identifying emerging aspects and key trends from monthly Back to Basics performance reporting.
- *Local Government Improvement Programme* monitors and reports diagnostic assessment to support municipalities with the development and implementation of remedial action plans.
- *Litigations and Interventions* monitors compliance with intervention policies and regulations, and develops a budget to address the priorities of the poor for infrastructure investment.
- *Municipal Infrastructure Administration* administers the payments of the *municipal infrastructure grant* and reviews spending related to transferred funds.
- *Municipal Infrastructure Grant* makes specific transfers to supplement municipal capital budgets to address the infrastructure investment priorities of the poor.

- *Municipal Infrastructure Support Agent* makes transfers to assist municipalities in building in-house capacity to perform functions, and stabilise institutional and governmental systems.

## Expenditure trends and estimates

**Table 4.13 Local Government Support and Intervention Management expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Management: Local Government Support and Interventions	13.8	3.0	2.4	3.5	-36.6%	-	3.7	4.0	4.2	6.4%	-
Municipal Performance Monitoring	5.0	274.2	22.1	6.9	11.3%	0.5%	11.9	12.7	13.5	25.1%	0.1%
Local Government Improvement Programme	14.6	26.1	22.9	29.5	26.5%	0.1%	35.9	29.8	31.7	2.5%	0.2%
Litigations and Interventions	8.5	-	7.8	3.5	-25.9%	-	8.5	9.0	9.6	40.4%	-
Municipal Infrastructure Administration	15.5	31.0	33.9	34.6	30.8%	0.2%	39.7	42.5	45.2	9.3%	0.3%
Municipal Infrastructure Grant	14 955.8	14 914.0	15 891.3	15 287.7	0.7%	96.9%	14 816.1	15 659.9	16 830.8	3.3%	97.2%
Municipal Infrastructure Support Agent	304.0	349.9	381.5	342.5	4.0%	2.2%	344.0	362.7	382.3	3.7%	2.2%
<b>Total</b>	<b>15 317.1</b>	<b>15 598.2</b>	<b>16 361.9</b>	<b>15 708.1</b>	<b>0.8%</b>	<b>100.0%</b>	<b>15 259.8</b>	<b>16 120.7</b>	<b>17 317.3</b>	<b>3.3%</b>	<b>100.0%</b>
Change to 2018				(8.1)			(921.2)	(951.6)	(1 026.7)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>57.2</b>	<b>72.0</b>	<b>78.5</b>	<b>77.7</b>	<b>10.8%</b>	<b>0.5%</b>	<b>99.7</b>	<b>98.1</b>	<b>104.2</b>	<b>10.3%</b>	<b>0.6%</b>
Compensation of employees	36.1	55.7	58.7	60.6	18.8%	0.3%	67.7	72.8	77.5	8.5%	0.4%
Goods and services <sup>1</sup>	21.0	16.3	19.8	17.1	-6.8%	0.1%	32.0	25.3	26.7	16.0%	0.2%
of which:											
Administrative fees	-	0.2	0.6	-	-	-	0.7	0.9	1.1	-	-
Communication	0.7	0.7	0.6	2.7	58.3%	-	2.4	2.4	2.5	-3.0%	-
Consultants: Business and advisory services	13.0	2.2	0.5	6.1	-22.4%	-	14.9	7.2	7.5	7.5%	0.1%
Legal services	-	-	6.2	0.0	-	-	1.1	1.2	1.2	197.0%	-
Consumables: Stationery, printing and office supplies	1.3	0.1	0.6	0.9	-12.4%	-	1.0	1.0	1.1	6.3%	-
Travel and subsistence	3.1	8.5	8.5	5.2	19.2%	-	9.6	10.1	10.6	27.1%	0.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>15 259.8</b>	<b>15 526.2</b>	<b>16 283.4</b>	<b>15 630.4</b>	<b>0.8%</b>	<b>99.5%</b>	<b>15 160.1</b>	<b>16 022.6</b>	<b>17 213.1</b>	<b>3.3%</b>	<b>99.4%</b>
Provinces and municipalities	14 955.8	14 914.0	15 891.3	15 287.7	0.7%	96.9%	14 816.1	15 659.9	16 830.8	3.3%	97.2%
Departmental agencies and accounts	304.0	349.9	381.5	342.5	4.0%	2.2%	344.0	362.7	382.3	3.7%	2.2%
Households	0.0	262.3	10.6	0.2	112.4%	0.4%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>0.1</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Machinery and equipment	0.1	-	0.0	-	-100.0%	-	-	-	-	-	-
<b>Total</b>	<b>15 317.1</b>	<b>15 598.2</b>	<b>16 361.9</b>	<b>15 708.1</b>	<b>0.8%</b>	<b>100.0%</b>	<b>15 259.8</b>	<b>16 120.7</b>	<b>17 317.3</b>	<b>3.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>22.5%</b>	<b>22.3%</b>	<b>21.4%</b>	<b>18.5%</b>	<b>-</b>	<b>-</b>	<b>16.8%</b>	<b>16.4%</b>	<b>16.2%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>304.0</b>	<b>349.9</b>	<b>381.5</b>	<b>342.5</b>	<b>4.0%</b>	<b>2.2%</b>	<b>344.0</b>	<b>362.7</b>	<b>382.3</b>	<b>3.7%</b>	<b>2.2%</b>
Municipal Infrastructure Support Agent	304.0	349.9	381.5	342.5	4.0%	2.2%	344.0	362.7	382.3	3.7%	2.2%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>-</b>	<b>262.2</b>	<b>10.5</b>	<b>-</b>	<b>-</b>	<b>0.4%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Non-returning local government councillors	-	262.2	10.5	-	-	0.4%	-	-	-	-	-
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Capital</b>	<b>14 955.8</b>	<b>14 914.0</b>	<b>15 891.3</b>	<b>15 287.7</b>	<b>0.7%</b>	<b>96.9%</b>	<b>14 816.1</b>	<b>15 659.9</b>	<b>16 830.8</b>	<b>3.3%</b>	<b>97.2%</b>
Municipal infrastructure grant	14 955.8	14 914.0	15 891.3	15 287.7	0.7%	96.9%	14 816.1	15 659.9	16 830.8	3.3%	97.2%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 6: Community Work Programme

### Programme purpose

Create income security and work experience for participants, and promote social and economic inclusion by targeting areas of high unemployment.



## Objective

- Provide and maintain an additional 247 466 work opportunities through effective and efficient programme management, strategic partnerships and training by March 2022.

## Subprogrammes

- *Management: Community Work Programme* provides strategic management and leadership to the programme.
- *Programme Coordination* develops frameworks and standard operating procedures, facilitates their implementation, oversees the functionality of programme sites, and monitors the performance of implementing agents.
- *Partnerships, Norms, Standards and Innovation* ensures the effective management and coordination of partnerships and special projects for the community work programme.

## Expenditure trends and estimates

**Table 4.14 Community Work Programme expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Management: Community Work Programme	2 374.2	2 368.2	3 114.0	3 814.1	17.1%	99.5%	4 024.9	4 248.8	4 510.8	5.8%	98.6%
Programme Coordination	–	1.5	1.2	36.4	–	0.3%	45.3	48.0	50.8	11.8%	1.1%
Partnerships, Norms, Standards and Innovation	–	1.4	0.6	13.2	–	0.1%	14.0	14.8	15.7	6.0%	0.3%
<b>Total</b>	<b>2 374.2</b>	<b>2 371.1</b>	<b>3 115.8</b>	<b>3 863.7</b>	<b>17.6%</b>	<b>100.0%</b>	<b>4 084.1</b>	<b>4 311.6</b>	<b>4 577.2</b>	<b>5.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(6.2)			–	–	–		
<b>Economic classification</b>											
<b>Current payments</b>	<b>2 338.4</b>	<b>2 369.8</b>	<b>3 104.7</b>	<b>3 863.5</b>	<b>18.2%</b>	<b>99.6%</b>	<b>4 084.1</b>	<b>4 311.6</b>	<b>4 577.2</b>	<b>5.8%</b>	<b>100.0%</b>
Compensation of employees	29.8	28.5	38.6	38.2	8.6%	1.2%	47.9	51.4	54.8	12.8%	1.1%
Goods and services <sup>1</sup>	2 308.6	2 341.3	3 066.0	3 825.4	18.3%	98.4%	4 036.3	4 260.2	4 522.5	5.7%	98.9%
of which:											
Computer services	–	0.1	7.5	26.9	–	0.3%	28.8	31.5	33.2	7.2%	0.7%
Consultants: Business and advisory services	190.1	163.7	221.5	54.7	-34.0%	5.4%	1 256.6	1 458.7	1 566.9	206.0%	25.8%
Contractors	1 813.3	2 031.2	2 440.0	2 918.5	17.2%	78.5%	1 884.1	1 855.6	1 957.7	-12.5%	51.2%
Inventory: Materials and supplies	87.8	16.8	–	671.8	97.1%	6.6%	600.4	603.9	605.3	-3.4%	14.7%
Consumable supplies	121.8	71.2	212.0	3.7	-68.7%	3.5%	112.9	154.2	194.4	273.7%	2.8%
Training and development	71.3	39.3	151.4	100.8	12.2%	3.1%	100.9	100.9	106.5	1.8%	2.4%
Transfers and subsidies <sup>1</sup>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>	<b>0.2</b>	<b>41.6%</b>	–	–	–	–	<b>-100.0%</b>	–
Households	0.1	0.0	0.1	0.2	41.6%	–	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>35.8</b>	<b>1.3</b>	<b>11.0</b>	–	<b>-100.0%</b>	<b>0.4%</b>	–	–	–	–	–
Buildings and other fixed structures	–	–	0.3	–	–	–	–	–	–	–	–
Machinery and equipment	35.8	1.3	10.7	–	-100.0%	0.4%	–	–	–	–	–
<b>Total</b>	<b>2 374.2</b>	<b>2 371.1</b>	<b>3 115.8</b>	<b>3 863.7</b>	<b>17.6%</b>	<b>100.0%</b>	<b>4 084.1</b>	<b>4 311.6</b>	<b>4 577.2</b>	<b>5.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>3.5%</b>	<b>3.4%</b>	<b>4.1%</b>	<b>4.5%</b>	–	–	<b>4.5%</b>	<b>4.4%</b>	<b>4.3%</b>	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

# Other department within the vote

## Department of Traditional Affairs

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	49.2	46.5	0.0	2.7	52.0	55.4
Research, Policy and Legislation	19.2	19.2	–	–	20.6	21.8
Institutional Support and Coordination	94.9	49.8	45.2	–	101.2	108.1
<b>Total expenditure estimates</b>	<b>163.4</b>	<b>115.4</b>	<b>45.2</b>	<b>2.7</b>	<b>173.9</b>	<b>185.3</b>
Executive authority	Minister of Cooperative Governance and Traditional Affairs					
Accounting officer	Director-General of Traditional Affairs					
Website address	www.dta.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

### Department purpose

Coordinate traditional affairs across government through the development of appropriate policies, norms and standards, systems, and regulatory frameworks; and promote culture, heritage and social cohesion.

### Mandate

The Department of Traditional Affairs is mandated to oversee a range of tasks inherent in dealing with issues related to traditional affairs, including KhoiSan leadership, and supporting the development of stable and cohesive interfaith communities.

The 2003 White Paper on Traditional Leadership and Governance sets out a national framework, and norms and standards that define the role and place of the institution of traditional leadership within the South African system of democratic governance. It seeks to support and transform the institution in accordance with constitutional imperatives and to restore the integrity and legitimacy of traditional leadership in line with the African indigenous law and customs subject to the Constitution.

The mandate of the Department of Traditional Affairs is informed by the following constitutional and legislative frameworks:

- the Traditional Leadership and Governance Framework Act (2003)
- the National House of Traditional Leaders Act (2009)
- the Commission for the Protection and Promotion of the Rights of Cultural, Religious and Linguistic Communities Act (2002)

### Selected performance indicators

**Table 4.15 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of publications on customary laws of succession and genealogies developed per year	Research, Policy and Legislation	Outcome 14: National building and social cohesion	– <sup>1</sup>	1	1	1	– <sup>2</sup>	– <sup>2</sup>	– <sup>2</sup>
Number of traditional leadership claims and dispute cases researched per year	Institutional Support and Coordination		80	80	80	43	– <sup>3</sup>	– <sup>3</sup>	– <sup>3</sup>

**Table 4.15 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of provinces monitored on implementation of the framework for resolution of traditional leadership disputes and claims per year	Institutional Support and Coordination	Outcome 14: National building and social cohesion	-1	-1	8	8	-2	-2	-2
Number of traditional courts monitored on the management of courts decisions per year	Institutional Support and Coordination		40	40	20	100	-2	-2	-2
Number of research projects conducted on the history and development of African, Khoi, Nama and San languages per year	Research, Policy and Legislation		-1	-1	-1	-1	2	2	2
Number of provinces trained on the development of genealogies for senior traditional leaders per year	Research, Policy and Legislation		-1	-1	-1	-1	2	3	3

1. No historical data available.

2. Indicator discontinued.

3. The term for the Commission on Traditional Leadership Disputes and Claims ended in 2017/18, with the remaining research expected to be conducted internally. Targets include projected dispute cases for KhoiSan leadership. The projected decrease in the number of disputes over claims to traditional leadership resolved over the MTEF period is due to reporting only on cases that were rejected by the courts.

## Expenditure analysis

The NDP envisages creating an inclusive rural economy and transforming society through a unified country. This is given expression by outcome 14 (nation building and social cohesion) of government's 2014-2019 medium-term strategic framework, with which the work of the Department of Traditional Affairs is closely aligned. Over the medium term, the department intends to continue focusing on developing legislation to ensure that traditional leadership institutions are strengthened.

Major activities over the medium term include increasing the number of functional structures of traditional leadership through the implementation of the Traditional and KhoiSan Leadership Bill, once enacted; supporting the establishment of the national KhoiSan council; establishing systems for reducing traditional leadership disputes and claims; and developing and implementing a capacity-building plan for the institution of traditional leadership. As a result of these activities, spending in the *Institutional Support and Coordination* programme, accounts for a projected R304.2 million of the department's total budget of R522.5 million over the MTEF period.

Activities in the *Research, Policy and Legislation* programme over the medium term involve finalising the Customary Initiation Bill, with the aim of regulating initiation practices in South Africa; and finalising the heritage and cultural promotion strategy for traditional communities, which seeks to mainstream culture and heritage as part of government's broader tourism strategy. Spending in this programme accounts for a projected R61.6 million of the department's total expenditure over the medium.

The department plans to increase the number of personnel from 104 in 2018/19 to 105 in 2021/22 over the MTEF period to support the implementation of the Traditional and KhoiSan Leadership Bill. Spending on compensation of employees is expected to increase at an average annual rate of 7.2 per cent, from R73.9 million in 2018/19 to R91 million in 2021/22.

## Expenditure trends

**Table 4.16 Departmental expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Research, Policy and Legislation														
3. Institutional Support and Coordination														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	22.5	31.4	31.2	28.8	37.5	36.0	37.7	43.3	39.8	45.5	47.0	47.0	114.4%	96.7%
Programme 2	14.6	15.1	15.1	17.1	13.6	12.8	19.0	16.6	14.0	16.6	18.6	18.6	90.0%	94.8%
Programme 3	82.4	79.5	79.1	83.9	83.0	81.8	88.3	92.6	85.8	91.1	97.6	97.6	99.6%	97.7%
<b>Total</b>	<b>119.4</b>	<b>125.9</b>	<b>125.4</b>	<b>129.8</b>	<b>134.0</b>	<b>130.7</b>	<b>145.0</b>	<b>152.5</b>	<b>139.6</b>	<b>153.3</b>	<b>163.3</b>	<b>163.3</b>	<b>102.1%</b>	<b>97.1%</b>
Change to 2018 Budget estimate										10.0				
Economic classification														
<b>Current payments</b>	<b>81.9</b>	<b>83.9</b>	<b>83.9</b>	<b>90.2</b>	<b>94.0</b>	<b>90.7</b>	<b>101.9</b>	<b>107.3</b>	<b>94.1</b>	<b>107.8</b>	<b>111.8</b>	<b>111.8</b>	<b>99.7%</b>	<b>95.8%</b>
Compensation of employees	53.9	56.6	56.6	61.0	61.0	58.1	69.0	69.2	62.5	73.9	73.9	73.9	97.4%	96.3%
Goods and services	28.0	27.3	27.3	29.2	33.0	32.5	32.8	38.1	31.6	34.0	38.0	38.0	104.3%	94.9%
<b>Transfers and subsidies</b>	<b>36.6</b>	<b>36.8</b>	<b>36.8</b>	<b>38.5</b>	<b>38.6</b>	<b>38.6</b>	<b>40.4</b>	<b>42.5</b>	<b>42.6</b>	<b>42.8</b>	<b>48.8</b>	<b>48.8</b>	<b>105.3%</b>	<b>100.1%</b>
Provinces and municipalities	–	0.0	0.0	–	0.0	0.0	–	0.0	0.0	0.0	0.0	0.0	260.0%	86.7%
Departmental agencies and accounts	36.6	36.6	36.6	38.5	38.5	38.5	–	–	42.4	42.8	48.8	48.8	141.1%	134.3%
Non-profit institutions	–	–	–	–	–	–	40.4	42.4	–	–	–	–	–	–
Households	–	0.2	0.2	–	0.0	0.0	–	0.0	0.2	–	–	–	–	139.9%
<b>Payments for capital assets</b>	<b>1.0</b>	<b>4.7</b>	<b>4.2</b>	<b>1.0</b>	<b>1.3</b>	<b>1.2</b>	<b>2.7</b>	<b>2.7</b>	<b>2.8</b>	<b>2.7</b>	<b>2.7</b>	<b>2.7</b>	<b>147.4%</b>	<b>95.6%</b>
Machinery and equipment	1.0	4.7	4.2	1.0	1.3	1.2	2.7	2.7	2.6	2.7	2.7	2.7	145.1%	94.1%
Software and other intangible assets	–	–	–	–	–	–	–	–	0.2	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>0.5</b>	<b>0.5</b>	<b>–</b>	<b>0.2</b>	<b>0.2</b>	<b>–</b>	<b>–</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>110.2%</b>
<b>Total</b>	<b>119.4</b>	<b>125.9</b>	<b>125.4</b>	<b>129.8</b>	<b>134.0</b>	<b>130.7</b>	<b>145.0</b>	<b>152.5</b>	<b>139.6</b>	<b>153.3</b>	<b>163.3</b>	<b>163.3</b>	<b>102.1%</b>	<b>97.1%</b>

## Expenditure estimates

**Table 4.17 Departmental expenditure estimates by programme and economic classification**

Programmes								
1. Administration								
2. Research, Policy and Legislation								
3. Institutional Support and Coordination								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	47.0	14.5%	27.5%	49.2	52.0	55.4	5.6%	29.7%
Programme 2	18.6	7.2%	10.8%	19.2	20.6	21.8	5.4%	11.7%
Programme 3	97.6	7.1%	61.6%	94.9	101.2	108.1	3.5%	58.6%
<b>Total</b>	<b>163.3</b>	<b>9.1%</b>	<b>100.0%</b>	<b>163.4</b>	<b>173.9</b>	<b>185.3</b>	<b>4.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–	–	–		

**Table 4.17 Departmental expenditure estimates by programme and economic classification**

Economic classification	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
		2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
R million	2018/19							
<b>Current payments</b>	<b>111.8</b>	<b>10.0%</b>	<b>68.1%</b>	<b>115.4</b>	<b>123.4</b>	<b>132.0</b>	<b>5.7%</b>	<b>70.4%</b>
Compensation of employees	73.9	9.3%	44.9%	79.5	85.4	91.0	7.2%	48.1%
Goods and services	38.0	11.6%	23.2%	36.0	38.0	41.0	2.6%	22.3%
<b>Transfers and subsidies</b>	<b>48.8</b>	<b>9.8%</b>	<b>29.8%</b>	<b>45.2</b>	<b>47.7</b>	<b>50.3</b>	<b>1.0%</b>	<b>28.0%</b>
Provinces and municipalities	0.0	7.7%	0.0%	0.0	0.0	0.0	-	0.0%
Departmental agencies and accounts	48.8	10.1%	29.8%	45.2	47.7	50.3	1.0%	28.0%
<b>Payments for capital assets</b>	<b>2.7</b>	<b>-17.4%</b>	<b>1.9%</b>	<b>2.7</b>	<b>2.9</b>	<b>3.0</b>	<b>4.2%</b>	<b>1.6%</b>
Machinery and equipment	2.7	-17.4%	1.9%	2.7	2.9	3.0	4.2%	1.6%
<b>Total</b>	<b>163.3</b>	<b>9.1%</b>	<b>100.0%</b>	<b>163.4</b>	<b>173.9</b>	<b>185.3</b>	<b>4.3%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 4.18 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22
R thousand											
Research and Policy development	15 112	12 846	13 994	18 640	7.2%	10.8%	19 181	20 647	21 810	5.4%	11.7%
Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities	36 582	38 521	42 447	36 582	-	27.6%	45 189	47 674	50 296	11.2%	26.2%
<b>Total</b>	<b>51 694</b>	<b>51 367</b>	<b>56 441</b>	<b>55 222</b>	<b>2.2%</b>	<b>38.4%</b>	<b>64 370</b>	<b>68 321</b>	<b>72 106</b>	<b>9.3%</b>	<b>37.9%</b>

## Goods and services expenditure trends and estimates

**Table 4.19 Departmental goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22
R thousand											
Administrative fees	107	352	1 137	944	106.6%	2.0%	1 263	1 310	1 367	13.1%	3.2%
Advertising	323	331	329	1 037	47.5%	1.6%	378	358	382	-28.3%	1.4%
Minor assets	42	48	280	155	54.5%	0.4%	190	215	234	14.7%	0.5%
Audit costs: External	2 594	2 075	1 932	2 800	2.6%	7.3%	2 500	2 500	2 645	-1.9%	6.8%
Bursaries: Employees	-	104	46	480	-	0.5%	440	440	463	-1.2%	1.2%
Catering: Departmental activities	495	734	659	562	4.3%	1.9%	966	1 042	1 077	24.2%	2.4%
Communication	830	1 825	934	1 578	23.9%	4.0%	2 148	2 218	2 302	13.4%	5.4%
Computer services	149	148	186	176	5.7%	0.5%	285	288	305	20.1%	0.7%
Consultants: Business and advisory services	1 886	1 385	1 679	1 684	-3.7%	5.1%	1 933	1 944	2 065	7.0%	5.0%
Legal services	3 865	4 375	3 820	4 200	2.8%	12.6%	4 260	4 491	4 735	4.1%	11.6%
Contractors	52	12	12	-	-100.0%	0.1%	-	-	-	-	-
Fleet services (including government motor transport)	413	605	286	221	-18.8%	1.2%	583	588	604	39.8%	1.3%
Consumable supplies	38	39	59	279	94.4%	0.3%	149	144	151	-18.5%	0.5%
Consumables: Stationery, printing and office supplies	550	363	263	1 032	23.3%	1.7%	1 323	1 393	1 467	12.4%	3.4%
Operating leases	157	109	280	284	21.8%	0.6%	400	400	450	16.6%	1.0%
Rental and hiring	55	69	-	-	-100.0%	0.1%	-	-	-	-	-
Property payments	5	-	-	-	-100.0%	-	-	-	-	-	-
Travel and subsistence	14 473	18 933	16 579	18 857	9.2%	53.2%	16 690	17 981	19 969	1.9%	48.1%
Training and development	182	115	121	687	55.7%	0.9%	562	604	643	-2.2%	1.6%
Operating payments	678	465	814	1 785	38.1%	2.9%	884	889	917	-19.9%	2.9%
Venues and facilities	402	461	2 136	1 230	45.2%	3.3%	1 029	1 145	1 216	-0.4%	3.0%
<b>Total</b>	<b>27 296</b>	<b>32 548</b>	<b>31 552</b>	<b>37 991</b>	<b>11.7%</b>	<b>100.0%</b>	<b>35 983</b>	<b>37 950</b>	<b>40 992</b>	<b>2.6%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 4.20 Departmental transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	232	32	143	–	-100.0%	0.2%	–	–	–	–	–
Social benefits	–	32	114	–	–	0.1%	–	–	–	–	–
Leave gratuities	232	–	29	–	-100.0%	0.2%	–	–	–	–	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	36 582	38 522	42 448	48 795	10.1%	99.7%	45 191	47 676	50 298	1.0%	100.0%
Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities	36 582	38 521	42 447	48 793	10.1%	99.7%	45 189	47 674	50 296	1.0%	100.0%
Communication	–	1	1	2	–	–	2	2	2	–	–
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	–	–	10	–	–	–	–	–	–	–	–
Ex-gratia payment	–	–	10	–	–	–	–	–	–	–	–
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	4	2	2	5	7.7%	–	5	5	5	–	–
Vehicle licences	4	2	2	5	7.7%	–	5	5	5	–	–
<b>Total</b>	<b>36 818</b>	<b>38 556</b>	<b>42 603</b>	<b>48 800</b>	<b>9.8%</b>	<b>100.0%</b>	<b>45 196</b>	<b>47 681</b>	<b>50 303</b>	<b>1.0%</b>	<b>100.0%</b>

## Personnel information

**Table 4.21 Departmental personnel numbers and cost by salary level and programme<sup>1</sup>**

Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>Traditional Affairs</b>																			
<b>Salary level</b>	94	6	98	62.5	0.6	104	73.9	0.7	107	79.5	0.7	107	85.6	0.8	105	90.9	0.9	0.3%	100.0%
1 – 6	25	4	26	6.1	0.2	30	8.5	0.3	35	10.7	0.3	35	11.5	0.3	33	11.7	0.4	3.2%	31.4%
7 – 10	24	2	18	6.7	0.4	19	7.8	0.4	18	8.1	0.5	18	9.0	0.5	18	9.7	0.5	-1.8%	17.3%
11 – 12	24	–	23	16.6	0.7	23	17.3	0.8	22	17.7	0.8	22	18.9	0.9	22	20.3	0.9	-1.5%	21.0%
13 – 16	21	–	30	31.1	1.0	31	38.0	1.2	31	40.6	1.3	31	43.5	1.4	31	46.6	1.5	–	29.3%
Other	–	–	1	2.0	2.0	1	2.2	2.2	1	2.3	2.3	1	2.5	2.5	1	2.7	2.7	–	0.9%
<b>Programme</b>	94	6	98	62.5	0.6	104	73.9	0.7	107	79.5	0.7	107	85.6	0.8	105	90.9	0.9	0.3%	100.0%
Programme 1	39	2	40	26.3	0.7	43	31.3	0.7	43	33.6	0.8	43	36.1	0.8	42	38.2	0.9	-0.8%	40.4%
Programme 2	14	–	18	11.0	0.6	18	13.3	0.7	22	15.4	0.7	22	16.5	0.8	21	17.4	0.8	5.3%	19.6%
Programme 3	41	4	40	25.2	0.6	43	29.2	0.7	42	30.5	0.7	42	33.0	0.8	42	35.3	0.8	-0.8%	40.0%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 4.22 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>29</b>	<b>984</b>	<b>98</b>	<b>127</b>	<b>144</b>	<b>70.6%</b>	<b>100.0%</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>-30.7%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>29</b>	<b>37</b>	<b>40</b>	<b>27</b>	<b>48</b>	<b>18.3%</b>	<b>12.3%</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>-</b>	<b>66.7%</b>
Sales by market establishments of which:	12	17	17	15	24	26.0%	5.6%	24	24	24	-	33.3%
Sale of goods and services produced by the department	12	17	17	15	24	26.0%	5.6%	24	24	24	-	33.3%
Other sales of which:	17	20	23	12	24	12.2%	6.7%	24	24	24	-	33.3%
Sale of goods and services produced by the department	17	20	23	10	24	12.2%	6.7%	24	24	24	-	33.3%
Sales by market establishments	-	-	-	2	-	-	-	-	-	-	-	-
Sales of capital assets	-	915	-	-	-	-	72.9%	-	-	-	-	-
Transactions in financial assets and liabilities	-	32	58	100	96	-	14.8%	-	-	-	-100.0%	33.3%
<b>Total</b>	<b>29</b>	<b>984</b>	<b>98</b>	<b>127</b>	<b>144</b>	<b>70.6%</b>	<b>100.0%</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>-30.7%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 4.23 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	6.1	7.3	7.5	8.0	9.4%	18.8%	8.5	8.9	9.2	5.0%	17.0%
Management of Traditional Affairs	10.5	13.1	12.0	14.4	11.1%	32.4%	15.5	16.5	17.6	7.0%	31.4%
Corporate Services	12.5	12.5	15.6	19.5	16.1%	39.1%	20.4	21.4	22.9	5.5%	41.4%
Internal Audit	2.1	3.1	4.7	5.1	34.3%	9.7%	4.9	5.2	5.6	2.7%	10.2%
<b>Total</b>	<b>31.2</b>	<b>36.0</b>	<b>39.8</b>	<b>47.0</b>	<b>14.7%</b>	<b>100.0%</b>	<b>49.2</b>	<b>52.0</b>	<b>55.4</b>	<b>5.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				1.5			-	-	-		
<b>Economic classification</b>											
<b>Current payments</b>	<b>29.2</b>	<b>34.6</b>	<b>36.8</b>	<b>44.4</b>	<b>15.0%</b>	<b>94.1%</b>	<b>46.5</b>	<b>49.2</b>	<b>52.3</b>	<b>5.7%</b>	<b>94.5%</b>
Compensation of employees	19.0	23.0	26.3	31.4	18.3%	64.7%	33.6	35.9	38.3	6.8%	68.4%
Goods and services <sup>1</sup> of which:	10.2	11.6	10.5	13.0	8.3%	29.4%	12.9	13.2	14.1	2.7%	26.1%
Audit costs: External	2.6	2.1	1.9	2.8	2.6%	6.1%	2.5	2.5	2.6	-1.9%	5.1%
Communication	0.4	1.0	0.4	0.7	22.4%	1.6%	1.0	1.0	1.1	13.9%	1.9%
Consultants: Business and advisory services	0.8	0.4	0.5	0.7	-4.9%	1.6%	0.9	0.9	1.1	14.8%	1.8%
Consumables: Stationery, printing and office supplies	0.4	0.2	0.2	0.3	-11.7%	0.7%	0.7	0.7	0.7	37.4%	1.1%
Travel and subsistence	4.0	5.9	5.0	5.3	9.7%	13.1%	4.2	4.6	4.9	-2.7%	9.3%
Operating payments	0.7	0.4	0.5	1.0	15.9%	1.7%	0.6	0.6	0.6	-15.6%	1.4%
Transfers and subsidies <sup>1</sup>	0.0	0.0	0.1	0.0	20.5%	0.1%	0.0	0.0	0.0	-	-
Households	-	0.0	0.1	-	-	0.1%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>1.6</b>	<b>1.2</b>	<b>2.8</b>	<b>2.7</b>	<b>19.5%</b>	<b>5.4%</b>	<b>2.7</b>	<b>2.9</b>	<b>3.0</b>	<b>4.2%</b>	<b>5.5%</b>
Machinery and equipment	1.6	1.2	2.6	2.7	19.5%	5.2%	2.7	2.9	3.0	4.2%	5.5%
Software and other intangible assets	-	-	0.2	-	-	0.1%	-	-	-	-	-
Payments for financial assets	0.5	0.2	0.1	-	-100.0%	0.5%	-	-	-	-	-
<b>Total</b>	<b>31.2</b>	<b>36.0</b>	<b>39.8</b>	<b>47.0</b>	<b>14.7%</b>	<b>100.0%</b>	<b>49.2</b>	<b>52.0</b>	<b>55.4</b>	<b>5.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>24.9%</b>	<b>27.5%</b>	<b>28.5%</b>	<b>28.8%</b>	<b>-</b>	<b>-</b>	<b>30.1%</b>	<b>29.9%</b>	<b>29.9%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Research, Policy and Legislation

### Programme purpose

Develop, review, coordinate and monitor the implementation of traditional affairs policies and norms and standards, and support traditional affairs entities to restore the integrity and dignity of traditional leadership.

### Objectives

- Support the transformation of institutions of traditional leadership by implementing and monitoring relevant policies and legislation on an ongoing basis.
- Promote social cohesion by implementing national projects to promote the culture and heritage of traditional leadership and communities by March 2022.
- Enhance information management for faith structures, traditional leadership institutions and communities by establishing a traditional leadership database by March 2022.

### Subprogrammes

- *Management* provides strategic oversight to the programme.
- *Policy and Legislation* develops, reviews and monitors the implementation of traditional policies, legislation, frameworks, and norms and standards. The subprogramme also ensures the alignment of provincial traditional leadership legislation and policies with national legislation and policies.
- *Research and Information Management* provides anthropological research for the department and traditional affairs entities, and research support for entities; develops and maintains traditional affairs information systems; implements national frameworks and strategies for the coordination of social cohesion within the sector to promote interfaith affairs; and promotes the progressive cultural and heritage practices of traditional and KhoiSan communities.

### Expenditure trends and estimates

**Table 4.24 Research, Policy and Legislation expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Management	3.9	0.1	–	3.2	-6.0%	11.8%	2.0	2.3	2.5	-8.5%	12.5%
Policy and Legislation	3.6	3.1	3.6	4.0	4.2%	23.5%	4.5	4.9	5.1	8.1%	23.0%
Research and Information Management	7.7	9.7	10.4	11.4	14.1%	64.7%	12.6	13.4	14.3	7.7%	64.5%
<b>Total</b>	<b>15.1</b>	<b>12.8</b>	<b>14.0</b>	<b>18.6</b>	<b>7.2%</b>	<b>100.0%</b>	<b>19.2</b>	<b>20.6</b>	<b>21.8</b>	<b>5.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				2.0			1.0	1.1	1.1		
<b>Economic classification</b>											
<b>Current payments</b>	<b>14.9</b>	<b>12.8</b>	<b>14.0</b>	<b>18.6</b>	<b>7.9%</b>	<b>99.5%</b>	<b>19.2</b>	<b>20.6</b>	<b>21.8</b>	<b>5.4%</b>	<b>100.0%</b>
Compensation of employees	12.9	10.3	11.0	13.2	0.8%	78.2%	15.3	16.4	17.4	9.5%	77.6%
Goods and services <sup>1</sup>	2.0	2.6	3.0	5.4	40.6%	21.3%	3.9	4.2	4.5	-6.4%	22.4%
of which:											
Catering: Departmental activities	0.0	0.0	0.0	0.1	70.5%	0.3%	0.1	0.1	0.1	4.7%	0.6%
Communication	0.2	0.1	0.2	0.3	14.8%	1.2%	0.3	0.3	0.3	5.4%	1.5%
Consumables: Stationery, printing and office supplies	0.1	0.1	0.1	0.2	36.0%	0.6%	0.3	0.3	0.3	20.2%	1.2%
Travel and subsistence	1.5	2.2	2.3	4.3	43.4%	16.8%	2.6	2.8	3.0	-11.3%	15.9%
Operating payments	–	–	0.3	0.3	–	1.0%	0.2	0.2	0.2	-8.2%	1.2%
Venues and facilities	0.2	0.1	–	0.0	-55.3%	0.6%	0.2	0.2	0.2	115.4%	0.7%
Transfers and subsidies <sup>1</sup>	0.2	–	0.0	–	-100.0%	0.4%	–	–	–	–	–
Households	0.2	–	0.0	–	-100.0%	0.4%	–	–	–	–	–
<b>Total</b>	<b>15.1</b>	<b>12.8</b>	<b>14.0</b>	<b>18.6</b>	<b>7.2%</b>	<b>100.0%</b>	<b>19.2</b>	<b>20.6</b>	<b>21.8</b>	<b>5.4%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	12.1%	9.8%	10.0%	11.4%	–	–	11.7%	11.9%	11.8%	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.



## Programme 3: Institutional Support and Coordination

### Programme purpose

Provide comprehensive support to the institutions of traditional leadership, including KhoiSan leadership structures, to coordinate traditional affairs across all three spheres of government.

### Objectives

- Facilitate partnerships and collaborative relations by increasing the number of functional structures of traditional leadership through the implementation of the Traditional and KhoiSan Leadership Bill, and associated regulations aimed at transforming the sector, by March 2020.
- Promote socioeconomic development within traditional communities by participating in municipal integrated development planning processes on an ongoing basis.

### Subprogrammes

- *Management* provides strategic oversight to the programme.
- *Institutional Development and Capacity Building* ensures that traditional communities are empowered by reviewing and developing national support programmes for these communities and their governance structures.
- *Intergovernmental Relations and Partnerships* promotes and integrates the role and place of traditional affairs and the institutions of traditional leadership, including KhoiSan leadership structures, in the South African governing system by establishing synergetic relationships with other governance structures across the three spheres of government.
- *National House of Traditional Leaders* enhances cooperation between government and institutions of traditional leadership, and advises government on programmes, policies and legislation that affect traditional communities.
- *Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities* promotes and protects the cultural, religious and linguistic rights of communities.
- *Disputes and Claims Resolutions* processes and finalises traditional leadership disputes and claims.

### Expenditure trends and estimates

**Table 4.25 Institutional Support and Coordination expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Management	1.5	–	–	2.3	16.0%	1.1%	3.7	4.1	4.4	24.5%	3.6%
Institutional Development and Capacity Building	5.1	5.4	6.4	7.3	13.1%	7.0%	8.1	8.6	9.1	7.4%	8.2%
Intergovernmental Relations and Partnerships	6.5	6.8	6.0	8.3	8.3%	8.0%	8.9	9.5	10.2	7.2%	9.2%
National House of Traditional Leaders	18.6	18.9	20.8	18.5	–	22.3%	20.4	21.6	23.0	7.4%	20.8%
Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities	36.6	38.5	42.4	48.8	10.1%	48.3%	45.2	47.7	50.3	1.0%	47.8%
Disputes and Claims Resolutions	10.9	12.2	10.2	12.4	4.5%	13.3%	8.7	9.7	11.2	-3.5%	10.4%
<b>Total</b>	<b>79.1</b>	<b>81.8</b>	<b>85.8</b>	<b>97.6</b>	<b>7.3%</b>	<b>100.0%</b>	<b>94.9</b>	<b>101.2</b>	<b>108.1</b>	<b>3.5%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				6.5			(1.0)	(1.1)	(1.1)		

**Table 4.25 Institutional Support and Coordination expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Current payments</b>	<b>39.9</b>	<b>43.3</b>	<b>43.3</b>	<b>48.9</b>	<b>7.0%</b>	<b>50.9%</b>	<b>49.8</b>	<b>53.6</b>	<b>57.8</b>	<b>5.8%</b>	<b>52.2%</b>
Compensation of employees	24.8	24.9	25.2	29.3	5.7%	30.2%	30.5	33.1	35.3	6.5%	31.9%
Goods and services <sup>1</sup>	15.1	18.4	18.1	19.6	9.0%	20.7%	19.3	20.5	22.5	4.7%	20.4%
<i>of which:</i>											
<i>Catering: Departmental activities</i>	<i>0.3</i>	<i>0.6</i>	<i>0.5</i>	<i>0.4</i>	<i>2.5%</i>	<i>0.5%</i>	<i>0.7</i>	<i>0.8</i>	<i>0.8</i>	<i>30.0%</i>	<i>0.7%</i>
<i>Communication</i>	<i>0.3</i>	<i>0.7</i>	<i>0.4</i>	<i>0.6</i>	<i>31.8%</i>	<i>0.5%</i>	<i>0.9</i>	<i>0.9</i>	<i>0.9</i>	<i>16.2%</i>	<i>0.8%</i>
<i>Consultants: Business and advisory services</i>	<i>1.1</i>	<i>1.0</i>	<i>1.1</i>	<i>1.0</i>	<i>-2.8%</i>	<i>1.2%</i>	<i>1.0</i>	<i>1.0</i>	<i>1.0</i>	<i>0.7%</i>	<i>1.0%</i>
<i>Legal services</i>	<i>3.9</i>	<i>4.4</i>	<i>3.8</i>	<i>4.2</i>	<i>2.8%</i>	<i>4.7%</i>	<i>4.3</i>	<i>4.5</i>	<i>4.7</i>	<i>4.1%</i>	<i>4.4%</i>
<i>Travel and subsistence</i>	<i>9.0</i>	<i>10.9</i>	<i>9.3</i>	<i>9.3</i>	<i>0.9%</i>	<i>11.2%</i>	<i>9.8</i>	<i>10.6</i>	<i>12.1</i>	<i>9.2%</i>	<i>10.4%</i>
<i>Venues and facilities</i>	<i>0.0</i>	<i>0.2</i>	<i>1.9</i>	<i>0.6</i>	<i>172.9%</i>	<i>0.8%</i>	<i>0.6</i>	<i>0.7</i>	<i>0.8</i>	<i>7.7%</i>	<i>0.7%</i>
<b>Transfers and subsidies<sup>1</sup></b>	<b>36.6</b>	<b>38.5</b>	<b>42.5</b>	<b>48.8</b>	<b>10.1%</b>	<b>48.3%</b>	<b>45.2</b>	<b>47.7</b>	<b>50.3</b>	<b>1.0%</b>	<b>47.8%</b>
Departmental agencies and accounts	36.6	38.5	42.4	48.8	10.1%	48.3%	45.2	47.7	50.3	1.0%	47.8%
<b>Payments for capital assets</b>	<b>2.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.8%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Machinery and equipment	2.6	-	-	-	-100.0%	0.8%	-	-	-	-	-
<b>Total</b>	<b>79.1</b>	<b>81.8</b>	<b>85.8</b>	<b>97.6</b>	<b>7.3%</b>	<b>100.0%</b>	<b>94.9</b>	<b>101.2</b>	<b>108.1</b>	<b>3.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>63.1%</b>	<b>62.6%</b>	<b>61.5%</b>	<b>59.8%</b>	<b>-</b>	<b>-</b>	<b>58.1%</b>	<b>58.2%</b>	<b>58.3%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>36.6</b>	<b>38.5</b>	<b>42.4</b>	<b>48.8</b>	<b>10.1%</b>	<b>48.3%</b>	<b>45.2</b>	<b>47.7</b>	<b>50.3</b>	<b>1.0%</b>	<b>47.8%</b>
Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities	36.6	38.5	42.4	48.8	10.1%	48.3%	45.2	47.7	50.3	1.0%	47.8%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

Comprehensive coverage of the following public entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities** promotes and protects cultural, religious and linguistic rights. The commission focuses on conflict resolution, research, advocacy and community engagement. The commission's total budget for 2019/20 is R45.4 million.
- The **Municipal Demarcation Board** is an independent authority responsible for determining municipal boundaries. The board is also mandated to declare district management areas, delimit wards for local elections, and assess the capacity of municipalities to perform their functions. The board's total budget for 2019/20 is R57.4 million.
- The **Municipal Infrastructure Support Agent** is mandated to provide immediate support to municipalities struggling with infrastructure delivery by facilitating the deployment of engineers, scientists and technicians to those municipalities, and providing oversight. The agent's total budget for 2019/20 is R355.6 million.
- The **South African Local Government Association** is mandated by the Constitution to assist in the comprehensive transformation of local government. The association is being delisted from the Public Finance Management Act (1999). Total transfers for 2018/19 amounted to R76.2 million.

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
<b>Departmental infrastructure</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Community Work Programme (CWP) Wendy House constructions	CWP Wendy House constructions	Hand over	0.3	-	-	0.3	-	-	-	-
<b>Infrastructure transfers to other spheres, agencies and departments</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Municipal infrastructure grant transfer	Eradication of the backlog in municipal infrastructure, provision of basic services to poor households	On-going	83 958.3	14 955.8	14 914.0	15 891.3	16 787.7	14 816.1	15 659.9	16 830.8
Integrated urban development grant	Support spatially aligned public infrastructure investment that will lead to functional and efficient urban spaces and ultimately unlock growth	On-going	-	-	-	-	-	856.9	939.2	1 013.2
<b>Total</b>			<b>83 958.6</b>	<b>14 955.8</b>	<b>14 914.0</b>	<b>15 891.6</b>	<b>16 787.7</b>	<b>15 673.0</b>	<b>16 599.1</b>	<b>17 844.0</b>



# Vote 5

## Home Affairs

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	2 340.2	2 324.9	2.7	12.6	2 490.5	2 694.5
Citizen Affairs	4 736.7	2 563.6	2 173.1	–	4 922.4	5 535.1
Immigration Affairs	1 262.8	1 262.3	0.4	–	1 330.6	1 383.1
<b>Total expenditure estimates</b>	<b>8 339.7</b>	<b>6 150.9</b>	<b>2 176.2</b>	<b>12.6</b>	<b>8 743.5</b>	<b>9 612.7</b>

Executive authority Minister of Home Affairs  
 Accounting officer Director-General of Home Affairs  
 Website address [www.dha.gov.za](http://www.dha.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Efficiently determine and safeguard the identity and status of citizens. Regulate immigration to ensure security, promote development and fulfil South Africa's international obligations.*

### Mandate

The mandate of the Department of Home Affairs is derived from the Constitution and various acts of Parliament and policy documents. The department's services are divided into two broad categories: civic services and immigration services. The primary mandate of the department is to secure and manage identity and international migration through the delivery of enabling services to all citizens, foreign nationals, government and the private sector.

### Selected performance indicators

**Table 5.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of births registered within 30 calendar days per year	Citizen Affairs	Outcome 3: All people in South Africa are and feel safe	703 765	745 204	772 035	800 000	800 000	800 000	800 000
Number of smart identity cards issued per year to citizens 16 years and older	Citizen Affairs		2 320 972	2 698 181	2 864 111	3 000 000	3 000 000	3 900 000	5 000 000
Percentage of machine-readable adult passports (new live capture process) per year issued within 13 working days (within South Africa) <sup>1</sup>	Citizen Affairs	Outcome 12: An efficient, effective and development-oriented public service	96% (498 600/ 519 589)	101.5% (641 546/ 632 054)	106.6% (734 669/ 688 613)	90%	90%	90%	90%

**Table 5.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of permanent residence applications per year adjudicated within 8 months (collected within South Africa) <sup>2</sup>	Immigration Affairs	Outcome 12: An efficient, effective and development-oriented public service	53% (2 754/ 5 196)	98% (5 271/ 5 374)	97% (7 810/ 8 049)	85%	85%	90%	90%
Percentage of business and general work visa applications per year adjudicated within 8 weeks (processed within South Africa)	Immigration Affairs	Outcome 12: An efficient, effective and development-oriented public service  Outcome 4: Decent employment through inclusive growth	84.7% (5 764/ 6 805)	97% (2 007/ 2 062)	98% (1 572/ 1 609)	90%	90%	90%	90%
Percentage of critical skills visa applications per year adjudicated within 4 weeks (processed within South Africa)	Immigration Affairs	Outcome 4: Decent employment through inclusive growth	79.8% (3 530/ 4 424)	94% (5 951/ 6 314)	89% (5 935/ 6 684)	85%	85%	85%	85%

1. Indicator measures only adult passports from 2019/20. A new indicator will be developed to measure child passports. Overachievements are due to the number of passports issued being higher than number received as some applications were received and issued in different financial years.

2. Indicator measures permanent residence applications made in terms of sections 27(b), 26(a) and 27(c) of the Immigration Act (2002).

## Expenditure analysis

In fulfilling its mandate to affirm and register official identities and civic statuses, including citizenship, as well as to regulate international migration, the Department of Home Affairs contributes to the attainment of the National Development Plan's vision of building a South Africa that is safe and conducive to development. The work of the department is closely aligned with outcome 3 (all people in South Africa are and feel safe), outcome 4 (decent employment through inclusive growth) and outcome 12 (an efficient, effective and development-oriented public service) of government's 2014-2019 medium-term strategic framework. The department's key functions include the issuing of enabling documents such as birth certificates, identity documents, passports, visas and permits; ensuring the secure entry and exit of persons through designated ports of entry; and enforcing immigration legislation. These functions must be managed securely and strategically as key enablers of national security, citizen empowerment and socioeconomic development.

Over the medium term, the department will focus on repositioning itself as a modern and secure organisation; improving and expanding client interfaces and service delivery imperatives; establishing and operationalising a border management authority; streamlining and securing international migration; and establishing public-private partnerships in support of key infrastructure projects.

Cabinet-approved changes to the budget result in an increase of R31.2 million in 2019/20, a decrease of R7.3 million in 2020/21 and an increase of R342.3 million in 2021/22. Budget reductions will be effected mainly on non-essential items such as travel and subsistence, catering services, property payments, and contractors in the *Administration, Citizen Affairs and Immigration Affairs* programmes. Budget increases are for the establishment of a border management authority and the advance passenger processing system, which will enable airlines and shipping liners to send information to immigration officers according to passengers' security and risk profiles; the management of the Represented Political Parties' Fund; and transfers of R295 million in 2021/22 to the Electoral Commission for the local government elections in 2021.

### **Modernising the department and integrating information systems**

Following Cabinet's approval of the business case in March 2017 for the department to reposition itself as a

modern, highly secure and professional department within the core security system of the state, the department plans to develop a white paper on home affairs and publish it for public comment in 2018/19. This will provide a policy platform for the drafting of a home affairs bill, which is scheduled to be submitted to Cabinet by the end of March 2020 and will provide legislation for the department's mandate.

The department's strategic goal is to replace its operating model with a new model in terms of culture, organisational structure, personnel capabilities, processes, systems and technology. Key elements of the new model will be phased in over a 10-year period leading up to 2028/29. These include digital processes for issuing birth, marriage and death certificates; the use of modified screening procedures at e-gates at high-volume land ports of entry for pre-approved frequent travellers; and a single hub for the adjudication of permits and visas. All of these services will be accessed through a number of channels, often involving partners, such as public and private health systems for birth and death registration. The implementation of the new model will eliminate historical issues in the department such as long queues and fraud.

Digital migration and innovation will enable the department to become a leading provider of identity data verification services for both government and private institutions. The national identity system, which is expected to be operational by March 2024, will capture identity and biometric data, thereby increasing the security and reliability of civic and immigration statuses. This will in turn enable economic transformation, as those who qualify for government social security services will be easily identified. The successful implementation of the system will lead to a substantial reduction in fraudulent transactions and enable efficient service delivery. New revenue streams for the department will also be generated by charging a fee to third parties accessing the system.

An estimated R1.8 billion is allocated in the *Administration* programme over the medium term for the department's modernisation programme. This funding will mainly be used for operating and maintaining existing systems, completing the development of the national identity system, the use of e-gates for trusted travellers at high-volume ports of entry, and the asylum seeker management system.

### ***Improving and expanding client interfaces***

The rollout of smart identity cards began in 2013 to replace an estimated 38 million green barcoded identity books. As at the end of 2017/18, 9.6 million smart identity cards had been issued at a cost of R2.1 billion. A projected R2.2 billion is set to be spent over the medium term in the *Citizen Affairs* programme to issue a further 11.9 million smart identity cards. The issuing of smart identity cards is mainly funded through revenue generated from fees charged to applicants for various services offered by the department.

To increase the rollout of smart identity cards and passports over the medium term, the department will aim to expand its public-private partnership with the banking sector to provide services at more branches and other service providers such as the South African Post Office. The department will also aim to extend its reach by procuring new mobile units and refurbishing its existing fleet, leading to a projected increase in the number of units from 70 in 2018/19 to 78 in 2019/20 at an estimated cost of R90 million over the medium term in the *Administration* programme.

Maintaining the department's footprint requires adequate and skilled personnel. As such, client interface functions are funded in the *Service Delivery to Provinces* subprogramme in the *Citizen Affairs* programme, with an allocation of R7.1 billion over the medium term for expenditure on compensation of employees.

### ***Establishing a border management authority***

In June 2013, Cabinet ruled that, under the leadership of the department, a border management authority should be established to provide an integrated approach to border management characterised by a single command-and-control structure. The authority will be aimed at improving security, integrity and efficiency at South Africa's borders, and will incrementally assume responsibility for enforcing border law at ports of entry. The Border Management Authority Bill is set to be finalised by 2019/20, and the authority is expected to be operational by April 2019, subject to the passing of the legislation.

Functions for the authority's operations will be transferred from departments and entities such as the South

African Police Service and the Department of Health over the medium term, with the associated funding and other resources, including assets. To establish the authority, amounts of R16 million in 2019/20, R28 million in 2020/21 and R40 million in 2021/22 have been earmarked in the *Administration* programme for compensation of employees, systems development, and various goods and services items.

### Streamlining and securing international migration

The 2017 White Paper on International Migration contends that South Africa needs a progressive vision that inspires the country to maximise the benefits of international migration while minimising associated risks such as sovereignty, peace and security, and that the cost of a lack of investment in managing international migration is far higher than the cost of building the necessary capacity. Following Cabinet’s approval of the paper in March 2018, the department is in the process of drafting legislation, which is set to be promulgated in the next medium-term strategic framework cycle (2019-2024). Elements of this policy, such as community border crossings, are being phased in.

The advance passenger processing system enables passengers to be screened at the point of departure rather than at arrival. This streamlines arrivals, as passengers’ security and risk profiles are assessed before they reach ports of entry, and minimises security risks. Expenditure in this regard, mainly on service fees for the department’s use of the system, is estimated at R498 million over the medium term in the *Administration* programme.

The *Immigration Affairs* programme is responsible for facilitating and regulating the secure movement of people through ports of entry. Spending on compensation of employees is the main cost driver in the programme, accounting for an estimated 63.5 per cent (R2.5 billion) of its total budget over the medium term.

### Infrastructure projects

The department is in the process of establishing public-private partnerships for the redevelopment and modernisation of 6 priority land ports of entry (Beitbridge, Maseru Bridge, Kopfontein, Lebombo, Oshoek and Ficksburg), as well as moving refugee reception centres closer to the country’s borders. Amounts of R72.1 million in 2019/20, R76.6 million in 2020/21 and R80.4 million in 2021/22 have been provided in the *Administration* programme for the improvement of residential and office accommodation at ports of entry and refugee reception offices.

## Expenditure trends

**Table 5.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration 2. Citizen Affairs 3. Immigration Affairs														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	1 704.2	1 769.6	1 828.0	2 222.9	2 387.8	2 210.8	2 259.5	2 731.2	2 516.2	2 332.8	2 525.1	2 525.1	106.6%	96.5%
Programme 2	4 025.7	4 941.6	4 785.7	3 901.6	4 725.5	4 787.0	3 574.7	4 450.7	4 687.0	4 509.0	5 448.7	5 448.7	123.1%	100.7%
Programme 3	720.9	637.6	729.8	1 042.7	1 042.5	1 145.7	1 221.3	1 220.4	1 198.5	1 073.6	1 073.6	1 073.6	102.2%	104.4%
<b>Total</b>	<b>6 450.8</b>	<b>7 348.7</b>	<b>7 343.4</b>	<b>7 167.1</b>	<b>8 155.8</b>	<b>8 143.5</b>	<b>7 055.5</b>	<b>8 402.3</b>	<b>8 401.7</b>	<b>7 915.4</b>	<b>9 047.4</b>	<b>9 047.4</b>	<b>115.2%</b>	<b>99.9%</b>
Change to 2018 Budget estimate											1 132.0			
Economic classification														
<b>Current payments</b>	<b>4 790.5</b>	<b>5 688.4</b>	<b>5 460.5</b>	<b>5 430.4</b>	<b>6 327.7</b>	<b>6 104.4</b>	<b>5 547.9</b>	<b>6 888.2</b>	<b>6 389.3</b>	<b>5 783.7</b>	<b>6 915.7</b>	<b>6 915.7</b>	<b>115.4%</b>	<b>96.3%</b>
Compensation of employees	2 868.1	2 866.0	2 845.3	3 146.8	3 069.8	3 069.8	3 198.2	3 198.2	3 192.6	3 308.1	3 308.1	3 308.1	99.2%	99.8%
Goods and services	1 922.4	2 822.4	2 615.2	2 283.5	3 257.9	3 034.6	2 349.8	3 690.0	3 196.7	2 475.6	3 607.6	3 607.6	137.9%	93.1%



**Table 5.2 Vote expenditure trends by programme and economic classification**

Economic classification	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	1 649.4	1 649.4	1 666.1	1 725.9	1 817.2	1 815.7	1 446.2	1 446.2	1 458.5	2 119.8	2 119.8	2 119.8	101.7%	100.4%
<b>Transfers and subsidies</b>														
Provinces and municipalities	1.5	1.5	0.9	1.7	1.7	0.9	1.8	1.8	1.1	1.9	1.9	1.9	69.8%	69.8%
Departmental agencies and accounts	1 644.9	1 644.9	1 644.8	1 721.1	1 792.4	1 792.4	1 441.1	1 441.1	1 441.2	2 114.4	2 114.4	2 114.4	101.0%	100.0%
Households	3.0	3.0	20.4	3.1	23.1	22.3	3.3	3.3	16.2	3.5	3.5	3.5	483.7%	189.8%
<b>Payments for capital assets</b>	<b>10.9</b>	<b>10.9</b>	<b>216.7</b>	<b>10.9</b>	<b>10.9</b>	<b>223.5</b>	<b>61.4</b>	<b>67.9</b>	<b>553.9</b>	<b>11.9</b>	<b>11.9</b>	<b>11.9</b>	<b>1 057.7%</b>	<b>989.6%</b>
Buildings and other fixed structures	–	–	98.2	–	–	112.6	50.1	50.1	60.9	–	–	–	542.3%	542.3%
Machinery and equipment	10.9	10.9	100.9	10.9	10.9	81.6	11.3	17.8	318.9	11.9	11.9	11.9	1 140.8%	995.9%
Software and other intangible assets	–	–	17.5	–	–	29.3	–	–	174.1	–	–	–	–	–
<b>Total</b>	<b>6 450.8</b>	<b>7 348.7</b>	<b>7 343.4</b>	<b>7 167.1</b>	<b>8 155.8</b>	<b>8 143.5</b>	<b>7 055.5</b>	<b>8 402.3</b>	<b>8 401.7</b>	<b>7 915.4</b>	<b>9 047.4</b>	<b>9 047.4</b>	<b>115.2%</b>	<b>99.9%</b>

## Expenditure estimates

**Table 5.3 Vote expenditure estimates by programme and economic classification**

Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
				2019/20	2020/21	2021/22		
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	2 525.1	12.6%	27.6%	2 340.2	2 490.5	2 694.5	2.2%	28.1%
Programme 2	5 448.7	3.3%	59.8%	4 736.7	4 922.4	5 535.1	0.5%	57.8%
Programme 3	1 073.6	19.0%	12.6%	1 262.8	1 330.6	1 383.1	8.8%	14.1%
<b>Total</b>	<b>9 047.4</b>	<b>7.2%</b>	<b>100.0%</b>	<b>8 339.7</b>	<b>8 743.5</b>	<b>9 612.7</b>	<b>2.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				31.2	(7.3)	342.3		
<b>Economic classification</b>								
<b>Current payments</b>	<b>6 915.7</b>	<b>6.7%</b>	<b>75.5%</b>	<b>6 150.9</b>	<b>6 572.9</b>	<b>7 005.8</b>	<b>0.4%</b>	<b>74.5%</b>
Compensation of employees	3 308.1	4.9%	37.7%	3 559.0	3 825.9	4 074.6	7.2%	41.3%
Goods and services	3 607.6	8.5%	37.8%	2 592.0	2 747.1	2 931.2	-6.7%	33.2%
<b>Transfers and subsidies</b>	<b>2 119.8</b>	<b>8.7%</b>	<b>21.4%</b>	<b>2 176.2</b>	<b>2 157.3</b>	<b>2 593.0</b>	<b>6.9%</b>	<b>25.3%</b>
Provinces and municipalities	1.9	6.7%	0.0%	2.0	2.1	2.2	5.5%	0.0%
Departmental agencies and accounts	2 114.4	8.7%	21.2%	2 170.5	2 151.3	2 586.7	7.0%	25.2%
Households	3.5	5.3%	0.2%	3.7	3.9	4.1	5.6%	0.0%
<b>Payments for capital assets</b>	<b>11.9</b>	<b>3.1%</b>	<b>3.1%</b>	<b>12.6</b>	<b>13.3</b>	<b>14.0</b>	<b>5.5%</b>	<b>0.1%</b>
Machinery and equipment	11.9	3.1%	1.6%	12.6	13.3	14.0	5.5%	0.1%
<b>Total</b>	<b>9 047.4</b>	<b>7.2%</b>	<b>100.0%</b>	<b>8 339.7</b>	<b>8 743.5</b>	<b>9 612.7</b>	<b>2.0%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 5.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Electoral Commission	1 517 104	1 657 901	1 299 912	1 965 004	9.0%	19.6%	2 012 749	1 984 845	2 411 061	7.1%	23.4%
Service delivery to provinces	2 078 316	1 794 296	1 896 437	2 005 892	-1.2%	23.6%	2 096 661	2 310 361	2 457 905	7.0%	24.8%
Transversal information technology management	498 353	807 858	1 095 139	931 071	23.2%	10.1%	909 640	957 444	1 011 319	2.8%	10.7%
<b>Total</b>	<b>4 093 773</b>	<b>4 260 055</b>	<b>4 291 488</b>	<b>4 901 967</b>	<b>6.2%</b>	<b>53.3%</b>	<b>5 019 050</b>	<b>5 252 650</b>	<b>5 880 285</b>	<b>6.3%</b>	<b>58.9%</b>

## Goods and services expenditure trends and estimates

Table 5.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Administrative fees	17 357	10 002	23 784	18 359	1.9%	0.6%	23 724	20 770	22 109	6.4%	0.7%
Advertising	14 836	5 206	8 163	6 606	-23.6%	0.3%	11 643	9 410	9 842	14.2%	0.3%
Minor assets	10 541	8 315	13 532	32 744	45.9%	0.5%	152 488	191 909	187 676	79.0%	4.8%
Audit costs: External	28 734	31 185	31 767	26 554	-2.6%	0.9%	42 261	34 704	36 439	11.1%	1.2%
Bursaries: Employees	2 197	3 067	4 440	2 119	-1.2%	0.1%	4 430	3 726	3 820	21.7%	0.1%
Catering: Departmental activities	2 461	2 337	3 176	3 355	10.9%	0.1%	5 569	4 807	5 350	16.8%	0.2%
Communication	73 145	297 654	50 163	130 069	21.2%	4.4%	162 267	61 364	62 523	-21.7%	3.5%
Computer services	465 297	366 826	633 396	848 035	22.2%	18.6%	696 142	742 446	780 068	-2.7%	25.8%
Consultants: Business and advisory services	19 401	39 538	24 750	29 048	14.4%	0.9%	45 930	56 958	32 835	4.2%	1.4%
Legal services	54 042	39 925	92 689	96 967	21.5%	2.3%	23 719	25 260	88 717	-2.9%	2.0%
Contractors	168 945	307 856	302 628	96 427	-17.0%	7.0%	341 879	360 386	378 694	57.8%	9.9%
Agency and support/outsourced services	143 490	132 036	143 188	40 375	-34.5%	3.7%	120 777	110 018	132 092	48.5%	3.4%
Entertainment	331	204	256	447	10.5%	-	471	424	502	3.9%	-
Fleet services (including government motor transport)	64 966	104 805	94 595	14 487	-39.4%	2.2%	46 775	90 918	153 521	119.6%	2.6%
Inventory: Clothing material and accessories	12 921	17 441	11 392	18 758	13.2%	0.5%	26 572	22 592	23 463	7.7%	0.8%
Inventory: Other supplies	-	41	210	47	-	-	1 227	1 293	1 353	206.5%	-
Consumable supplies	10 899	15 221	7 834	11 483	1.8%	0.4%	16 284	14 156	16 034	11.8%	0.5%
Consumables: Stationery, printing and office supplies	732 055	908 495	936 520	902 036	7.2%	27.9%	73 756	30 330	34 535	-66.3%	8.8%
Operating leases	340 706	348 839	406 751	333 742	-0.7%	11.5%	464 673	491 933	523 482	16.2%	15.3%
Rental and hiring	908	71	205	1 224	10.5%	-	350	375	96	-57.2%	-
Property payments	165 123	190 074	202 752	397 329	34.0%	7.7%	181 250	249 080	189 028	-21.9%	8.6%
Transport provided: Departmental activity	65 203	21 035	25 539	17 148	-35.9%	1.0%	25 364	26 886	1 349	-57.2%	0.6%
Travel and subsistence	168 147	116 632	102 817	499 987	43.8%	7.1%	83 165	159 444	203 652	-25.9%	8.0%
Training and development	3 452	5 823	5 393	4 309	7.7%	0.2%	6 673	5 291	6 150	12.6%	0.2%
Operating payments	37 641	48 787	58 533	65 969	20.6%	1.7%	22 029	21 101	24 170	-28.4%	1.1%
Venues and facilities	12 416	13 206	12 257	10 018	-6.9%	0.4%	12 537	11 470	13 678	10.9%	0.4%
<b>Total</b>	<b>2 615 214</b>	<b>3 034 621</b>	<b>3 196 730</b>	<b>3 607 642</b>	<b>11.3%</b>	<b>100.0%</b>	<b>2 591 955</b>	<b>2 747 051</b>	<b>2 931 178</b>	<b>-6.7%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 5.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>20 420</b>	<b>22 056</b>	<b>15 218</b>	<b>3 489</b>	<b>-44.5%</b>	<b>0.9%</b>	<b>3 689</b>	<b>3 891</b>	<b>4 105</b>	<b>5.6%</b>	<b>0.2%</b>
Employee social benefits	20 420	22 056	15 096	3 489	-44.5%	0.9%	3 689	3 891	4 105	5.6%	0.2%
Vehicle licences	-	-	122	-	-	-	-	-	-	-	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>1 644 833</b>	<b>1 792 405</b>	<b>1 441 155</b>	<b>2 114 409</b>	<b>8.7%</b>	<b>99.0%</b>	<b>2 170 516</b>	<b>2 151 289</b>	<b>2 586 659</b>	<b>7.0%</b>	<b>99.7%</b>
Employee social benefits	11	4	7	4	-28.6%	-	-	-	-	-100.0%	-
Vehicle licences	-	18	32	-	-	-	-	-	-	-	-
Communication	6	2	-	7	5.3%	-	7	7	7	-	-
Electoral Commission	1 517 104	1 657 901	1 299 912	1 965 004	9.0%	91.2%	2 012 749	1 984 845	2 411 061	7.1%	92.6%
Represented Political Parties' Fund	127 712	134 480	141 204	149 394	5.4%	7.8%	157 760	166 437	175 591	5.5%	7.2%
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>890</b>	<b>918</b>	<b>1 127</b>	<b>1 883</b>	<b>28.4%</b>	<b>0.1%</b>	<b>1 989</b>	<b>2 099</b>	<b>2 214</b>	<b>5.5%</b>	<b>0.1%</b>
Employee social benefits	-	4	-	-	-	-	266	281	296	-	-
Vehicle licences	890	914	1 127	1 883	28.4%	0.1%	1 723	1 818	1 918	0.6%	0.1%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>-</b>	<b>274</b>	<b>994</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Employee social benefits	-	274	994	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1 666 143</b>	<b>1 815 653</b>	<b>1 458 494</b>	<b>2 119 781</b>	<b>8.4%</b>	<b>100.0%</b>	<b>2 176 194</b>	<b>2 157 279</b>	<b>2 592 978</b>	<b>6.9%</b>	<b>100.0%</b>

## Personnel information

**Table 5.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment															Number		
1. Administration																	Average		
2. Citizen Affairs																	growth		
3. Immigration Affairs																	rate		
Number of posts estimated for 31 March 2019	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						2018/19	2021/22			
			2017/18			2018/19			2019/20		2020/21		2021/22						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Average level/Total (%)	Average Salary level/Total (%)
<b>Home Affairs</b>	<b>9 239</b>	–	<b>9 330</b>	<b>3 192.6</b>	<b>0.3</b>	<b>8 600</b>	<b>3 308.1</b>	<b>0.4</b>	<b>8 599</b>	<b>3 559.0</b>	<b>0.4</b>	<b>8 569</b>	<b>3 825.9</b>	<b>0.4</b>	<b>8 692</b>	<b>4 074.6</b>	<b>0.5</b>	<b>0.4%</b>	<b>100.0%</b>
Salary level																			
1–6	6 065	–	6 148	1 726.8	0.3	5 653	1 547.4	0.3	5 379	1 583.0	0.3	5 351	1 703.2	0.3	5 479	1 845.1	0.3	-1.0%	63.4%
7–10	2 789	–	2 796	1 065.5	0.4	2 642	1 304.0	0.5	2 932	1 511.1	0.5	2 933	1 629.1	0.6	2 950	1 743.5	0.6	3.7%	33.2%
11–12	233	–	236	211.4	0.9	178	205.9	1.2	163	198.9	1.2	162	212.0	1.3	147	201.9	1.4	-6.2%	1.9%
13–16	144	–	142	180.7	1.3	119	232.8	2.0	116	244.3	2.1	114	258.3	2.3	107	259.2	2.4	-3.5%	1.3%
Other	8	–	8	8.0	1.0	8	18.0	2.3	9	21.7	2.4	9	23.2	2.6	9	24.8	2.8	4.0%	0.1%
<b>Programme</b>	<b>9 239</b>	–	<b>9 330</b>	<b>3 192.6</b>	<b>0.3</b>	<b>8 600</b>	<b>3 308.1</b>	<b>0.4</b>	<b>8 599</b>	<b>3 559.0</b>	<b>0.4</b>	<b>8 569</b>	<b>3 825.9</b>	<b>0.4</b>	<b>8 692</b>	<b>4 074.6</b>	<b>0.5</b>	<b>0.4%</b>	<b>100.0%</b>
Programme 1	1 050	–	1 052	494.4	0.5	952	514.2	0.5	906	537.8	0.6	895	574.7	0.6	1 138	683.3	0.6	6.1%	11.3%
Programme 2	6 117	–	6 190	1 975.7	0.3	5 470	1 881.5	0.3	5 931	2 239.1	0.4	5 912	2 409.6	0.4	5 799	2 488.7	0.4	2.0%	67.1%
Programme 3	2 072	–	2 088	722.5	0.3	2 178	912.4	0.4	1 762	782.0	0.4	1 762	841.6	0.5	1 755	902.6	0.5	-6.9%	21.6%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 5.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>1 079 275</b>	<b>1 099 536</b>	<b>1 159 278</b>	<b>1 132 000</b>	<b>1 132 000</b>	<b>1.6%</b>	<b>100.0%</b>	<b>1 183 296</b>	<b>1 249 377</b>	<b>1 322 343</b>	<b>5.3%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>1 023 383</b>	<b>1 074 147</b>	<b>1 134 403</b>	<b>1 113 332</b>	<b>1 113 332</b>	<b>2.8%</b>	<b>97.2%</b>	<b>1 164 348</b>	<b>1 229 386</b>	<b>1 301 043</b>	<b>5.3%</b>	<b>98.4%</b>
Sales by market establishments of which:	2 692	–	–	3 796	3 796	12.1%	0.1%	3 824	4 034	4 234	3.7%	0.3%
Market establishment:	–	–	–	3 796	3 796	–	0.1%	–	–	–	-100.0%	0.1%
Non-residential building Market establishment:	2 692	–	–	–	–	-100.0%	0.1%	3 801	4 010	4 210	–	0.2%
Rental dwelling Market establishment:	–	–	–	–	–	–	–	23	24	24	–	–
Rental parking: Covered and open	–	–	–	–	–	–	–	–	–	–	–	–
Administrative fees	1 017 729	1 074 113	1 134 385	1 106 624	1 106 624	2.8%	96.9%	1 157 499	1 222 161	1 293 458	5.3%	97.8%
of which:												
Certificates	88 581	93 010	93 010	55 405	55 405	-14.5%	7.4%	56 421	59 524	62 500	4.1%	4.8%
Identity documents	317 388	338 755	399 027	690 492	690 492	29.6%	39.1%	737 469	779 030	817 981	5.8%	61.9%
Passports	567 517	595 893	595 893	230 501	230 501	-25.9%	44.5%	231 564	244 300	266 705	5.0%	19.9%
Permits	36 487	38 311	38 311	117 281	117 281	47.6%	5.2%	119 020	125 566	131 844	4.0%	10.1%
Other	7 756	8 144	8 144	12 945	12 945	18.6%	0.8%	13 025	13 741	14 428	3.7%	1.1%
Other sales	2 962	34	18	2 912	2 912	-0.6%	0.1%	3 025	3 191	3 351	4.8%	0.3%
of which:												
Commission on insurance	2 595	34	18	2 110	2 110	-6.7%	0.1%	2 201	2 322	2 438	4.9%	0.2%
Clearance fees	325	–	–	572	572	20.7%	–	589	621	652	4.5%	–
Postal fees for travel documents	10	–	–	13	13	9.1%	–	14	15	16	7.2%	–
Photocopies and faxes	2	–	–	145	145	317.0%	–	147	155	163	4.0%	–
Other	30	–	–	72	72	33.9%	–	74	78	82	4.4%	–
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>15</b>	<b>17</b>	<b>27</b>	<b>45</b>	<b>45</b>	<b>44.2%</b>	<b>–</b>	<b>46</b>	<b>49</b>	<b>51</b>	<b>4.3%</b>	<b>–</b>
of which:												
Sales: Wastepaper	15	17	27	45	45	44.2%	–	46	49	51	4.3%	–

Table 5.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2015/16 - 2018/19	2019/20		
Transfers received	–	1 162	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	15 314	10 271	15 375	7 283	7 283	-21.9%	1.1%	7 365	7 770	8 135	3.8%	0.6%
Interest, dividends and rent on land	28 438	616	538	281	281	-78.5%	0.7%	283	299	310	3.3%	–
Interest	28 438	616	538	281	281	-78.5%	0.7%	283	299	310	3.3%	–
Sales of capital assets	229	3 058	–	2 459	2 459	120.6%	0.1%	2 501	2 639	2 789	4.3%	0.2%
Transactions in financial assets and liabilities	11 896	10 265	8 935	8 600	8 600	-10.3%	0.9%	8 753	9 234	10 015	5.2%	0.7%
<b>Total</b>	<b>1 079 275</b>	<b>1 099 536</b>	<b>1 159 278</b>	<b>1 132 000</b>	<b>1 132 000</b>	<b>1.6%</b>	<b>100.0%</b>	<b>1 183 296</b>	<b>1 249 377</b>	<b>1 322 343</b>	<b>5.3%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

Table 5.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R million											
Ministry	33.9	36.9	28.6	46.2	10.8%	1.6%	42.6	49.1	52.6	4.5%	1.9%
Management Support Services	203.9	190.5	253.5	186.1	-3.0%	9.2%	172.5	216.6	274.8	13.9%	8.5%
Corporate Services	668.0	667.4	727.5	845.9	8.2%	32.0%	670.8	692.6	749.4	-4.0%	29.4%
Transversal Information	498.4	807.9	1 095.1	931.1	23.2%	36.7%	909.6	957.4	1 011.3	2.8%	37.9%
Technology Management											
Office Accommodation	423.7	508.2	411.4	515.9	6.8%	20.5%	544.8	574.7	606.3	5.5%	22.3%
<b>Total</b>	<b>1 828.0</b>	<b>2 210.8</b>	<b>2 516.2</b>	<b>2 525.1</b>	<b>11.4%</b>	<b>100.0%</b>	<b>2 340.2</b>	<b>2 490.5</b>	<b>2 694.5</b>	<b>2.2%</b>	<b>100.0%</b>
Change to 2018				192.3			(162.0)	(166.0)	(113.9)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>1 624.8</b>	<b>2 000.7</b>	<b>2 011.4</b>	<b>2 510.7</b>	<b>15.6%</b>	<b>89.7%</b>	<b>2 324.9</b>	<b>2 474.4</b>	<b>2 677.5</b>	<b>2.2%</b>	<b>99.4%</b>
Compensation of employees	430.7	481.4	494.4	514.2	6.1%	21.2%	537.8	574.7	683.3	9.9%	23.0%
Goods and services <sup>1</sup>	1 194.1	1 519.3	1 517.0	1 996.4	18.7%	68.6%	1 787.1	1 899.6	1 994.2	–	76.4%
<i>of which:</i>											
Minor assets	6.5	6.1	7.9	20.1	45.6%	0.4%	145.1	161.9	171.4	104.5%	5.0%
Communication	71.9	74.3	49.9	125.3	20.3%	3.5%	161.4	60.6	61.1	-21.3%	4.1%
Computer services	274.8	363.3	409.2	775.3	41.3%	20.1%	462.2	507.2	537.4	-11.5%	22.7%
Contractors	100.9	306.5	189.7	56.8	-17.4%	7.2%	207.1	216.6	227.8	58.8%	7.0%
Operating leases	323.3	322.7	378.7	318.2	-0.5%	14.8%	448.3	472.9	496.6	16.0%	17.3%
Property payments	163.2	188.3	199.2	395.4	34.3%	10.4%	158.7	235.4	164.1	-25.4%	9.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>2.3</b>	<b>6.7</b>	<b>1.9</b>	<b>2.5</b>	<b>2.9%</b>	<b>0.1%</b>	<b>2.7</b>	<b>2.8</b>	<b>3.0</b>	<b>5.5%</b>	<b>0.1%</b>
Provinces and municipalities	0.1	0.1	0.1	0.8	123.7%	–	0.9	0.9	1.0	5.6%	–
Households	2.3	6.6	1.7	1.7	-8.8%	0.1%	1.8	1.9	2.0	5.6%	0.1%
<b>Payments for capital assets</b>	<b>200.8</b>	<b>203.5</b>	<b>503.0</b>	<b>11.9</b>	<b>-61.0%</b>	<b>10.1%</b>	<b>12.6</b>	<b>13.3</b>	<b>14.0</b>	<b>5.5%</b>	<b>0.5%</b>
Buildings and other fixed structures	98.2	112.6	45.3	–	-100.0%	2.8%	–	–	–	–	–
Machinery and equipment	85.0	61.8	283.6	11.9	-48.0%	4.9%	12.6	13.3	14.0	5.5%	0.5%
Software and other intangible assets	17.5	29.0	174.1	–	-100.0%	2.4%	–	–	–	–	–
<b>Total</b>	<b>1 828.0</b>	<b>2 210.8</b>	<b>2 516.2</b>	<b>2 525.1</b>	<b>11.4%</b>	<b>100.0%</b>	<b>2 340.2</b>	<b>2 490.5</b>	<b>2 694.5</b>	<b>2.2%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>24.9%</b>	<b>27.1%</b>	<b>29.9%</b>	<b>27.9%</b>	<b>–</b>	<b>–</b>	<b>28.1%</b>	<b>28.5%</b>	<b>28.0%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Citizen Affairs

Provide secure, efficient and accessible services and documents to citizens and lawful residents.

## Objectives

- Ensure that registration at birth is the only entry point to the national population register by maintaining the number of births registered within 30 calendar days at 800 000 over the medium term.
- Increase the number of smart identity cards issued from 3 million per year in 2019/20 to 5 million per year in 2021/22.
- Maintain the standard of service delivery for the issuing of enabling documents by issuing 90 per cent of machine readable passports for adults through the new live capture process within 13 working days over the medium term.

## Subprogrammes

- *Citizen Affairs Management* provides for overall branch management for both head and frontline offices, and provides policy direction, sets standards and manages back office processes.
- *Status Services* regulates all matters relating to the national population register. These include: maintaining an accurate register of all citizens and immigrants who have acquired the right to permanent residence; registering births, deaths and marriages; providing travel and citizenship documents; providing financial assistance to citizens abroad who wish to return to South Africa but have no means of doing so; and determining and granting citizenship.
- *Identification Services* oversees issues relating to identity such as fingerprints, photographs and identity documents. This entails establishing and maintaining national identity systems, such as the automated fingerprint identification system.
- *Service Delivery to Provinces* provides for all civic, immigration and refugee affairs functions in all provinces. This entails providing a client interface for the collection and processing of applications, issuing enabling documents that are available on demand (such as temporary identity certificates), and conducting quality assurance checks for civic and immigration applications.
- *Electoral Commission* transfers funds to the Electoral Commission, which manages national, provincial and municipal elections; ensures that those elections are free and fair; and declares the results within a prescribed period. This subprogramme's total budget is transferred in full to the commission.
- *Represented Political Parties' Fund* transfers funds to the Represented Political Parties' Fund to provide funding for political parties participating in Parliament and provincial legislatures.

## Expenditure trends and estimates

**Table 5.10 Citizen Affairs expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Citizen Affairs Management	39.5	30.8	23.3	37.5	-1.7%	0.7%	25.2	26.9	32.3	-4.9%	0.6%
Status Services	809.2	1 029.4	1 051.2	1 046.7	9.0%	20.0%	128.0	96.9	102.8	-53.9%	6.7%
Identification Services	213.9	140.1	275.0	244.2	4.5%	4.4%	316.4	336.9	355.4	13.3%	6.1%
Service Delivery to Provinces	2 078.3	1 794.3	1 896.4	2 005.9	-1.2%	39.5%	2 096.7	2 310.4	2 457.9	7.0%	43.0%
Electoral Commission	1 517.1	1 657.9	1 299.9	1 965.0	9.0%	32.7%	2 012.7	1 984.8	2 411.1	7.1%	40.6%
Represented Political Parties' Fund	127.7	134.5	141.2	149.4	5.4%	2.8%	157.8	166.4	175.6	5.5%	3.1%
<b>Total</b>	<b>4 785.7</b>	<b>4 787.0</b>	<b>4 687.0</b>	<b>5 448.7</b>	<b>4.4%</b>	<b>100.0%</b>	<b>4 736.7</b>	<b>4 922.4</b>	<b>5 535.1</b>	<b>0.5%</b>	<b>100.0%</b>
Change to 2018				939.7			23.8	(7.3)	312.3		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>3 109.5</b>	<b>2 968.3</b>	<b>3 220.1</b>	<b>3 331.9</b>	<b>2.3%</b>	<b>64.1%</b>	<b>2 563.6</b>	<b>2 768.4</b>	<b>2 945.6</b>	<b>-4.0%</b>	<b>56.2%</b>
Compensation of employees	2 105.0	1 879.9	1 975.7	1 881.5	-3.7%	39.8%	2 239.1	2 409.6	2 488.7	9.8%	43.7%
Goods and services <sup>1</sup>	1 004.6	1 088.4	1 244.4	1 450.4	13.0%	24.3%	324.5	358.8	456.9	-32.0%	12.5%
of which:											
Computer services	29.4	–	41.3	53.1	21.8%	0.6%	50.9	53.5	56.2	1.9%	1.0%
Contractors	52.6	0.5	87.5	32.5	-14.8%	0.9%	104.7	110.1	115.6	52.6%	1.8%
Fleet services (including government motor transport)	59.3	48.3	46.3	5.8	-54.1%	0.8%	23.7	70.5	117.2	173.1%	1.1%

**Table 5.10 Citizen Affairs expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Consumables: Stationery, printing and office supplies	723.1	901.1	927.6	890.7	7.2%	17.5%	55.2	13.9	14.6	-74.6%	4.7%
Operating leases	16.4	25.5	27.9	12.0	-10.1%	0.4%	16.0	18.7	26.6	30.5%	0.4%
Travel and subsistence	65.0	29.9	31.6	366.4	77.9%	2.5%	35.9	51.2	69.5	-42.6%	2.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 662.7</b>	<b>1 807.6</b>	<b>1 455.7</b>	<b>2 116.8</b>	<b>8.4%</b>	<b>35.7%</b>	<b>2 173.1</b>	<b>2 154.0</b>	<b>2 589.5</b>	<b>6.9%</b>	<b>43.8%</b>
Provinces and municipalities	0.8	0.8	1.0	1.1	9.3%	-	1.1	1.2	1.3	5.5%	-
Departmental agencies and accounts	1 644.8	1 792.4	1 441.1	2 114.4	8.7%	35.5%	2 170.5	2 151.3	2 586.7	7.0%	43.7%
Households	17.0	14.4	13.6	1.4	-56.8%	0.2%	1.5	1.5	1.6	5.5%	-
<b>Payments for capital assets</b>	<b>13.5</b>	<b>11.1</b>	<b>11.2</b>	-	<b>-100.0%</b>	<b>0.2%</b>	-	-	-	-	-
Machinery and equipment	13.5	10.8	11.2	-	-100.0%	0.2%	-	-	-	-	-
Software and other intangible assets	-	0.3	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>4 785.7</b>	<b>4 787.0</b>	<b>4 687.0</b>	<b>5 448.7</b>	<b>4.4%</b>	<b>100.0%</b>	<b>4 736.7</b>	<b>4 922.4</b>	<b>5 535.1</b>	<b>0.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>65.2%</b>	<b>58.8%</b>	<b>55.8%</b>	<b>60.2%</b>	-	-	<b>56.8%</b>	<b>56.3%</b>	<b>57.6%</b>	-	-
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>1 644.8</b>	<b>1 792.4</b>	<b>1 441.1</b>	<b>2 114.4</b>	<b>8.7%</b>	<b>35.5%</b>	<b>2 170.5</b>	<b>2 151.3</b>	<b>2 586.7</b>	<b>7.0%</b>	<b>43.7%</b>
Electoral Commission	1 517.1	1 657.9	1 299.9	1 965.0	9.0%	32.7%	2 012.7	1 984.8	2 411.1	7.1%	40.6%
Represented Political Parties' Fund	127.7	134.5	141.2	149.4	5.4%	2.8%	157.8	166.4	175.6	5.5%	3.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Immigration Affairs

### Programme purpose

Facilitate and regulate the secure movement of people through the ports of entry into and out of the Republic of South Africa. Determine the status of asylum seekers and regulate refugee affairs.

### Objectives

- Maintain the standard of service delivery for enabling documents by:
  - adjudicating permanent residence applications (collected within South Africa) within 8 months, and increasing the percentage of applications adjudicated from 85 per cent in 2019/20 to 90 per cent in 2021/22
  - adjudicating business and general work visa applications (processed within South Africa) within 8 weeks, and maintaining the percentage of applications adjudicated at 90 per cent over the medium term
  - adjudicating critical skills visa applications (collected within South Africa) within 4 weeks, and maintaining the percentage of applications adjudicated at 85 per cent over the medium term.

### Subprogrammes

- *Immigration Affairs Management* provides for overall branch management and policy direction, sets standards, and manages back office processes.
- *Admission Services* is responsible for issuing visas; securely facilitating the entry and departure of persons to and from South Africa in line with the Immigration Act (2002); recording their movements on the movement control system; and controlling the processing of applications for permanent and temporary residence permits/visas, including those for work, study and business purposes.
- *Immigration Services* deals with immigration matters in foreign countries; detects, detains and departs illegal immigrants in terms of the Immigration Act (2002); conducts investigations with other law enforcement entities; and provides policy directives on immigration matters.

- *Asylum Seekers* considers and processes applications for asylum, issues enabling documents to refugees, and facilitates processes to find long-lasting solutions to refugee problems in line with the Refugees Act (1998). The head office is responsible for providing strategic leadership, whereas refugee reception offices are responsible for operations.

## Expenditure trends and estimates

**Table 5.11 Immigration Affairs expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Immigration Affairs Management	32.6	7.3	6.9	49.0	14.5%	2.3%	29.6	31.2	32.8	-12.5%	2.8%
Admission Services	407.1	763.7	769.5	609.2	14.4%	61.5%	768.8	791.1	861.3	12.2%	60.0%
Immigration Services	228.0	249.2	243.7	242.9	2.1%	23.2%	257.6	284.6	248.7	0.8%	20.5%
Asylum Seekers	62.1	125.6	178.3	172.4	40.6%	13.0%	206.9	223.7	240.3	11.7%	16.7%
<b>Total</b>	<b>729.8</b>	<b>1 145.7</b>	<b>1 198.5</b>	<b>1 073.6</b>	<b>13.7%</b>	<b>100.0%</b>	<b>1 262.8</b>	<b>1 330.6</b>	<b>1 383.1</b>	<b>8.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			169.4	166.0	143.9		
<b>Economic classification</b>	<b>726.2</b>	<b>1 135.4</b>	<b>1 157.8</b>	<b>1 073.2</b>	<b>13.9%</b>	<b>98.7%</b>	<b>1 262.3</b>	<b>1 330.2</b>	<b>1 382.7</b>	<b>8.8%</b>	<b>100.0%</b>
<b>Current payments</b>											
Compensation of employees	309.6	708.5	722.5	912.4	43.4%	64.0%	782.0	841.6	902.6	-0.4%	68.1%
Goods and services <sup>1</sup>	416.6	426.9	435.3	160.8	-27.2%	34.7%	480.3	488.6	480.1	44.0%	31.9%
<i>of which:</i>											
Computer services	161.0	3.5	182.9	19.6	-50.4%	8.8%	183.0	181.8	186.5	111.9%	11.3%
Legal services	-	-	-	-	-	-	17.4	18.3	19.2	-	1.1%
Contractors	15.5	0.9	25.5	7.1	-22.9%	1.2%	30.1	33.7	35.4	70.9%	2.1%
Agency and support/outsourced services	97.4	109.2	131.7	18.8	-42.2%	8.6%	120.2	106.4	126.4	88.9%	7.4%
Transport provided:											
Departmental activity	65.2	21.0	25.5	17.1	-35.9%	3.1%	25.4	26.9	1.3	-57.2%	1.4%
Travel and subsistence	46.9	45.9	36.8	47.5	0.4%	4.3%	19.2	24.7	13.2	-34.8%	2.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1.1</b>	<b>1.3</b>	<b>0.9</b>	<b>0.4</b>	<b>-28.9%</b>	<b>0.1%</b>	<b>0.4</b>	<b>0.5</b>	<b>0.5</b>	<b>5.5%</b>	<b>-</b>
Households	1.1	1.3	0.9	0.4	-28.9%	0.1%	0.4	0.5	0.5	5.5%	-
<b>Payments for capital assets</b>	<b>2.4</b>	<b>9.0</b>	<b>39.7</b>	<b>-</b>	<b>-100.0%</b>	<b>1.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	15.6	-	-	0.4%	-	-	-	-	-
Machinery and equipment	2.4	9.0	24.1	-	-100.0%	0.9%	-	-	-	-	-
<b>Total</b>	<b>729.8</b>	<b>1 145.7</b>	<b>1 198.5</b>	<b>1 073.6</b>	<b>13.7%</b>	<b>100.0%</b>	<b>1 262.8</b>	<b>1 330.6</b>	<b>1 383.1</b>	<b>8.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>9.9%</b>	<b>14.1%</b>	<b>14.3%</b>	<b>11.9%</b>	<b>-</b>	<b>-</b>	<b>15.1%</b>	<b>15.2%</b>	<b>14.4%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

### Electoral Commission

#### Mandate

The Electoral Commission is a chapter 9 constitutional institution that reports directly to Parliament. It was established in terms of the Electoral Commission Act (1996), which sets out its composition, powers, functions and duties. The commission is mandated to manage national, provincial and municipal elections; ensure that those elections are free and fair; and declare results within a prescribed period.

## Selected performance indicators

**Table 5.12 Electoral Commission performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18 <sup>1</sup>	2018/19	2019/20	2020/21	2021/22
Number of registered voters as at 31 March each year	Electoral operations	Outcome 12: An efficient, effective and development-oriented public service	25 642 052	26 099 774	26 253 822	26 800 000	26 380 000	25 960 000	26 540 000
Number of registered voters who appeared on the voters roll as at 31 March for whom the Electoral Commission did not have addresses for each year	Electoral operations		- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	1 600 000	1 300 000	1 000 000	700 000
Number of contracted voting stations in place on main registration weekends or general election days in the years where applicable	Electoral operations		22 569	22 612	22 617	23 000	23 000	23 200	23 200
Number of liaison sessions held with members of party liaison committees at national, provincial and municipal levels per year	Electoral operations		2 433 liaison sessions (13 national/ 70 provincial/ 2 350 local)	1 937 liaison sessions (17 national/ 57 provincial/ 1 863 local)	892 liaison sessions (4 national/ 36 provincial/ 852 local)	1 784 liaison sessions (8 national/ 72 provincial/ 1 704 local)	1 338 liaison sessions (6 national/ 54 provincial/ 1 278 local)	1 338 liaison sessions (6 national/ 54 provincial/ 1 278 local)	1 338 liaison sessions (6 national/ 54 provincial/ 1 278 local)
Number of electoral staff recruited and trained per year	Electoral operations		52 169	262 738	67 289	68 000	208 000	68 000	208 000
Number of civic and democracy education events held per year	Outreach		73 621	48 449	14 074	40 332	15 000	35 000	25 000
Public perception rating of the Electoral Commission as per media reports per year	Outreach		83.5%	92.3%	98.3%	80%	80%	80%	80%
Number of international interactions/liasons achieved per year	Outreach	32	20	30	20	20	20	20	

1. Achievements typically decrease in non-election years.

2. No historical data available.

## Expenditure analysis

The Electoral Commission's mandate is directly aligned with the National Development Plan's vision of building a capable developmental state, and an active and engaged citizenry. Accordingly, over the medium term, the commission intends focusing on its preparations for the 2019 national and provincial elections, and the 2021 local government elections.

In January 2019, the commission began its preparation for the 2019 national and provincial elections, which are expected to take place in May 2019. As part of the commission's *Electoral operations* programme, the updating of addresses on the voters roll in line with court judgments, the registration of new voters, and the procurement of ballot papers, ballot boxes and stationery is expected to result in spending of R541 million over the MTEF period. An additional R126 million has been allocated in the *Administration* programme to update databases in line with electoral requirements, update and roll out the commission's IT infrastructure, and erect 15 prefabricated offices for commission staff, increasing the number of these offices from 28 in 2018/19 to 43 in 2021/22. Before the end of 2018/19, the commission also plans to enter into a finance lease agreement to the value of R510 million to replace its zip-zip machines (voting registration devices) as they have exceeded their lifespan and are not compatible with smart ID cards.

In preparation for the 2021 local government elections, which are planned to take place in August 2021, the commission will conduct 2 registration weekends aimed at increasing the number of voters, particularly young people between the ages of 18 and 25. R295 million additional funding has been allocated in 2020/21 for this purpose.

For the compensation of about 488 000 permanent, fixed-term and temporary electoral employees to work on election days at an estimated 23 000 voting stations during the main electoral events. About 68 000 of these employees are to be compensated for registration activities as well. This allocation is expected to enable the



commission to improve the quality of training it provides through its *Electoral operations* programme by increasing the number of training days for electoral staff from 2 to 3. Spending on the compensation of employees is expected to increase at an average annual rate of 5.4 per cent, from R780.4 million in 2018/19 to R913.5 million in 2021/22.

The commission undertakes extensive civic and democracy education and communication campaigns to protect the credibility and integrity of electoral processes. Through these campaigns, the commission keeps the electorate informed and aims to attain high voter turnouts on election days. For these campaigns, R655.7 million over the MTEF period has been allocated in the *Outreach* programme.

Transfer payments from the department account for 99.3 per cent of the commission's revenue. These payments are expected to increase at an average annual rate of 7.1 per cent, from R2 billion in 2018/19 to R2.4 billion in 2021/22. This includes an additional R72.1 million allocated over the MTEF period to fund a new unit to administer the Political Party Funding Bill to regulate private funding to political parties, which is expected to be enacted before the end of March 2019. The commission also expects to generate R15 million per year over the MTEF period through the sale of goods and services, and interest on investments.

### Programmes/Objectives/Activities

**Table 5.13 Electoral Commission expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	496.1	612.9	537.5	618.8	7.6%	34.6%	718.3	702.7	800.6	9.0%	33.5%
Electoral operations	664.2	1 203.4	649.7	1 100.0	18.3%	53.2%	1 154.6	1 042.0	1 433.0	9.2%	55.7%
Outreach	255.0	197.8	108.6	244.3	-1.4%	12.2%	183.4	271.6	200.7	-6.3%	10.8%
<b>Total</b>	<b>1 415.3</b>	<b>2 014.1</b>	<b>1 295.8</b>	<b>1 963.1</b>	<b>11.5%</b>	<b>100.0%</b>	<b>2 056.4</b>	<b>2 016.3</b>	<b>2 434.3</b>	<b>7.4%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 5.14 Electoral Commission statements of historical financial performance and position**

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%) 2015/16 - 2018/19
	Budget	2015/16	Budget	2016/17	Budget	2017/18			
<b>Revenue</b>									
Non-tax revenue	15.0	16.8	33.0	44.7	10.0	17.3	15.0	15.0	128.5%
Other non-tax revenue	15.0	16.8	33.0	44.7	10.0	17.3	15.0	15.0	128.5%
Transfers received	1 517.1	1 517.1	1 657.9	1 657.9	1 299.9	1 299.9	1 965.0	1 965.0	100.0%
<b>Total revenue</b>	<b>1 532.1</b>	<b>1 533.9</b>	<b>1 690.9</b>	<b>1 702.6</b>	<b>1 309.9</b>	<b>1 317.3</b>	<b>1 980.0</b>	<b>1 980.0</b>	<b>100.3%</b>
<b>Expenses</b>									
Current expenses	1 569.1	1 415.3	2 017.9	2 014.1	1 353.3	1 295.8	1 898.8	1 963.1	97.8%
Compensation of employees	655.2	646.1	741.9	755.7	604.5	638.8	835.6	780.4	99.4%
Goods and services	851.9	710.1	1 206.5	1 190.4	678.3	584.3	1 009.1	995.7	92.9%
Depreciation	62.0	59.1	69.5	68.0	70.5	72.7	54.1	186.9	151.0%
<b>Total expenses</b>	<b>1 569.1</b>	<b>1 415.3</b>	<b>2 017.9</b>	<b>2 014.1</b>	<b>1 353.3</b>	<b>1 295.8</b>	<b>1 898.8</b>	<b>1 963.1</b>	<b>97.8%</b>
<b>Surplus/(Deficit)</b>	<b>(37.0)</b>	<b>119.0</b>	<b>(327.0)</b>	<b>(312.0)</b>	<b>(43.0)</b>	<b>21.0</b>	<b>81.0</b>	<b>17.0</b>	
Statement of financial position									
Carrying value of assets	293.5	319.7	274.4	294.2	250.4	227.4	331.6	823.7	144.8%
of which:									
Acquisition of assets	(25.0)	(78.3)	(24.3)	(43.1)	(26.5)	(6.7)	(135.3)	(130.0)	122.2%
Inventory	45.0	45.4	15.0	11.9	8.0	9.0	45.0	45.0	98.5%
Accrued investment interest	-	0.4	-	0.0	-	0.1	-	-	-
Receivables and prepayments	25.0	17.2	18.0	22.3	18.0	32.3	18.5	18.5	113.6%
Cash and cash equivalents	162.6	341.0	5.0	14.1	15.0	130.0	15.0	10.8	250.9%
<b>Total assets</b>	<b>526.1</b>	<b>723.7</b>	<b>312.4</b>	<b>342.5</b>	<b>291.4</b>	<b>398.8</b>	<b>410.1</b>	<b>898.0</b>	<b>153.4%</b>
Accumulated surplus/(deficit)	372.6	507.1	180.1	195.6	145.9	217.0	244.6	306.9	130.0%
Finance lease	-	-	-	-	-	-	-	366.5	-
Trade and other payables	153.0	216.6	131.8	145.2	142.5	179.7	162.5	222.5	129.5%
Provisions	0.5	-	0.5	1.7	1.7	2.1	1.7	2.1	132.9%
Derivatives financial instruments	-	-	-	-	1.3	-	1.3	-	-
<b>Total equity and liabilities</b>	<b>526.1</b>	<b>723.7</b>	<b>312.4</b>	<b>342.5</b>	<b>291.4</b>	<b>398.8</b>	<b>410.1</b>	<b>898.0</b>	<b>153.4%</b>

## Statements of estimates of financial performance and position

### Table 5.15 Electoral Commission statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
Revised estimate	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22		
R million								
<b>Revenue</b>								
Non-tax revenue	15.0	-3.8%	1.4%	15.0	15.0	15.0	-	0.7%
Other non-tax revenue	15.0	-3.8%	1.4%	15.0	15.0	15.0	-	0.7%
<b>Transfers received</b>	<b>1 965.0</b>	<b>9.0%</b>	<b>98.6%</b>	<b>2 012.7</b>	<b>1 984.8</b>	<b>2 411.1</b>	<b>7.1%</b>	<b>99.3%</b>
<b>Total revenue</b>	<b>1 980.0</b>	<b>8.9%</b>	<b>100.0%</b>	<b>2 027.7</b>	<b>1 999.8</b>	<b>2 426.1</b>	<b>7.0%</b>	<b>100.0%</b>
<b>Expenses</b>								
Current expenses	1 963.1	11.5%	100.0%	2 056.4	2 016.3	2 434.3	7.4%	100.0%
Compensation of employees	780.4	6.5%	43.1%	803.6	895.0	913.5	5.4%	40.2%
Goods and services	995.7	11.9%	51.3%	1 129.2	987.7	1 394.7	11.9%	53.0%
Depreciation	186.9	46.8%	5.7%	86.9	99.1	101.5	-18.4%	5.7%
Interest, dividends and rent on land	0.0	-64.8%	0.0%	36.7	34.6	24.6	2 808.1%	1.1%
<b>Total expenses</b>	<b>1 963.1</b>	<b>11.5%</b>	<b>100.0%</b>	<b>2 056.4</b>	<b>2 016.3</b>	<b>2 434.3</b>	<b>7.4%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>17.0</b>			<b>(29.0)</b>	<b>(16.0)</b>	<b>(8.0)</b>		
<b>Statement of financial position</b>								
Carrying value of assets of which:	823.7	37.1%	69.7%	749.4	668.8	584.5	-10.8%	92.3%
Acquisition of assets	(130.0)	18.4%	-9.9%	(12.6)	(18.5)	(17.2)	-49.1%	-5.3%
Inventory	45.0	-0.3%	4.3%	8.0	45.0	8.0	-43.8%	3.3%
Receivables and prepayments	18.5	2.5%	4.8%	18.5	18.5	18.5	-	2.5%
Cash and cash equivalents	10.8	-68.3%	21.3%	15.0	15.0	15.0	11.5%	1.9%
<b>Total assets</b>	<b>898.0</b>	<b>7.5%</b>	<b>100.0%</b>	<b>790.9</b>	<b>747.3</b>	<b>626.0</b>	<b>-11.3%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	306.9	-15.4%	53.9%	328.9	354.0	311.3	0.5%	43.2%
Finance lease	366.5	-	10.2%	316.7	248.1	169.5	-22.7%	35.3%
Trade and other payables	222.5	0.9%	35.5%	143.5	143.5	143.5	-13.6%	21.3%
Provisions	2.1	-	0.3%	1.7	1.7	1.7	-6.8%	0.2%
<b>Total equity and liabilities</b>	<b>898.0</b>	<b>7.5%</b>	<b>100.0%</b>	<b>790.9</b>	<b>747.3</b>	<b>626.0</b>	<b>-11.3%</b>	<b>100.0%</b>

## Personnel information

### Table 5.16 Electoral Commission personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual 2017/18			Revised estimate 2018/19			Medium-term expenditure estimate 2019/20			Medium-term expenditure estimate 2020/21			Medium-term expenditure estimate 2021/22			Average growth rate (%)	Average: Salary level/Total (%)	
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>Electoral Commission</b>		<b>12 363</b>	<b>638.8</b>	<b>0.1</b>	<b>18 285</b>	<b>780.4</b>	<b>0.0</b>	<b>19 265</b>	<b>803.6</b>	<b>0.0</b>	<b>19 265</b>	<b>895.0</b>	<b>0.0</b>	<b>19 265</b>	<b>913.5</b>	<b>0.0</b>	<b>5.4%</b>	<b>100.0%</b>	
<b>Salary level</b>	<b>18 285</b>	<b>18 389</b>																	
1 - 6	17 328	17 329	11 486	54.1	0.0	17 328	144.8	0.0	18 308	93.9	0.0	18 308	138.8	0.0	18 308	103.8	0.0	-10.5%	95.0%
7 - 10	758	792	707	381.9	0.5	758	408.0	0.5	758	451.4	0.6	758	480.9	0.6	758	514.2	0.7	8.0%	4.0%
11 - 12	103	138	95	75.5	0.8	103	83.9	0.8	103	94.3	0.9	103	100.4	1.0	103	107.4	1.0	8.6%	0.5%
13 - 16	95	129	74	122.2	1.7	95	140.7	1.5	95	160.8	1.7	95	171.4	1.8	95	184.5	1.9	9.4%	0.5%
17 - 22	1	1	1	5.1	5.1	1	3.0	3.0	1	3.3	3.3	1	3.5	3.5	1	3.7	3.7	7.4%	0.0%

1. Rand million.

## Government Printing Works

### Mandate

Government Printing Works is mandated to provide security printing and ancillary services to all organs of state in all spheres of government. It was converted to a full government component in 2009 in terms of the Public Service Act (1999), enabling it to start operating on sound business principles. The entity performs its mandate subject to policies as prescribed by the Minister of Home Affairs.

## Selected performance indicators

**Table 5.17 Government Printing Works performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of government gazettes published per year	Production and operations	Entity mandate	3 115	2 400	2 400	2 400	2 400	2 400	2 400
Number of new passports printed per year	Production and operations		820 237	886 119	600 000	900 000	1 000 000	1 000 000	1 000 000
Number of smart identity cards printed per year	Production and operations		2 413 929	2 669 047	2 642 428	3 000 000	3 900 000	4 000 000	5 000 000

## Expenditure analysis

Government Printing Works provides secure printing services to South Africa and some countries within the Southern African Development Community. It produces secure documents for identification and effective border security. Its main objective is to establish itself as the security printer of choice in the region by assisting its customers in dealing with the complex problems of identity theft and document fraud. As such, the entity intends to focus on replacing old equipment and machinery, refurbishing its production facility, and developing and attracting specialised skills.

By upgrading its equipment, the entity will be able to do printing that used to be outsourced to private companies. This includes 2 machines to print smart identity cards, 1 machine to personalise special documents, 1 machine to print secure examination materials, and 1 offline serialisation system machine to enable document numbering. R972 million over the MTEF period has been allocated in the *Production and operations* programme for the purchase of this specialised equipment and machinery. A further R400 million has been set aside for the construction of a polycarbonate plant to enable the production of smart ID cards. The entity is currently importing the plastic required to produce these cards from overseas companies.

The construction of a new security printing division in Pretoria is expected to be completed by 2023/24 at an estimated cost of R542 million over the MTEF period as part of the organisation's *Production and operations* programme. The project is managed by the Department of Public Works.

As a significant portion of the entity's personnel are nearing retirement, it will aim to institute a comprehensive strategy to develop and attract the specialised skills required for its work through an internship programme and recruitment. As a result, the number of personnel is set to increase from 760 in 2018/19 to 899 in 2021/22, driving an increase in spending on compensation of employees at an average annual rate of 8.5 per cent, from R331 million in 2018/19 to R423.2 million in 2021/22.

The entity generates its own revenue, which is expected to increase at an average annual rate of 9.4 per cent, from R1.5 billion in 2018/19 to R2 billion in 2021/22. It expects to improve its ability to generate revenue by increasing the production of passports and identity documents with the new equipment it is set to acquire.

## Programmes/Objectives/Activities

**Table 5.18 Government Printing Works expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	
R million											
Administration	195.5	208.5	260.5	364.9	23.1%	24.7%	379.1	449.8	500.9	11.1%	25.9%
Production and operations	632.5	713.4	693.1	1 088.4	19.8%	75.3%	1 108.9	1 239.4	1 389.5	8.5%	74.1%
<b>Total</b>	<b>827.9</b>	<b>921.9</b>	<b>953.5</b>	<b>1 453.3</b>	<b>20.6%</b>	<b>100.0%</b>	<b>1 488.0</b>	<b>1 689.2</b>	<b>1 890.4</b>	<b>9.2%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

Table 5.19 Government Printing Works statements of historical financial performance and position

Statement of financial performance									
R million	2015/16		2016/17		2017/18		2018/19		Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>1 122.1</b>	<b>1 142.3</b>	<b>1 341.0</b>	<b>1 442.0</b>	<b>1 453.5</b>	<b>1 409.4</b>	<b>1 501.4</b>	<b>1 501.4</b>	<b>101.4%</b>
Sale of goods and services other than capital assets	1 116.8	1 138.2	1 338.0	1 432.0	1 450.2	1 405.5	1 497.9	1 497.9	101.3%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>1 116.8</i>	<i>1 138.2</i>	<i>1 338.0</i>	<i>1 432.0</i>	<i>1 450.2</i>	<i>1 405.5</i>	<i>1 497.9</i>	<i>1 497.9</i>	<i>101.3%</i>
Other non-tax revenue	5.3	4.1	3.0	10.0	3.3	3.9	3.6	3.6	141.5%
<b>Transfers received</b>	<b>99.8</b>	<b>68.7</b>	<b>68.7</b>	<b>71.9</b>	<b>72.3</b>	<b>69.4</b>	<b>82.4</b>	<b>82.4</b>	<b>90.5%</b>
<b>Total revenue</b>	<b>1 221.9</b>	<b>1 211.1</b>	<b>1 409.8</b>	<b>1 513.9</b>	<b>1 525.8</b>	<b>1 478.8</b>	<b>1 583.8</b>	<b>1 583.8</b>	<b>100.8%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 059.7</b>	<b>827.9</b>	<b>1 211.4</b>	<b>921.9</b>	<b>1 305.1</b>	<b>953.5</b>	<b>1 453.3</b>	<b>1 453.3</b>	<b>82.6%</b>
Compensation of employees	208.5	166.0	212.8	201.5	269.2	212.4	331.0	331.0	89.2%
Goods and services	743.5	570.2	875.6	627.3	886.4	650.0	928.7	928.7	80.8%
Depreciation	107.7	91.8	123.1	93.2	149.4	91.1	193.5	193.5	81.8%
<b>Total expenses</b>	<b>1 059.7</b>	<b>827.9</b>	<b>1 211.4</b>	<b>921.9</b>	<b>1 305.1</b>	<b>953.5</b>	<b>1 453.3</b>	<b>1 453.3</b>	<b>82.6%</b>
<b>Surplus/(Deficit)</b>	<b>162.0</b>	<b>383.0</b>	<b>198.0</b>	<b>592.0</b>	<b>221.0</b>	<b>525.0</b>	<b>130.0</b>	<b>130.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	813.8	715.7	974.6	829.9	1 144.6	842.5	1 349.4	1 349.4	87.3%
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(17.0)</i>	<i>(326.7)</i>	<i>(183.8)</i>	<i>(210.7)</i>	<i>(319.5)</i>	<i>(103.6)</i>	<i>(398.3)</i>	<i>(794.0)</i>	<i>156.2%</i>
Inventory	188.4	227.8	277.9	192.7	333.0	204.0	251.9	251.9	83.4%
Receivables and prepayments	308.2	309.1	352.7	278.9	396.3	298.1	284.6	284.6	87.2%
Cash and cash equivalents	834.2	1 411.0	1 138.5	1 875.6	1 049.6	2 151.8	1 317.3	1 317.3	155.7%
<b>Total assets</b>	<b>2 144.5</b>	<b>2 663.6</b>	<b>2 743.8</b>	<b>3 177.1</b>	<b>2 923.6</b>	<b>3 496.3</b>	<b>3 203.3</b>	<b>3 203.3</b>	<b>113.8%</b>
Capital and reserves	1 442.0	1 822.7	2 021.1	2 414.6	2 241.7	2 839.9	2 617.4	2 617.4	116.5%
Deferred income	571.3	633.6	564.9	561.8	492.6	492.4	407.1	407.1	102.9%
Trade and other payables	123.4	202.9	155.6	196.2	186.4	159.1	174.1	174.1	114.5%
Provisions	7.8	4.4	2.2	4.6	2.9	4.9	4.6	4.6	106.0%
<b>Total equity and liabilities</b>	<b>2 144.5</b>	<b>2 663.6</b>	<b>2 743.8</b>	<b>3 177.1</b>	<b>2 923.6</b>	<b>3 496.3</b>	<b>3 203.3</b>	<b>3 203.3</b>	<b>113.8%</b>

## Statements of estimates of financial performance and position

Table 5.20 Government Printing Works statements of estimates of financial performance and position

Statement of financial performance								
R million	Revised estimate	Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
				2018/19	2019/20	2020/21		
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>1 501.4</b>	<b>9.5%</b>	<b>94.9%</b>	<b>1 536.3</b>	<b>1 753.4</b>	<b>1 964.7</b>	<b>9.4%</b>	<b>94.2%</b>
Sale of goods and services other than capital assets	1 497.9	9.6%	94.5%	1 532.4	1 749.3	1 960.2	9.4%	93.9%
<i>of which:</i>								
<i>Sales by market establishment</i>	<i>1 497.9</i>	<i>9.6%</i>	<i>94.5%</i>	<i>1 532.4</i>	<i>1 749.3</i>	<i>1 960.2</i>	<i>9.4%</i>	<i>93.9%</i>
Other non-tax revenue	3.6	-4.6%	0.4%	3.8	4.1	4.5	8.2%	0.2%
<b>Transfers received</b>	<b>82.4</b>	<b>6.2%</b>	<b>5.1%</b>	<b>105.0</b>	<b>110.7</b>	<b>121.8</b>	<b>13.9%</b>	<b>5.8%</b>
<b>Total revenue</b>	<b>1 583.8</b>	<b>9.4%</b>	<b>100.0%</b>	<b>1 641.2</b>	<b>1 864.1</b>	<b>2 086.5</b>	<b>9.6%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>1 453.3</b>	<b>20.6%</b>	<b>100.0%</b>	<b>1 488.0</b>	<b>1 689.2</b>	<b>1 890.4</b>	<b>9.2%</b>	<b>100.0%</b>
Compensation of employees	331.0	25.9%	21.7%	366.7	395.3	423.2	8.5%	23.3%
Goods and services	928.7	17.7%	67.2%	1 038.0	1 166.8	1 290.8	11.6%	67.8%
Depreciation	193.5	28.2%	11.0%	83.3	127.1	176.4	-3.0%	8.9%
<b>Total expenses</b>	<b>1 453.3</b>	<b>20.6%</b>	<b>100.0%</b>	<b>1 488.0</b>	<b>1 689.2</b>	<b>1 890.4</b>	<b>9.2%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>130.0</b>			<b>153.0</b>	<b>175.0</b>	<b>196.0</b>		
<b>Statement of financial position</b>								
Carrying value of assets	1 349.4	23.5%	29.8%	1 662.1	1 919.0	2 126.7	16.4%	53.1%
<i>of which:</i>								
<i>Acquisition of assets</i>	<i>(794.0)</i>	<i>34.4%</i>	<i>-11.7%</i>	<i>(675.0)</i>	<i>(598.0)</i>	<i>(656.0)</i>	<i>-6.2%</i>	<i>-20.6%</i>
Inventory	251.9	3.4%	7.1%	202.0	246.3	270.9	2.4%	7.3%
Receivables and prepayments	284.6	-2.7%	9.4%	293.7	335.3	375.7	9.7%	9.7%
Cash and cash equivalents	1 317.3	-2.3%	53.7%	1 095.5	839.6	671.2	-20.1%	29.9%
<b>Total assets</b>	<b>3 203.3</b>	<b>6.3%</b>	<b>100.0%</b>	<b>3 253.4</b>	<b>3 340.2</b>	<b>3 444.5</b>	<b>2.4%</b>	<b>100.0%</b>
Capital and reserves	2 617.4	12.8%	76.8%	2 770.7	2 945.6	3 145.2	6.3%	86.6%
Deferred income	407.1	-13.7%	17.1%	302.2	191.4	69.6	-44.5%	7.4%
Trade and other payables	174.1	-5.0%	5.9%	175.9	198.6	225.0	8.9%	5.8%
Provisions	4.6	1.6%	0.1%	4.6	4.6	4.6	-	0.1%
<b>Total equity and liabilities</b>	<b>3 203.3</b>	<b>6.3%</b>	<b>100.0%</b>	<b>3 253.4</b>	<b>3 340.2</b>	<b>3 444.5</b>	<b>2.4%</b>	<b>100.0%</b>

**Personnel information****Table 5.21 Government Printing Works personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment													Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost	Unit cost	
<b>Government Printing Works</b>		<b>760</b>	<b>760</b>	<b>563</b>	<b>212.4</b>	<b>0.4</b>	<b>760</b>	<b>331.0</b>	<b>0.4</b>	<b>884</b>	<b>366.7</b>	<b>0.4</b>	<b>886</b>	<b>395.3</b>	<b>0.4</b>	<b>899</b>	<b>423.2</b>	<b>0.5</b>	<b>8.5%</b>	<b>100.0%</b>
1 – 6	510	510	373	106.5	0.3	510	152.0	0.3	629	170.7	0.3	629	183.4	0.3	636	195.7	0.3	8.8%	70.0%	
7 – 10	175	175	136	55.1	0.4	175	99.1	0.6	181	92.2	0.5	181	99.2	0.5	187	106.3	0.6	2.4%	21.2%	
11 – 12	45	45	34	25.1	0.7	45	43.2	1.0	42	48.8	1.2	43	52.8	1.2	43	55.8	1.3	8.9%	5.1%	
13 – 16	30	30	20	25.6	1.3	30	36.7	1.2	32	55.1	1.7	33	59.9	1.8	33	65.4	2.0	21.2%	3.7%	

1. Rand million.

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
<b>Departmental infrastructure</b>										
<b>Small Projects (total cost of less than R250 million over the project life cycle)</b>										
Phuthaditjhaba	Upgrades and renovations to office buildings (such as painting and new flooring)	On-going	12.8	11.4	1.4	–	–	–	–	–
Taung	Upgrades and renovations to office buildings (such as painting and new flooring)	Tender	51.0	–	–	5.3	13.5	16.6	15.6	–
Hluhluwe	Upgrades and renovations to office buildings (such as painting and new flooring)	Handed over	39.9	10.3	27.4	1.5	–	0.7	–	–
Stanger	Upgrades and renovations to office buildings (such as painting and new flooring)	Tender	57.7	–	0.6	0.4	17.1	17.0	16.0	6.6
Lusikisiki	Demolition of old prison and construction of new office building	On-going	94.8	0.3	4.6	–	43.8	46.2	–	–
Randfontein	Demolition of old commando and construction of new office building	Design	94.6	0.7	2.8	3.0	3.0	16.0	33.7	35.4
Marabastad	Renovations, repairs and maintenance to buildings to make them habitable	Various	53.5	0.2	53.3	–	–	–	–	–
Onverwacht	Renovations, repairs and maintenance to buildings to make them habitable	On-going	0.4	–	0.4	–	–	–	–	–
New corporation building	Refurbishment of 13th floor	Handed over	40.3	–	–	0.3	40.0	–	–	–
Ganyesa	Upgrades and renovations to office buildings (such as painting and new flooring)	Prefeasibility	6.9	–	–	–	0.3	0.3	6.3	–
Bushbuckridge	Upgrades and renovations to office buildings (such as painting and new flooring)	Prefeasibility	4.0	–	–	–	2.0	2.0	–	–
Modimolle	Upgrades and renovations to office buildings (such as painting and new flooring)	Prefeasibility	40.3	26.6	12.3	0.5	0.3	0.3	0.3	–
Bochum	Upgrades and renovations to office buildings (such as painting and new flooring)	Prefeasibility	156.7	2.6	2.0	–	–	–	70.2	81.9
Mokopane	Upgrades and renovations to office buildings (such as painting and new flooring)	Tender	209.9	3.6	1.9	2.6	12.0	13.2	20.1	156.5
New head office	Refurbishment of 13th floor	Feasibility	0.7	0.5	0.2	–	–	–	–	–
Ministry	Rezoning of office building	Prefeasibility	0.1	–	–	–	–	0.1	–	–
Lebombo refugee reception centre	Construction of refugee reception centre	Feasibility	61.0	–	–	12.0	10.0	10.0	14.0	15.0
Sea port of entry: New offices	Construction of new office building	Feasibility	66.3	0.1	–	11.0	11.0	14.3	14.3	15.5
Lebombo official residential accommodation	Provision of residential accommodation for officials	Feasibility	63.3	0.3	–	11.0	11.0	12.0	14.5	14.5
Oshoek	Provision of residential accommodation for officials	Feasibility	72.9	–	–	10.0	15.6	15.6	15.8	15.8
Maseru	Provision of residential accommodation for officials	Feasibility	89.3	3.0	4.3	24.0	14.5	14.5	14.5	14.5
Beitbridge	Provision of residential accommodation for officials	Feasibility	66.4	0.2	–	5.5	15.6	15.6	13.5	16.0
Lembobo Refugee Reception centre	Provision of residential accommodation for officials	Feasibility	4.4	1.5	0.9	–	–	–	2.0	–
Planned maintenance	Upgrades and renovations to office buildings (such as painting and new flooring)	On-going	9.4	–	–	4.0	4.5	0.2	0.3	0.4
Maintenance	Installation of generators, earth wires and related services	On-going	11.9	11.5	0.4	–	–	–	–	–

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
New corporation building (new elevators)	Upgrades and renovations to office buildings (such as painting and new flooring)	Handed over	8.9	6.7	–	–	–	2.0	0.2	–
New corporation building (replacement of elevators)	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	2.5	2.5	–	–	–	–	–	–
Look and feel	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	16.8	4.3	–	8.0	–	1.0	1.5	2.0
Itsoseng	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	22.0	–	–	0.4	3.5	1.8	13.5	2.8
Christiana	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	8.5	–	–	2.0	3.5	3.0	–	–
Tohoyandou	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	53.3	6.5	1.4	3.3	3.5	12.5	26.2	–
Lichtenburg	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	5.0	–	–	5.0	–	–	–	–
Louis Trichardt	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	9.7	–	–	6.2	3.5	–	–	–
New head office	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	31.7	18.6	11.6	1.5	–	–	–	–
Atamelang, Molopo and Mankwe	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	0.7	0.3	–	0.1	–	0.2	–	–
New cooperation building (guard hut)	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	1.4	0.3	–	–	–	1.1	–	–
Harding	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	16.9	0.3	–	6.2	3.5	–	3.6	3.3
Ingwavuma	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	10.5	0.3	–	6.2	3.5	0.3	0.1	0.2
Komanga	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	10.5	0.8	–	6.2	3.5	–	–	–
Mhala	Upgrades and renovations to office buildings (such as painting and new flooring)	On-going	6.2	–	–	–	–	1.0	2.7	2.5
Phalaborwa	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	1.9	1.5	–	–	–	0.2	0.1	0.1
Nqamakwe	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	9.2	7.8	0.3	–	–	1.0	0.1	–
Hlabisa	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	0.3	0.3	–	–	–	–	–	–
Ingwavuma	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	0.3	0.3	–	–	–	–	–	–
Komanga	Upgrades and renovations to office buildings (such as painting and new flooring)	Feasibility	0.3	0.3	–	–	–	–	–	–
Phuthaditjhaba	Construction of new office building	Handed over	11.4	11.4	–	–	–	–	–	–
Taung	Construction of new office building	Construction	5.3	–	–	–	–	–	–	–
Hluhluwe	Construction of new office building	Design	39.2	10.3	27.4	–	–	–	–	–
Stanger	Construction of new office building	Feasibility	6.3	–	0.6	5.3	–	–	–	–
Lusikisiki	Construction of new office building	Feasibility	6.4	0.3	4.6	1.5	–	–	–	–
Randfontein	Demolition of old prison and construction of new office building	Various	7.0	0.7	2.8	0.4	–	–	–	–
Marabastad	Demolition of old commando and construction of new office building	Various	53.5	0.2	53.3	–	–	–	–	–

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
Onverwacht	Construction of ablution block and shelter	Various	3.4	–	0.4	3.0	–	–	–	–
Repair and upgrade	Renovations, repairs and maintenance to buildings to make them habitable	Handed over	0.3	–	–	0.3	–	–	–	–
Feasibility study: Redevelopment of the 6 ports of entry (Beitbridge, Lembobo, Maseru, Kopfontein, Oshoek and Ficksburg)	Renovations, repairs and maintenance to buildings to make them habitable	Identification	38.9	26.6	12.3	–	–	–	–	–
Brakpan	Renovations, repairs and maintenance to buildings to make them habitable	Feasibility	4.6	2.6	2.0	–	–	–	–	–
Pampierstad	Renovations, repairs and maintenance to buildings to make them habitable	Construction	6.0	3.6	1.9	0.5	–	–	–	–
New head office	Renovations, repairs and maintenance to buildings to make them habitable	Construction	2.2	0.5	0.2	–	–	–	–	–
Ganyesa	Refurbishment of 13th floor	Design	2.9	–	–	2.6	–	–	–	–
Modimolle	Construction of new office building	Prefeasibility	0.6	0.1	–	–	–	–	–	–
Bochum	Construction of new office building	Prefeasibility	0.6	0.3	–	–	–	–	–	–
Mokopane	Construction of new office building	Prefeasibility	2.5	–	–	–	–	–	–	–
Supply and delivery: Park homes	Construction of new office building	Construction	7.3	3.0	4.3	–	–	–	–	–
Ministry	Construction of residential accommodation for officials	Construction	10.2	0.2	–	10.0	–	–	–	–
Lebombo refugee reception centre	Rezoning of office building	Prefeasibility	26.4	1.5	0.9	24.0	–	–	–	–
Sea port of entry: New offices	Construction of refugee reception centre	Feasibility	5.5	–	–	5.5	–	–	–	–
Lebombo official residential accommodation	Construction of new office building	Feasibility	7.5	6.6	0.9	–	–	–	–	–
Oshoek	Provision of residential accommodation for officials	Feasibility	6.8	6.7	–	0.1	–	–	–	–
Maseru	Provision of residential accommodation for officials	Feasibility	2.5	2.5	–	–	–	–	–	–
Beitbridge	Provision of residential accommodation for officials	Feasibility	4.3	4.3	–	–	–	–	–	–
Lembobo refugee reception centre	Feasibility study	Feasibility	8.0	–	–	8.0	–	–	–	–
Planned maintenance	Provision of residential accommodation for officials	Feasibility	12.3	6.5	1.4	0.4	–	–	–	–
Maintenance	Upgrades and renovations to office buildings (such as painting and new flooring)	Construction	2.0	–	–	2.0	–	–	–	–
New corporation building	Installation of generators, earth wires and related services	Handed over	3.3	–	–	3.3	–	–	–	–
New corporation building	Construction of elevators	Handed over	5.0	–	–	5.0	–	–	–	–
Look and feel	Upgrades and renovations to office buildings (such as painting and new flooring)	Handed over	6.2	–	–	6.2	–	–	–	–
Itsoseng	Upgrades and renovations to office buildings (such as painting and new flooring)	Construction	2.7	0.3	–	–	–	–	–	–
Christiana	Upgrades and renovations to office buildings (such as painting and new flooring)	Construction	3.8	0.3	–	1.5	–	–	–	–



**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Thohoyandou	Upgrades and renovations to office buildings (such as painting and new flooring)	Construction	3.7	0.3	–	0.1	–	–	–	–
Lichtenburg	Upgrades and renovations to office buildings (such as painting and new flooring)	Construction	5.3	0.3	–	–	–	–	–	–
Louis Trichardt	Upgrades and renovations to office buildings (such as painting and new flooring)	Construction	8.0	0.8	–	6.2	–	–	–	–
Phalaborwa and Mhala	Upgrades and renovations to office buildings (such as painting and new flooring)	Construction	6.2	–	–	6.2	–	–	–	–
New head office	Upgrades and renovations to office buildings (such as painting and new flooring)	Construction	9.2	1.5	–	6.2	–	–	–	–
Atamelang, Molopo and Mankwe	Construction of new office building	Feasibility	8.2	7.8	0.3	–	–	–	–	–
Harding	Upgrades and renovations to office buildings (such as painting and new flooring)	Construction	5.8	0.3	–	–	–	–	–	–
Ingwavuma	Construction of new office building	Feasibility	6.3	0.3	–	–	–	–	–	–
Komanga	Construction of new office building	Feasibility	6.5	0.3	–	–	–	–	–	–
Phalaborwa	Upgrades and renovations to office buildings (such as painting and new flooring)	Construction	0.3	0.1	–	0.1	–	–	–	–
<b>Total</b>			<b>1 889.3</b>	<b>223.4</b>	<b>239.5</b>	<b>234.8</b>	<b>238.7</b>	<b>218.7</b>	<b>298.9</b>	<b>382.9</b>



# Vote 6

## International Relations and Cooperation

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	1 711.3	1 334.9	1.6	374.7	1 816.2	1 927.1
International Relations	3 054.5	3 028.6	5.8	20.1	3 246.4	3 443.9
International Cooperation	564.2	562.5	1.3	0.4	613.8	651.4
Public Diplomacy and Protocol Services	322.9	321.3	1.6	–	344.8	365.9
International Transfers	855.6	–	855.6	–	905.0	730.0
<b>Total expenditure estimates</b>	<b>6 508.5</b>	<b>5 247.3</b>	<b>866.0</b>	<b>395.3</b>	<b>6 926.1</b>	<b>7 118.3</b>

Executive authority Minister of International Relations and Cooperation  
 Accounting officer Director-General of International Relations and Cooperation  
 Website address [www.dirco.gov.za](http://www.dirco.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Formulate, coordinate, implement and manage South Africa's foreign policy and international relations programmes.*

### Mandate

According to the Constitution, the president is ultimately responsible for the foreign policy and international relations of South Africa. It is the president's prerogative to appoint heads of mission, to receive foreign heads of mission, to conduct state-to-state relations, and to negotiate and sign all international agreements. International agreements that are not of a technical, administrative or executive nature will bind the country only after being approved by Parliament, which also approves the country's ratification of or accession to multilateral agreements. All international agreements must be tabled in Parliament for information purposes.

The Minister of International Relations and Cooperation is entrusted with the formulation, promotion, execution and daily conduct of South Africa's foreign policy.

The department's overall mandate is to work towards the realisation of South Africa's foreign policy objectives. This is done by:

- coordinating and aligning South Africa's international relations
- monitoring developments in the international environment
- communicating government's policy positions
- developing and advising government on policy options, and creating mechanisms and avenues for achieving objectives
- protecting South Africa's sovereignty and territorial integrity
- contributing to the creation of an enabling international environment for South African businesses
- sourcing developmental assistance
- assisting South African citizens abroad.

## Selected performance indicators

**Table 6.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of structured bilateral mechanisms facilitated to promote national priorities (the African Agenda and the Agenda of the South) per year	International Relations	Outcome 11: Create a better South Africa, a better Africa and a better world	29	22	27	15 <sup>1</sup>	15	15	15
Number of high-level engagements facilitated to promote national priorities (the African Agenda and the Agenda of the South) per year	International Relations		39	26	28	20 <sup>1</sup>	20	20	20
Number of economic diplomacy initiatives undertaken to contribute to South Africa's economic growth per year:	International Relations								
- trade and investment seminars			111	124	122	112	112	112	112
- engagements with chambers of commerce			144	127	161 <sup>2</sup>	126	126	126	126
Number of tourism promotional events hosted per year	International Relations		94	67	95 <sup>3</sup>	60 <sup>1</sup>	60	60	60
Number of bilateral meetings per year to seek investment into South Africa held with:	International Relations								
- targeted government ministries to seek cooperation and possible technology exchange			99	120	153 <sup>3</sup>	70 <sup>1</sup>	70	70	70
- high-level potential investors			154	102	161 <sup>3</sup>	90 <sup>1</sup>	90	90	90
Number of Southern African Development Community structures and processes supported with substance and logistics to promote peace and stability, socioeconomic development, good governance, democracy and regional integration per year	International Relations		12	9	10	7	7	7	7
Number of African Union structures and processes used to promote peace and stability, socioeconomic development, good governance and democracy on the continent per year	International Cooperation	3	4	5	6	6	6	6	
Number of multilateral structures and processes engaged in to strengthen outcomes to meet the needs of South Africa, Africa and developing countries per year	International Cooperation	- <sup>4</sup>	- <sup>4</sup>	20	11	18	18	18	
Number of high-level meetings of organisations of the South engaged to contribute to and advance common positions of the South, and align with South Africa's foreign policy per year	International Cooperation	13	14	14	19	17	17	17	
Number of platforms created per year to inform and promote South Africa's foreign policy to domestic and international audiences:	Public Diplomacy and Protocol Services								
- public participation programmes		12	19	12	12 <sup>1</sup>	12	12	12	
- media statements published		197	186	149	120 <sup>1</sup>	120	120	120	
- opinion pieces published		10	14	14	12 <sup>1</sup>	12	12	12	
Percentage of requests for consular assistance rendered, as per guidelines in the service delivery charter	Public Diplomacy and Protocol Services	100% (835)	100% (838)	100% (664)	100%	100%	100%	100%	

1. Targets remain constant over the MTEF period in line with budget allocations.
2. Overachievement due to the department undertaking an additional 35 engagements with chambers of commerce and business formations to create market access.
3. Overachievement due to an increase in economic diplomacy initiatives relating to tourism promotion and meetings held with targeted government ministries to seek cooperation and technology transfer, to advance the objectives of the National Development Plan, the industrial policy action plan, the nine-point plan and the national export strategy.
4. No historical data available.

## Expenditure analysis

Chapter 7 of the National Development Plan details a vision for facilitating South Africa's broad-based socioeconomic development and fostering strong international ties. Outcome 11 (create a better South Africa, a better Africa and a better world) of government's 2014-2019 medium-term strategic framework gives expression to this, and is directly aligned with the work of the Department of International Relations and Cooperation. The department pursues regional political and economic integration, promotes Africa's development through sustained South-South solidarity and mutually beneficial relations with the North, and engages in multilateral systems and processes of global governance in advancing South Africa's foreign policy priorities. Over the medium term, the department will focus on: recalibrating South Africa's foreign policy and services; strengthening African cooperation and regional integration; consolidating global economic, political and social relations; and developing and managing infrastructure projects and properties.

The department realises its mandate mainly through the 125 diplomatic missions in 108 countries in which South Africa has representation. As such, the department's spending is mainly on compensation of employees, including allowances payable to transferred staff in terms of the foreign service dispensation policy, and the development of infrastructure. Spending on compensation of employees is expected to increase at an average annual rate of 3.5 per cent, from R3 billion in 2018/19 to R3.3 billion in 2021/22. The department's overall expenditure is expected to increase at an average annual rate of 2.8 per cent, from R6.6 billion in 2018/19 to R7.1 billion in 2021/22.

### ***Recalibrating South Africa's foreign policy and services***

South Africa's foreign policy is formulated and executed in a global environment that is constantly evolving. It therefore requires frequent recalibration through comprehensive reviews of various foreign policy levers, tools and instruments to remain relevant and in line with the department's mandate. To this end, in 2018/19, the minister established the foreign policy review panel and convened the inaugural foreign policy review workshop to begin the process of reassessing South Africa's foreign policy. The panel's work over the MTEF period is expected to provide strategic guidance and recommendations on rationalising foreign missions. This will be done through critical appraisals of staffing levels within missions, and reviews of the policy frameworks governing the foreign services and those regulating benefits and allowances for foreign service dispensation. To support the panel's activities, R8 million per year over the medium term is allocated in the *Administration* programme.

### ***Strengthening African cooperation and regional integration***

The integration of the Southern African Development Community (SADC) remains critical for the region's economic development and for South Africa's global competitiveness. The revised regional indicative strategic development plan 2015-2020 and the industrialisation strategy and roadmap 2015-2063 are the key blueprints in place for this. A renewed focus on industrialisation emerged from the 38th ordinary summit of SADC heads of state and government, held in 2018, and will guide the department's priorities in leading the implementation and domestication of the region's blueprints over the medium term. As the outgoing chair of SADC, South Africa will continue to participate in the SADC double troika leadership oversight structure, and monitor the implementation of SADC summit decisions and resolutions in advancing political and economic integration. These activities are carried out in the *Continental Cooperation* subprogramme, in which spending is set to increase at an average annual rate of 12.1 per cent, from R90.7 million in 2018/19 to R127.9 million in 2021/22.

The department continues to play an active role in African Union (AU) structures and processes for the advancement of peace and security; and conflict prevention, resolution and management on the continent. This includes the strengthening of mechanisms to consolidate peace and prevent post-conflict countries, such as Libya and South Sudan, from backsliding into civil unrest. As one of the largest contributors to the AU budget, South Africa's membership contribution is expected to increase by R200 million in 2019/20 (from R237.9 million to R437.9 million) and by R213.3 million in 2020/21 (from R251 million to R464.3 million) to address a shortfall as a result of the current scale of assessment to determine countries' membership fees to

the AU. This contribution is expected to decrease to R265.1 million in 2021/22, when the current three-year cycle of the scale of assessment lapses.

### **Consolidating global economic, political and social relations**

The department will continue to focus on consolidating economic, political and social relations through structured bilateral mechanisms and high-level engagements to promote national priorities. As the current chair of the Indian Ocean Rim Association, South Africa will advocate for the restructuring of the global political, economic and financial architecture to be more balanced, representative, inclusive and equitable; and ensure that the international system rests on the important pillars of multilateralism and international law. In 2019/20, South Africa will assume tenure as a non-permanent member of the United Nations (UN) Security Council, and will use this membership to promote international peace and security through advocating for peaceful dispute resolution and inclusive dialogue; and enhance cooperation and improve efficiency between the UN, the AU and other regional and subregional organisations. R24 million is reallocated from the *International Relations* programme to provide additional capacity in the *International Cooperation* programme for South Africa's membership on the council. As a result, expenditure in the Global System of Governance subprogramme is set to increase from R340.1 million in 2018/19 to R397.5 million in 2021/22.

In support of South Africa's economic growth, in 2019/20, the department expects to undertake 112 economic diplomacy initiatives on trade and investment, and 126 engagements with chambers of commerce. The department also plans to continue strengthening South Africa's bilateral relations over the MTEF period with a stronger emphasis on economic partnerships in line with economic growth imperatives. Spending on this programme is expected to increase at an average annual rate of 0.7 per cent, from R3.38 billion in 2018/19 to R3.44 billion in 2021/22.

### **Developing and managing infrastructure projects and properties**

The department has a property portfolio consisting of 163 state owned properties and approximately 1000 rented properties. Over the medium term, the department will focus on increasing maintenance of its current ageing state owned properties as well as renovations in Namibia, Swaziland, Brasilia and the Hague. In addition, feasibility studies will be undertaken in order to prioritise new developments in areas where land is owned such as in India, Saudi Arabia, Senegal and South Sudan.

## **Expenditure trends**

**Table 6.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. International Relations														
3. International Cooperation														
4. Public Diplomacy and Protocol Services														
5. International Transfers														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	1 418.5	1 381.6	1 381.5	1 458.7	1 458.7	1 544.8	1 556.6	1 556.6	1 229.4	1 665.6	1 649.4	1 566.9	93.8%	94.6%
Programme 2	2 931.7	3 506.2	3 640.4	3 083.1	3 825.1	3 742.9	3 568.9	3 470.3	3 470.2	3 359.4	3 375.6	3 375.6	109.9%	100.4%
Programme 3	466.9	525.2	523.1	579.3	514.3	462.9	565.4	490.1	445.3	568.3	527.5	527.5	89.9%	95.2%
Programme 4	246.3	363.6	333.2	252.1	252.1	271.9	266.1	282.7	270.4	302.1	342.9	342.9	114.2%	98.2%
Programme 5	635.2	734.3	766.6	515.5	788.4	822.4	617.8	608.6	581.5	657.4	657.4	739.9	120.0%	104.4%
<b>Total</b>	<b>5 698.6</b>	<b>6 510.9</b>	<b>6 644.8</b>	<b>5 888.7</b>	<b>6 838.7</b>	<b>6 844.9</b>	<b>6 574.9</b>	<b>6 408.3</b>	<b>5 996.9</b>	<b>6 552.8</b>	<b>6 552.8</b>	<b>6 552.8</b>	<b>105.4%</b>	<b>99.0%</b>
Change to 2018 Budget estimate												-		

Table 6.2 Vote expenditure trends by programme and economic classification

Economic classification	Annual budget			Annual budget			Annual budget			Annual budget			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate		
R million	2015/16			2016/17			2017/18			2018/19			2015/16 -	2018/19
<b>Current payments</b>	<b>4 773.5</b>	<b>5 561.3</b>	<b>5 614.1</b>	<b>5 084.8</b>	<b>5 764.0</b>	<b>5 747.7</b>	<b>5 654.7</b>	<b>5 470.6</b>	<b>5 328.6</b>	<b>5 574.9</b>	<b>5 566.7</b>	<b>5 566.7</b>	<b>105.5%</b>	<b>99.5%</b>
Compensation of employees	2 526.2	2 986.2	3 083.7	2 767.4	3 071.4	3 115.6	2 914.0	3 022.0	3 018.8	2 964.5	2 964.5	2 964.5	109.0%	101.2%
Goods and services	2 247.3	2 525.9	2 474.9	2 265.2	2 640.3	2 563.8	2 685.4	2 365.9	2 227.4	2 523.2	2 514.9	2 514.9	100.6%	97.4%
Interest and rent on land	–	49.2	55.4	52.3	52.3	68.3	55.3	82.7	82.4	87.3	87.3	87.3	150.6%	108.1%
<b>Transfers and subsidies</b>	<b>641.2</b>	<b>740.3</b>	<b>772.5</b>	<b>522.7</b>	<b>795.1</b>	<b>828.6</b>	<b>625.5</b>	<b>616.3</b>	<b>608.2</b>	<b>667.2</b>	<b>675.4</b>	<b>757.9</b>	<b>120.8%</b>	<b>105.0%</b>
Departmental agencies and accounts	154.0	154.0	145.6	8.8	8.8	0.0	31.5	22.2	22.2	48.2	48.2	48.2	89.1%	92.6%
Foreign governments and international organisations	481.2	580.3	621.0	506.7	779.6	822.4	586.4	586.4	559.3	609.1	609.1	691.7	123.4%	105.4%
Households	6.0	6.0	5.9	7.1	6.7	6.2	7.7	7.7	26.7	9.8	18.0	18.0	185.6%	147.9%
<b>Payments for capital assets</b>	<b>284.0</b>	<b>209.3</b>	<b>240.8</b>	<b>281.1</b>	<b>279.5</b>	<b>268.6</b>	<b>294.6</b>	<b>321.4</b>	<b>60.0</b>	<b>310.7</b>	<b>310.7</b>	<b>228.2</b>	<b>68.2%</b>	<b>71.2%</b>
Buildings and other fixed structures	233.1	153.4	130.2	249.9	248.7	215.2	250.3	253.6	29.2	268.0	268.0	185.4	55.9%	60.6%
Machinery and equipment	50.9	55.9	109.9	31.2	30.9	53.5	44.3	67.8	30.8	42.7	42.7	42.7	140.1%	120.1%
Software and other intangible assets	–	–	0.7	–	–	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>17.3</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>5 698.6</b>	<b>6 510.9</b>	<b>6 644.8</b>	<b>5 888.7</b>	<b>6 838.7</b>	<b>6 844.9</b>	<b>6 574.9</b>	<b>6 408.3</b>	<b>5 996.9</b>	<b>6 552.8</b>	<b>6 552.8</b>	<b>6 552.8</b>	<b>105.4%</b>	<b>99.0%</b>

## Expenditure estimates

Table 6.3 Vote expenditure estimates by programme and economic classification

Programmes								
1. Administration								
2. International Relations								
3. International Cooperation								
4. Public Diplomacy and Protocol Services								
5. International Transfers								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	1 566.9	4.3%	22.0%	1 711.3	1 816.2	1 927.1	7.1%	25.9%
Programme 2	3 375.6	-1.3%	54.6%	3 054.5	3 246.4	3 443.9	0.7%	48.4%
Programme 3	527.5	0.1%	7.5%	564.2	613.8	651.4	7.3%	8.7%
Programme 4	342.9	-1.9%	4.7%	322.9	344.8	365.9	2.2%	5.1%
Programme 5	739.9	0.3%	11.2%	855.6	905.0	730.0	-0.4%	11.9%
<b>Total</b>	<b>6 552.8</b>	<b>0.2%</b>	<b>100.0%</b>	<b>6 508.5</b>	<b>6 926.1</b>	<b>7 118.3</b>	<b>2.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				200.0	213.3	–		
Economic classification								
<b>Current payments</b>	<b>5 566.7</b>	<b>0.0%</b>	<b>85.5%</b>	<b>5 247.3</b>	<b>5 597.4</b>	<b>5 940.0</b>	<b>2.2%</b>	<b>82.5%</b>
Compensation of employees	2 964.5	-0.2%	46.8%	2 874.5	3 090.1	3 290.9	3.5%	45.1%
Goods and services	2 514.9	-0.1%	37.6%	2 280.8	2 410.3	2 546.6	0.4%	36.0%
Interest and rent on land	87.3	21.0%	1.1%	92.0	97.1	102.4	5.5%	1.4%
<b>Transfers and subsidies</b>	<b>757.9</b>	<b>0.8%</b>	<b>11.4%</b>	<b>866.0</b>	<b>915.9</b>	<b>741.4</b>	<b>-0.7%</b>	<b>12.1%</b>
Departmental agencies and accounts	48.2	-32.1%	0.8%	56.3	59.4	62.7	9.1%	0.8%
Foreign governments and international organisations	691.7	6.0%	10.3%	799.3	845.5	667.3	-1.2%	11.1%
Households	18.0	44.6%	0.2%	10.3	10.9	11.5	-13.9%	0.2%
<b>Payments for capital assets</b>	<b>228.2</b>	<b>2.9%</b>	<b>3.1%</b>	<b>395.3</b>	<b>412.9</b>	<b>436.8</b>	<b>24.2%</b>	<b>5.4%</b>
Buildings and other fixed structures	185.4	6.5%	2.2%	282.9	298.5	320.2	20.0%	4.0%
Machinery and equipment	42.7	-8.5%	0.9%	112.3	114.4	116.6	39.7%	1.4%
<b>Total</b>	<b>6 552.8</b>	<b>0.2%</b>	<b>100.0%</b>	<b>6 508.5</b>	<b>6 926.1</b>	<b>7 118.3</b>	<b>2.8%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 6.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22
R thousand												
Compensation of employees	3 083 741	3 115 625	3 018 810	2 964 489	-1.3%	46.8%	2 874 494	3 090 080	3 290 937	3.5%	45.1%	
Operating leases	1 016 886	1 070 255	997 326	1 030 230	0.4%	15.8%	924 565	966 218	1 019 109	-0.4%	14.5%	
Property payments	388 497	393 839	390 564	376 593	-1.0%	6.0%	240 811	253 700	269 188	-10.6%	4.2%	
Travel and subsistence	335 194	272 413	239 563	283 825	-5.4%	4.3%	271 649	288 115	303 880	2.3%	4.2%	
Foreign governments and international organisations	621 004	822 355	559 302	609 131	-0.6%	10.0%	799 274	845 535	667 261	3.1%	10.8%	
<b>Total</b>	<b>5 445 322</b>	<b>5 674 487</b>	<b>5 205 565</b>	<b>5 264 268</b>	<b>-1.1%</b>	<b>82.9%</b>	<b>5 110 793</b>	<b>5 443 648</b>	<b>5 550 375</b>	<b>1.8%</b>	<b>78.8%</b>	

## Goods and services expenditure trends and estimates

**Table 6.5 Vote goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22
R thousand												
Administrative fees	12 105	9 248	9 767	12 169	0.2%	0.4%	12 897	13 730	14 485	6.0%	0.5%	
Advertising	4 094	3 627	3 656	6 673	17.7%	0.2%	6 574	7 609	8 027	6.4%	0.3%	
Minor assets	2 800	2 880	1 854	4 873	20.3%	0.1%	5 147	5 429	5 727	5.5%	0.2%	
Audit costs: External	23 324	23 830	24 388	26 315	4.1%	1.0%	27 789	29 317	30 929	5.5%	1.2%	
Bursaries: Employees	1 037	1 340	1 466	1 565	14.7%	0.1%	1 653	1 744	1 840	5.5%	0.1%	
Catering: Departmental activities	19 947	20 357	24 163	26 287	9.6%	0.9%	22 985	24 249	25 582	-0.9%	1.0%	
Communication	61 327	56 516	48 812	57 176	-2.3%	2.3%	57 877	61 404	64 780	4.2%	2.5%	
Computer services	166 362	181 291	94 043	148 354	-3.7%	6.0%	70 682	78 628	87 010	-16.3%	3.9%	
Consultants: Business and advisory services	3 994	3 537	3 632	4 727	5.8%	0.2%	134 665	140 708	146 912	214.4%	4.4%	
Legal services	4 363	7 260	6 699	6 987	17.0%	0.3%	6 678	6 979	7 363	1.8%	0.3%	
Contractors	85 896	169 497	72 209	87 681	0.7%	4.2%	100 914	110 072	116 127	9.8%	4.3%	
Agency and support/outsourced services	4 489	1 729	3 858	8 066	21.6%	0.2%	8 952	10 117	10 673	9.8%	0.4%	
Entertainment	12 559	12 392	10 897	16 002	8.4%	0.5%	17 676	18 674	19 702	7.2%	0.7%	
Fleet services (including government motor transport)	1 601	280	16 560	16 308	116.8%	0.4%	13 464	7 365	7 771	-21.9%	0.5%	
Housing	1	-	-	-	-100.0%	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	37	-	-	39	55	58	16.2%	-	
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	176	186	-	-	
Inventory: Materials and supplies	-	-	-	2	-	-	14	81	85	249.0%	-	
Inventory: Medical supplies	-	-	-	-	-	-	-	2	2	-	-	
Inventory: Other supplies	-	-	-	-	-	-	2 699	3 639	3 839	-	0.1%	
Consumable supplies	35 343	56 694	24 021	34 670	-0.6%	1.5%	33 461	35 211	37 147	2.3%	1.4%	
Consumables: Stationery, printing and office supplies	17 176	977	15 010	22 630	9.6%	0.6%	25 346	26 612	28 076	7.5%	1.1%	
Operating leases	1 016 886	1 070 255	997 326	1 030 230	0.4%	42.1%	924 565	966 218	1 019 109	-0.4%	40.4%	
Rental and hiring	4 252	1 433	724	1 391	-31.1%	0.1%	1 469	1 550	1 635	5.5%	0.1%	
Property payments	388 497	393 839	390 564	376 593	-1.0%	15.8%	240 811	253 700	269 188	-10.6%	11.7%	
Transport provided: Departmental activity	-	-	-	-	-	-	885	-	-	-	-	
Travel and subsistence	335 194	272 413	239 563	283 825	-5.4%	11.6%	271 649	288 115	303 880	2.3%	11.8%	
Training and development	8 144	6 024	3 973	10 203	7.8%	0.3%	10 889	11 912	12 650	7.4%	0.5%	
Operating payments	205 031	246 643	212 257	267 654	9.3%	9.5%	254 556	279 551	294 928	3.3%	11.2%	
Venues and facilities	60 514	21 749	21 973	64 518	2.2%	1.7%	26 470	27 426	28 935	-23.5%	1.5%	
<b>Total</b>	<b>2 474 936</b>	<b>2 563 811</b>	<b>2 227 415</b>	<b>2 514 936</b>	<b>0.5%</b>	<b>100.0%</b>	<b>2 280 806</b>	<b>2 410 273</b>	<b>2 546 646</b>	<b>0.4%</b>	<b>100.0%</b>	



## Transfers and subsidies expenditure trends and estimates

Table 6.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>5 897</b>	<b>6 199</b>	<b>26 699</b>	<b>18 000</b>	<b>45.1%</b>	<b>2.0%</b>	<b>10 349</b>	<b>10 885</b>	<b>11 484</b>	<b>-13.9%</b>	<b>1.6%</b>
Employee social benefits	5 897	6 199	26 699	18 000	45.1%	2.0%	10 349	10 885	11 484	-13.9%	1.6%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>145 637</b>	<b>31</b>	<b>22 243</b>	<b>48 224</b>	<b>-30.8%</b>	<b>7.5%</b>	<b>56 337</b>	<b>59 435</b>	<b>62 704</b>	<b>9.1%</b>	<b>7.1%</b>
African Renaissance and International Cooperation Fund	145 637	31	22 243	38 692	-35.7%	7.2%	46 272	48 816	51 452	10.0%	5.8%
South African Development Partnership Agency	-	-	-	9 532	-	0.3%	10 065	10 619	11 252	5.7%	1.3%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>621 004</b>	<b>822 355</b>	<b>559 302</b>	<b>609 131</b>	<b>-0.6%</b>	<b>90.5%</b>	<b>799 274</b>	<b>845 535</b>	<b>667 261</b>	<b>3.1%</b>	<b>91.3%</b>
African Union	271 911	406 296	213 500	227 417	-5.8%	38.8%	437 912	464 297	265 053	5.2%	43.6%
Group of 77 Countries	237	134	205	241	0.6%	-	253	222	234	-1.0%	-
India-Brazil-South Africa Trust Fund	14 925	13 139	11 778	15 900	2.1%	1.9%	14 616	15 690	16 553	1.4%	2.0%
New Partnership for Africa's Development	7 950	7 354	6 814	6 030	-8.8%	1.0%	7 654	8 686	9 164	15.0%	1.0%
African peer review mechanism	2 650	1 471	2 729	2 412	-3.1%	0.3%	1 755	3 613	3 812	16.5%	0.4%
Organisation for Economic Cooperation and Development	594	522	552	587	-0.4%	0.1%	634	340	359	-15.1%	0.1%
United Nations Development Programme	7 481	7 481	5 570	7 260	-1.0%	1.0%	7 667	8 089	8 534	5.5%	1.0%
African, Caribbean and Pacific Group of States	4 319	7 755	10 561	7 552	20.5%	1.0%	7 624	7 921	8 357	3.4%	1.0%
Commonwealth of Nations	8 996	8 044	7 536	8 556	-1.7%	1.1%	8 484	12 252	12 926	14.7%	1.3%
Southern African Development Community	88 421	113 164	104 751	109 725	7.5%	14.4%	86 643	78 565	82 886	-8.9%	11.2%
United Nations	199 643	216 958	156 035	180 403	-3.3%	26.1%	180 763	190 705	201 194	3.7%	23.5%
United Nations Human Rights Council	388	405	-	-	-100.0%	-	-	500	528	-	-
Biological and Toxin Weapons Convention	144	708	273	649	65.2%	0.1%	685	723	763	5.5%	0.1%
Comprehensive Nuclear-Test-Ban Treaty	5 141	6 401	6 447	6 711	9.3%	0.9%	6 586	7 531	7 945	5.8%	0.9%
Humanitarian Aid	3 164	28 779	29 440	31 486	115.1%	3.2%	31 944	38 186	40 286	8.6%	4.4%
Perez-Guerrero Trust Fund	108	72	93	80	-9.5%	-	84	89	94	5.5%	-
South Centre Capital Fund	2 982	1 366	1 186	1 200	-26.2%	0.2%	1 313	1 749	1 845	15.4%	0.2%
United Nations Development Programme in Southern Africa	-	-	-	-	-	-	1 576	1 663	1 754	-	0.2%
United Nations Technical Cooperation	129	135	-	-	-100.0%	-	-	167	176	-	-
United Nations Convention on the Law of the Sea	-	443	1 139	1 262	-	0.1%	1 166	836	882	-11.3%	0.1%
International Tribunal for the Law of the Sea	783	628	-	896	4.6%	0.1%	976	2 320	2 448	39.8%	0.2%
Permanent Court of Arbitration	143	161	180	186	9.2%	-	251	192	203	3.0%	-
Indian Ocean Rim Association Research Centre	371	314	285	341	-2.8%	-	344	355	375	3.2%	-
United Nations Voluntary Fund on Disability	82	89	-	-	-100.0%	-	-	113	119	-	-
UNICEF (United Nations Children's Fund)	247	267	-	-	-100.0%	-	-	332	350	-	-
Asian-African Legal Consultative Organisation	195	269	228	237	6.7%	-	344	399	421	21.1%	-
<b>Total</b>	<b>772 538</b>	<b>828 585</b>	<b>608 244</b>	<b>675 355</b>	<b>-4.4%</b>	<b>100.0%</b>	<b>865 960</b>	<b>915 855</b>	<b>741 449</b>	<b>3.2%</b>	<b>100.0%</b>

## Personnel information

**Table 6.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes																				
1. Administration																				
2. International Relations																				
3. International Cooperation																				
4. Public Diplomacy and Protocol Services																				
5. International Transfers																				
Number of funded posts	Number of posts additional to the establishment	Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment															Number			
		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost			2021/22		Unit cost	2018/19 - 2021/22	
Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>International Relations and Cooperation</b>		<b>3 826</b>	<b>93</b>	<b>3 826</b>	<b>3 018.8</b>	<b>0.8</b>	<b>3 801</b>	<b>2 964.5</b>	<b>0.8</b>	<b>3 615</b>	<b>2 874.5</b>	<b>0.8</b>	<b>3 634</b>	<b>3 090.1</b>	<b>0.9</b>	<b>3 617</b>	<b>3 290.9</b>	<b>0.9</b>	<b>-1.6%</b>	<b>100.0%</b>
Salary level		3 826	93	3 826	3 018.8	0.8	3 801	2 964.5	0.8	3 615	2 874.5	0.8	3 634	3 090.1	0.9	3 617	3 290.9	0.9	-1.6%	100.0%
1-6		313	58	313	76.3	0.2	332	89.5	0.3	302	88.7	0.3	314	99.8	0.3	312	107.1	0.3	-2.0%	8.6%
7-10		1 269	15	1 269	1 197.7	0.9	1 272	1 433.2	1.1	1 218	1 366.3	1.1	1 227	1 482.4	1.2	1 218	1 582.1	1.3	-1.4%	33.6%
11-12		389	8	389	478.1	1.2	391	522.9	1.3	369	514.6	1.4	371	548.0	1.5	368	580.1	1.6	-2.0%	10.2%
13-16		290	12	290	488.3	1.7	290	508.2	1.8	260	480.3	1.8	256	505.2	2.0	253	535.7	2.1	-4.4%	7.2%
Other		1 565	-	1 565	778.4	0.5	1 516	410.7	0.3	1 466	424.6	0.3	1 466	454.7	0.3	1 466	485.9	0.3	-1.1%	40.3%
<b>Programme</b>		<b>3 826</b>	<b>93</b>	<b>3 826</b>	<b>3 018.8</b>	<b>0.8</b>	<b>3 801</b>	<b>2 964.5</b>	<b>0.8</b>	<b>3 615</b>	<b>2 874.5</b>	<b>0.8</b>	<b>3 634</b>	<b>3 090.1</b>	<b>0.9</b>	<b>3 617</b>	<b>3 290.9</b>	<b>0.9</b>	<b>-1.6%</b>	<b>100.0%</b>
Programme 1		874	92	874	438.7	0.5	879	479.4	0.5	888	534.3	0.6	890	574.5	0.6	886	611.8	0.7	0.3%	24.2%
Programme 2		2 326	1	2 326	2 107.0	0.9	2 253	1 959.7	0.9	2 055	1 776.7	0.9	2 061	1 898.7	0.9	2 054	2 022.2	1.0	-3.0%	57.4%
Programme 3		321	-	321	302.1	0.9	353	341.8	1.0	354	365.9	1.0	365	404.2	1.1	362	430.5	1.2	0.8%	9.8%
Programme 4		305	-	305	171.1	0.6	316	183.5	0.6	318	197.7	0.6	318	212.6	0.7	315	226.4	0.7	-0.1%	8.6%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 6.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>34 884</b>	<b>29 000</b>	<b>38 607</b>	<b>40 388</b>	<b>40 388</b>	<b>5.0%</b>	<b>100.0%</b>	<b>34 468</b>	<b>35 464</b>	<b>36 506</b>	<b>-3.3%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>1 013</b>	<b>972</b>	<b>1 439</b>	<b>1 055</b>	<b>1 055</b>	<b>1.4%</b>	<b>3.1%</b>	<b>1 072</b>	<b>1 011</b>	<b>1 038</b>	<b>-0.5%</b>	<b>2.8%</b>
Sales by market establishments	569	502	956	595	595	1.5%	1.8%	586	509	524	-4.1%	1.5%
of which:												
Parking fees	371	423	956	595	595	17.1%	1.6%	586	509	524	-4.1%	1.5%
Rent income	198	79	-	-	-	-100.0%	0.2%	-	-	-	-	-
Administrative fees	360	470	483	417	417	5.0%	1.2%	438	451	465	3.7%	1.2%
of which:												
Insurance fees	360	470	483	417	417	5.0%	1.2%	438	451	465	3.7%	1.2%
Other sales	84	-	-	43	43	-20.0%	0.1%	48	51	49	4.5%	0.1%
of which:												
Replacement of access cards and name tags	6	-	-	4	4	-12.6%	-	5	6	6	14.5%	-
Sale of departmental documents and publications	1	-	-	1	1	-	-	1	1	1	-	-
Transport fees	77	-	-	38	38	-21.0%	0.1%	42	44	42	3.4%	0.1%
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
of which:												
Sales of scrap	-	-	-	8	8	-	-	-	-	-	-100.0%	-
Fines, penalties and forfeits	-	-	29	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1 740	694	685	679	679	-26.9%	2.7%	615	633	634	-2.3%	1.7%
Interest	1 740	694	685	679	679	-26.9%	2.7%	615	633	634	-2.3%	1.7%
Sales of capital assets	5 807	4 357	2 647	2 954	2 954	-20.2%	11.0%	1 058	1 090	1 122	-27.6%	4.2%
Transactions in financial assets and liabilities	26 324	22 977	33 807	35 692	35 692	10.7%	83.1%	31 723	32 730	33 712	-1.9%	91.2%
<b>Total</b>	<b>34 884</b>	<b>29 000</b>	<b>38 607</b>	<b>40 388</b>	<b>40 388</b>	<b>5.0%</b>	<b>100.0%</b>	<b>34 468</b>	<b>35 464</b>	<b>36 506</b>	<b>-3.3%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

## Expenditure trends and estimates

**Table 6.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	6.2	6.1	6.0	7.7	7.8%	0.4%	8.3	8.9	9.5	7.2%	0.5%
Departmental Management	14.1	12.8	15.6	18.8	10.0%	1.1%	20.2	21.7	23.1	7.2%	1.2%
Audit Services	20.1	16.8	19.7	22.6	4.0%	1.4%	22.3	24.0	25.5	4.2%	1.3%
Financial Management	103.9	179.8	179.1	191.4	22.6%	11.3%	215.0	225.9	239.7	7.8%	12.3%
Corporate Services	755.0	757.6	610.1	729.1	-1.2%	49.1%	743.7	786.9	833.3	4.6%	43.5%
Diplomatic Training, Research and Development	65.5	62.0	61.2	70.0	2.2%	4.5%	77.6	90.2	95.9	11.1%	4.7%
Foreign Fixed Assets Management	135.1	204.4	12.2	256.1	23.7%	10.5%	263.5	278.0	298.6	5.3%	15.4%
Office Accommodation	281.6	305.3	325.4	353.8	7.9%	21.8%	360.6	380.5	401.4	4.3%	21.1%
<b>Total</b>	<b>1 381.5</b>	<b>1 544.8</b>	<b>1 229.4</b>	<b>1 649.1</b>	<b>6.1%</b>	<b>100.0%</b>	<b>1 711.3</b>	<b>1 816.2</b>	<b>1 927.1</b>	<b>5.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(16.1)			-	-	-		
<b>Economic classification</b>											
<b>Current payments</b>	<b>1 133.1</b>	<b>1 285.8</b>	<b>1 173.9</b>	<b>1 356.4</b>	<b>6.2%</b>	<b>85.3%</b>	<b>1 334.9</b>	<b>1 423.1</b>	<b>1 511.2</b>	<b>3.7%</b>	<b>79.2%</b>
Compensation of employees	389.3	401.8	438.7	479.4	7.2%	29.4%	534.3	574.5	611.8	8.5%	31.0%
Goods and services <sup>1</sup>	688.5	815.7	652.9	789.7	4.7%	50.8%	708.6	751.6	797.0	0.3%	42.9%
of which:											
Computer services	165.5	180.4	93.5	147.3	-3.8%	10.1%	69.7	77.5	85.9	-16.5%	5.4%
Consultants: Business and advisory services	4.0	3.2	2.6	4.1	0.7%	0.2%	133.9	139.9	146.1	229.7%	6.0%
Contractors	70.5	154.5	64.7	76.9	2.9%	6.3%	84.2	92.3	97.4	8.2%	4.9%
Operating leases	78.8	67.5	95.1	109.1	11.5%	6.0%	94.4	103.2	108.9	-0.1%	5.9%
Travel and subsistence	97.3	95.2	91.9	90.1	-2.5%	6.5%	94.2	99.6	105.0	5.2%	5.5%
Operating payments	65.4	95.8	75.8	109.4	18.7%	6.0%	109.2	113.6	119.8	3.1%	6.4%
Interest and rent on land	55.4	68.3	82.4	87.3	16.4%	5.1%	92.0	97.1	102.4	5.5%	5.3%
Transfers and subsidies <sup>1</sup>	1.5	1.9	1.6	1.6	2.0%	0.1%	1.6	1.7	1.8	5.5%	0.1%
Households	1.5	1.9	1.6	1.6	2.0%	0.1%	1.6	1.7	1.8	5.5%	0.1%
<b>Payments for capital assets</b>	<b>229.8</b>	<b>257.1</b>	<b>53.8</b>	<b>291.5</b>	<b>8.3%</b>	<b>14.3%</b>	<b>374.7</b>	<b>391.3</b>	<b>414.1</b>	<b>12.4%</b>	<b>20.7%</b>
Buildings and other fixed structures	130.2	215.2	29.2	268.0	27.2%	11.1%	282.9	298.5	320.2	6.1%	16.5%
Machinery and equipment	98.8	42.0	24.6	23.6	-38.0%	3.3%	91.8	92.8	93.8	58.5%	4.3%
Software and other intangible assets	0.7	-	-	-	-100.0%	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>17.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.3%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 381.5</b>	<b>1 544.8</b>	<b>1 229.4</b>	<b>1 649.4</b>	<b>6.1%</b>	<b>100.0%</b>	<b>1 711.3</b>	<b>1 816.2</b>	<b>1 927.1</b>	<b>5.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>20.8%</b>	<b>22.6%</b>	<b>20.5%</b>	<b>25.2%</b>	<b>-</b>	<b>-</b>	<b>26.3%</b>	<b>26.2%</b>	<b>27.1%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: International Relations

### Programme purpose

Promote relations with foreign countries.

### Objective

- Strengthen political, economic and social relations through structured bilateral agreements and high-level engagements to advance South Africa's national priorities, the African Agenda and the strengthening of South-South cooperation on an ongoing basis.

### Subprogrammes

- Africa* embraces relevant national priorities by strengthening bilateral cooperation with countries in Africa, particularly through focusing on increasing exports of South African goods and services, foreign direct investment with technology transfers into value-added industries and mineral beneficiation, and inbound tourism and skills enhancement. South Africa has foreign representation in 47 diplomatic missions in Africa.

- *Asia and Middle East* embraces relevant national priorities by strengthening bilateral cooperation with countries in Asia and the Middle East, particularly through focusing on increasing exports of South African goods and services, foreign direct investment with technology transfers into value-added industries and mineral beneficiation, and inbound tourism and skills enhancement. South Africa has foreign representation in 32 diplomatic missions in Asia and the Middle East.
- *Americas and Caribbean* embraces relevant national priorities by strengthening bilateral cooperation with countries in the Americas and the Caribbean, particularly through focusing on increasing exports of South African goods and services, foreign direct investment with technology transfers into value-added industries and mineral beneficiation, and inbound tourism and skills enhancement. South Africa has foreign representation in 16 diplomatic missions in the Americas and the Caribbean.
- *Europe* embraces relevant national priorities by strengthening bilateral cooperation with countries in Europe, particularly through focusing on increasing exports of South African goods and services, foreign direct investment with technology transfers into value-added industries and mineral beneficiation, and inbound tourism and skills enhancement. South Africa has foreign representation in 28 diplomatic missions in Europe.

## Expenditure trends and estimates

**Table 6.10 International Relations expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Africa	1 094.4	1 133.5	1 062.1	1 062.5	-1.0%	30.6%	1 007.6	1 068.6	1 133.4	2.2%	32.6%
Asia and Middle East	965.2	1 015.5	943.0	905.4	-2.1%	26.9%	738.3	780.4	827.2	-3.0%	24.8%
Americas and Caribbean	605.9	572.6	494.6	507.8	-5.7%	15.3%	474.9	507.4	538.4	2.0%	15.5%
Europe	974.9	1 021.3	970.6	899.8	-2.6%	27.2%	833.7	890.0	944.9	1.6%	27.2%
<b>Total</b>	<b>3 640.4</b>	<b>3 742.9</b>	<b>3 470.2</b>	<b>3 375.6</b>	<b>-2.5%</b>	<b>100.0%</b>	<b>3 054.5</b>	<b>3 246.4</b>	<b>3 443.9</b>	<b>0.7%</b>	<b>100.0%</b>
Change to 2018				16.1			-	-	-		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>3 627.0</b>	<b>3 728.9</b>	<b>3 440.6</b>	<b>3 343.5</b>	<b>-2.7%</b>	<b>99.4%</b>	<b>3 028.6</b>	<b>3 219.0</b>	<b>3 415.1</b>	<b>0.7%</b>	<b>99.1%</b>
Compensation of employees	2 212.5	2 245.2	2 107.0	1 959.7	-4.0%	59.9%	1 776.7	1 898.7	2 022.2	1.1%	58.4%
Goods and services <sup>1</sup>	1 414.6	1 483.6	1 333.6	1 383.8	-0.7%	39.5%	1 252.0	1 320.3	1 392.9	0.2%	40.8%
of which:											
Communication	37.4	35.2	28.9	33.3	-3.8%	0.9%	30.9	33.0	34.8	1.5%	1.0%
Consumable supplies	27.3	36.8	17.5	23.6	-4.7%	0.7%	21.7	22.9	24.2	0.8%	0.7%
Operating leases	852.8	928.1	836.0	838.3	-0.6%	24.3%	741.8	782.1	825.2	-0.5%	24.3%
Property payments	192.3	188.5	178.8	163.7	-5.2%	5.1%	161.5	166.6	175.8	2.4%	5.1%
Travel and subsistence	103.2	97.4	79.7	103.5	0.1%	2.7%	90.3	95.7	101.0	-0.8%	3.0%
Operating payments	120.9	129.4	111.8	124.2	0.9%	3.4%	99.8	107.0	112.9	-3.1%	3.4%
<b>Transfers and subsidies<sup>1</sup></b>	<b>3.2</b>	<b>3.5</b>	<b>23.8</b>	<b>13.1</b>	<b>59.8%</b>	<b>0.3%</b>	<b>5.8</b>	<b>6.1</b>	<b>6.4</b>	<b>-21.0%</b>	<b>0.2%</b>
Households	3.2	3.5	23.8	13.1	59.8%	0.3%	5.8	6.1	6.4	-21.0%	0.2%
<b>Payments for capital assets</b>	<b>10.1</b>	<b>10.5</b>	<b>5.8</b>	<b>19.0</b>	<b>23.3%</b>	<b>0.3%</b>	<b>20.1</b>	<b>21.2</b>	<b>22.4</b>	<b>5.5%</b>	<b>0.6%</b>
Machinery and equipment	10.1	10.5	5.8	19.0	23.3%	0.3%	20.1	21.2	22.4	5.5%	0.6%
<b>Total</b>	<b>3 640.4</b>	<b>3 742.9</b>	<b>3 470.2</b>	<b>3 375.6</b>	<b>-2.5%</b>	<b>100.0%</b>	<b>3 054.5</b>	<b>3 246.4</b>	<b>3 443.9</b>	<b>0.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>54.8%</b>	<b>54.7%</b>	<b>57.9%</b>	<b>51.5%</b>	-	-	<b>46.9%</b>	<b>46.9%</b>	<b>48.4%</b>	-	-
<b>Details of selected transfers and subsidies</b>											
Households											
Social benefits											
Current	3.2	3.5	23.8	13.1	59.8%	0.3%	5.8	6.1	6.4	-21.0%	0.2%
Employee social benefits	3.2	3.5	23.8	13.1	59.8%	0.3%	5.8	6.1	6.4	-21.0%	0.2%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: International Cooperation

### Programme purpose

Participate in initiatives of international organisations and institutions in line with South Africa's national values and foreign policy objectives.

## Objectives

- Contribute towards a reformed and strengthened multilateral system based on equal rules that will respond to the needs of developing countries and Africa, in particular, by participating in the global system of governance on an ongoing basis.
- Strengthen the AU and its structures by providing financial support for the operations of the Pan-African Parliament in terms of the country host agreement on an ongoing basis.
- Contribute towards the processes of the New Partnership for Africa's Development for socioeconomic development in Africa by participating in the African peer review mechanism and submitting the African peer review mechanism country report when required.
- Strengthen bilateral, trilateral and multilateral interests and relations within the dialogue forum of the BRICS group of countries through active participation in forum structures on an ongoing basis.
- Strengthen political solidarity, economic cooperation and sociocultural relations with Asian countries by participating in structures of the New Asian-African Strategic Partnership over the medium term.
- Strengthen North-South economic and political relations and cooperation to advance the African Agenda through the financing of development initiatives, and supporting institutional and governance reforms on an ongoing basis.

## Subprogrammes

- *Global System of Governance* provides for multilateralism and an international order based on rules. This entails participating and playing an active role in all forums of the UN system and its specialised agencies, and funding programmes that promote the principles of multilateral activity.
- *Continental Cooperation* provides for the enhancement of the African Agenda and sustainable development.
- *South-South Cooperation* provides for partnerships with countries of the South in advancing South Africa's development needs and the needs of the African Agenda; and creates political, economic and social convergence for the fight against poverty, underdevelopment and the marginalisation of the South.
- *North-South Dialogue* provides for South Africa's bilateral and multilateral engagements to consolidate and strengthen relations with organisations of the North to advance and support national priorities, the African Agenda and the developmental agenda of the South.

## Expenditure trends and estimates

**Table 6.11 International Cooperation expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Global System of Governance	293.8	282.3	283.1	340.1	5.0%	61.2%	361.9	373.9	397.5	5.3%	62.5%
Continental Cooperation	141.0	91.5	74.6	90.7	-13.7%	20.3%	92.2	121.4	127.9	12.1%	18.3%
South-South Cooperation	4.5	3.3	0.8	5.5	7.4%	0.7%	8.7	9.3	9.9	21.6%	1.4%
North-South Dialogue	83.8	85.8	86.8	91.1	2.8%	17.7%	101.4	109.2	116.0	8.4%	17.7%
<b>Total</b>	<b>523.1</b>	<b>462.9</b>	<b>445.3</b>	<b>527.5</b>	<b>0.3%</b>	<b>100.0%</b>	<b>564.2</b>	<b>613.8</b>	<b>651.4</b>	<b>7.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(40.8)			-	-	(0)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>522.2</b>	<b>461.7</b>	<b>444.9</b>	<b>525.5</b>	<b>0.2%</b>	<b>99.8%</b>	<b>562.5</b>	<b>612.2</b>	<b>649.6</b>	<b>7.3%</b>	<b>99.7%</b>
Compensation of employees	347.1	311.5	302.1	341.8	-0.5%	66.5%	365.9	404.2	430.5	8.0%	65.4%
Goods and services <sup>1</sup>	175.1	150.2	142.8	183.7	1.6%	33.3%	196.6	208.0	219.1	6.1%	34.3%
of which:											
Communication	6.1	4.7	4.0	4.8	-8.0%	1.0%	6.8	7.2	7.6	16.8%	1.1%
Entertainment	1.9	1.3	1.6	4.0	27.6%	0.5%	2.8	2.9	3.1	-8.2%	0.5%
Operating leases	85.3	74.7	66.3	82.8	-1.0%	15.8%	88.4	80.8	85.0	0.9%	14.3%
Property payments	11.2	11.3	11.1	10.7	-1.3%	2.3%	9.3	12.0	12.7	5.7%	1.9%
Travel and subsistence	42.2	31.6	30.4	38.2	-3.3%	7.3%	33.9	36.3	38.3	0.1%	6.2%
Operating payments	18.6	21.4	24.6	33.5	21.6%	5.0%	45.0	58.4	61.6	22.5%	8.4%

**Table 6.11 International Cooperation expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22
R million											
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.3</b>	<b>0.3</b>	<b>0.2</b>	<b>1.8</b>	<b>91.9%</b>	<b>0.1%</b>	<b>1.3</b>	<b>1.4</b>	<b>1.4</b>	<b>-7.9%</b>	<b>0.2%</b>
Households	0.3	0.3	0.2	1.8	91.9%	0.1%	1.3	1.4	1.4	-7.9%	0.2%
<b>Payments for capital assets</b>	<b>0.6</b>	<b>1.0</b>	<b>0.3</b>	<b>0.1</b>	<b>-41.4%</b>	<b>0.1%</b>	<b>0.4</b>	<b>0.3</b>	<b>0.3</b>	<b>41.5%</b>	<b>-</b>
Machinery and equipment	0.6	1.0	0.3	0.1	-41.4%	0.1%	0.4	0.3	0.3	41.5%	-
<b>Total</b>	<b>523.1</b>	<b>462.9</b>	<b>445.3</b>	<b>527.5</b>	<b>0.3%</b>	<b>100.0%</b>	<b>564.2</b>	<b>613.8</b>	<b>651.4</b>	<b>7.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>7.9%</b>	<b>6.8%</b>	<b>7.4%</b>	<b>8.0%</b>	<b>-</b>	<b>-</b>	<b>8.7%</b>	<b>8.9%</b>	<b>9.2%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Public Diplomacy and Protocol Services

### Programme purpose

Communicate South Africa's role and position in international relations in domestic and international arenas, and provide state protocol services.

### Objective

- Ensure a better understanding of South Africa's foreign policy by providing ongoing strategic public diplomacy direction and state protocol services nationally and internationally.

### Subprogrammes

- *Public Diplomacy* promotes the positive projection of South Africa's image; communicates foreign policy positions to both domestic and foreign audiences; and markets and brands South Africa by using public diplomacy platforms, strategies, products and services.
- *Protocol Services* facilitates incoming and outgoing high-level visits and ceremonial events; coordinates and regulates engagement with the local diplomatic community; provides protocol advice and support to the various spheres of government; facilitates the hosting of international conferences in South Africa; and manages state protocol lounges and guesthouses.

### Expenditure trends and estimates

**Table 6.12 Public Diplomacy and Protocol Services expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22
R million											
Public Diplomacy	65.1	75.5	72.6	94.9	13.4%	25.3%	90.0	93.9	99.6	1.6%	27.5%
Protocol Services	268.2	196.4	197.9	248.1	-2.6%	74.7%	232.9	250.9	266.3	2.4%	72.5%
<b>Total</b>	<b>333.2</b>	<b>271.9</b>	<b>270.4</b>	<b>342.9</b>	<b>1.0%</b>	<b>100.0%</b>	<b>322.9</b>	<b>344.8</b>	<b>365.9</b>	<b>2.2%</b>	<b>100.0%</b>
Change to 2018				40.8			-	-	-		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>331.7</b>	<b>271.4</b>	<b>269.2</b>	<b>341.3</b>	<b>1.0%</b>	<b>99.6%</b>	<b>321.3</b>	<b>343.0</b>	<b>364.0</b>	<b>2.2%</b>	<b>99.5%</b>
Compensation of employees	134.9	157.1	171.1	183.5	10.8%	53.1%	197.7	212.6	226.4	7.3%	59.6%
Goods and services <sup>1</sup>	196.8	114.3	98.2	157.8	-7.1%	46.5%	123.6	130.4	137.6	-4.5%	39.9%
of which:											
Advertising	1.9	1.4	2.4	3.7	24.9%	0.8%	3.2	3.7	3.9	1.7%	1.0%
Communication	4.7	3.6	3.5	3.4	-10.0%	1.2%	3.7	3.9	4.1	6.4%	1.1%
Consumables: Stationery, printing and office supplies	2.3	-	2.1	3.0	8.8%	0.6%	4.6	4.9	5.2	19.9%	1.3%
Property payments	35.3	39.4	37.4	39.5	3.8%	12.4%	41.4	43.3	45.6	4.9%	12.3%
Travel and subsistence	92.5	48.3	37.5	52.0	-17.5%	18.9%	53.2	56.5	59.6	4.6%	16.1%
Venues and facilities	50.8	10.8	9.5	49.5	-0.8%	9.9%	10.5	10.8	11.4	-38.8%	6.0%

**Table 6.12 Public Diplomacy and Protocol Services expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Transfers and subsidies<sup>1</sup></b>	<b>1.0</b>	<b>0.5</b>	<b>1.2</b>	<b>1.6</b>	<b>17.1%</b>	<b>0.3%</b>	<b>1.6</b>	<b>1.7</b>	<b>1.8</b>	<b>4.9%</b>	<b>0.5%</b>
Households	1.0	0.5	1.2	1.6	17.1%	0.3%	1.6	1.7	1.8	4.9%	0.5%
<b>Payments for capital assets</b>	<b>0.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-55.9%</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>0.0</b>	<b>4.3%</b>	<b>-</b>
Machinery and equipment	0.3	0.0	0.0	0.0	-55.9%	-	-	0.0	0.0	4.3%	-
<b>Payments for financial assets</b>	<b>0.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>333.2</b>	<b>271.9</b>	<b>270.4</b>	<b>342.9</b>	<b>1.0%</b>	<b>100.0%</b>	<b>322.9</b>	<b>344.8</b>	<b>365.9</b>	<b>2.2%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>5.0%</b>	<b>4.0%</b>	<b>4.5%</b>	<b>5.2%</b>	<b>-</b>	<b>-</b>	<b>5.0%</b>	<b>5.0%</b>	<b>5.1%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
Current	1.0	0.5	1.2	1.6	17.1%	0.3%	1.6	1.7	1.8	4.9%	0.5%
Employee social benefits	1.0	0.5	1.2	1.6	17.1%	0.3%	1.6	1.7	1.8	4.9%	0.5%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: International Transfers

### Programme purpose

Fund membership fees and transfers to international organisations.

### Objectives

- Promote multilateral activities that enhance South Africa's economic and diplomatic relations on the continent and with the world by:
  - providing for South Africa's annual contributions for membership fees to international organisations, such as the UN, AU and the SADC
  - providing annual transfers to recapitalise the African Renaissance and International Cooperation Fund as a contribution to its operations.

### Subprogrammes

- Departmental Agencies* facilitates transfer payments to the African Renaissance and International Cooperation Fund, a public entity of the department.
- Membership Contribution* facilitates transfer payments to international organisations.

### Expenditure trends and estimates

**Table 6.13 International Transfers expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Departmental Agencies	145.6	0.0	22.2	48.2	-30.8%	7.6%	56.3	59.4	62.7	9.1%	7.2%
Membership Contribution	621.0	822.4	559.3	609.1	-0.6%	92.4%	799.3	845.5	667.3	3.1%	92.8%
<b>Total</b>	<b>766.6</b>	<b>822.4</b>	<b>581.5</b>	<b>657.4</b>	<b>-5.0%</b>	<b>100.0%</b>	<b>855.6</b>	<b>905.0</b>	<b>730.0</b>	<b>3.6%</b>	<b>100.0%</b>
Change to 2018				-			200.0	213.3	0.3		
Budget estimate											
<b>Economic classification</b>											
<b>Transfers and subsidies<sup>1</sup></b>	<b>766.6</b>	<b>822.4</b>	<b>581.5</b>	<b>657.4</b>	<b>-5.0%</b>	<b>100.0%</b>	<b>855.6</b>	<b>905.0</b>	<b>730.0</b>	<b>3.6%</b>	<b>100.0%</b>
Departmental agencies and accounts	145.6	0.0	22.2	48.2	-30.8%	7.6%	56.3	59.4	62.7	9.1%	7.2%
Foreign governments and international organisations	621.0	822.4	559.3	609.1	-0.6%	92.4%	799.3	845.5	667.3	3.1%	92.8%
<b>Total</b>	<b>766.6</b>	<b>822.4</b>	<b>581.5</b>	<b>657.4</b>	<b>-5.0%</b>	<b>100.0%</b>	<b>855.6</b>	<b>905.0</b>	<b>730.0</b>	<b>3.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>11.5%</b>	<b>12.0%</b>	<b>9.7%</b>	<b>10.0%</b>	<b>-</b>	<b>-</b>	<b>13.1%</b>	<b>13.1%</b>	<b>10.3%</b>	<b>-</b>	<b>-</b>

**Table 6.13 International Transfers expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>145.6</b>	<b>0.0</b>	<b>22.2</b>	<b>48.2</b>	<b>-30.8%</b>	<b>7.6%</b>	<b>56.3</b>	<b>59.4</b>	<b>62.7</b>	<b>9.1%</b>	<b>7.2%</b>
African Renaissance and International Cooperation Fund	145.6	31.0	22.2	38.7	-35.7%	7.3%	46.3	48.8	51.5	10.0%	5.9%
South African Development Partnership Agency	-	-	-	9.5	-	0.3%	10.1	10.6	11.3	5.7%	1.3%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>621.0</b>	<b>822.4</b>	<b>559.3</b>	<b>609.1</b>	<b>-0.6%</b>	<b>92.4%</b>	<b>799.3</b>	<b>845.5</b>	<b>667.3</b>	<b>3.1%</b>	<b>92.8%</b>
African Union	271.9	406.3	213.50	227.4	-5.8%	39.6%	437.9	464.3	265.1	5.2%	44.3%
Group of 77 Countries	0.2	0.1	0.2	0.2	0.6%	-	0.3	0.2	0.2	-1.0%	-
India-Brazil-South Africa Trust Fund	14.9	13.1	11.8	15.9	2.1%	2.0%	14.6	15.7	16.6	1.4%	2.0%
New Partnership for Africa's Development	8.0	7.4	6.8	6.0	-8.8%	1.0%	7.7	8.7	9.2	15.0%	1.0%
African peer review mechanism	2.7	1.5	2.7	2.4	-3.1%	0.3%	1.8	3.6	3.8	16.5%	0.4%
Organisation for Economic Cooperation and Development	0.6	0.5	0.6	0.6	-0.4%	0.1%	0.6	0.3	0.4	-15.1%	0.1%
United Nations Development Programme	7.5	7.5	5.6	7.3	-1.0%	1.0%	7.7	8.1	8.6	5.5%	1.0%
African, Caribbean and Pacific Group of States	4.3	7.8	10.6	7.6	20.5%	1.1%	7.6	7.9	8.4	3.4%	1.0%
Commonwealth of Nations	9.0	8.0	7.5	8.6	-1.7%	1.2%	8.5	12.3	12.9	14.7%	1.3%
Southern African Development Community	88.4	113.2	104.8	109.7	7.5%	14.7%	86.6	78.6	82.9	-8.9%	11.4%
United Nations	199.6	217.0	156.0	180.4	-3.3%	26.6%	180.8	190.7	201.2	3.7%	23.9%
United Nations Human Rights Council	0.4	0.4	-	-	-100.0%	-	-	0.5	0.5	-	-
Biological and Toxin Weapons Convention	0.1	0.7	0.3	0.6	65.2%	0.1%	0.7	0.7	0.8	5.5%	0.1%
Comprehensive Nuclear-Test-Ban Treaty	5.1	6.4	6.5	6.7	9.3%	0.9%	6.6	7.5	7.9	5.8%	0.9%
Humanitarian Aid	3.2	28.8	29.4	31.5	115.1%	3.3%	31.9	38.2	40.3	8.6%	4.5%
Perez-Guerrero Trust Fund	108.0	0.1	0.1	0.1	-9.5%	-	0.1	0.1	0.1	5.5%	-
South Centre Capital Fund	3.0	1.4	1.2	1.2	-26.2%	0.2%	1.3	1.7	1.8	15.4%	0.2%
United Nations Development Programme in Southern Africa	-	-	-	-	-	-	1.6	1.7	1.8	-	0.2%
United Nations Technical Cooperation	0.1	0.1	-	-	-100.0%	-	-	0.2	0.2	-	-
United Nations Convention on the Law of the Sea	-	0.4	1.1	1.3	-	0.1%	1.2	0.8	0.9	-11.3%	0.1%
International Tribunal for the Law of the Sea	0.8	0.6	-	0.9	4.6%	0.1%	1.0	2.3	2.4	39.8%	0.2%
Permanent Court of Arbitration	0.1	0.2	0.2	0.2	9.2%	-	0.3	0.2	0.2	3.0%	-
Indian Ocean Rim Association Research Centre	0.4	0.3	0.3	0.3	-2.8%	-	0.3	0.4	0.4	3.2%	-
United Nations Voluntary Fund on Disability	0.1	0.1	-	-	-100.0%	-	-	0.1	0.1	-	-
UNICEF (United Nations Children's Fund)	0.2	0.3	-	-	-100.0%	-	-	0.3	0.4	-	-
Asian-African Legal Consultative Organisation	0.2	0.3	0.2	0.2	6.7%	-	0.3	0.4	0.4	21.1%	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entity

Comprehensive coverage of the following public entity is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- **The African Renaissance and International Cooperation Fund** provides cooperation funding for initiatives between South Africa and other countries that relate to the promotion of democracy and good governance, the prevention and resolution of conflicts, socioeconomic development and integration, humanitarian assistance and relief, and the development of human resources. The fund's total allocation for 2019/20 is R46.3 million.



**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
<b>Departmental infrastructure</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
New York: Construction of chancery	Construction of chancery	Site identification	488.2	–	113.9	–	6.8	160.8	178.5	28.3
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Dar es Salaam: Construction of chancery	Construction of chancery	Handed over	114.3	39.8	50.7	–	3.9	–	–	–
Lilongwe: Construction of chancery and staff housing	Construction of chancery and staff housing	Handed over	117.9	60.0	9.1	–	5.0	–	–	–
Design of standard concept for chancery and official residence	Once-off project with an aim to design a standard concept for the chancery and official residence	Design	0.5	–	–	–	–	–	–	–
Kigali: Construction of chancery and official residence	Construction of chancery	Design	75.0	–	–	–	–	2.5	2.5	–
Mbabane: Construction of staff housing and official residence	Construction of staff housing and official residence	Feasibility	65.8	–	–	–	5.0	–	–	37.6
Mbabane: Construction of chancery	Construction of chancery	Feasibility	29.5	–	–	–	–	2.5	–	–
Dakar: Construction of chancery	Building of wall	Feasibility	0.0	–	–	–	–	0.0	–	–
Bamako: Construction of chancery, official residence and staff housing: Building of wall	Building of wall	Feasibility	1.9	–	–	–	–	2.5	2.5	35.0
Luanda: Property redevelopment	Property redevelopment	Identification	133.3	–	–	–	2.5	–	–	–
Gaborone: Construction of official residence	Construction of official residence	Feasibility	25.0	–	–	–	–	–	–	–
London: Refurbishment of official residence	Refurbishment of infrastructure	Handed over	1.8	–	–	–	–	–	–	–
Washington: Refurbishment of chancery and official residence	Refurbishment of infrastructure	Handed over	234.2	–	–	–	4.2	–	–	–
Juba: Construction of chancery	Refurbishment of infrastructure	Feasibility	63.3	–	–	–	–	2.5	2.5	38.0
Paris: Refurbishment of official residence	Refurbishment of infrastructure	Tender	7.0	–	–	–	–	7.0	–	–
The Hague: Refurbishment of chancery and official residence	Refurbishment of infrastructure	Feasibility	153.6	2.2	–	–	4.0	29.0	3.0	–
Madrid: Refurbishment of chancery and official residence	Refurbishment of infrastructure	Feasibility	4.5	–	–	–	–	–	–	–
Sao Paulo: Refurbishment of chancery	Refurbishment of infrastructure	Feasibility	2.7	–	–	–	–	–	–	–
London: Refurbishment of chancery	Refurbishment of infrastructure	Feasibility	51.0	–	–	–	–	–	–	–
Kinshasa: Refurbishment of chancery	Refurbishment of infrastructure	Feasibility	15.0	–	–	–	–	–	–	–
New York: Refurbishment of official residence	Refurbishment of infrastructure	Feasibility	58.7	–	–	–	58.8	–	–	–
Buenos Aires: Refurbishment of chancery	Refurbishment of infrastructure	Feasibility	25.0	–	–	–	–	–	–	–
Harare: Refurbishment of chancery	Refurbishment of infrastructure	Feasibility	18.0	–	–	–	–	–	–	–
Maputo: Refurbishment of chancery, official residence and staff housing	Refurbishment of infrastructure	Feasibility	28.5	–	–	–	–	–	–	–
Lisbon: Refurbishment of chancery	Refurbishment of infrastructure	Feasibility	21.5	–	–	–	–	–	–	–
Tehran: Refurbishment of official residence	Refurbishment of infrastructure	Feasibility	8.5	–	–	–	–	–	–	–
Brasilia: Refurbishment of chancery	Refurbishment of infrastructure	Feasibility	12.0	–	–	–	8.0	–	–	–
Vienna: Refurbishment of chancery	Refurbishment of infrastructure	Feasibility	10.0	–	–	–	–	–	–	–
Abuja: Construction of chancery and official residence	Construction of chancery and official residence	On hold	144.3	–	–	–	–	–	–	–
Maseru: Construction of office accommodation	Construction of office accommodation	Identification	1.5	–	–	–	–	–	–	–
Tokyo: Refurbishment of official residence	Refurbishment of infrastructure	Feasibility	51.7	–	–	–	–	–	–	–
Mbabane: Refurbishment of official residence	Refurbishment of infrastructure	Tender	2.0	–	–	–	–	–	–	–
New Delhi: Construction of chancery and official residence	Property acquisition	Feasibility	140.1	–	–	–	–	–	–	45.0
Antananarivo: Acquisition of chancery and official residence	Property acquisition	Feasibility	40.0	–	–	–	–	–	–	–
Port Louis: Acquisition of chancery and official residence	Property acquisition	Feasibility	40.0	–	–	–	–	–	–	–
Lusaka: Acquisition of chancery and official residence	Property acquisition	Feasibility	50.0	–	–	–	–	–	–	–

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Nairobi: Acquisition of chancery	Property acquisition	Feasibility	70.0	–	–	–	–	–	–	–
Maintenance of current property portfolio	Refurbishment of infrastructure	Construction	124.0	–	–	1.2	5.4	40.0	50.4	27.0
New Delhi: Construction of chancery and official residence	Construction of chancery and official residence	Feasibility	7.5	–	–	–	2.5	2.5	2.5	–
Geneva: Construction of chancery and official residence	Construction of chancery	Feasibility	5.0	–	–	–	–	2.5	2.5	–
Beijing: Construction of chancery	Construction of chancery	Feasibility	2.5	–	–	–	–	–	2.5	–
Riyadh: Construction of chancery and official residence	Construction of chancery and official residence	Feasibility	42.5	–	–	–	–	–	2.5	40.0
Windhoek: Renovation of Chancery, official residence and staff housing	Refurbishment of infrastructure	Design	61.1	–	–	–	10.0	–	16.4	34.7
Renovations: State protocol lounge (OR Tambo International Airport, Johannesburg)	Renovations	Design	13.8	–	–	–	13.8	–	–	–
Renovations: State protocol lounge (Cape Town International Airport)	Renovations	Design	1.3	–	–	–	1.3	–	–	–
Renovations: State protocol lounge (King Shaka International Airport)	Renovations	Design	1.8	–	–	–	1.8	–	–	–
London, Madrid, Athens, Lisbon, Milan: R22 gas project	Renovations	Design	10.0	–	–	–	10.0	–	–	–
Southern African Development Community missions: Maintenance of mechanical systems	Maintenance of mechanical systems	Design	5.0	–	–	–	5.0	–	–	–
Presidential Guest House: Renovations	Renovations	Design	8.0	–	–	–	8.0	–	–	–
Renovations in minister's office: OR Tambo Building	Renovations	Design	0.1	–	–	–	0.1	–	–	–
<b>Total</b>			<b>2 588.6</b>	<b>102.0</b>	<b>173.7</b>	<b>1.2</b>	<b>156.0</b>	<b>251.9</b>	<b>265.7</b>	<b>285.7</b>

# Vote 7

## National Treasury

### Budget summary

R million	2019/20					2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
<b>MTEF allocation</b>							
Administration	555.7	533.4	4.1	18.2	–	599.4	636.8
Economic Policy, Tax, Financial Regulation and Research	149.7	128.1	20.8	0.9	–	159.6	169.0
Public Finance and Budget Management	320.0	263.3	54.3	2.4	–	325.3	344.2
Asset and Liability Management	108.4	107.7	–	0.7	–	116.1	122.0
Financial Accounting and Supply Chain Management Systems	1 093.6	970.0	109.7	13.9	–	1 159.2	1 222.6
International Financial Relations	5 751.5	65.6	1 027.3	0.7	4 657.9	6 059.3	6 396.6
Civil and Military Pensions, Contributions to Funds and Other Benefits	5 574.5	72.7	5 501.8	–	–	5 590.2	5 895.3
Technical Support and Development Finance	2 737.6	365.3	2 372.3	–	–	2 965.4	3 176.2
Revenue Administration	9 529.0	–	9 529.0	–	–	10 110.0	10 673.1
Financial Intelligence and State Security	4 951.1	–	4 951.1	–	–	5 223.2	5 510.5
<b>Subtotal</b>	<b>30 771.1</b>	<b>2 506.1</b>	<b>23 570.3</b>	<b>36.8</b>	<b>4 657.9</b>	<b>32 307.7</b>	<b>34 146.3</b>
<b>Direct charge against the National Revenue Fund</b>							
Provincial equitable share	505 553.8	–	505 553.8	–	–	542 908.6	578 645.2
Debt-service costs	202 207.8	202 207.8	–	–	–	224 066.1	247 408.4
General fuel levy sharing with metropolitan municipalities	13 166.8	–	13 166.8	–	–	14 026.9	15 182.5
National Revenue Fund payments	135.3	–	–	–	135.3	–	–
<b>Total expenditure estimates</b>	<b>751 834.8</b>	<b>204 713.9</b>	<b>542 290.9</b>	<b>36.8</b>	<b>4 793.2</b>	<b>813 309.3</b>	<b>875 382.4</b>

Executive authority: Minister of Finance  
 Accounting officer: Director-General of the National Treasury  
 Website address: [www.treasury.gov.za](http://www.treasury.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Support economic growth and development, good governance, social progress and rising living standards through the accountable, economical, efficient, equitable and sustainable management of public finances, maintenance of macroeconomic and financial sector stability, and effective financial regulation of the economy.*

### Mandate

National Treasury's legislative mandate is based on section 216(1) of the Constitution, which calls for the establishment of a national treasury to ensure transparency, accountability and sound financial controls in the management of South Africa's public finances. This role is further elaborated in the Public Finance Management Act (1999). The department is mandated to:

- promote national government's fiscal policy and the coordination of macroeconomic policy
- ensure the stability and soundness of the financial system and financial services
- coordinate intergovernmental financial and fiscal relations
- manage the budget preparation process
- enforce transparency and effective management in respect of revenue and expenditure, assets and liabilities, public entities, and constitutional institutions.

## Selected performance indicators

**Table 7.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Net loan debt as a percentage of GDP	Asset and Liability Management	Outcome 4: Decent employment through inclusive growth	44.2% (R1.8tr)	45.6% (R2tr)	48% (R2.3tr)	50.3% (R2.5tr)	52.3% (R2.8tr)	54.2% (R3.1tr)	55.6% (R3.5tr)
Value of government gross annual borrowing	Asset and Liability Management		R200.4bn	R240.9bn	R237bn	R224.1bn	R335.3bn	R327.7bn	R331.8bn
Cost to service debt as a percentage of GDP	Asset and Liability Management		3.1% (R128.8bn)	3.3% (R146.5bn)	3.4% (R162.6bn)	3.6% (R180.1bn)	3.7% (R202.2bn)	3.9% (R224.1bn)	4.0% (R247.4bn)
Number of municipal officials trained in financial management competencies per year	Financial Accounting and Supply Chain Management Systems	Outcome 12: An efficient, effective and development-oriented public service	1 380	1 080	1 458	1 000	1 000	1 000	1 000
Number of transversal term contracts implemented per year <sup>1</sup>	Financial Accounting and Supply Chain Management Systems		14	28	17	22	25	28	15
Number of tenders advertised on an electronic tendering platform for contracts per year <sup>2</sup>	Financial Accounting and Supply Chain Management Systems		– <sup>3</sup>	– <sup>3</sup>	17	10 000 <sup>4</sup>	10 000	10 000	10 000
Number of investment plans completed per year <sup>5</sup>	Technical Support and Development Finance		– <sup>3</sup>	4	4	4	2	2	2
Number of catalytic projects approved per year	Technical Support and Development Finance	Outcome 8: Sustainable human settlements and improved quality of household life	352	459	27	20	20	20	20
Number of programmes in integration zones identified for planning per year <sup>6</sup>	Technical Support and Development Finance		30	12	12	12	12	12	14
Number of programmes in integration zones under implementation per year <sup>6</sup>	Technical Support and Development Finance		13	8	10	10	10	10	10
Total number of new jobs contracted in the Jobs Fund across the term of project	Technical Support and Development Finance	Outcome 4: Decent employment through inclusive growth	142 445	136 069	149 043	150 000	160 000	160 000	160 000
Total number of placements contracted on the Jobs Fund across the term of project <sup>7</sup>	Technical Support and Development Finance		77 317	90 087	70 744	105 000	80 000	80 000	80 000

1. Indicator revised to include newly implemented transversal term contracts.

2. Old indicator selected for publication in the 2019 Estimates of National Expenditure.

3. No historical data available.

4. Increase is due to the performance indicator being revised to include all tenders, not only transversal tenders.

5. Indicator revised to measure all investment plans, not only precinct plans.

6. Indicator reworded to reflect a group of projects managed in a coordinated way.

7. Fluctuation due to project withdrawals after approval by the investment committee but prior to contracting.

## Expenditure analysis

Chapter 3 of the National Development Plan sets out a vision for South Africa to build an inclusive economy that advances social equality. This vision is expressed in terms of outcome 4 (decent employment through inclusive growth), outcome 8 (sustainable human settlements and improved quality of household life),

outcome 9 (responsive, accountable, effective and efficient developmental local government) and outcome 12 (an efficient, effective and development-oriented public service) of government's 2014-2019 medium-term strategic framework, which are closely aligned with the work of National Treasury. The department's continual focus, therefore, remains on: reviewing tax policy and strengthening regulation in the financial sector, managing future spending growth and fiscal risk, managing government's assets and liabilities, making government procurement more efficient, strengthening government financial management, facilitating regional and international cooperation, supporting sustainable employment, and supporting infrastructure development and economically integrated cities and communities.

The department's total budget over the medium term is R2.4 trillion, with transfers to provincial governments for the provincial equitable share accounting for 66.6 per cent per cent (R1.6 trillion) of total expenditure. These transfers increase at an average annual rate of 7.2 per cent, from R505.6 billion in 2019/20 to R578.6 billion in 2021/22, due to increases approved by Cabinet in the provincial equitable share amounting to R2.5 billion over the MTEF period. The increases in the provincial equitable share over the MTEF period are aimed at improving the capacity of provincial treasuries to manage municipal interventions and roll out provincial infrastructure, increasing capacity in the health sector for the medical interns training programme, and sector internships, and for facilitating provincial governments' social protection and community development function. The department's second largest spending area is servicing government's debt. In this regard, Cabinet has approved increases amounting to R29.8 billion over the medium term to cater for higher debt service costs. The department anticipates spending R673.7 billion over the MTEF period to service government's debt. Distributing the general fuel levy to metropolitan municipalities is the third largest cost driver, amounting to R42.4 billion over the MTEF period.

### ***Reviewing tax policy and strengthening regulation in the financial sector***

Over the medium term, the department aims to finalise proposals for tax policy amendments to meet government's revenue requirements and eliminate tax loopholes to improve fairness in the tax system. Recent amendments have included the introduction of the health promotion levy, which discourages the consumption of sugary beverages; and the publication of the draft Carbon Tax Bill for public comment and its introduction in Parliament. Spending on these activities amounts to a projected R100 million over the medium term in the *Tax Policy* subprogramme in the *Economic Policy, Tax, Financial Regulation and Research* programme.

The Financial Sector Regulation Amendment Bill and Financial Matters Amendment Bill were published for public comment in 2018/19. These bills provide for the licencing of state banks, the orderly curatorship and resolution of banks in distress, and the establishment of a deposit insurance scheme at the Reserve Bank. These bills will be supported through parliamentary processes in 2018/19 and 2019/20. To streamline regulations applicable to financial institutions, a new law for the proportionate regulation of the market conduct of all institutions in the financial sector will also be developed over the medium term. Spending on these activities amounts to a projected R79.7 million over the MTEF period in the *Financial Sector Policy* subprogramme in the *Economic Policy, Tax, Financial Regulation and Research* programme.

### ***Managing future spending growth and fiscal risk***

Over the MTEF period, the department plans to ensure that all government departments remain within spending limits approved by Cabinet. The department will also continue to provide financial analyses of government programmes and advise on policy and service delivery trends. Spending on these activities amounts to a projected R989.5 million over the medium term in the *Public Finance and Budget Management* programme.

### ***Managing government's assets and liabilities***

To address the significant increase in government's contingent liabilities, over the MTEF period, the department plans to develop a framework for reducing the number of government guarantees issued to public entities and improving the risk exposure from such guarantees. The department also plans to continue financing government's gross borrowing requirements in domestic and international capital markets, and maintaining prudent cash management to ensure that government is able to meet its financial obligations. Spending on these activities amounts to a projected R346.4 million over the medium term in the *Asset and Liability Management*

programme.

### **Making government procurement more efficient**

Over the medium term, the Office of the Chief Procurement Officer will continue to monitor government procurement and identify malpractices that result in procurement irregularities. The process to finalise the draft Public Procurement Bill will also be enhanced in 2019/20. Once effected, the legislation will introduce a series of governance reforms to the contemporary public procurement process and improve access to opportunities for small, medium and micro enterprises (SMMEs). Implementation of the strategic procurement framework will be extended to local government and state-owned companies over the MTEF period; and the e-education procurement and delivery management standard to guide stakeholders through procurement and delivery management processes is currently being developed, to be completed in 2019/20. Spending on activities related to government procurement processes amounts to a projected R668.3 million over the medium term in the *Programme Management for Financial Accounting and Supply Chain Management Systems* and *Office of the Chief Procurement Officer* subprogrammes in the *Financial Accounting and Supply Chain Management Systems* programme.

### **Strengthening government financial management**

The integrated financial management system is designed to enhance the productivity and effectiveness of government departments by improving access to information, raising the quality of data, eliminating the duplication of systems and resources, and curtailing manual processes. As at 2018/19, phases 1 and 2A were completed, with phase 2B expected to be completed by 2021/22. During phase 2B of the programme, National Treasury's corporate service units and the Department of Public Service and Administration will align their business processes with the solutions developed in the previous phases; and participate in business process configuration, user acceptance testing and data purification exercises. Spending on activities related to the integrated financial management system amounts to a projected R769.8 million over the MTEF period in the *Financial Systems* subprogramme in the *Financial Accounting and Supply Chain Management Systems* programme.

The department promotes and supports financial management reform and builds capacity in municipalities to improve the implementation of the Municipal Finance Management Act (2003) through the *local government financial management grant*. Funds disbursed through the grant over the medium term assist in: strengthening municipal budgets and improving the capacity of municipal budget and treasury offices, internal audit units and audit committees; providing for the appointment of more than 1 200 financial management interns and their training; investing in financial management systems; implementing reforms that include the development of financial recovery plans; implementing consequence management processes; and attending to matters arising from audit outcomes. Over the medium term, funding from the grant is also expected to support the implementation of current reforms in financial management, and new reforms for addressing shortcomings identified in the financial management capability maturity model. The grant is allocated R1.7 billion over the MTEF period in the *Local Government Financial Management Support* subprogramme in the *Technical Support and Development Finance* programme.

### **Facilitating international and regional cooperation**

The New Development Bank was established in 2014 to strengthen cooperation among the Brazil-Russia-India-China-South Africa (BRICS) group of countries and complement the efforts of multilateral and regional financial institutions for global development. As at 2018/19, South Africa made capital contributions to the bank amounting to R14.1 billion. Over the medium term, the department expects to make further capital contributions amounting to R13.5 billion. These funds are budgeted for in the *International Development Funding Institutions* subprogramme in the *International Financial Relations* programme. Thus far, the New Development Bank has approved US\$680 million to fund South Africa's development initiatives in the energy, transport and logistics sectors. In addition, approximately US\$1.5 billion per year is available for funding the country's infrastructure build programme over the medium term.

To facilitate regional cooperation, compensation to member countries of the Common Monetary Area for the

use of the rand as currency in Namibia, Lesotho and Swaziland amounts to a projected R2.7 billion over the medium term in the *African Integration and Support* subprogramme in the *International Financial Relations* programme.

### ***Supporting sustainable employment***

The Jobs Fund was launched in 2011 with a total operating budget of R9 billion to create 150 000 permanent jobs by 2023. As at 30 September 2018, the fund's 124 implementing projects reported that 116 498 new permanent jobs were created, and an additional 51 178 unemployed individuals had been placed in permanent employment. In addition, 245 743 people have benefitted from work readiness and technical training interventions. R6.7 billion of the fund's total budget has been allocated to date in a portfolio of 127 approved employment generating initiatives, and an additional R9.5 billion to date has been committed from project partners in the form of matched funding. The department anticipates spending R2.7 billion over the medium term in the *Employment Creation Facilitation* subprogramme in the *Technical Support and Development Finance* programme on activities related to the creation of sustainable employment.

### ***Supporting infrastructure development, and economically integrated cities and communities***

The *integrated city development grant* provides a financial incentive for metropolitan municipalities to plan for, prepare and implement their infrastructure investment programmes in a focused way. Funding from the grant supports programme preparation and supplements cities' capital budgets to leverage loan financing and other investments from the private sector. Transfers to the grant amount to a projected R989.2 million over the medium term in the *Urban Development and Support* subprogramme in the *Technical Support and Development Finance* programme.

The *neighbourhood development partnership grant* supports metropolitan municipalities and intermediate city municipalities in planning and developing multifunctional urban precincts. Over the MTEF period, the grant is expected to support an estimated 18 urban hub precinct plans that seek to prioritise 60 catalytic infrastructure projects. Transfers to the grant amount to a projected R2.1 billion over the MTEF period in the *Urban Development and Support* subprogramme in the *Technical Support and Development Finance* programme.

In respect of the infrastructure delivery improvement programme, implementation of the co-funding model has assisted provinces in setting up infrastructure units to support provincial departments and local government. Accordingly, over the medium term, an estimated 300 provincial officials are expected to be trained on the programme's infrastructure delivery management system at a projected cost of R101.3 million in the *Infrastructure Development Support* subprogramme in the *Technical Support and Development Finance* programme.

The *infrastructure skills development grant* supports municipalities by recruiting and training unemployed graduates in the built environment towards their achieving professional registration with the relevant statutory councils. The grant has thus far funded the training of 648 graduates from various municipalities, with 241 graduates having completed the training, of which 200 have been permanently appointed. R474 million is allocated over the medium term in the *Infrastructure Development Support* subprogramme in the *Technical Support and Development Finance* programme to further support this training initiative.

## Expenditure trends

Table 7.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Economic Policy, Tax, Financial Regulation and Research														
3. Public Finance and Budget Management														
4. Asset and Liability Management														
5. Financial Accounting and Supply Chain Management Systems														
6. International Financial Relations														
7. Civil and Military Pensions, Contributions to Funds and Other Benefits														
8. Technical Support and Development Finance														
9. Revenue Administration														
10. Financial Intelligence and State Security														
Programme														
R million	Annual budget			Annual budget			Annual budget			Annual budget			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	2015/16	Adjusted appropriation	Audited outcome	2016/17	Adjusted appropriation	Audited outcome	2017/18	Adjusted appropriation	Audited outcome	2018/19	Adjusted appropriation	Revised estimate		
Programme 1	366.7	363.6	375.6	412.7	467.4	436.3	414.3	439.1	437.9	484.7	473.8	473.5	102.7%	98.8%
Programme 2	133.9	135.4	131.3	146.1	150.2	151.2	139.6	164.0	151.9	141.0	152.8	152.8	104.7%	97.5%
Programme 3	257.0	266.1	262.6	287.0	294.5	281.8	286.1	303.0	288.6	290.1	298.0	298.2	101.0%	97.4%
Programme 4	3 116.9	3 264.9	3 264.3	107.2	113.1	110.1	102.4	10 100.3	10 089.8	110.4	101.6	101.5	394.7%	99.9%
Programme 5	751.4	807.1	774.5	849.9	1 216.8	1 209.9	1 087.9	1 079.1	885.8	1 196.6	1 194.1	941.0	98.1%	88.7%
Programme 6	1 247.4	3 254.9	3 546.1	5 039.1	4 978.0	4 955.8	5 836.8	5 831.4	5 469.8	5 402.1	5 542.8	5 828.2	113.0%	101.0%
Programme 7	3 962.9	3 962.9	3 967.7	4 173.2	4 462.6	4 400.2	4 835.0	4 835.0	4 618.1	5 163.8	5 163.8	5 057.3	99.5%	97.9%
Programme 8	3 143.9	2 774.6	2 472.2	2 634.7	2 612.7	2 478.4	2 873.3	2 558.5	2 526.4	2 798.8	3 012.5	2 926.8	90.9%	94.9%
Programme 9	9 434.4	9 334.4	9 334.4	10 009.2	9 363.7	9 363.7	10 218.2	10 168.2	10 218.2	9 007.2	9 007.2	9 007.2	98.1%	100.1%
Programme 10	4 542.8	4 562.1	4 562.1	4 812.5	4 812.5	4 812.5	5 005.6	5 005.6	5 105.6	4 763.5	4 763.5	4 763.5	100.6%	100.5%
<b>Subtotal</b>	<b>26 957.3</b>	<b>28 726.1</b>	<b>28 690.8</b>	<b>28 471.4</b>	<b>28 471.4</b>	<b>28 199.8</b>	<b>30 799.2</b>	<b>40 484.3</b>	<b>39 792.1</b>	<b>29 358.4</b>	<b>29 710.2</b>	<b>29 550.0</b>	<b>109.2%</b>	<b>99.1%</b>
<b>Direct charge against the National Revenue Fund</b>	<b>519 893.8</b>	<b>525 742.6</b>	<b>526 636.1</b>	<b>569 787.4</b>	<b>570 833.0</b>	<b>570 197.1</b>	<b>615 856.8</b>	<b>616 714.0</b>	<b>616 347.8</b>	<b>663 014.1</b>	<b>664 004.0</b>	<b>665 795.9</b>	<b>100.4%</b>	<b>100.1%</b>
Provincial equitable share	382 673.5	386 500.0	386 500.0	410 698.6	410 698.6	410 698.6	441 331.1	441 331.1	441 331.1	470 286.5	470 286.5	470 286.5	100.2%	100.0%
Debt-service costs	126 440.4	127 902.0	128 795.6	147 720.0	147 689.2	146 496.7	162 353.1	163 347.9	162 644.6	180 124.0	181 099.0	182 879.3	100.7%	100.1%
General fuel levy sharing with metropolitan municipalities	10 658.9	10 658.9	10 658.9	11 223.8	11 223.8	11 223.8	11 785.0	11 785.0	11 785.0	12 468.6	12 468.6	12 468.6	100.0%	100.0%
National Revenue Fund payments	121.0	681.7	681.7	145.0	1 221.4	1 778.0	387.6	250.0	587.1	135.1	149.9	161.5	406.8%	139.3%
<b>Total</b>	<b>546 851.1</b>	<b>554 468.7</b>	<b>555 327.0</b>	<b>598 258.8</b>	<b>599 304.5</b>	<b>598 396.9</b>	<b>646 656.0</b>	<b>657 198.4</b>	<b>656 139.9</b>	<b>692 372.5</b>	<b>693 714.3</b>	<b>695 345.9</b>	<b>100.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate										1 341.8				
Economic classification														
<b>Current payments</b>	<b>128 399.9</b>	<b>129 835.9</b>	<b>130 632.9</b>	<b>149 824.3</b>	<b>150 192.2</b>	<b>148 454.1</b>	<b>164 701.8</b>	<b>165 703.0</b>	<b>164 574.6</b>	<b>182 649.8</b>	<b>184 010.8</b>	<b>185 537.8</b>	<b>100.6%</b>	<b>99.9%</b>
Compensation of employees	725.5	733.4	732.7	817.6	815.7	786.4	799.3	823.3	803.7	807.8	807.8	807.8	99.4%	98.4%
Goods and services	1 234.0	1 200.4	1 104.6	1 286.8	1 687.2	1 171.0	1 549.4	1 531.8	1 126.3	1 718.1	2 104.0	1 850.8	90.7%	80.5%
Interest and rent on land	126 440.4	127 902.0	128 795.6	147 720.0	147 689.2	146 496.7	162 353.1	163 347.9	162 644.6	180 124.0	181 099.0	182 879.3	100.7%	100.1%
<b>Transfers and subsidies</b>	<b>414 943.1</b>	<b>418 317.6</b>	<b>418 133.0</b>	<b>444 099.4</b>	<b>443 832.7</b>	<b>443 701.1</b>	<b>476 681.9</b>	<b>476 352.2</b>	<b>476 565.4</b>	<b>505 164.5</b>	<b>505 157.9</b>	<b>505 141.0</b>	<b>100.1%</b>	<b>100.0%</b>
Provinces and municipalities	394 767.6	398 594.2	398 570.7	423 409.0	423 409.0	423 376.8	454 714.4	454 714.4	454 708.9	484 296.6	484 296.6	484 296.6	100.2%	100.0%
Departmental agencies and accounts	15 420.4	15 042.1	14 816.6	15 741.5	15 096.0	15 074.1	16 281.0	15 951.0	16 251.0	14 796.7	14 624.1	14 538.3	97.5%	99.9%
Foreign governments and international organisations	854.1	777.9	831.3	838.0	925.5	907.6	917.5	913.3	1 042.1	975.5	1 137.9	1 313.3	114.2%	109.0%
Households	3 900.9	3 903.5	3 914.3	4 111.0	4 402.2	4 342.5	4 769.0	4 773.5	4 563.4	5 095.8	5 099.3	4 992.8	99.6%	98.0%
<b>Payments for capital assets</b>	<b>16.4</b>	<b>26.1</b>	<b>33.2</b>	<b>38.0</b>	<b>56.9</b>	<b>462.5</b>	<b>15.7</b>	<b>24.1</b>	<b>27.0</b>	<b>45.8</b>	<b>42.6</b>	<b>42.6</b>	<b>487.9%</b>	<b>377.6%</b>
Buildings and other fixed structures	-	0.4	-	-	0.2	-	-	-	-	-	-	-	-	-
Machinery and equipment	16.4	25.7	33.2	37.9	56.7	46.4	15.7	19.4	27.0	34.6	31.8	31.8	132.4%	103.6%
Software and other intangible assets	-	-	-	0.0	0.0	416.1	-	4.7	0.0	11.3	10.8	10.8	3 775.8%	2 751.1%
<b>Payments for financial assets</b>	<b>3 491.7</b>	<b>6 289.0</b>	<b>6 527.9</b>	<b>4 297.2</b>	<b>5 222.6</b>	<b>5 779.2</b>	<b>5 256.7</b>	<b>15 119.1</b>	<b>14 972.8</b>	<b>4 512.3</b>	<b>4 502.9</b>	<b>4 624.6</b>	<b>181.7%</b>	<b>102.5%</b>
<b>Total</b>	<b>546 851.1</b>	<b>554 468.7</b>	<b>555 327.0</b>	<b>598 258.8</b>	<b>599 304.5</b>	<b>598 396.9</b>	<b>646 656.0</b>	<b>657 198.4</b>	<b>656 139.9</b>	<b>692 372.5</b>	<b>693 714.3</b>	<b>695 345.9</b>	<b>100.8%</b>	<b>100.0%</b>



## Expenditure estimates

**Table 7.3 Vote expenditure estimates by programme and economic classification**

<b>Programmes</b>								
1. Administration								
2. Economic Policy, Tax, Financial Regulation and Research								
3. Public Finance and Budget Management								
4. Asset and Liability Management								
5. Financial Accounting and Supply Chain Management Systems								
6. International Financial Relations								
7. Civil and Military Pensions, Contributions to Funds and Other Benefits								
8. Technical Support and Development Finance								
9. Revenue Administration								
10. Financial Intelligence and State Security								
<b>Programme</b>	<b>Revised estimate</b>	<b>Average growth rate (%)</b>	<b>Average: Expenditure/ Total (%)</b>	<b>Medium-term expenditure estimate</b>			<b>Average growth rate (%)</b>	<b>Average: Expenditure/ Total (%)</b>
R million	<b>2018/19</b>	<b>2015/16 - 2018/19</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2018/19 - 2021/22</b>	
Programme 1	473.5	9.2%	0.1%	555.7	599.4	636.8	10.4%	0.1%
Programme 2	152.8	4.1%	0.0%	149.7	159.6	169.0	3.4%	0.0%
Programme 3	298.2	3.9%	0.0%	320.0	325.3	344.2	4.9%	0.0%
Programme 4	101.5	-68.6%	0.5%	108.4	116.1	122.0	6.3%	0.0%
Programme 5	941.0	5.2%	0.2%	1 093.6	1 159.2	1 222.6	9.1%	0.1%
Programme 6	5 828.2	21.4%	0.8%	5 751.5	6 059.3	6 396.6	3.2%	0.8%
Programme 7	5 057.3	8.5%	0.7%	5 574.5	5 590.2	5 895.3	5.2%	0.7%
Programme 8	2 926.8	1.8%	0.4%	2 737.6	2 965.4	3 176.2	2.8%	0.4%
Programme 9	9 007.2	-1.2%	1.5%	9 529.0	10 110.0	10 673.1	5.8%	1.3%
Programme 10	4 763.5	1.5%	0.8%	4 951.1	5 223.2	5 510.5	5.0%	0.7%
<b>Subtotal</b>	<b>29 550.0</b>	<b>0.9%</b>	<b>5.0%</b>	<b>30 771.1</b>	<b>32 307.7</b>	<b>34 146.3</b>	<b>4.9%</b>	<b>4.0%</b>
<b>Direct charge against the National Revenue Fund</b>	<b>665 795.9</b>	<b>8.2%</b>	<b>95.0%</b>	<b>721 050.3</b>	<b>779 913.3</b>	<b>838 148.0</b>	<b>8.0%</b>	<b>96.0%</b>
Provincial equitable share	470 286.5	6.8%	68.2%	505 553.8	542 908.6	578 645.2	7.2%	66.9%
Debt-service costs	182 879.3	12.7%	24.8%	202 207.8	224 066.1	247 408.4	10.7%	27.3%
General fuel levy sharing with metropolitan municipalities	12 468.6	5.4%	1.8%	13 166.8	14 026.9	15 182.5	6.8%	1.7%
National Revenue Fund payments	161.5	-38.1%	0.1%	135.3	–	–	-100.0%	0.0%
<b>Total</b>	<b>695 345.9</b>	<b>7.8%</b>	<b>100.0%</b>	<b>751 834.8</b>	<b>813 309.3</b>	<b>875 382.4</b>	<b>8.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				5 390.8	10 110.0	15 939.2		
<b>Economic classification</b>								
<b>Current payments</b>	<b>185 537.8</b>	<b>12.6%</b>	<b>25.1%</b>	<b>204 700.5</b>	<b>225 637.1</b>	<b>247 133.0</b>	<b>10.6%</b>	<b>27.6%</b>
Compensation of employees	807.8	3.3%	0.1%	869.3	934.5	995.3	7.2%	0.1%
Goods and services	1 850.8	15.5%	0.2%	1 636.8	1 724.7	1 817.4	-0.6%	0.2%
Interest and rent on land	182 879.3	12.7%	24.8%	202 207.8	224 066.1	247 408.4	10.7%	27.3%
<b>Transfers and subsidies</b>	<b>505 141.0</b>	<b>6.5%</b>	<b>73.6%</b>	<b>542 290.9</b>	<b>581 642.1</b>	<b>619 943.2</b>	<b>7.1%</b>	<b>71.7%</b>
Provinces and municipalities	484 296.6	6.7%	70.3%	520 334.0	558 637.4	595 642.8	7.1%	68.9%
Departmental agencies and accounts	14 538.3	-1.1%	2.4%	15 424.0	16 403.7	17 338.7	6.0%	2.0%
Foreign governments and international organisations	1 313.3	19.1%	0.2%	1 030.1	1 086.8	1 146.6	-4.4%	0.1%
Households	4 992.8	8.6%	0.7%	5 502.7	5 514.2	5 815.1	5.2%	0.7%
<b>Payments for capital assets</b>	<b>42.6</b>	<b>17.7%</b>	<b>0.0%</b>	<b>36.8</b>	<b>28.2</b>	<b>34.2</b>	<b>-7.1%</b>	<b>0.0%</b>
Machinery and equipment	31.8	7.5%	0.0%	29.3	25.8	31.8	-0.1%	0.0%
Software and other intangible assets	10.8	–	0.0%	7.5	2.5	2.4	-39.4%	0.0%
<b>Payments for financial assets</b>	<b>4 624.6</b>	<b>-9.7%</b>	<b>1.3%</b>	<b>4 793.2</b>	<b>4 913.7</b>	<b>5 183.9</b>	<b>3.9%</b>	<b>0.6%</b>
<b>Total</b>	<b>695 345.9</b>	<b>7.8%</b>	<b>100.0%</b>	<b>751 834.8</b>	<b>813 309.3</b>	<b>875 382.4</b>	<b>8.0%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 7.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
South African Revenue Service	9 334 439	9 363 676	10 218 198	9 007 217	-1.2%	30.0%	9 529 031	10 110 017	10 673 090	5.8%	31.0%
Post-retirement medical scheme	2 107 413	2 133 462	2 458 759	2 850 303	10.6%	7.6%	2 893 297	3 064 719	3 233 279	4.3%	9.5%
Secret Services	4 322 574	4 556 115	4 835 448	4 484 817	1.2%	14.4%	4 656 729	4 912 674	5 182 871	4.9%	15.2%
Government Technical Advisory Centre	693 000	625 602	524 964	605 000	-4.4%	1.9%	712 073	823 769	894 834	13.9%	2.4%
BRICS	2 298 000	3 515 000	4 087 500	3 991 000	20.2%	11.0%	4 250 000	4 483 360	4 729 945	5.8%	13.8%
<b>Total</b>	<b>18 755 426</b>	<b>20 193 855</b>	<b>22 124 869</b>	<b>20 938 337</b>	<b>3.7%</b>	<b>65.0%</b>	<b>22 041 130</b>	<b>23 394 539</b>	<b>24 714 019</b>	<b>5.7%</b>	<b>71.9%</b>

## Goods and services expenditure trends and estimates

**Table 7.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
Administrative fees	3 510	3 264	5 900	6 453	22.5%	0.3%	3 483	3 884	4 101	-14.0%	0.2%
Advertising	6 344	705	832	2 417	-27.5%	0.2%	1 977	2 037	2 087	-4.8%	0.1%
Minor assets	523	330	448	4 806	109.5%	0.1%	3 754	1 927	2 622	-18.3%	0.2%
Audit costs: External	11 819	11 586	16 394	15 163	8.7%	1.0%	15 444	16 845	16 706	3.3%	0.9%
Bursaries: Employees	4 802	5 648	5 700	6 997	13.4%	0.4%	9 429	9 534	9 914	12.3%	0.5%
Catering: Departmental activities	1 098	1 271	1 100	2 113	24.4%	0.1%	2 119	2 208	2 258	2.2%	0.1%
Communication	7 976	5 869	7 758	8 449	1.9%	0.5%	9 866	10 539	11 247	10.0%	0.6%
Computer services	368 743	402 010	380 744	610 725	18.3%	32.0%	532 344	570 821	600 380	-0.6%	31.8%
Consultants: Business and advisory services	516 740	534 128	487 047	793 368	15.4%	42.3%	782 305	813 054	859 885	2.7%	44.6%
Infrastructure and planning services	-	-	64	400 000	-	7.3%	-	-	-	-100.0%	5.5%
Legal services	12 126	14 944	15 285	19 304	16.8%	1.1%	16 568	16 845	17 718	-2.8%	1.0%
Contractors	2 414	2 374	14 466	15 613	86.3%	0.6%	12 443	13 188	14 144	-3.2%	0.8%
Agency and support/outsourced services	11 052	11 908	7 032	7 137	-13.6%	0.7%	6 930	7 611	8 013	3.9%	0.4%
Entertainment	121	88	84	517	62.3%	-	536	537	551	2.1%	-
Fleet services (including government motor transport)	1 350	1 478	3 134	3 127	32.3%	0.2%	2 904	2 960	2 982	-1.6%	0.2%
Inventory: Clothing material and accessories	13	8	123	-	-100.0%	-	-	-	-	-	-
Consumable supplies	2 183	2 365	2 217	3 168	13.2%	0.2%	3 657	3 864	3 930	7.4%	0.2%
Consumables: Stationery, printing and office supplies	10 724	7 685	13 182	14 074	9.5%	0.8%	9 166	9 669	10 166	-10.3%	0.6%
Operating leases	52 928	71 130	66 034	81 065	15.3%	4.9%	91 400	105 996	105 248	9.1%	5.3%
Rental and hiring	10	-	-	-	-100.0%	-	-	-	-	-	-
Property payments	23 057	25 260	23 963	25 686	3.7%	1.8%	34 848	38 276	40 499	16.4%	1.9%
Transport provided: Departmental activity	1 185	-	-	-	-100.0%	-	-	-	-	-	-
Travel and subsistence	44 313	48 051	59 985	61 249	11.4%	3.9%	62 841	65 905	69 248	4.2%	3.6%
Training and development	4 908	5 855	3 352	7 425	14.8%	0.4%	7 695	8 925	9 246	7.6%	0.5%
Operating payments	10 301	9 335	4 164	5 807	-17.4%	0.5%	11 528	12 177	13 384	32.1%	0.6%
Venues and facilities	6 310	5 691	7 312	9 359	14.0%	0.5%	15 523	7 849	13 108	11.9%	0.6%
<b>Total</b>	<b>1 104 550</b>	<b>1 170 983</b>	<b>1 126 320</b>	<b>2 104 022</b>	<b>24.0%</b>	<b>100.0%</b>	<b>1 636 760</b>	<b>1 724 651</b>	<b>1 817 437</b>	<b>-4.8%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 7.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>3 912 827</b>	<b>4 341 422</b>	<b>4 560 534</b>	<b>5 097 558</b>	<b>9.2%</b>	<b>1.0%</b>	<b>5 500 713</b>	<b>5 512 199</b>	<b>5 812 975</b>	<b>4.5%</b>	<b>1.0%</b>
Employee social benefits	3 812	3 778	5 773	5 313	11.7%	-	1 768	1 668	1 760	-30.8%	-
Contribution to provident funds for associated institutions	339	314	248	330	-0.9%	-	360	380	401	6.7%	-
Parliamentary awards	19	17	18	24	8.1%	-	25	26	27	4.0%	-
Other benefits	82 512	92 820	87 805	94 584	4.7%	-	104 093	109 819	115 859	7.0%	-
Injury on duty	514 865	563 450	598 974	652 309	8.2%	0.1%	688 838	726 724	766 694	5.5%	0.1%
Post-retirement medical scheme	2 107 413	2 133 462	2 458 759	2 850 303	10.6%	0.5%	2 893 297	3 064 719	3 233 279	4.3%	0.5%
Special pensions	439 801	447 781	459 964	468 200	2.1%	0.1%	468 000	480 000	506 400	2.6%	0.1%
Political Office Bearers Pension Fund	-	-	-	68 272	-	-	323 224	50 001	50 356	-9.6%	-
Pension benefits: President of South Africa	7 275	7 732	7 407	11 732	17.3%	-	12 894	14 277	15 062	8.7%	-
Military pensions: Ex-servicemen and servicewomen	2 879	2 285	1 753	1 600	-17.8%	-	2 801	2 599	2 742	19.7%	-
South African citizen force	166 202	175 485	190 998	193 647	5.2%	-	205 293	217 131	229 073	5.8%	-
Civil protection	19	19	19	19	-	-	19	20	21	3.4%	-
Other benefits: Ex-servicemen and servicewomen	10 491	12 279	11 516	11 021	1.7%	-	18 318	19 910	21 005	24.0%	-
Non-statutory forces	575 000	899 600	737 300	737 300	8.6%	0.2%	778 589	821 411	866 589	5.5%	0.1%
Post-retirement medical scheme - Parliamentary staff	2 200	2 400	-	2 904	9.7%	-	3 194	3 514	3 707	8.5%	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>13 552 569</b>	<b>13 610 586</b>	<b>14 781 389</b>	<b>12 982 300</b>	<b>-1.4%</b>	<b>3.0%</b>	<b>13 291 630</b>	<b>14 095 465</b>	<b>14 896 475</b>	<b>4.7%</b>	<b>2.4%</b>
Finance and Accounting Services	1 850	2 085	2 038	2 100	4.3%	-	2 140	2 258	2 382	4.3%	-
Sector Education and Training Authority	9	9	9	20	30.5%	-	21	-	-	-100.0%	-
Communication	17 341	16 872	19 275	19 883	4.7%	-	20 759	21 823	23 023	5.0%	-
Cooperative Banks Development Agency	41 156	44 839	50 647	51 782	8.0%	-	54 319	57 309	60 461	5.3%	-
Financial and Fiscal Commission	11 274	12 517	13 463	14 054	7.6%	-	14 340	15 124	15 955	4.3%	-
Accounting Standards Board	29 999	28 978	39 624	40 874	10.9%	-	43 163	45 537	48 042	5.5%	-
Independent Regulatory Board for Auditors	41 856	79 075	196 278	47 738	4.5%	-	50 411	53 184	56 109	5.5%	-
Auditor-General of South Africa	776 062	713 608	605 040	676 073	-4.5%	0.2%	757 978	874 361	948 210	11.9%	0.1%
Government Technical Advisory Centre	8 390 995	8 320 321	9 041 607	7 757 918	-2.6%	1.8%	7 814 599	8 242 778	8 696 131	3.9%	1.4%
South African Revenue Service: Operations	-	-	35 030	41 527	-	-	40 308	42 525	44 864	2.6%	-
South African Revenue Service: Office of the Tax Ombud	226 664	239 641	254 941	262 581	5.0%	0.1%	277 285	292 537	308 627	5.5%	0.1%
Financial Intelligence Centre: Operations	4 015 363	4 152 641	4 523 437	4 067 750	0.4%	0.9%	4 216 307	4 448 029	4 692 671	4.9%	0.8%
Secret Services: Operations	<b>1 264 026</b>	<b>1 463 560</b>	<b>1 469 564</b>	<b>1 641 759</b>	<b>9.1%</b>	<b>0.3%</b>	<b>2 132 414</b>	<b>2 308 210</b>	<b>2 442 183</b>	<b>14.2%</b>	<b>0.4%</b>
Capital											
Government Technical Advisory Centre	547	-	742	785	12.8%	-	829	875	923	5.5%	-
South African Revenue Service: Machinery and equipment	943 444	1 043 355	1 141 561	1 207 772	8.6%	0.2%	1 674 124	1 824 714	1 932 095	17.0%	0.3%
Financial Intelligence Centre: Machinery and equipment	12 824	16 731	15 250	16 135	8.0%	-	17 039	17 976	18 965	5.5%	-
Secret Services: Machinery and equipment	307 211	403 474	312 011	417 067	10.7%	0.1%	440 422	464 645	490 200	5.5%	0.1%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>1 484</b>	<b>1 093</b>	<b>2 869</b>	<b>1 782</b>	<b>6.3%</b>	<b>-</b>	<b>1 943</b>	<b>2 050</b>	<b>2 126</b>	<b>6.1%</b>	<b>-</b>
Bursaries for non-employees	1 394	1 080	1 373	1 782	8.5%	-	1 943	2 050	2 126	6.1%	-
Employee social benefits	90	13	1 496	-	-100.0%	-	-	-	-	-	-
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>11 235 865</b>	<b>11 819 565</b>	<b>12 427 803</b>	<b>13 114 612</b>	<b>5.3%</b>	<b>2.6%</b>	<b>13 849 031</b>	<b>14 746 521</b>	<b>15 941 718</b>	<b>6.7%</b>	<b>2.6%</b>
Local government financial management grant	452 491	465 264	502 006	504 566	3.7%	0.1%	532 822	561 713	592 607	5.5%	0.1%
Infrastructure skills development grant	124 465	130 471	140 774	141 492	4.4%	-	149 416	157 930	166 616	5.6%	-
General fuel levy sharing with metropolitan municipalities	10 658 909	11 223 830	11 785 023	12 468 554	5.4%	2.5%	13 166 793	14 026 878	15 182 495	6.8%	2.4%

Table 7.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
<b>Capital</b>	<b>834 875</b>	<b>858 665</b>	<b>949 958</b>	<b>895 476</b>	<b>2.4%</b>	<b>0.2%</b>	<b>931 223</b>	<b>982 255</b>	<b>1 055 925</b>	<b>5.6%</b>	<b>0.2%</b>
Integrated city development grant	251 300	266 805	292 119	293 609	5.3%	0.1%	310 051	327 319	351 868	6.2%	0.1%
Neighbourhood development partnership grant	583 575	591 860	657 839	601 867	1.0%	0.1%	621 172	654 936	704 057	5.4%	0.1%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>740 644</b>	<b>816 927</b>	<b>915 339</b>	<b>1 001 785</b>	<b>10.6%</b>	<b>0.2%</b>	<b>886 401</b>	<b>935 153</b>	<b>986 587</b>	<b>-0.5%</b>	<b>0.2%</b>
Common Monetary Area compensation	712 496	792 269	891 721	973 790	11.0%	0.2%	849 938	896 685	946 003	-1.0%	0.2%
Collaborative Africa Budget Reform Initiative	1 834	2 431	2 400	2 420	9.7%	-	1 808	1 907	2 012	-6.0%	-
Commonwealth Fund for Technical Cooperation	5 533	5 815	6 117	5 816	1.7%	-	6 783	7 156	7 550	9.1%	-
International Finance Facility for Immunisation	15 498	13 180	11 712	14 500	-2.2%	-	14 212	14 994	15 819	2.9%	-
African Institute for Economic Development and Planning	1 242	1 007	957	1 351	2.8%	-	1 427	1 505	1 588	5.5%	-
Regional Technical Assistance Centre for Southern Africa	959	988	1 177	1 213	8.1%	-	1 281	1 351	1 425	5.5%	-
Infrastructure Consortium for Africa	1 000	-	-	-	-100.0%	-	-	-	-	-	-
African Risk Capacity	-	-	-	-	-	-	8 106	8 552	9 022	-	-
United Kingdom tax	2 082	1 237	1 255	2 695	9.0%	-	2 846	3 003	3 168	5.5%	-
<b>Capital</b>	<b>90 660</b>	<b>90 680</b>	<b>126 782</b>	<b>136 120</b>	<b>14.5%</b>	<b>-</b>	<b>143 743</b>	<b>151 650</b>	<b>159 991</b>	<b>5.5%</b>	<b>-</b>
African Development Fund	-	-	73 192	82 530	-	-	37 389	39 446	41 616	-20.4%	-
World Bank Group	90 660	90 680	53 590	53 590	-16.1%	-	106 354	112 204	118 375	30.2%	-
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 000 000</b>	<b>2 000 000</b>	<b>4 000 000</b>	<b>-</b>	<b>0.3%</b>
Development Bank of Southern Africa	-	-	-	-	-	-	1 000 000	2 000 000	4 000 000	-	0.3%
<b>Provinces and municipalities</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>386 500 009</b>	<b>410 698 585</b>	<b>441 331 122</b>	<b>470 286 510</b>	<b>6.8%</b>	<b>92.7%</b>	<b>505 553 753</b>	<b>542 908 577</b>	<b>578 645 170</b>	<b>7.2%</b>	<b>93.0%</b>
Provincial equitable share	386 500 009	410 698 585	441 331 122	470 286 510	6.8%	92.7%	505 553 753	542 908 577	578 645 170	7.2%	93.0%
<b>Total</b>	<b>418 132 959</b>	<b>443 701 083</b>	<b>476 565 360</b>	<b>505 157 902</b>	<b>6.5%</b>	<b>100.0%</b>	<b>543 290 851</b>	<b>583 642 080</b>	<b>623 943 150</b>	<b>7.3%</b>	<b>100.0%</b>

## Personnel information

Table 7.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes																			
1. Administration																			
2. Economic Policy, Tax, Financial Regulation and Research																			
3. Public Finance and Budget Management																			
4. Asset and Liability Management																			
5. Financial Accounting and Supply Chain Management Systems																			
6. International Financial Relations																			
7. Civil and Military Pensions, Contributions to Funds and Other Benefits																			
8. Technical Support and Development Finance																			
9. Revenue Administration																			
10. Financial Intelligence and State Security																			
	Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
<b>National Treasury</b>			<b>1 128</b>	<b>803.7</b>	<b>0.7</b>	<b>1 045</b>	<b>807.8</b>	<b>0.8</b>	<b>1 048</b>	<b>869.3</b>	<b>0.8</b>	<b>1 044</b>	<b>934.5</b>	<b>0.9</b>	<b>1 041</b>	<b>995.3</b>	<b>1.0</b>	<b>-0.1%</b>	<b>100.0%</b>
<b>Salary level</b>	<b>1 011</b>	<b>116</b>																	
1 – 6	110	56	114	19.5	0.2	109	20.0	0.2	108	21.2	0.2	106	22.4	0.2	112	25.6	0.2	0.9%	10.4%
7 – 10	356	47	411	203.5	0.5	392	218.6	0.6	394	236.2	0.6	392	254.2	0.6	388	271.7	0.7	-0.3%	37.5%
11 – 12	285	3	298	249.9	0.8	260	228.1	0.9	264	248.8	0.9	261	264.0	1.0	258	279.6	1.1	-0.3%	25.0%
13 – 16	258	10	305	326.5	1.1	284	341.0	1.2	282	363.1	1.3	285	394.0	1.4	283	418.4	1.5	-0.1%	27.1%
Other	2		-	4.3		-	-		-	-		-	-		-	-		-	-
<b>Programme</b>	<b>1 011</b>	<b>116</b>	<b>1 128</b>	<b>803.7</b>	<b>0.7</b>	<b>1 045</b>	<b>807.8</b>	<b>0.8</b>	<b>1 048</b>	<b>869.3</b>	<b>0.8</b>	<b>1 044</b>	<b>934.5</b>	<b>0.9</b>	<b>1 041</b>	<b>995.3</b>	<b>1.0</b>	<b>-0.1%</b>	<b>100.0%</b>
Programme 1	312	72	352	203.0	0.6	321	195.6	0.6	331	219.3	0.7	326	236.1	0.7	333	257.2	0.8	1.2%	31.4%
Programme 2	80	2	90	77.0	0.9	81	78.8	1.0	79	82.1	1.0	82	88.5	1.1	85	94.3	1.1	1.6%	7.8%
Programme 3	252	5	271	211.7	0.8	252	214.6	0.9	239	219.2	0.9	236	234.9	1.0	230	248.1	1.1	-3.0%	22.9%
Programme 4	92	4	97	75.2	0.8	98	78.7	0.8	99	84.6	0.9	99	91.2	0.9	98	96.5	1.0	-	9.4%
Programme 5	243	30	283	206.1	0.7	258	206.7	0.8	261	223.7	0.9	262	240.5	0.9	256	253.4	1.0	-0.3%	24.8%
Programme 6	32	3	35	30.7	0.9	35	33.5	1.0	39	40.4	1.0	39	43.4	1.1	39	45.9	1.2	3.7%	3.6%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

Table 7.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>5 602 331</b>	<b>4 951 206</b>	<b>4 430 772</b>	<b>3 640 640</b>	<b>4 040 640</b>	<b>-10.3%</b>	<b>25.1%</b>	<b>4 161 122</b>	<b>4 377 950</b>	<b>4 803 759</b>	<b>5.9%</b>	<b>40.1%</b>
<b>Sales of goods and services produced by department</b>	<b>38 619</b>	<b>11 813</b>	<b>116 637</b>	<b>119 323</b>	<b>119 323</b>	<b>45.6%</b>	<b>0.4%</b>	<b>14 363</b>	<b>14 242</b>	<b>15 012</b>	<b>-49.9%</b>	<b>0.4%</b>
Sales by market establishments	103	100	99	120	120	5.2%	-	127	110	116	-1.1%	-
of which:												
Rental parking: Covered and open	103	100	99	120	120	5.2%	-	127	110	116	-1.1%	-
Administrative fees	5	1	1	-	-	-100.0%	-	11	12	13	-	-
of which:												
Required information: Duplicate certificate	5	1	1	-	-	-100.0%	-	11	12	13	-	-
Other sales	38 511	11 712	116 537	119 203	119 203	45.7%	0.4%	14 225	14 120	14 883	-50.0%	0.4%
of which:												
Commission: Insurance	-	94	94	100	100	-	-	106	90	95	-1.7%	-
Directors fees	-	228	228	220	220	-	-	232	145	153	-11.4%	-
Replacement of security cards	-	10	10	15	15	-	-	16	10	11	-9.8%	-
Fees for government guarantee insurance	38 511	11 260	116 085	118 853	118 853	45.6%	0.4%	13 855	13 855	14 603	-50.3%	0.4%
Sales of assets less than R5 000	-	120	120	15	15	-	-	16	20	21	11.9%	-
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>20</b>	<b>14</b>	<b>11</b>	<b>56</b>	<b>56</b>	<b>40.9%</b>	<b>-</b>	<b>24</b>	<b>27</b>	<b>28</b>	<b>-20.6%</b>	<b>-</b>
of which:												
Wastepaper	20	-	-	41	41	27.0%	-	8	7	7	-44.5%	-
Departmental publications	-	14	11	15	15	-	-	16	20	21	11.9%	-
<b>Interest, dividends and rent on land</b>	<b>4 640 219</b>	<b>4 032 638</b>	<b>3 325 439</b>	<b>3 260 761</b>	<b>3 660 761</b>	<b>-7.6%</b>	<b>20.6%</b>	<b>3 871 805</b>	<b>4 087 901</b>	<b>4 498 048</b>	<b>7.1%</b>	<b>37.2%</b>
Interest	4 377 214	3 881 438	3 082 460	3 100 500	3 500 500	-7.2%	19.5%	3 700 500	3 900 000	4 300 000	7.1%	35.5%
Dividends	263 005	151 200	242 979	160 261	160 261	-15.2%	1.1%	171 305	187 901	198 048	7.3%	1.7%
of which:												
South African Special Risk Insurance Association	263 005	151 200	242 979	160 261	160 261	-15.2%	1.1%	171 305	187 901	198 048	7.3%	1.7%
<b>Sales of capital assets</b>	<b>17</b>	<b>136</b>	<b>683</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transactions in financial assets and liabilities</b>	<b>923 456</b>	<b>906 605</b>	<b>988 002</b>	<b>260 500</b>	<b>260 500</b>	<b>-34.4%</b>	<b>4.1%</b>	<b>274 930</b>	<b>275 780</b>	<b>290 671</b>	<b>3.7%</b>	<b>2.5%</b>
<b>National Revenue Fund receipts</b>	<b>14 377 522</b>	<b>14 240 651</b>	<b>16 600 255</b>	<b>10 367 392</b>	<b>11 685 236</b>	<b>-6.7%</b>	<b>74.9%</b>	<b>4 488 000</b>	<b>4 250 000</b>	<b>5 579 000</b>	<b>-21.8%</b>	<b>59.9%</b>
of which:												
Revaluation of profits on foreign currency transactions	8 869 128	10 710 440	13 115 597	9 346 228	10 238 138	4.9%	56.5%	4 488 000	4 250 000	5 579 000	-18.3%	56.6%
Premiums on loan transactions	2 873 818	2 594 049	1 132 995	900 888	1 000 000	-29.7%	10.0%	-	-	-	-100.0%	2.3%
Refund of Hermes fees	56 579	-	-	-	-	-100.0%	0.1%	-	-	-	-	-
Other (mainly penalties on retail bonds and profit on script lending)	13 094	19 172	3 288	7	2 500	-42.4%	0.1%	-	-	-	-100.0%	-
Premiums on debt portfolio restructuring (switches)	2 564 903	916 990	2 348 375	120 269	444 598	-44.2%	8.3%	-	-	-	-100.0%	1.0%
<b>Total</b>	<b>19 979 853</b>	<b>19 191 857</b>	<b>21 031 027</b>	<b>14 008 032</b>	<b>15 725 876</b>	<b>-7.7%</b>	<b>100.0%</b>	<b>8 649 122</b>	<b>8 627 950</b>	<b>10 382 759</b>	<b>-12.9%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

## Expenditure trends and estimates

Table 7.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	3.6	3.6	3.8	4.9	10.2%	0.9%	4.4	4.7	5.0	0.8%	0.8%
Departmental Management	47.1	50.5	70.1	49.1	1.4%	12.6%	63.3	68.3	71.8	13.5%	11.1%
Corporate Services	116.5	154.9	117.5	145.8	7.8%	31.0%	155.3	162.4	172.1	5.7%	28.1%
Enterprise-wide Risk Management	27.5	26.3	28.3	31.8	4.9%	6.6%	32.6	35.2	37.1	5.3%	6.0%
Financial Administration	38.7	37.9	41.5	43.7	4.1%	9.4%	84.5	91.4	104.1	33.6%	14.3%
Legal Services	18.7	22.9	22.0	22.6	6.6%	5.0%	22.9	24.3	25.6	4.2%	4.2%
Internal Audit	20.7	21.8	24.1	30.9	14.3%	5.7%	30.2	32.4	34.4	3.7%	5.6%
Communications	10.2	8.6	12.5	11.2	3.3%	2.5%	11.3	11.9	12.6	3.8%	2.1%
Office Accommodation	92.6	109.9	118.1	134.0	13.1%	26.4%	151.1	168.6	174.2	9.1%	27.7%
<b>Total</b>	<b>375.6</b>	<b>436.3</b>	<b>437.9</b>	<b>473.8</b>	<b>8.1%</b>	<b>100.0%</b>	<b>555.7</b>	<b>599.4</b>	<b>636.8</b>	<b>10.4%</b>	<b>100.0%</b>
Change to 2018				(10.9)				8.7	11.3		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>347.8</b>	<b>392.6</b>	<b>421.1</b>	<b>439.5</b>	<b>8.1%</b>	<b>92.9%</b>	<b>533.4</b>	<b>579.2</b>	<b>615.0</b>	<b>11.9%</b>	<b>95.6%</b>
Compensation of employees	182.4	195.4	203.0	195.9	2.4%	45.1%	219.3	236.1	257.2	9.5%	40.1%
Goods and services <sup>1</sup>	165.4	197.2	218.1	243.6	13.8%	47.8%	314.1	343.1	357.8	13.7%	55.6%
of which:											
Computer services	18.6	34.9	27.9	32.8	20.8%	6.6%	43.3	45.4	49.3	14.5%	7.5%
Consultants: Business and advisory services	7.0	4.5	7.8	11.4	17.7%	1.8%	51.8	56.1	59.9	73.8%	7.9%
Legal services	11.9	14.8	14.3	14.3	6.2%	3.2%	15.1	15.8	16.7	5.2%	2.7%
Operating leases	51.1	66.0	63.7	78.6	15.4%	15.1%	88.6	103.0	102.1	9.1%	16.4%
Property payments	23.1	25.3	24.0	25.7	3.7%	5.7%	34.8	38.3	40.5	16.4%	6.1%
Travel and subsistence	14.5	14.1	28.6	18.4	8.3%	4.4%	19.8	21.4	22.2	6.5%	3.6%
<b>Transfers and subsidies<sup>1</sup></b>	<b>4.3</b>	<b>4.8</b>	<b>7.3</b>	<b>7.1</b>	<b>18.9%</b>	<b>1.4%</b>	<b>4.1</b>	<b>4.3</b>	<b>4.5</b>	<b>-14.2%</b>	<b>0.9%</b>
Departmental agencies and accounts	1.9	2.1	2.0	2.1	4.5%	0.5%	2.2	2.3	2.4	4.0%	0.4%
Households	2.4	2.7	5.3	5.0	28.0%	0.9%	1.9	2.1	2.1	-24.9%	0.5%
<b>Payments for capital assets</b>	<b>23.4</b>	<b>38.9</b>	<b>9.3</b>	<b>27.2</b>	<b>5.2%</b>	<b>5.7%</b>	<b>18.2</b>	<b>15.9</b>	<b>17.3</b>	<b>-14.0%</b>	<b>3.5%</b>
Machinery and equipment	23.4	38.9	9.3	17.2	-9.8%	5.1%	15.6	15.9	17.3	0.3%	2.9%
Software and other intangible assets	-	-	0.0	10.1	-	0.6%	2.6	-	-	-100.0%	0.6%
<b>Payments for financial assets</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>375.6</b>	<b>436.3</b>	<b>437.9</b>	<b>473.8</b>	<b>8.1%</b>	<b>100.0%</b>	<b>555.7</b>	<b>599.4</b>	<b>636.8</b>	<b>10.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.3%</b>	<b>1.5%</b>	<b>1.1%</b>	<b>1.6%</b>	<b>-</b>	<b>-</b>	<b>1.8%</b>	<b>1.9%</b>	<b>1.9%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Economic Policy, Tax, Financial Regulation and Research

### Programme purpose

Provide specialist policy research, analysis and advisory services in the areas of macroeconomics, microeconomics, the financial sector, taxation and regulatory reform.

### Objectives

- Improve South Africa's macroeconomic and microeconomic framework by conducting ongoing analytical work and research, and developing policy advisory services.
- Build and maintain economic research capacity to inform economic policy in South Africa by providing academic and research institutions with funding annually.
- Promote an effective, equitable and efficient tax policy framework and tax administrative system by developing and updating tax policies, and supporting legislation for the annual budget process.

### Subprogrammes

- *Programme Management for Economic Policy, Tax, Financial Regulation and Research* provides overall programme management and policy advice to government relating to the promotion of economic growth, employment, and microeconomic and macroeconomic stability.

- *Research* promotes economic research institutions through funding economic research in the public interest, as well as more dedicated research on behalf of the department. This includes promoting the research capacity of local academic researchers in areas such as economic growth, job creation, macroeconomic stability, poverty alleviation, retirement reform and financial sector development.
- *Financial Sector Policy* is responsible for developing policy on the regulation of the financial sector in South Africa; developing policies to broaden access to financial services for all South Africans; and developing policies to improve the national savings rate through reforms to the legislative framework governing the savings industry, including work being undertaken towards the implementation of retirement reform proposals.
- *Tax Policy* is responsible for drafting annual tax proposals and tax legislation as part of the national budget to promote an effective, equitable and efficient tax policy framework and tax administrative system that ensures sustainable growth and delivery on government's mandate to address the needs of all South Africans. This includes providing tax proposals towards improved environmental sustainability.
- *Economic Policy* provides macroeconomic and microeconomic forecasts, policy analysis on microeconomic and regulatory issues, economic impact assessments, and scenario modelling to provide sound policy advice on the economic environment for the annual budget and other government processes. Policy advice is mainly focused on creating decent employment through inclusive growth. This subprogramme also provides analytical work and policy advice on a wide range of issues, including: inflation management, electricity pricing, economic growth, structural budget balances, industrial policy, SMME policy and the exchange rate.
- *Cooperative Banks Development Agency* facilitates the transfer payment to the Cooperative Banks Development Agency, which provides for the registration, supervision and regulation of cooperative banks and the development of cooperative financial institutions, such as savings and credit cooperatives, community banks, village banks and financial services cooperatives, into cooperative banks.

## Expenditure trends and estimates

**Table 7.10 Economic Policy, Tax, Financial Regulation and Research expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
R million											
Programme Management for Economic Policy, Tax, Financial Regulation and Research	21.2	45.0	43.6	52.8	35.6%	27.7%	45.2	47.9	50.2	-1.7%	31.1%
Research	11.0	7.3	10.8	–	-100.0%	5.0%	–	–	–	–	–
Financial Sector Policy	27.6	24.3	24.9	23.6	-5.1%	17.1%	24.9	26.7	28.2	6.1%	16.4%
Tax Policy	27.6	30.3	28.6	30.1	2.9%	19.9%	31.4	33.7	35.0	5.2%	20.6%
Economic Policy	26.5	27.5	24.7	26.4	-0.2%	17.9%	27.5	29.6	32.7	7.4%	18.4%
Cooperative Banks Development Agency	17.3	16.9	19.3	19.9	4.7%	12.5%	20.8	21.8	23.0	5.0%	13.5%
<b>Total</b>	<b>131.3</b>	<b>151.2</b>	<b>151.9</b>	<b>152.8</b>	<b>5.2%</b>	<b>100.0%</b>	<b>149.7</b>	<b>159.6</b>	<b>169.0</b>	<b>3.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				11.8			(0.2)	1.5	1.4		
<b>Economic classification</b>											
<b>Current payments</b>	<b>113.6</b>	<b>133.3</b>	<b>131.5</b>	<b>131.7</b>	<b>5.1%</b>	<b>86.9%</b>	<b>128.1</b>	<b>136.9</b>	<b>145.0</b>	<b>3.3%</b>	<b>85.8%</b>
Compensation of employees	78.2	79.7	77.0	78.7	0.2%	53.4%	82.1	88.5	94.3	6.2%	54.4%
Goods and services <sup>1</sup>	35.4	53.7	54.5	53.1	14.5%	33.5%	45.9	48.3	50.7	-1.5%	31.4%
of which:											
Bursaries: Employees	0.3	0.3	0.3	0.3	5.0%	0.2%	0.4	0.4	0.4	9.0%	0.2%
Consultants: Business and advisory services	22.9	40.2	41.7	40.2	20.6%	24.7%	33.2	34.9	36.1	-3.5%	22.9%
Consumables: Stationery, printing and office supplies	0.5	1.4	3.0	1.8	51.6%	1.1%	1.4	1.5	1.6	-4.5%	1.0%
Travel and subsistence	5.1	6.6	5.0	6.0	6.0%	3.9%	6.1	6.4	6.9	4.6%	4.0%
Training and development	0.3	0.5	0.4	1.0	44.8%	0.4%	0.8	1.0	1.0	2.8%	0.6%
Operating payments	4.5	3.3	1.9	2.6	-17.2%	2.1%	2.5	2.7	3.2	7.4%	1.7%

**Table 7.10 Economic Policy, Tax, Financial Regulation and Research expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Transfers and subsidies<sup>1</sup></b>	<b>17.4</b>	<b>17.2</b>	<b>19.7</b>	<b>20.1</b>	<b>4.9%</b>	<b>12.7%</b>	<b>20.8</b>	<b>21.8</b>	<b>23.0</b>	<b>4.6%</b>	<b>13.6%</b>
Departmental agencies and accounts	17.3	16.9	19.3	19.9	4.7%	12.5%	20.8	21.8	23.0	5.0%	13.5%
Households	0.1	0.3	0.4	0.2	43.0%	0.2%	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>0.3</b>	<b>0.7</b>	<b>0.7</b>	<b>0.9</b>	<b>48.7%</b>	<b>0.4%</b>	<b>0.9</b>	<b>0.9</b>	<b>1.0</b>	<b>3.0%</b>	<b>0.6%</b>
Machinery and equipment	0.3	0.7	0.7	0.9	48.7%	0.4%	0.9	0.9	1.0	3.0%	0.6%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>131.3</b>	<b>151.2</b>	<b>151.9</b>	<b>152.8</b>	<b>5.2%</b>	<b>100.0%</b>	<b>149.7</b>	<b>159.6</b>	<b>169.0</b>	<b>3.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.4%</b>	<b>0.5%</b>	<b>–</b>	<b>–</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.5%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>17.3</b>	<b>16.9</b>	<b>19.3</b>	<b>19.9</b>	<b>–</b>	<b>12.5%</b>	<b>20.8</b>	<b>21.8</b>	<b>23.0</b>	<b>–</b>	<b>13.5%</b>
Cooperative Banks Development Agency	17.3	16.9	19.3	19.9	4.7%	12.5%	20.8	21.8	23.0	5.0%	13.5%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Public Finance and Budget Management

### Programme purpose

Provide analysis and advice on fiscal policy and public finances, intergovernmental financial relations, expenditure planning and priorities. Manage government's annual budget process and provide public finance management support.

### Objectives

- Promote growth, social development and poverty reduction through sound fiscal and financial policies, and the effective, efficient and appropriate allocation of public funds annually.
- Prepare a national budget annually that gives effect to government's economic, fiscal, social and developmental goals as expressed in the National Development Plan and government's medium-term strategic framework to provide fiscal policy advice by monitoring economic and fiscal trends, and advising on policy options and the budget framework.
- Deepen transparency in the allocation of public finances through the annual production and publication of the Budget Review, Estimates of National Expenditure, Adjusted Estimates of National Expenditure, Medium-Term Budget Policy Statement and appropriation legislation containing relevant, accurate and clear financial information, and associated indicators of service delivery and performance.
- Contribute to public policy and programme development by providing support for planning, policy and programme analysis, budgeting and project management, including support for public finance reform in provinces and municipalities on an ongoing basis.
- Promote public and private investment in infrastructure and public services on an ongoing basis by providing technical support for capital expenditure planning and project analysis, advice on financing alternatives, support for municipal development, and financial assistance for neighbourhood development projects.
- Measure the use of public financial resources by monitoring, supporting and analysing public expenditure and service delivery for social and economic development, and infrastructure investment on an ongoing basis.
- Support and enable budget analysis by a broad range of stakeholders, such as Parliament, on an ongoing basis through increased budget participation by the public.



## Subprogrammes

- *Programme Management for Public Finance and Budget Management* provides support to the programme's planning, monitoring and delivery functions. Key activities include oversight and managing the processes related to the annual publication of the Medium-Term Budget Policy Statement, the coordination of the annual budget, and the production of the Division of Revenue Bill for the three spheres of government.
- *Public Finance* provides financial and budgetary analysis of government programmes, advises on policy and service delivery trends, and manages National Treasury's relations with other national departments.
- *Budget Office and Coordination* is responsible for the national budget process including the publication of the Budget Review, Medium-Term Budget Policy Statement and Estimates of National Expenditure. The unit leads the budget reform programme, coordinates international technical assistance and donor finance, provides advice on public service remuneration and pension arrangements, compiles public finance statistics, and provides fiscal policy advice.
- *Intergovernmental Relations* coordinates fiscal relations between national, provincial and local government; promotes sound provincial and municipal budgetary planning, reporting and financial management; and provides support for government with the aim of promoting improved infrastructure planning and management to support the service delivery targets in all spheres of government.
- *Financial and Fiscal Commission* facilitates the annual transfer payment to the Financial and Fiscal Commission, which provides independent, objective, impartial and unbiased advice to all three spheres of government regarding the division of revenue, as well as advice on the enactment of legislation pertaining to provincial taxes, municipal fiscal powers and functions, and provincial and municipal loans.

## Expenditure trends and estimates

**Table 7.11 Public Finance and Budget Management expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
R million											
Programme Management for Public Finance and Budget Management	17.9	21.4	20.8	20.6	4.9%	7.1%	26.4	27.5	30.3	13.6%	8.1%
Public Finance	59.2	56.6	61.7	63.1	2.2%	21.3%	61.3	65.4	68.7	2.8%	20.1%
Budget Office and Coordination	55.4	57.0	57.7	62.8	4.3%	20.6%	63.0	67.6	71.3	4.4%	20.6%
Intergovernmental Relations	89.0	102.0	97.8	99.7	3.9%	34.3%	115.0	107.5	113.5	4.4%	33.8%
Financial and Fiscal Commission	41.2	44.8	50.6	51.8	8.0%	16.7%	54.3	57.3	60.5	5.3%	17.4%
<b>Total</b>	<b>262.6</b>	<b>281.8</b>	<b>288.6</b>	<b>298.0</b>	<b>4.3%</b>	<b>100.0%</b>	<b>320.0</b>	<b>325.3</b>	<b>344.2</b>	<b>4.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				7.9			14.6	(5.2)	(6.8)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>218.7</b>	<b>235.0</b>	<b>236.4</b>	<b>243.5</b>	<b>3.6%</b>	<b>82.6%</b>	<b>263.3</b>	<b>265.4</b>	<b>281.1</b>	<b>4.9%</b>	<b>81.8%</b>
Compensation of employees	192.3	201.9	211.7	214.5	3.7%	72.5%	219.2	234.9	248.1	5.0%	71.2%
Goods and services <sup>1</sup>	26.4	33.1	24.7	29.0	3.3%	10.0%	44.1	30.6	33.0	4.3%	10.6%
of which:											
Bursaries: Employees	0.8	0.6	1.0	1.4	17.9%	0.3%	1.7	1.5	1.6	5.3%	0.5%
Consultants: Business and advisory services	6.8	14.2	5.1	5.8	-5.2%	2.8%	20.4	5.9	7.0	6.2%	3.0%
Consumables: Stationery, printing and office supplies	5.7	2.1	6.7	7.1	7.6%	1.9%	1.8	1.8	1.8	-36.3%	1.0%
Operating leases	0.6	0.9	0.7	0.9	11.7%	0.3%	1.0	1.1	1.2	9.9%	0.3%
Travel and subsistence	7.8	8.3	8.5	9.8	7.6%	3.0%	9.9	10.2	10.8	3.2%	3.2%
Operating payments	0.2	4.4	0.0	0.1	-29.2%	0.4%	5.9	6.2	6.6	395.5%	1.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>42.7</b>	<b>45.2</b>	<b>51.0</b>	<b>51.9</b>	<b>6.8%</b>	<b>16.9%</b>	<b>54.3</b>	<b>57.3</b>	<b>60.5</b>	<b>5.2%</b>	<b>17.4%</b>
Departmental agencies and accounts	41.2	44.8	50.6	51.8	8.0%	16.7%	54.3	57.3	60.5	5.3%	17.4%
Households	1.5	0.4	0.4	0.1	-55.6%	0.2%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>1.1</b>	<b>1.5</b>	<b>1.1</b>	<b>2.6</b>	<b>33.9%</b>	<b>0.6%</b>	<b>2.4</b>	<b>2.5</b>	<b>2.7</b>	<b>0.6%</b>	<b>0.8%</b>
Machinery and equipment	1.1	1.5	1.1	2.6	33.9%	0.6%	2.4	2.5	2.7	0.6%	0.8%
<b>Payments for financial assets</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>262.6</b>	<b>281.8</b>	<b>288.6</b>	<b>298.0</b>	<b>4.3%</b>	<b>100.0%</b>	<b>320.0</b>	<b>325.3</b>	<b>344.2</b>	<b>4.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.9%</b>	<b>1.0%</b>	<b>0.7%</b>	<b>1.0%</b>	<b>-</b>	<b>-</b>	<b>1.0%</b>	<b>1.0%</b>	<b>1.0%</b>	<b>-</b>	<b>-</b>

**Table 7.11 Public Finance and Budget Management expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>41.2</b>	<b>44.8</b>	<b>50.6</b>	<b>51.8</b>	–	<b>16.7%</b>	<b>54.3</b>	<b>57.3</b>	<b>60.5</b>	–	<b>17.4%</b>
Financial and Fiscal Commission	41.2	44.8	50.6	51.8	–	16.7%	54.3	57.3	60.5	–	17.4%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Asset and Liability Management

### Programme purpose

Manage government's annual funding programme in a manner that ensures prudent cash management, and an optimal portfolio of debt and other fiscal obligations. Promote and enforce the prudent financial management of state-owned entities through financial analysis and oversight.

### Objectives

- Exercise oversight of state-owned entities on an ongoing basis by:
  - reviewing the corporate plans and annual financial statements of state-owned entities
  - coordinating state-owned entities' borrowing programmes
  - tracking progress on capital expenditure programmes
  - reviewing applications for funding, guarantees and borrowing limits in terms of the Public Finance Management Act (1999), and monitoring progress.
- Meet government's annual gross borrowing requirement consisting of the budget deficit and maturing debt by sourcing funds from domestic and international markets, and service government's debt optimally.
- Ensure that government's liquidity requirements are consistently met within credit risk guidelines by implementing effective cash management and making sound cash flow forecasts on an ongoing basis.
- Minimise and mitigate risks emanating from government's fiscal obligations to develop and maintain a risk management framework for the debt and contingent liabilities of government, by implementing debt management strategies that minimise government's exposure to adverse risks on an ongoing basis.

### Subprogrammes

- *Programme Management for Asset and Liability Management* provides support for planning, monitoring and delivering the programme's activities.
- *State-Owned Entity Financial Management and Governance* is responsible for overseeing and enabling state-owned entities to meet government's policy objectives in a financially and fiscally sustainable manner, and for promoting sound corporate governance.
- *Government Debt Management* is responsible for government's long-term funding needs. The subprogramme manages domestic and foreign debt, contributes to the development of financial markets, and maintains sound investor relations.
- *Financial Operations* provides for government's short-term funding needs, the prudent management of cash, the efficient accounting of debt and investment transactions in government, and quality information relating to the division's operations; invests government surplus cash; and supplies reliable computer systems to service government's debt portfolio and cash operations.
- *Strategy and Risk Management* develops and maintains a risk management framework for the debt and contingent liabilities of government, and implements debt management strategies that minimise government's exposure to adverse risks.

- *Financial Investments* provides for the funding needs of state-owned entities.

## Expenditure trends and estimates

**Table 7.12 Asset and Liability Management expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Programme Management for Asset and Liability Management	9.2	24.4	6.1	12.0	9.4%	0.4%	10.2	11.0	11.4	-1.8%	10.0%
State-Owned Entity Financial Management and Governance	30.8	33.5	5 241.6	35.2	4.5%	39.4%	36.7	39.4	41.8	6.0%	34.2%
Government Debt Management	19.4	18.8	4 810.0	19.7	0.4%	35.9%	20.8	22.2	23.4	6.0%	19.2%
Financial Operations	21.0	22.5	22.0	24.7	5.5%	0.7%	28.5	30.4	31.5	8.4%	25.7%
Strategy and Risk Management	9.8	10.9	10.1	10.1	0.9%	0.3%	12.3	13.1	13.8	11.2%	11.0%
Financial Investments	3 174.0	–	–	–	-100.0%	23.4%	–	–	–	–	–
<b>Total</b>	<b>3 264.3</b>	<b>110.1</b>	<b>10 089.8</b>	<b>101.6</b>	<b>-68.5%</b>	<b>100.0%</b>	<b>108.4</b>	<b>116.1</b>	<b>122.0</b>	<b>6.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(8.8)			–	(3.3)	(4.9)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>89.1</b>	<b>108.9</b>	<b>88.9</b>	<b>101.0</b>	<b>4.3%</b>	<b>2.9%</b>	<b>107.7</b>	<b>115.3</b>	<b>121.1</b>	<b>6.2%</b>	<b>99.4%</b>
Compensation of employees	72.1	77.0	75.2	78.7	3.0%	2.2%	84.6	91.2	96.5	7.0%	78.3%
Goods and services <sup>1</sup>	17.1	31.9	13.6	22.3	9.4%	0.6%	23.1	24.1	24.7	3.3%	21.0%
<i>of which:</i>											
<i>Bursaries: Employees</i>	0.6	0.6	0.7	0.8	11.1%	–	1.4	1.3	1.4	18.8%	1.1%
<i>Computer services</i>	9.5	13.1	8.0	11.6	7.0%	0.3%	12.1	12.8	13.7	5.5%	11.2%
<i>Consultants: Business and advisory services</i>	2.2	14.1	0.1	3.4	16.8%	0.1%	3.0	3.1	3.1	-3.3%	2.8%
<i>Consumables: Stationery, printing and office supplies</i>	0.5	0.4	0.4	0.6	5.0%	–	0.7	0.7	0.7	6.5%	0.6%
<i>Travel and subsistence</i>	2.3	2.1	2.6	3.1	10.5%	0.1%	3.5	3.6	3.8	6.8%	3.1%
<i>Training and development</i>	0.4	0.4	0.2	0.5	7.7%	–	0.8	0.9	0.9	25.9%	0.7%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.9</b>	<b>0.5</b>	<b>0.4</b>	<b>0.0</b>	<b>-62.6%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Households	0.9	0.5	0.4	0.0	-62.6%	–	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>0.2</b>	<b>0.7</b>	<b>0.6</b>	<b>0.5</b>	<b>30.1%</b>	<b>–</b>	<b>0.7</b>	<b>0.8</b>	<b>0.8</b>	<b>17.6%</b>	<b>0.6%</b>
Machinery and equipment	0.2	0.7	0.6	0.5	30.1%	–	0.7	0.8	0.8	17.6%	0.6%
<b>Payments for financial assets</b>	<b>3 174.0</b>	<b>–</b>	<b>10 000.0</b>	<b>–</b>	<b>-100.0%</b>	<b>97.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>3 264.3</b>	<b>110.1</b>	<b>10 089.8</b>	<b>101.6</b>	<b>-68.5%</b>	<b>100.0%</b>	<b>108.4</b>	<b>116.1</b>	<b>122.0</b>	<b>6.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>11.4%</b>	<b>0.4%</b>	<b>25.4%</b>	<b>0.3%</b>	<b>–</b>	<b>–</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Financial Accounting and Supply Chain Management Systems

### Programme purpose

Facilitate governance and accountability by promoting and enforcing the transparent, economic and effective management of revenue, expenditure, assets, liabilities and supply chain processes in the public sector.

### Objectives

- Ensure compliance with the implementation of the Public Finance Management Act (1999) and the Municipal Finance Management Act (2003) across the three spheres of government by facilitating and undertaking special investigations to reduce fraud and corruption on an ongoing basis.
- Ensure sound financial management systems to meet the requirements of the Public Finance Management Act (1999) and the Municipal Finance Management Act (2003) by:
  - providing capacity and support to all spheres of government on policies relating to accounting and reporting, internal auditing and risk management on an ongoing basis
  - developing and implementing government transversal accounting and reporting systems over the medium term
  - maintaining government's current financial systems at a level of 98 per cent availability, including providing reliable, efficient and effective support and user training, over the medium term

- completing the development of the remaining integrated financial management system’s modules on payroll, core financial management and inventory management, and beginning its rollout, over the medium term.
- Support government’s efforts to build capacity in financial management across the three spheres of government by introducing minimum competency profiles and offering graduate internships in financial management annually.
- Improve financial management in provincial and local government by:
  - developing and implementing financial recovery plans and providing technical assistance on an ongoing basis
  - supporting municipalities to implement financial management reforms and ensuring their compliance with the Municipal Finance Management Act (2003), as required, over the medium term.
- Modernise the supply chain management system for government over the medium term by:
  - introducing policy reforms to ensure that all procuring government institutions implement a single supply chain management policy
  - providing training solutions to close the skills gap for existing and future supply chain management practitioners.

### **Subprogrammes**

- *Programme Management for Financial Accounting and Supply Chain Management Systems* supports the planning, monitoring and coordinating deliverables of the programme plan, such as the development and implementation of the integrated financial management system; and facilitates accountability and governance in the public sector, especially in terms of financial management.
- *Office of the Chief Procurement Officer* aims to modernise the state procurement system to be fair, equitable, transparent, competitive and cost effective; enable the efficient, economic, effective and transparent use of financial and other resources, including state assets, for improved service delivery; and promote, support and enforce the transparent and effective management of state procurement and the sound stewardship of government assets and resources.
- *Financial Systems* maintains and improves existing financial management systems, and develops and implements the new integrated financial management system, which aims to replace financial, supply chain and human resources management systems across national and provincial departments.
- *Financial Reporting for National Accounts* is responsible for accounting for the National Revenue Fund and the Reconstruction and Development Programme Fund, providing banking services to national government, providing support for all spheres of government in implementing financial reporting frameworks, and preparing consolidated financial statements.
- *Financial Management Policy and Compliance Improvement* improves financial management and develops financial management regulatory frameworks with local and international best practice; develops and implements accounting policies; and improves the financial management, risk management and internal audit capacity in government.
- *Audit Statutory Bodies* is a transfer payment that provides for compensation for certain shortfalls of statutory bodies and municipalities in terms of the Auditor-General Act (1995). This subprogramme’s total budget is transferred in full to fund municipalities that are unable to pay for audit services.
- *Service Charges: Commercial Banks* is a transfer payment that provides for bank service charges for all government departments’ deposit accounts.

## Expenditure trends and estimates

**Table 7.13 Financial Accounting and Supply Chain Management Systems expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Programme Management for Financial Accounting and Supply Chain Management Systems Office of the Chief Procurement Officer	24.7	60.2	25.5	195.7	99.3%	7.5%	143.2	150.9	159.2	-6.6%	13.9%
Financial Systems	441.0	797.4	374.3	644.8	13.5%	55.5%	554.5	587.3	619.5	-1.3%	51.5%
Financial Reporting for National Accounts	83.0	85.1	97.3	101.8	7.1%	9.0%	107.4	114.0	120.3	5.7%	9.5%
Financial Management Policy and Compliance Improvement	128.5	120.3	120.5	134.6	1.6%	12.4%	164.8	175.8	185.5	11.3%	14.1%
Audit Statutory Bodies	41.9	79.1	196.3	47.7	4.5%	9.0%	50.4	53.2	56.1	5.5%	4.4%
Service Charges: Commercial Banks	0.1	0.3	0.2	0.3	33.7%	-	0.3	0.3	0.3	5.4%	-
<b>Total</b>	<b>774.5</b>	<b>1 209.9</b>	<b>885.8</b>	<b>1 194.1</b>	<b>15.5%</b>	<b>100.0%</b>	<b>1 093.6</b>	<b>1 159.2</b>	<b>1 222.6</b>	<b>0.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(2.5)			14.5	14.9	12.9		
<b>Economic classification</b>											
<b>Current payments</b>	<b>682.9</b>	<b>668.8</b>	<b>619.1</b>	<b>1 079.1</b>	<b>16.5%</b>	<b>75.0%</b>	<b>970.0</b>	<b>1 036.6</b>	<b>1 089.5</b>	<b>0.3%</b>	<b>89.4%</b>
Compensation of employees	179.5	200.5	206.1	206.6	4.8%	19.5%	223.7	240.5	253.4	7.0%	19.8%
Goods and services <sup>1</sup>	503.4	468.2	413.0	872.5	20.1%	55.5%	746.3	796.1	836.1	-1.4%	69.6%
of which:											
Audit costs: External	3.9	3.8	5.7	6.1	15.9%	0.5%	5.9	6.8	6.9	4.2%	0.5%
Bursaries: Employees	2.1	2.9	2.3	1.8	-4.6%	0.2%	1.9	2.2	2.1	6.4%	0.2%
Computer services	338.8	353.2	344.2	565.6	18.6%	39.4%	476.2	511.9	536.6	-1.7%	44.8%
Consultants: Business and advisory services	137.4	88.7	41.8	268.5	25.0%	13.2%	234.6	247.1	260.9	-1.0%	21.7%
Travel and subsistence	4.2	7.6	8.3	10.6	36.4%	0.8%	11.9	11.9	12.5	5.5%	1.0%
Venues and facilities	0.3	4.3	4.3	5.4	168.9%	0.4%	5.7	6.2	6.5	6.2%	0.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>83.5</b>	<b>121.6</b>	<b>251.2</b>	<b>104.3</b>	<b>7.7%</b>	<b>13.8%</b>	<b>109.7</b>	<b>115.5</b>	<b>121.9</b>	<b>5.3%</b>	<b>9.7%</b>
Departmental agencies and accounts	83.1	120.6	249.4	102.7	7.3%	13.7%	107.9	113.8	120.1	5.4%	9.5%
Households	0.4	1.0	1.8	1.7	63.3%	0.1%	1.8	1.7	1.8	1.9%	0.1%
<b>Payments for capital assets</b>	<b>8.1</b>	<b>419.5</b>	<b>15.2</b>	<b>10.7</b>	<b>9.8%</b>	<b>11.2%</b>	<b>13.9</b>	<b>7.1</b>	<b>11.3</b>	<b>1.7%</b>	<b>0.9%</b>
Machinery and equipment	8.1	3.4	15.2	10.0	7.3%	0.9%	9.0	4.6	8.9	-3.9%	0.7%
Software and other intangible assets	-	416.1	0.0	0.7	-	10.3%	4.9	2.5	2.4	50.7%	0.2%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.3</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>774.5</b>	<b>1 209.9</b>	<b>885.8</b>	<b>1 194.1</b>	<b>15.5%</b>	<b>100.0%</b>	<b>1 093.6</b>	<b>1 159.2</b>	<b>1 222.6</b>	<b>0.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>2.7%</b>	<b>4.3%</b>	<b>2.2%</b>	<b>4.0%</b>	<b>-</b>	<b>-</b>	<b>3.6%</b>	<b>3.6%</b>	<b>3.6%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>83.1</b>	<b>120.6</b>	<b>249.4</b>	<b>102.7</b>	<b>-</b>	<b>13.7%</b>	<b>107.9</b>	<b>113.8</b>	<b>120.1</b>	<b>-</b>	<b>9.5%</b>
Accounting Standards Board	11.3	12.5	13.5	14.1	-	1.3%	14.3	15.1	16.0	-	1.3%
Independent Regulatory Board for Auditors	30.0	29.0	39.6	40.9	63.3%	3.4%	43.2	45.5	48.0	1.9%	3.8%
Auditor-General of South Africa	41.9	79.1	196.3	47.7	9.8%	9.0%	50.4	53.2	56.1	1.7%	4.4%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 6: International Financial Relations

### Programme purpose

Manage South Africa's interests in shaping regional and global policies that advance the economic, financial and development objectives of the country and Africa.

### Objectives

- Advance South Africa and Africa's economic interests by undertaking regular strategic analyses, engagements and negotiations at regional and global financial, and economic forums on an ongoing basis.

- Increase sub-Saharan Africa's voice and South Africa's influence in multilateral international institutions, such as the International Monetary Fund, the World Bank Group, the G20, and other influential global financial and economic forums by advancing the reform of these institutions through the lobbying of regional groupings on an ongoing basis.
- Enhance South Africa's participation in strategic regional, continental and global governance institutions by seconding South Africans into strategic positions of these institutions, as informed by government's secondment policy, on an ongoing basis.
- Promote regional economic integration in the Southern African Development Community (SADC) region and the Southern African Customs Union, and strengthen economic links within Africa by:
  - providing ongoing support to the committees of the SADC dealing with economic and financial protocols
  - supporting the Southern African Customs Union to meet regional challenges on an ongoing basis.

### Subprogrammes

- *Programme Management for International Financial Relations* supports the planning, monitoring and delivering of the programme's activities with the World Bank country office, the African Development Bank regional resource centre and the BRICS New Development Bank. The division oversees South Africa's representation in international and regional financial institutions; manages bilateral and multilateral relationships on behalf of National Treasury; and plans, implements and monitors programmes and activities that advance South Africa's national interests.
- *International Economic Cooperation* focuses on improving South Africa's participation in international and regional economic institutions. This entails working through key economic institutions and forums such as the Southern African Customs Union, the SADC, the United Nations Economic Commission for Africa, the African Union's New Partnership for Africa's Development, the International Monetary Fund, the G20, the G24, the BRICS group of countries, the Organisation for Economic Cooperation and Development, and the World Economic Forum.
- *African Integration and Support* enables National Treasury's participation in African interventions and arrangements that are mainly to bring about support and integration between African states and institutions. This subprogramme facilitates the transfer of funds to Lesotho, Namibia and Swaziland for the Common Monetary Area compensation. In this agreement, South Africa compensates the member countries for the use of the rand currency within their respective borders. It also includes the technical support provided to regional capacity building institutions such as the Collaborative Budget Reform Initiative, the Infrastructure Consortium for Africa, the African Capacity Building Foundation, the African Institute for Economic Development and Planning, and the Regional Technical Assistance Centre for Southern Africa.
- *International Development Funding Institutions* provides for subscriptions and contributions to international development institutions and banks. This subprogramme transfers funds to the African Development Bank and the International Bank for Reconstruction and Development of the World Bank Group to pay for shares, and to the African Development Fund and the International Development Association of the World Bank Group for the provision of concessional loans and grants to low-income countries. Capital transfers for the New Development Bank, in line with South Africa's agreed shareholding, will also be facilitated through this subprogramme.
- *International Projects* transfers funds to international projects and interventions for various causes such as capacity building, and catastrophe and disaster relief for affected low-income countries. To this end, National Treasury contributes to the Commonwealth Fund for Technical Cooperation and the International Finance Facility for Immunisation. The facility transfers funds to the Global Alliance for Vaccines and Immunisation, a public-private global health partnership, to support health care, particularly the provision of vaccines to reduce the number of deaths preventable by vaccination among children in low-income countries.

## Expenditure trends and estimates

Table 7.14 International Financial Relations expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Programme Management for International Financial Relations	14.5	10.0	7.5	11.8	-6.7%	0.2%	12.1	12.7	13.5	4.5%	0.2%
International Economic Cooperation	30.4	38.3	36.2	42.8	12.1%	0.8%	54.2	49.2	55.8	9.3%	0.9%
African Integration and Support	717.5	796.7	896.3	978.8	10.9%	17.4%	862.6	910.0	960.1	-0.6%	15.6%
International Development Funding Institutions	2 762.7	4 091.8	4 512.0	4 489.1	17.6%	81.3%	4 801.6	5 065.3	5 343.9	6.0%	82.9%
International Projects	21.0	19.0	17.8	20.3	-1.1%	0.4%	21.0	22.2	23.4	4.8%	0.4%
<b>Total</b>	<b>3 546.1</b>	<b>4 955.8</b>	<b>5 469.8</b>	<b>5 542.8</b>	<b>16.1%</b>	<b>100.0%</b>	<b>5 751.5</b>	<b>6 059.3</b>	<b>6 396.6</b>	<b>4.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				140.7			-	(2.0)	1.4		
<b>Economic classification</b>											
<b>Current payments</b>	<b>44.7</b>	<b>47.2</b>	<b>43.1</b>	<b>53.9</b>	<b>6.4%</b>	<b>1.0%</b>	<b>65.6</b>	<b>60.8</b>	<b>68.2</b>	<b>8.1%</b>	<b>1.0%</b>
Compensation of employees	28.2	32.0	30.7	33.4	5.8%	0.6%	40.4	43.4	45.9	11.1%	0.7%
Goods and services <sup>1</sup>	16.5	15.2	12.4	20.5	7.4%	0.3%	25.1	17.3	22.3	2.9%	0.4%
<i>of which:</i>											
<i>Bursaries: Employees</i>	0.1	0.2	0.2	0.4	51.5%	-	0.9	0.9	0.9	37.3%	-
<i>Consultants: Business and advisory services</i>	0.1	0.8	0.7	1.1	143.2%	-	1.3	1.0	0.0	-65.3%	-
<i>Travel and subsistence</i>	10.4	9.3	7.0	13.3	8.4%	0.2%	11.6	12.4	13.1	-0.4%	0.2%
<i>Training and development</i>	0.0	0.1	0.1	0.2	54.3%	-	0.3	0.4	0.4	28.1%	-
<i>Operating payments</i>	0.3	0.4	0.6	1.1	46.5%	-	1.1	1.2	1.5	10.4%	-
<i>Venues and facilities</i>	4.4	0.8	2.7	3.1	-10.8%	0.1%	9.0	0.6	5.4	20.2%	0.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>829.2</b>	<b>906.4</b>	<b>1 041.2</b>	<b>1 135.2</b>	<b>11.0%</b>	<b>20.0%</b>	<b>1 027.3</b>	<b>1 083.8</b>	<b>1 143.4</b>	<b>0.2%</b>	<b>18.5%</b>
Foreign governments and international organisations	829.2	906.4	1 040.9	1 135.2	11.0%	20.0%	1 027.3	1 083.8	1 143.4	0.2%	18.5%
Households	0.0	0.0	0.4	-	-100.0%	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>0.2</b>	<b>1.1</b>	<b>0.2</b>	<b>0.7</b>	<b>59.7%</b>	<b>-</b>	<b>0.7</b>	<b>1.1</b>	<b>1.1</b>	<b>19.3%</b>	<b>-</b>
Machinery and equipment	0.2	1.1	0.2	0.7	59.7%	-	0.7	1.1	1.1	19.3%	-
<b>Payments for financial assets</b>	<b>2 672.0</b>	<b>4 001.1</b>	<b>4 385.3</b>	<b>4 353.0</b>	<b>17.7%</b>	<b>79.0%</b>	<b>4 657.9</b>	<b>4 913.7</b>	<b>5 183.9</b>	<b>6.0%</b>	<b>80.5%</b>
<b>Total</b>	<b>3 546.1</b>	<b>4 955.8</b>	<b>5 469.8</b>	<b>5 542.8</b>	<b>16.1%</b>	<b>100.0%</b>	<b>5 751.5</b>	<b>6 059.3</b>	<b>6 396.6</b>	<b>4.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>12.4%</b>	<b>17.6%</b>	<b>13.7%</b>	<b>18.7%</b>	<b>-</b>	<b>-</b>	<b>18.7%</b>	<b>18.8%</b>	<b>18.7%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>737.6</b>	<b>815.7</b>	<b>914.1</b>	<b>999.1</b>	<b>11.0%</b>	<b>17.8%</b>	<b>883.6</b>	<b>932.2</b>	<b>983.4</b>	<b>0.2%</b>	<b>16.0%</b>
Common Monetary Area compensation	712.5	792.3	891.7	973.8	-	17.3%	849.9	896.7	946.0	-	15.4%
Collaborative Africa Budget Reform Initiative	1.8	2.4	2.4	2.4	-	-	1.8	1.9	2.0	-	-
Commonwealth Fund for Technical Cooperation	5.5	5.8	6.1	5.8	-	0.1%	6.8	7.2	7.6	-	0.1%
International Finance Facility for Immunisation	15.5	13.2	11.7	14.5	11.0%	0.3%	14.2	15.0	15.8	0.2%	0.3%
African Institute for Economic Development and Planning	1.2	1.0	1.0	1.4	-	-	1.4	1.5	1.6	-	-
Regional Technical Assistance Centre for Southern Africa	1.0	1.0	1.2	1.2	-	-	1.3	1.4	1.4	-	-
African Risk Capacity	-	-	-	-	-100.0%	-	8.1	8.6	9.0	-	0.1%
<b>Capital</b>	<b>90.7</b>	<b>90.7</b>	<b>126.8</b>	<b>136.1</b>	<b>59.7%</b>	<b>2.3%</b>	<b>143.7</b>	<b>151.7</b>	<b>160.0</b>	<b>19.3%</b>	<b>2.5%</b>
African Development Fund	-	-	73.2	82.5	-	0.8%	37.4	39.4	41.6	-	0.8%
World Bank Group	90.7	90.7	53.6	53.6	59.7%	1.5%	106.4	112.2	118.4	19.3%	1.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## **Programme 7: Civil and Military Pensions, Contributions to Funds and Other Benefits**

### **Programme purpose**

Provide for government's pension and post-retirement medical benefit obligations to former employees of state departments and bodies. Provide for similar benefits to retired members of the military.

### **Objectives**

- Ensure the effective administration of pension, retirement and other policies on an ongoing basis by completing annual reviews and implementing recommendations in accordance with stakeholder agreements reached on pension reforms, post-retirement medical benefits, political office bearers and pension legislation.
- Ensure good service to eligible applicants and recipients on an ongoing basis by:
  - processing member applications and making payments punctually, as required by applicable legislation
  - processing post-retirement medical benefit applications within 60 days of receipt, and paying all medical subsidies within 7 days of receiving a valid and correct claim
  - processing and paying injury on duty benefits to civil servants within 45 days of receiving completed documentation
  - ensuring the punctual and accurate payments of military pensions within 45 days of receipt and medical accounts within 30 days of receipt of the claim with no backlog.

### **Subprogrammes**

- *Government Pensions Administration Agency* provides administrative services, in accordance with the Temporary Pension Fund Act (1979) and the Associated Institutions Pension Fund Act (1963), for post-retirement medical subsidies, as provided for and regulated by resolutions of the Public Service Coordinating Bargaining Council, the Military Pensions Act (1976), and military pensions in terms of this act; for injury on duty payments in terms of the Compensation for Occupational Injuries and Diseases Act (1993); and special pensions in terms of the Special Pensions Act (1996) on behalf of National Treasury.
- *Civil Pensions and Contributions to Funds* provides for the processing and payment of pensions and medical subsidies to retired civil servants; and pension payments to the injured, disabled and the dependants of deceased civil servants and former struggle veterans, in terms of various statutes, collective bargaining agreements and other commitments. The Government Pensions Administration Agency subprogramme administers all payments related to this subprogramme.
- *Military Pensions and Other Benefits* provides for the processing and payment of military pension benefits and medical claims arising from injuries sustained during various wars, including South Africa's liberation wars. These include payments to former members of the legislative assembly of the former Venda, Transkei, Ciskei and Bophuthatswana governments; judges or their widows/widowers in terms of the Judges' Remuneration and Conditions of Employment Act (2001); and former state presidents, among other benefits.



## Expenditure trends and estimates

**Table 7.15 Civil and Military Pensions, Contributions to Funds and Other Benefits expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Government Pensions Administration Agency	56.6	61.3	62.1	68.9	6.8%	1.4%	72.7	76.7	80.9	5.5%	1.3%
Civil Pensions and Contributions to Funds	3 156.5	3 249.2	3 614.4	4 151.4	9.6%	78.1%	4 496.8	4 452.5	4 695.0	4.2%	80.1%
Military Pensions and Other Benefits	754.6	1 089.7	941.6	943.6	7.7%	20.5%	1 005.0	1 061.1	1 119.4	5.9%	18.6%
<b>Total</b>	<b>3 967.7</b>	<b>4 400.2</b>	<b>4 618.1</b>	<b>5 163.8</b>	<b>9.2%</b>	<b>100.0%</b>	<b>5 574.5</b>	<b>5 590.2</b>	<b>5 895.3</b>	<b>4.5%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			-	(291.0)	(309.4)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>56.6</b>	<b>61.3</b>	<b>62.1</b>	<b>68.9</b>	<b>6.8%</b>	<b>1.4%</b>	<b>72.7</b>	<b>76.7</b>	<b>80.9</b>	<b>5.5%</b>	<b>1.3%</b>
Goods and services <sup>1</sup>	56.6	61.3	62.1	68.9	6.8%	1.4%	72.7	76.7	80.9	5.5%	1.3%
of which:											
Consultants: Business and advisory services	56.6	61.3	62.1	68.9	6.8%	1.4%	72.7	76.7	80.9	5.5%	1.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>3 911.1</b>	<b>4 338.9</b>	<b>4 556.0</b>	<b>5 094.9</b>	<b>9.2%</b>	<b>98.6%</b>	<b>5 501.8</b>	<b>5 513.5</b>	<b>5 814.4</b>	<b>4.5%</b>	<b>98.7%</b>
Foreign governments and international organisations	2.1	1.2	1.3	2.7	9.0%	-	2.8	3.0	3.2	5.5%	0.1%
Households	3 909.0	4 337.6	4 554.8	5 092.2	9.2%	98.6%	5 498.9	5 510.5	5 811.2	4.5%	98.6%
Payments for financial assets	0.0	-	0.0	-	-100.0%	-	-	-	-	-	-
<b>Total</b>	<b>3 967.7</b>	<b>4 400.2</b>	<b>4 618.1</b>	<b>5 163.8</b>	<b>9.2%</b>	<b>100.0%</b>	<b>5 574.5</b>	<b>5 590.2</b>	<b>5 895.3</b>	<b>4.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>13.8%</b>	<b>15.6%</b>	<b>11.6%</b>	<b>17.4%</b>	<b>-</b>	<b>-</b>	<b>18.1%</b>	<b>17.3%</b>	<b>17.3%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>3 909.0</b>	<b>4 337.6</b>	<b>4 554.7</b>	<b>5 092.2</b>	<b>-</b>	<b>98.6%</b>	<b>5 498.9</b>	<b>5 510.5</b>	<b>5 811.2</b>	<b>-</b>	<b>98.6%</b>
Contribution to provident funds for associated institutions	0.3	0.3	0.2	0.3	-	-	0.4	0.4	0.4	-	-
Other benefits	82.5	92.8	87.8	94.6	-	2.0%	104.1	109.8	115.9	-	1.9%
Injury on duty	514.9	563.5	599.0	652.3	9.0%	12.8%	688.8	726.7	766.7	5.5%	12.8%
Post-Retirement medical scheme	2 107.4	2 133.5	2 458.8	2 850.3	-	52.6%	2 893.3	3 064.7	3 233.3	-	54.2%
Special pensions	439.8	447.8	460.0	468.2	-	10.0%	468.0	480.0	506.4	-	8.7%
Political Office Bearers Pension Fund	-	-	-	68.3	9.2%	0.4%	323.2	50.0	50.4	4.5%	2.2%
Pension benefits: President of South Africa	7.3	7.7	7.4	11.7	-	0.2%	12.9	14.3	15.1	-	0.2%
Military pensions: Ex-servicemen and servicewomen	2.9	2.3	1.8	1.6	-	-	2.8	2.6	2.7	-	-
South African citizen force	166.2	175.5	191.0	193.6	-	4.0%	205.3	217.1	229.1	-	3.8%
Other benefits: Ex-servicemen and servicewomen	10.5	12.3	11.5	11.0	-	0.2%	18.3	19.9	21.0	-	0.3%
Non-statutory forces	575.0	899.6	737.3	737.3	-	16.2%	778.6	821.4	866.6	-	14.4%
Post-retirement medical scheme: Parliamentary staff	2.2	2.4	-	2.9	-	-	3.2	3.5	3.7	-	0.1%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>2.1</b>	<b>1.2</b>	<b>1.3</b>	<b>2.7</b>	<b>-</b>	<b>-</b>	<b>2.8</b>	<b>3.0</b>	<b>3.2</b>	<b>-</b>	<b>0.1%</b>
United Kingdom tax	2.1	1.2	1.3	2.7	-100.0%	-	2.8	3.0	3.2	-	0.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 8: Technical Support and Development Finance

### Programme purpose

Provide advisory services, programme management and development finance support to improve public finance management, support high-impact government initiatives, facilitate employment creation, and strengthen infrastructure planning and delivery.

## Objectives

- Build capacity in the public sector through diagnostic and advisory services, and support for organisational development, specialised procurement, improved public finance management, and programme and project implementation on an ongoing basis.
- Enhance budget and financial management practices by strengthening public finance management capacity in municipalities and supporting provincial treasury oversight of local government financial management on an ongoing basis.
- Ensure liveable, sustainable, resilient, efficient and integrated towns and cities by promoting public and private investment in city development, integrated urban networks and neighbourhood development initiatives on an ongoing basis.
- Stimulate employment and inclusive growth by supporting innovative and partnership-based approaches to employment creation, job seeker support and enterprise development on an ongoing basis.
- Ensure technical capacity in local government built environment by supporting infrastructure planning and implementation in all provinces, and infrastructure skills development in all municipalities on an ongoing basis.

## Subprogrammes

- *Local Government Financial Management Support* provides for transfers to municipalities to support the implementation of the Municipal Finance Management Act (2003), and technical assistance to provincial treasuries and municipalities through the municipal finance improvement programme. The municipal finance improvement programme provides technical assistance and support to National Treasury, provincial treasuries and municipalities by placing financial advisers with experience and expertise in municipal financial management to facilitate key reforms and skills transfer.
- *Urban Development and Support* comprises the neighbourhood development partnership grant and the integrated city development grant. It is aimed at strengthening public and private investment in improved living and working conditions in townships, and creating more spatially resilient, efficient and integrated towns and cities. The integrated city development grant is a component of National Treasury's city support programme implemented in partnership with the Development Bank of Southern Africa, and aims to promote accelerated and more inclusive development in major urban areas through better governance and built environment planning, improved human settlements and public transport management, local economic development, environmental sustainability and climate resilience.
- *Employment Creation Facilitation* supports innovative and partnership-based approaches to sustainable employment creation, work seeker support and enterprise development through the Jobs Fund; and supports research on employment, income distribution and inclusive growth.
- *Government Technical Advisory Centre* provides management support for the Technical Support and Development Finance programme, and technical consulting services, specialised procurement and project management support, infrastructure advice and knowledge management in support of efficient, effective and transparent public finance management. This subprogramme's advisory and transaction support activities originate through requests from other departments or organs of state.
- *Infrastructure Development Support* provides technical support on infrastructure development planning and implementation to municipalities and provinces by providing technical expertise, advisory services and skills training, including the placement of graduate interns in local government.

## Expenditure trends and estimates

**Table 7.16 Technical Support and Development Finance expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Local Government Financial Management Support	573.9	587.9	627.8	645.5	4.0%	23.2%	681.4	718.5	758.0	5.5%	23.6%
Urban Development and Support	848.3	873.9	972.9	924.8	2.9%	34.5%	962.2	1 015.0	1 090.4	5.6%	33.6%
Employment Creation Facilitation	749.5	698.2	593.1	689.0	-2.8%	26.0%	800.1	916.8	992.5	12.9%	28.6%
Government Technical Advisory Centre	83.6	88.0	80.8	71.9	-4.9%	3.1%	61.7	71.5	79.3	3.3%	2.4%
Infrastructure Development Support	216.9	230.4	251.8	681.4	46.5%	13.2%	232.1	243.8	256.0	-27.8%	11.9%
<b>Total</b>	<b>2 472.2</b>	<b>2 478.4</b>	<b>2 526.4</b>	<b>3 012.5</b>	<b>6.8%</b>	<b>100.0%</b>	<b>2 737.6</b>	<b>2 965.4</b>	<b>3 176.2</b>	<b>1.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				213.7			(250.2)	(761.5)	(775.4)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>283.8</b>	<b>310.4</b>	<b>327.8</b>	<b>794.2</b>	<b>40.9%</b>	<b>16.4%</b>	<b>365.3</b>	<b>388.3</b>	<b>411.9</b>	<b>-19.7%</b>	<b>16.5%</b>
Goods and services <sup>1</sup>	283.8	310.4	327.8	794.2	40.9%	16.4%	365.3	388.3	411.9	-19.7%	16.5%
of which:											
Consultants: Business and advisory services	283.8	310.4	327.8	394.2	11.6%	12.5%	365.3	388.3	411.9	1.5%	13.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>2 188.4</b>	<b>2 168.0</b>	<b>2 198.5</b>	<b>2 218.4</b>	<b>0.5%</b>	<b>83.6%</b>	<b>2 372.3</b>	<b>2 577.1</b>	<b>2 764.3</b>	<b>7.6%</b>	<b>83.5%</b>
Provinces and municipalities	1 411.8	1 454.4	1 592.7	1 541.5	3.0%	57.2%	1 613.5	1 701.9	1 815.1	5.6%	56.1%
Departmental agencies and accounts	776.6	713.6	605.8	676.9	-4.5%	26.4%	758.8	875.2	949.1	11.9%	27.4%
<b>Total</b>	<b>2 472.2</b>	<b>2 478.4</b>	<b>2 526.4</b>	<b>3 012.5</b>	<b>6.8%</b>	<b>100.0%</b>	<b>2 737.6</b>	<b>2 965.4</b>	<b>3 176.2</b>	<b>1.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>8.6%</b>	<b>8.8%</b>	<b>6.3%</b>	<b>10.1%</b>	<b>-</b>	<b>-</b>	<b>8.9%</b>	<b>9.2%</b>	<b>9.3%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>776.1</b>	<b>713.6</b>	<b>605.0</b>	<b>676.1</b>	<b>3.0%</b>	<b>26.4%</b>	<b>758.0</b>	<b>874.4</b>	<b>948.2</b>	<b>5.6%</b>	<b>27.4%</b>
Government Technical Advisory Centre	776.1	713.6	605.0	676.1	-4.5%	26.4%	758.0	874.4	948.2	11.9%	27.4%
<b>Capital</b>	<b>0.5</b>	<b>-</b>	<b>0.7</b>	<b>0.8</b>	<b>-</b>	<b>-</b>	<b>0.8</b>	<b>0.9</b>	<b>0.9</b>	<b>-</b>	<b>-</b>
Government Technical Advisory Centre	0.5	-	0.7	0.8	-	-	0.8	0.9	0.9	-	-
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>577.0</b>	<b>595.7</b>	<b>642.8</b>	<b>646.1</b>	<b>-</b>	<b>23.5%</b>	<b>682.2</b>	<b>719.6</b>	<b>759.2</b>	<b>-</b>	<b>23.6%</b>
Local government financial management grant	452.5	465.3	502.0	504.6	-	18.3%	532.8	561.7	592.6	-	18.4%
Infrastructure skills development grant	124.5	130.5	140.8	141.5	-	5.1%	149.4	157.9	166.6	-	5.2%
<b>Capital</b>	<b>834.9</b>	<b>858.7</b>	<b>950.0</b>	<b>895.5</b>	<b>-</b>	<b>33.7%</b>	<b>931.2</b>	<b>982.3</b>	<b>1 055.9</b>	<b>-</b>	<b>32.5%</b>
Integrated city development grant	251.3	266.8	292.1	293.6	-	10.5%	310.1	327.3	351.9	-	10.8%
Neighbourhood development partnership grant	583.6	591.9	657.8	601.9	-	23.2%	621.2	654.9	704.1	-	21.7%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 9: Revenue Administration

### Programme purpose

Administer an efficient tax system, provide tax education to the public, ensure maximum compliance with tax and customs legislation, and provide a customs service to maximise revenue collection and facilitate trade.

### Objectives

- Centralise registration, accreditation and licensing capabilities over the medium term by:
  - improving the South African Revenue Service's registration database

- moving the customs service into the unified trader and traveller master database using online registration and entity-level risk assessment.
- Contribute to revenue generation and improved compliance over the medium term by:
  - ensuring that 90 per cent of all annual import declarations are submitted by 10 per cent of traders, as per the South African Revenue Service’s targets
  - increasing annual trader declarations by 50 per cent.
- Manage migration, customs and land borderline control services, and efficiently coordinate other departments in ports of entry by:
  - establishing a border management agency over the medium term
  - achieving a 100 per cent success rate in investigative audits, and the seizure of counterfeit cigarettes, counterfeit CDs and DVDs, clothing, drug cases and medicament on an ongoing basis.
- Manage the South African Revenue Service’s R128.9 billion debtors book efficiently through a quality assurance system intended to provide users with integrated debt management solutions on an ongoing basis.

### Subprogramme

- *South African Revenue Service* transfers funds to the South African Revenue Service to provide core tax administration services and maintain the ICT services that support its operations.

### Expenditure trends and estimates

**Table 7.17 Revenue Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
South African Revenue Service	9 334.4	9 363.7	10 218.2	9 007.2	-1.2%	100.0%	9 529.0	10 110.0	10 673.1	5.8%	100.0%
<b>Total</b>	<b>9 334.4</b>	<b>9 363.7</b>	<b>10 218.2</b>	<b>9 007.2</b>	<b>-1.2%</b>	<b>100.0%</b>	<b>9 529.0</b>	<b>10 110.0</b>	<b>10 673.1</b>	<b>5.8%</b>	<b>100.0%</b>
Change to 2018				–			398.7	479.2	512.5		
Budget estimate											
<b>Economic classification</b>											
<b>Transfers and subsidies<sup>1</sup></b>	<b>9 334.4</b>	<b>9 363.7</b>	<b>10 218.2</b>	<b>9 007.2</b>	<b>-1.2%</b>	<b>100.0%</b>	<b>9 529.0</b>	<b>10 110.0</b>	<b>10 673.1</b>	<b>5.8%</b>	<b>100.0%</b>
Departmental agencies and accounts	9 334.4	9 363.7	10 218.2	9 007.2	-1.2%	100.0%	9 529.0	10 110.0	10 673.1	5.8%	100.0%
<b>Total</b>	<b>9 334.4</b>	<b>9 363.7</b>	<b>10 218.2</b>	<b>9 007.2</b>	<b>-1.2%</b>	<b>100.0%</b>	<b>9 529.0</b>	<b>10 110.0</b>	<b>10 673.1</b>	<b>5.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>32.5%</b>	<b>33.2%</b>	<b>25.7%</b>	<b>30.3%</b>	<b>–</b>	<b>–</b>	<b>31.0%</b>	<b>31.3%</b>	<b>31.3%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>8 391.0</b>	<b>8 320.3</b>	<b>9 076.6</b>	<b>7 799.4</b>	<b>–</b>	<b>88.6%</b>	<b>7 854.9</b>	<b>8 285.3</b>	<b>8 741.0</b>	<b>–</b>	<b>83.1%</b>
South African Revenue Service:	8 391.0	8 320.3	9 041.6	7 757.9	-1.2%	88.4%	7 814.6	8 242.8	8 696.1	5.8%	82.7%
Operations											
South African Revenue Service:	–	–	35.0	41.5	–	0.2%	40.3	42.5	44.9	–	0.4%
Office of the Tax Ombud											
<b>Capital</b>	<b>943.4</b>	<b>1 043.4</b>	<b>1 141.6</b>	<b>1 207.8</b>	<b>–</b>	<b>11.4%</b>	<b>1 674.1</b>	<b>1 824.7</b>	<b>1 932.1</b>	<b>–</b>	<b>16.9%</b>
South African Revenue Service:	943.4	1 043.4	1 141.6	1 207.8	–	11.4%	1 674.1	1 824.7	1 932.1	–	16.9%
Machinery and equipment											

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 10: Financial Intelligence and State Security

### Programme purpose

Combat financial crime, including money laundering and terror financing activities. Gather intelligence for the purpose of national security, defence and combating crime.

## Objectives

- Combat money laundering and the financing of terrorism by continually monitoring and ensuring compliance with the Financial Intelligence Centre Act (2001), and imposing certain duties on institutions and other persons who might be used for money laundering and financing terrorism.
- Combat crime and financial terrorism by:
  - providing services and products to law enforcement authorities, such as the South African Revenue Service and the State Security Agency, on an ongoing basis
  - collaborating closely with counterparts in African countries and international organisations as part of a network for information exchange on an ongoing basis
  - collaborating with the financial action task force, which reports to the G20 summit processes and several standard setting bodies, on an ongoing basis
  - processing requests from national and international law enforcement authorities over the medium term.

## Subprogrammes

- *Financial Intelligence Centre* facilitates the transfer payment to the Financial Intelligence Centre, which enhances the integrity of the South African financial system while creating new ways for investigating authorities to combat criminal activity.
- *Secret Services* facilitates the transfer payment to the South African Secret Service account, which provides government with accurate, topical, policy relevant and timeous foreign intelligence to promote, enhance and protect national security and the interests of South Africa and its citizens.

## Expenditure trends and estimates

**Table 7.18 Financial Intelligence and State Security expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Financial Intelligence Centre	239.5	256.4	270.2	278.7	5.2%	5.4%	294.3	310.5	327.6	5.5%	5.9%
Secret Services	4 322.6	4 556.1	4 835.4	4 484.8	1.2%	94.6%	4 656.7	4 912.7	5 182.9	4.9%	94.1%
<b>Total</b>	<b>4 562.1</b>	<b>4 812.5</b>	<b>5 105.6</b>	<b>4 763.5</b>	<b>1.5%</b>	<b>100.0%</b>	<b>4 951.1</b>	<b>5 223.2</b>	<b>5 510.5</b>	<b>5.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			–	–	–		
<b>Economic classification</b>											
<b>Transfers and subsidies<sup>1</sup></b>	<b>4 562.1</b>	<b>4 812.5</b>	<b>5 105.6</b>	<b>4 763.5</b>	<b>1.5%</b>	<b>100.0%</b>	<b>4 951.1</b>	<b>5 223.2</b>	<b>5 510.5</b>	<b>5.0%</b>	<b>100.0%</b>
Departmental agencies and accounts	4 562.1	4 812.5	5 105.6	4 763.5	1.5%	100.0%	4 951.1	5 223.2	5 510.5	5.0%	100.0%
<b>Total</b>	<b>4 562.1</b>	<b>4 812.5</b>	<b>5 105.6</b>	<b>4 763.5</b>	<b>1.5%</b>	<b>100.0%</b>	<b>4 951.1</b>	<b>5 223.2</b>	<b>5 510.5</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>15.9%</b>	<b>17.1%</b>	<b>12.8%</b>	<b>16.0%</b>	–	–	<b>16.1%</b>	<b>16.2%</b>	<b>16.1%</b>	–	–
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>4 242.0</b>	<b>4 392.3</b>	<b>4 778.4</b>	<b>4 330.3</b>	–	<b>92.2%</b>	<b>4 493.6</b>	<b>4 740.6</b>	<b>5 001.3</b>	–	<b>90.8%</b>
Financial Intelligence Centre: Operations	226.7	239.6	254.9	262.6	1.5%	5.1%	277.3	292.5	308.6	5.0%	5.6%
Secret Services: Operations	4 015.4	4 152.6	4 523.4	4 067.8	–	87.1%	4 216.3	4 448.0	4 692.7	–	85.2%
<b>Capital</b>	<b>320.0</b>	<b>420.2</b>	<b>327.3</b>	<b>433.2</b>	–	<b>7.8%</b>	<b>457.5</b>	<b>482.6</b>	<b>509.2</b>	–	<b>9.2%</b>
Financial Intelligence Centre: Machinery and equipment	12.8	16.7	15.3	16.1	–	0.3%	17.0	18.0	19.0	–	0.3%
Secret Services: Machinery and equipment	307.2	403.5	312.0	417.1	–	7.5%	440.4	464.6	490.2	–	8.9%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

### Development Bank of Southern Africa

#### Mandate

The Development Bank of Southern Africa was reconstituted in terms of the Development Bank of Southern Africa Act (1997) as a development finance institution with the primary purpose of promoting economic development and growth. The bank also promotes human resources development and building institutional capacity by mobilising financial and other resources from the national and international private and public sectors for sustainable development projects and programmes in South Africa and regions in the rest of Southern Africa.

#### Selected performance indicators

**Table 7.19 Development Bank of Southern Africa performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Cost-to-income ratio (bank-wide)	Administration	Outcome 12: An efficient, effective and development-oriented public service	29% (R1.0bn/R3.6bn)	18.8% (R888m/R4.7bn)	21.6% (R928m/R4.3bn)	31.7%	32.1%	30.6%	30.6%
Total value of disbursements to infrastructure-related projects	Development finance		R17.1bn	R12.4bn	R12.2bn	R16bn	R18bn	R20bn	R20bn
Value of bank-wide net profit/(loss) per year	Development finance		R2.6bn	R2.8bn	R2.3bn	R2.7bn	R2.8bn	R3.3bn	R3.3bn

#### Expenditure analysis

Over the medium term, the Development Bank of Southern Africa will focus on: driving financial and non-financial investments and support in the education, energy, health, housing, transport, water and communications sectors; accelerating infrastructure financing in South Africa that targets municipalities, state-owned companies, independent power producers and public-private partnerships; and providing infrastructure support in the rest of Africa that targets state-owned companies and public-private partnerships. Over the MTEF period, the bank expects to support municipalities through infrastructure development aimed at addressing backlogs in the delivery of essential social services.

As such, it aims to increase the total value of disbursements to infrastructure projects from R16 billion in 2018/19 to R20 billion in 2021/22. To complement these activities, the bank plans to set aside R111 million per year over the MTEF period as part of its *Development finance* programme to provide for interest subsidies, and support the planning and implementation of infrastructure projects in selected municipalities with capacity constraints.

Total expenditure is expected to increase at an average annual rate of 10 per cent, from R5.8 billion in 2018/19 to R7.7 billion in 2021/22. The bulk of the bank's expenditure is on interest expenses, which increase from R4 billion in 2018/19 to R5.4 billion in 2021/22 in line with the expected increases in disbursements. To ensure that the bank has adequate capacity to deliver on its mandate, its number of personnel is expected to remain constant at 678 over the MTEF period. Spending on compensation of employees is expected to increase at an average annual rate of 8.1 per cent, from R832.7 million in 2018/19 to R1.1 billion in 2021/22.

Revenue is expected to increase at an average annual rate of 9.4 per cent, from R8.5 billion in 2018/19 to R11.1 billion in 2021/22, driven by an anticipated increase in disbursements and more effective management of the non-performing loan book, which is expected to improve net loan impairments.

## Programmes/Objectives/Activities

**Table 7.20 Development Bank of Southern Africa expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	710.8	855.1	1 023.4	1 011.5	12.5%	15.9%	1 127.5	1 221.5	1 288.7	8.4%	17.1%
Development finance	4 503.4	4 575.6	4 715.2	4 523.2	0.1%	81.0%	5 196.3	5 810.0	6 129.6	10.7%	79.5%
Non-financing development activities	162.6	173.9	161.9	218.0	10.3%	3.2%	227.0	235.0	247.9	4.4%	3.4%
<b>Total</b>	<b>5 376.8</b>	<b>5 604.6</b>	<b>5 900.5</b>	<b>5 752.6</b>	<b>2.3%</b>	<b>100.0%</b>	<b>6 550.7</b>	<b>7 266.5</b>	<b>7 666.1</b>	<b>10.0%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

**Table 7.21 Development Bank of Southern Africa statements of historical financial performance and position**

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%) 2015/16 - 2018/19
	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>6 518.5</b>	<b>7 953.5</b>	<b>7 445.4</b>	<b>8 425.5</b>	<b>8 638.9</b>	<b>8 183.3</b>	<b>9 805.6</b>	<b>8 475.8</b>	<b>101.9%</b>
Sale of goods and services other than capital assets	358.7	275.9	298.9	318.3	333.9	190.2	316.7	262.2	80.0%
<i>of which:</i>									
<i>Sales by market establishment</i>	358.7	275.9	298.9	318.3	333.9	190.2	316.7	262.2	80.0%
Other non-tax revenue	6 159.9	7 677.6	7 146.4	8 107.2	8 305.0	7 993.1	9 488.9	8 213.6	102.9%
<b>Total revenue</b>	<b>6 518.5</b>	<b>7 953.5</b>	<b>7 445.4</b>	<b>8 425.5</b>	<b>8 638.9</b>	<b>8 183.3</b>	<b>9 805.6</b>	<b>8 475.8</b>	<b>101.9%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>5 321.5</b>	<b>5 314.1</b>	<b>6 273.1</b>	<b>5 542.2</b>	<b>6 871.7</b>	<b>5 868.5</b>	<b>7 916.5</b>	<b>5 564.9</b>	<b>84.5%</b>
Compensation of employees	772.7	730.9	879.5	584.8	874.3	684.8	972.7	832.7	81.0%
Goods and services	1 052.5	1 197.2	1 243.1	1 222.5	1 504.8	1 252.6	1 588.4	652.3	80.3%
Depreciation	29.0	30.6	36.0	31.2	38.2	25.9	38.2	31.5	84.3%
Interest, dividends and rent on land	3 467.4	3 355.4	4 114.6	3 703.8	4 454.4	3 905.3	5 317.1	4 048.4	86.5%
<b>Transfers and subsidies</b>	<b>286.0</b>	<b>62.6</b>	<b>180.0</b>	<b>62.4</b>	<b>90.0</b>	<b>32.0</b>	<b>254.0</b>	<b>187.7</b>	<b>42.6%</b>
<b>Total expenses</b>	<b>5 607.5</b>	<b>5 376.8</b>	<b>6 453.1</b>	<b>5 604.6</b>	<b>6 961.7</b>	<b>5 900.5</b>	<b>8 170.5</b>	<b>5 752.6</b>	<b>83.2%</b>
<b>Surplus/(Deficit)</b>	<b>911.0</b>	<b>2 577.0</b>	<b>992.0</b>	<b>2 821.0</b>	<b>1 677.0</b>	<b>2 283.0</b>	<b>1 635.0</b>	<b>2 723.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	616.1	580.3	563.7	503.4	546.7	490.5	543.4	559.3	94.0%
<i>of which:</i>									
<i>Acquisition of assets</i>	(35.0)	(30.6)	(35.0)	(25.5)	(66.2)	(27.6)	(49.1)	(57.0)	75.9%
Investments	5 246.3	8 757.3	8 853.9	7 933.0	8 223.8	8 242.2	8 226.4	7 851.2	107.3%
Loans	72 504.9	70 785.3	84 583.2	72 795.5	91 811.1	76 337.8	106 731.6	86 007.5	86.0%
Receivables and prepayments	146.7	138.5	146.7	122.0	146.7	399.6	151.9	146.7	136.3%
Cash and cash equivalents	3 108.8	2 084.6	155.0	2 299.2	881.0	3 741.9	1 153.0	1 024.2	172.7%
<b>Total assets</b>	<b>81 622.7</b>	<b>82 346.0</b>	<b>94 302.6</b>	<b>83 653.1</b>	<b>101 609.2</b>	<b>89 211.9</b>	<b>116 806.4</b>	<b>95 589.0</b>	<b>89.0%</b>
Accumulated surplus/(deficit)	13 322.5	14 544.9	15 510.5	17 514.6	18 459.6	19 473.0	20 094.7	22 570.6	110.0%
Capital and reserves	6 134.4	2 827.9	2 793.3	2 624.5	2 815.7	2 955.8	2 815.7	2 751.9	76.7%
Capital reserve fund	7 900.0	11 892.3	11 892.3	11 892.3	11 892.3	11 892.3	11 892.3	11 892.3	109.2%
Borrowings	52 722.4	51 791.2	62 525.6	50 612.5	66 851.9	53 573.2	80 210.8	56 749.4	81.1%
Trade and other payables	1 142.0	894.8	294.2	838.6	1 343.0	1 204.3	1 519.5	1 495.2	103.1%
Provisions	398.3	391.8	1 283.6	167.3	243.5	111.2	270.2	127.3	36.3%
Derivatives financial instruments	3.1	3.1	3.1	3.2	3.2	2.2	3.2	2.2	84.0%
<b>Total equity and liabilities</b>	<b>81 622.7</b>	<b>82 346.0</b>	<b>94 302.6</b>	<b>83 653.1</b>	<b>101 609.2</b>	<b>89 211.9</b>	<b>116 806.4</b>	<b>95 589.0</b>	<b>89.0%</b>

## Statements of estimates of financial performance and position

**Table 7.22 Development Bank of Southern Africa statements of estimates of financial performance and position**

Statement of financial performance									
R million	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2018/19	2015/16 - 2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>8 475.8</b>	<b>2.1%</b>	<b>100.0%</b>	<b>9 344.1</b>	<b>10 522.4</b>	<b>11 101.1</b>	<b>9.4%</b>	<b>100.0%</b>	
Sale of goods and services other than capital assets	262.2	-1.7%	3.2%	269.9	302.1	318.7	6.7%	2.9%	
<i>of which:</i>									
<i>Sales by market establishment</i>	262.2	-1.7%	3.2%	269.9	302.1	318.7	6.7%	2.9%	
Other non-tax revenue	8 213.6	2.3%	96.8%	9 074.2	10 220.3	10 782.4	9.5%	97.1%	
<b>Total revenue</b>	<b>8 475.8</b>	<b>2.1%</b>	<b>100.0%</b>	<b>9 344.1</b>	<b>10 522.4</b>	<b>11 101.1</b>	<b>9.4%</b>	<b>100.0%</b>	

**Table 7.22 Development Bank of Southern Africa statements of estimates of financial performance and position**

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
					2018/19	2015/16 - 2018/19	2019/20		
R million									
<b>Expenses</b>									
<b>Current expenses</b>		<b>5 564.9</b>	<b>1.5%</b>	<b>98.5%</b>	<b>6 343.0</b>	<b>7 046.5</b>	<b>7 434.0</b>	<b>10.1%</b>	<b>96.9%</b>
Compensation of employees		832.7	4.4%	12.5%	944.2	997.7	1 052.5	8.1%	14.1%
Goods and services		652.3	-18.3%	19.2%	871.3	867.1	914.8	11.9%	12.1%
Depreciation		31.5	1.0%	0.5%	31.6	33.6	35.5	4.0%	0.5%
Interest, dividends and rent on land		4 048.4	6.5%	66.3%	4 496.0	5 148.1	5 431.3	10.3%	70.2%
<b>Transfers and subsidies</b>		<b>187.7</b>	<b>44.2%</b>	<b>1.5%</b>	<b>207.7</b>	<b>220.0</b>	<b>232.1</b>	<b>7.3%</b>	<b>3.1%</b>
<b>Total expenses</b>		<b>5 752.6</b>	<b>2.3%</b>	<b>100.0%</b>	<b>6 550.7</b>	<b>7 266.5</b>	<b>7 666.1</b>	<b>10.0%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>		<b>2 723.0</b>			<b>2 793.0</b>	<b>3 256.0</b>	<b>3 435.0</b>		
<b>Statement of financial position</b>									
Carrying value of assets		559.3	-1.2%	0.6%	551.2	540.1	472.9	-5.4%	0.5%
of which:									
Acquisition of assets		(57.0)	23.0%	-0.0%	(23.5)	(22.5)	-	-100.0%	-0.0%
Investments		7 851.2	-3.6%	9.4%	7 524.3	7 285.1	7 172.3	-3.0%	6.8%
Loans		86 007.5	6.7%	87.1%	95 774.2	106 547.9	122 219.3	12.4%	91.4%
Receivables and prepayments		146.7	1.9%	0.2%	151.9	157.4	157.4	2.4%	0.1%
Cash and cash equivalents		1 024.2	-21.1%	2.6%	1 322.6	1 617.8	1 619.6	16.5%	1.2%
<b>Total assets</b>		<b>95 589.0</b>	<b>5.1%</b>	<b>100.0%</b>	<b>105 324.3</b>	<b>116 148.3</b>	<b>131 641.5</b>	<b>11.3%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)		22 570.6	15.8%	21.0%	25 363.9	28 619.8	33 997.3	14.6%	24.5%
Capital and reserves		2 751.9	-0.9%	3.2%	2 751.9	2 751.9	2 751.9	-	2.5%
Capital reserve fund		11 892.3	-	13.6%	11 892.3	11 892.3	11 892.3	-	10.8%
Borrowings		56 749.4	3.1%	60.7%	63 483.9	70 837.4	80 824.8	12.5%	60.5%
Trade and other payables		1 495.2	18.7%	1.3%	1 691.9	1 895.1	2 023.7	10.6%	1.6%
Provisions		127.3	-31.2%	0.2%	138.2	149.5	149.5	5.5%	0.1%
Derivatives financial instruments		2.2	-11.5%	0.0%	2.2	2.2	2.2	-	0.0%
<b>Total equity and liabilities</b>		<b>95 589.0</b>	<b>5.1%</b>	<b>100.0%</b>	<b>105 324.3</b>	<b>116 148.3</b>	<b>131 641.5</b>	<b>11.3%</b>	<b>100.0%</b>

**Personnel information****Table 7.23 Development Bank of Southern Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number						
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22								
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				
Development Bank of Southern Africa	678	678	574	684.8	1.2	678	832.7	1.2	678	944.2	1.4	678	997.7	1.5	678	1 052.5	1.6	8.1%	100.0%	
Salary level																				
1 – 6	52	52	51	10.7	0.2	52	11.1	0.2	52	12.6	0.2	52	13.3	0.3	52	14.0	0.3	8.1%	7.7%	
7 – 10	169	169	167	94.5	0.6	169	95.5	0.6	169	108.3	0.6	169	114.4	0.7	169	120.7	0.7	8.1%	24.9%	
11 – 12	91	91	86	90.9	1.1	91	95.4	1.0	91	108.2	1.2	91	114.3	1.3	91	120.6	1.3	8.1%	13.4%	
13 – 16	348	348	256	438.7	1.7	348	564.8	1.6	348	640.4	1.8	348	676.7	1.9	348	713.9	2.1	8.1%	51.3%	
17 – 22	18	18	14	49.9	3.6	18	65.9	3.7	18	74.8	4.2	18	79.0	4.4	18	83.4	4.6	8.1%	2.7%	

1. Rand million.

**Government Pensions Administration Agency****Mandate**

The Government Pensions Administration Agency provides pension administration services to the Government Employees Pension Fund in terms of the Government Employees Pension Fund Act (1979) and the Associated Institutions Pension Fund Act (1963). Post-retirement medical subsidies are administered as provided for and regulated by the Public Services Bargaining Council resolutions; military pensions are administered in terms of the Military Pensions Act (1976); payments for injuries on duty are administered in terms of the Compensation for Occupational Injuries and Diseases Act (1993); and special pensions are administered in terms of the Special Pensions Act (1996).



**Selected performance indicators****Table 7.24 Government Pensions Administration Agency performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of National Treasury benefits paid within 60 days per year	Benefit administration	Outcome 12: An efficient, effective and development-oriented public service	-1	-1	92% (R2.8bn/R3bn)	85%	85%	90%	100%
Percentage of benefits paid accurately on behalf of National Treasury per year	Benefit administration		-1	-1	99% (R4.5bn/R4.6bn)	85%	90%	95%	100%
Percentage of Government Employees Pension Fund benefits paid within 60 days	Benefit administration		-1	-1	80% (R8.6bn/R10.8bn)	85%	90%	95%	100%
Percentage of Government Employees Pension Fund benefits paid accurately per year	Benefit administration		-1	-1	71% (R89.6bn/R126.2bn)	85%	90%	95%	100%
Percentage of client satisfaction level per year	Benefit administration		-1	-1	94% (235 492/247 915)	94%	96%	97%	100%

1. No historical data available.

**Expenditure analysis**

The Government Pensions Administration Agency will continue to focus on its modernisation project until the project is completed in 2019/20. The project is aimed at improving service delivery by enhancing the agency's IT infrastructure, optimising its office space, and employing new personnel as client service agents. As such, outdated and obsolete systems and applications will be replaced to enhance staff productivity, speed up the processing of claims, and effectively manage pension queries. Core pension administration functions, including benefit payments and membership maintenance processes, are also expected to be improved.

Expenditure is expected to increase at an average annual rate of 1.5 per cent, from R1.1 billion in 2018/19 to R1.2 billion in 2021/22 in line with inflation. Spending on ICT specifically is expected to increase at an average annual rate of 5.5 per cent, from R229 million in 2018/19 to R269 million in 2021/22. Spending on compensation of employees is expected to increase at an average annual rate of 5.2 per cent, from R470 million in 2018/19 to R547.4 million in 2021/22, as the modernisation project is expected to bring about efficiencies and a less labour-intensive workplace. The number of employees in filled positions is expected to remain at 1 047 over the medium term, but will be revised once the agency's organisational restructuring process is finalised.

The agency receives 93.8 per cent (R3.5 billion) of its revenue from the Government Employees Pension Fund and the remaining 6.2 per cent (R231.6 million) through transfers from the department. Revenue is expected to increase at an average annual rate of 5.7 per cent, from R1.1 billion in 2018/19 to R1.3 billion in 2021/22, to allow for the completion of the modernisation project.

**Programmes/Objectives/Activities****Table 7.25 Government Pensions Administration Agency expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	532.2	578.1	561.0	768.4	13.0%	62.6%	706.7	780.1	822.0	2.3%	68.7%
Benefit administration	331.3	330.2	420.6	365.0	3.3%	37.4%	329.4	344.5	364.7	-0.0%	31.3%
<b>Total</b>	<b>863.5</b>	<b>908.3</b>	<b>981.5</b>	<b>1 133.4</b>	<b>9.5%</b>	<b>100.0%</b>	<b>1 036.2</b>	<b>1 124.6</b>	<b>1 186.7</b>	<b>1.5%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

Table 7.26 Government Pensions Administration Agency statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
<b>Revenue</b>									
<b>Non-tax revenue</b>	1 388.5	949.1	1 219.4	941.7	1 074.4	981.1	1 135.2	1 135.2	83.2%
Sale of goods and services other than capital assets	1 388.5	947.6	1 219.4	939.6	1 074.4	978.6	1 135.2	1 135.2	83.1%
<i>of which:</i>									
Administrative fees	1 388.5	947.6	1 219.4	939.6	1 074.4	978.6	1 135.2	1 135.2	83.1%
Other non-tax revenue	-	1.5	-	2.1	-	2.4	-	-	-
<b>Total revenue</b>	<b>1 388.5</b>	<b>949.1</b>	<b>1 219.4</b>	<b>941.7</b>	<b>1 074.4</b>	<b>981.1</b>	<b>1 135.2</b>	<b>1 135.2</b>	<b>83.2%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 388.5</b>	<b>863.5</b>	<b>1 219.4</b>	<b>908.3</b>	<b>1 074.4</b>	<b>981.5</b>	<b>1 135.2</b>	<b>1 133.4</b>	<b>80.7%</b>
Compensation of employees	481.7	433.9	484.9	458.6	513.6	481.0	525.5	470.0	91.9%
Goods and services	785.2	395.7	608.1	378.5	485.8	406.8	609.8	605.6	71.8%
Depreciation	121.6	33.8	126.4	71.2	75.0	93.7	-	57.8	79.4%
<b>Total expenses</b>	<b>1 388.5</b>	<b>863.5</b>	<b>1 219.4</b>	<b>908.3</b>	<b>1 074.4</b>	<b>981.5</b>	<b>1 135.2</b>	<b>1 133.4</b>	<b>80.7%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>86.0</b>	<b>-</b>	<b>33.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	69.6	347.0	71.6	390.7	202.8	379.4	311.5	395.7	230.8%
<i>of which:</i>									
Acquisition of assets	(69.6)	(131.3)	(146.7)	(95.2)	(75.0)	(82.3)	(68.8)	(69.3)	105.0%
Inventory	1.4	1.1	1.1	0.5	1.4	0.6	2.5	0.6	45.6%
Receivables and prepayments	15.8	140.3	14.8	94.7	15.3	77.9	12.6	77.8	668.1%
Cash and cash equivalents	12.6	17.8	12.0	36.9	11.1	42.3	10.3	42.3	302.8%
<b>Total assets</b>	<b>99.4</b>	<b>506.2</b>	<b>99.5</b>	<b>522.9</b>	<b>230.6</b>	<b>500.1</b>	<b>336.8</b>	<b>516.4</b>	<b>266.9%</b>
Accumulated surplus/(deficit)	5.8	365.6	5.8	395.4	112.9	394.9	226.9	411.2	445.9%
Trade and other payables	71.0	105.1	71.2	93.7	75.2	68.2	71.5	68.2	116.1%
Provisions	22.5	35.5	22.5	33.8	42.5	37.0	38.4	37.0	113.6%
<b>Total equity and liabilities</b>	<b>99.4</b>	<b>506.2</b>	<b>99.5</b>	<b>522.9</b>	<b>230.6</b>	<b>500.1</b>	<b>336.8</b>	<b>516.4</b>	<b>266.9%</b>

## Statements of estimates of financial performance and position

Table 7.27 Government Pensions Administration Agency statements of estimates of financial performance and position

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
<b>Revenue</b>									
<b>Non-tax revenue</b>	1 135.2	6.2%	100.0%	1 142.5	1 266.6	1 339.2	5.7%	100.0%	
Sale of goods and services other than capital assets	1 135.2	6.2%	99.8%	1 142.5	1 266.6	1 339.2	5.7%	100.0%	
<i>of which:</i>									
Administrative fees	1 135.2	6.2%	99.8%	1 142.5	1 266.6	1 339.2	5.7%	100.0%	
<b>Total revenue</b>	<b>1 135.2</b>	<b>6.2%</b>	<b>100.0%</b>	<b>1 142.5</b>	<b>1 266.6</b>	<b>1 339.2</b>	<b>5.7%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 133.4</b>	<b>9.5%</b>	<b>100.0%</b>	<b>1 036.2</b>	<b>1 124.6</b>	<b>1 186.7</b>	<b>1.5%</b>	<b>100.0%</b>	
Compensation of employees	470.0	2.7%	47.8%	499.4	516.7	547.4	5.2%	45.4%	
Goods and services	605.6	15.2%	45.6%	483.5	587.4	617.8	0.7%	51.1%	
Depreciation	57.8	19.5%	6.6%	53.2	20.5	21.6	-28.0%	3.5%	
<b>Total expenses</b>	<b>1 133.4</b>	<b>9.5%</b>	<b>100.0%</b>	<b>1 036.2</b>	<b>1 124.6</b>	<b>1 186.7</b>	<b>1.5%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>2.0</b>			<b>106.0</b>	<b>142.0</b>	<b>152.0</b>			
<b>Statement of financial position</b>									
Carrying value of assets	395.7	4.5%	73.9%	395.7	395.7	395.7	-	76.6%	
<i>of which:</i>									
Acquisition of assets	(69.3)	-19.2%	-18.5%	(64.9)	(46.2)	(21.6)	-32.2%	-9.8%	
Inventory	0.6	-18.4%	0.1%	0.6	0.6	0.6	-	0.1%	
Receivables and prepayments	77.8	-17.8%	19.1%	77.8	77.8	77.8	-	15.1%	
Cash and cash equivalents	42.3	33.5%	6.8%	42.3	42.3	42.3	-	8.2%	
<b>Total assets</b>	<b>516.4</b>	<b>0.7%</b>	<b>100.0%</b>	<b>516.4</b>	<b>516.4</b>	<b>516.4</b>	<b>-</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	411.2	4.0%	76.6%	411.2	411.2	411.2	-	79.6%	
Trade and other payables	68.2	-13.4%	16.4%	68.2	68.2	68.2	-	13.2%	
Provisions	37.0	1.4%	7.0%	37.0	37.0	37.0	-	7.2%	
<b>Total equity and liabilities</b>	<b>516.4</b>	<b>0.7%</b>	<b>100.0%</b>	<b>516.4</b>	<b>516.4</b>	<b>516.4</b>	<b>-</b>	<b>100.0%</b>	

## Personnel information

**Table 7.28 Government Pensions Administration Agency personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019			Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
Government Pensions Administration Agency			1 047	481.0	0.5	1 047	470.0	0.4	1 047	499.4	0.5	1 047	516.7	0.5	1 047	547.4	0.5	5.2%	100.0%
Salary level	1 136	1 136	1 047	481.0	0.5	1 047	470.0	0.4	1 047	499.4	0.5	1 047	516.7	0.5	1 047	547.4	0.5	5.2%	100.0%
1 – 6	632	632	581	213.7	0.4	581	171.3	0.3	581	180.3	0.3	581	185.3	0.3	581	192.6	0.3	4.0%	55.5%
7 – 10	362	362	346	142.7	0.4	346	160.1	0.5	346	175.2	0.5	346	180.6	0.5	346	196.4	0.6	7.1%	33.0%
11 – 12	92	92	78	78.1	1.0	78	80.8	1.0	78	82.6	1.1	78	86.7	1.1	78	91.1	1.2	4.1%	7.4%
13 – 16	50	50	42	46.5	1.1	42	57.9	1.4	42	61.4	1.5	42	64.1	1.5	42	67.3	1.6	5.2%	4.0%

1. Rand million.

## Land and Agricultural Development Bank of South Africa

### Mandate

The Land and Agricultural Development Bank of South Africa operates in the primary agriculture and agri-business sectors, and is regulated by the Land and Agricultural Development Bank Act (2002) and the Public Finance Management Act (1999). As a development finance institution, its mandate is to address agricultural and rural development in South Africa.

### Selected performance indicators

**Table 7.29 Land and Agricultural Development Bank of South Africa performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Cost-to-income ratio	Administration	Outcome 7: Comprehensive rural development and land reform	56% (R677.9m/R1.2bn)	54.4% (R564m/R1bn)	60.5% (R628.7m/R1bn)	54.9%	52.7%	53.2%	53.2%
Capital adequacy ratio	Administration		34%	18%	17%	16%	16%	16%	16%
Value of development loan book disbursements	Administration		R700m	R2.2bn	R1.6bn	R1bn	R1.4bn	R1.8bn	R2bn
Value of business and corporate banking loans	Corporate banking		R34.4m	R36.1m	R35m	R36.1m	R37.8m	R40m	R42.3m
Value of development loan book disbursements	Corporate banking		R370m	R388.4m	R408m	R428.6m	R428.6m	R452.1m	R465m
Value of commercial development banking	Commercial development banking		- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	R8.2bn	R8.4bn	R8.7bn	R9bn

1. No historical data available.

### Expenditure analysis

In its ongoing effort to facilitate the entry of a generation of black agri-entrepreneurs into the sector, over the medium term, the Land and Agricultural Development Bank of South Africa will focus on growing its loan book and, in doing so: create appropriate equity investment structures and opportunities, enable existing farmers to undertake transformational projects to grow their enterprises, increase funding for agro-processing, and continue to help small agri-businesses access supplier and enterprise development programmes to expand their operations.

The bank expects to continue to grow its loan book in line with its balance sheet capacity, thereby ensuring that the quality of loans is maintained. As such, total gross loans are projected to increase from R45.6 billion in 2018/19 to R51 billion in 2021/22.

Total expenditure is expected to increase at an average annual rate of 3.6 per cent, from R4.7 billion in 2018/19 to R5.2 billion in 2021/22. Interest expenses related to funding liabilities are expected to increase at an average annual rate of 3.8 per cent, from R3.6 billion in 2018/19 to R4 billion in 2021/22. With the implementation of a new organisational structure, the bank's number of personnel is expected to decrease from 455 in 2018/19 to

425 in 2021/22. However, spending on compensation of employees is expected to increase at an average annual rate of 7 per cent, from R396.8 million in 2018/19 to R486.2 million in 2021/22, due to cost of living adjustments and increases in salaries as a result of promotions.

Interest income, which accounts for an estimated 97.4 per cent of the bank's revenue, is expected to increase at an average annual rate of 4.2 per cent, from R4.8 billion in 2018/19 to R5.4 billion in 2021/22, in line with projected growth in the loan book.

### Programmes/Objectives/Activities

**Table 7.30 Land and Agricultural Development Bank of South Africa expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	566.0	576.4	628.7	618.1	3.0%	14.2%	640.1	669.5	708.5	4.7%	13.4%
Corporate banking	2 507.0	2 867.8	1 309.0	1 139.0	-23.1%	48.4%	1 201.0	1 242.3	1 314.8	4.9%	24.9%
Commercial development banking	489.9	570.6	2 816.5	2 911.0	81.1%	37.4%	2 970.1	3 049.3	3 166.8	2.8%	61.6%
<b>Total</b>	<b>3 562.8</b>	<b>4 014.8</b>	<b>4 754.2</b>	<b>4 668.1</b>	<b>9.4%</b>	<b>100.0%</b>	<b>4 811.2</b>	<b>4 961.1</b>	<b>5 190.1</b>	<b>3.6%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 7.31 Land and Agricultural Development Bank of South Africa statements of historical financial performance and position**

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%) 2015/16 - 2018/19
	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>3 636.9</b>	<b>3 634.6</b>	<b>4 150.5</b>	<b>4 320.6</b>	<b>4 886.3</b>	<b>4 936.5</b>	<b>5 101.8</b>	<b>4 891.2</b>	<b>100.0%</b>
Sale of goods and services other than capital assets	15.8	59.4	123.9	69.9	104.3	89.0	116.4	109.7	91.0%
<i>of which:</i>									
Administrative fees	–	42.1	111.6	39.6	81.5	55.5	93.6	80.9	76.1%
Sales by market establishment	15.8	17.3	12.3	30.3	22.9	33.5	22.9	28.9	149.0%
Other non-tax revenue	3 621.1	3 575.2	4 026.6	4 250.6	4 782.0	4 847.5	4 985.4	4 781.4	100.2%
<b>Total revenue</b>	<b>3 636.9</b>	<b>3 634.6</b>	<b>4 150.5</b>	<b>4 320.6</b>	<b>4 886.3</b>	<b>4 936.5</b>	<b>5 101.8</b>	<b>4 891.2</b>	<b>100.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>3 116.0</b>	<b>3 508.5</b>	<b>3 876.5</b>	<b>3 945.9</b>	<b>4 571.8</b>	<b>4 685.2</b>	<b>4 769.5</b>	<b>4 589.7</b>	<b>102.4%</b>
Compensation of employees	351.8	318.0	404.3	331.9	394.0	341.6	424.7	396.8	88.2%
Goods and services	264.8	692.8	663.8	575.3	463.3	564.3	502.9	595.4	128.1%
Depreciation	12.1	15.0	9.8	9.8	22.8	22.8	16.7	16.7	104.7%
Interest, dividends and rent on land	2 487.3	2 482.7	2 798.6	3 028.9	3 691.8	3 756.5	3 825.2	3 580.7	100.4%
<b>Total expenses</b>	<b>3 162.2</b>	<b>3 562.8</b>	<b>3 922.3</b>	<b>4 014.8</b>	<b>4 641.9</b>	<b>4 754.2</b>	<b>4 842.5</b>	<b>4 668.1</b>	<b>102.6%</b>
<b>Surplus/(Deficit)</b>	<b>475.0</b>	<b>72.0</b>	<b>228.0</b>	<b>306.0</b>	<b>244.0</b>	<b>182.0</b>	<b>259.0</b>	<b>223.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	213.9	224.7	253.4	240.1	258.8	369.5	245.6	251.1	111.7%
<i>of which:</i>									
Acquisition of assets	(5.8)	(5.8)	(51.1)	(24.5)	(2.5)	(1.7)	(1.2)	(1.2)	54.7%
Investments	440.5	572.5	612.2	1 328.9	1 365.8	1 572.5	1 906.8	2 485.8	137.8%
Receivables and prepayments	40 068.4	36 834.0	41 800.0	40 975.6	39 645.8	43 418.5	40 840.9	41 995.3	100.5%
Cash and cash equivalents	1 400.0	2 120.6	1 842.9	1 211.3	3 031.9	2 362.1	2 897.2	3 418.9	99.4%
Non-current assets held for sale	53.6	47.6	50.0	48.0	49.6	10.1	49.6	–	52.1%
Derivatives financial instruments	–	–	–	15.1	–	–	–	–	–
<b>Total assets</b>	<b>42 176.3</b>	<b>39 799.5</b>	<b>44 558.5</b>	<b>43 819.0</b>	<b>44 352.0</b>	<b>47 732.6</b>	<b>45 940.2</b>	<b>48 151.2</b>	<b>101.4%</b>
Accumulated surplus/(deficit)	1 923.0	3 157.1	3 427.3	3 460.5	4 402.9	3 679.3	4 804.0	3 960.2	97.9%
Capital and reserves	134.8	135.1	134.8	137.5	134.8	101.0	134.8	101.0	88.0%
Capital reserve fund	4 397.7	1 766.6	1 766.6	1 766.6	1 766.6	1 766.6	833.3	1 766.6	80.6%
Borrowings	6 940.2	4 661.3	7 750.0	5 162.3	6 800.0	5 820.7	7 845.3	6 250.3	74.6%
Trade and other payables	365.4	188.2	201.4	164.0	343.0	160.7	354.5	324.0	66.2%
Provisions	742.0	528.4	535.2	445.3	537.8	448.7	587.4	596.1	84.0%
Derivatives financial instruments	27 673.4	29 362.8	30 743.3	32 682.8	30 366.8	35 755.6	31 381.0	35 153.0	110.6%
<b>Total equity and liabilities</b>	<b>42 176.3</b>	<b>39 799.5</b>	<b>44 558.5</b>	<b>43 819.0</b>	<b>44 352.0</b>	<b>47 732.6</b>	<b>45 940.2</b>	<b>48 151.2</b>	<b>101.4%</b>

## Statements of estimates of financial performance and position

**Table 7.32 Land and Agricultural Development Bank of South Africa statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
R million								
<b>Revenue</b>								
Non-tax revenue	4 891.2	10.4%	100.0%	5 055.4	5 267.6	5 550.7	4.3%	100.0%
Sale of goods and services other than capital assets	109.7	22.7%	1.8%	128.4	140.2	143.8	9.4%	2.5%
<i>of which:</i>								
Administrative fees	80.9	24.3%	1.2%	97.3	106.8	107.9	10.1%	1.9%
Sales by market establishment	28.9	18.7%	0.6%	31.1	33.4	35.9	7.5%	0.6%
Other non-tax revenue	4 781.4	10.2%	98.2%	4 927.1	5 127.4	5 406.9	4.2%	97.5%
<b>Total revenue</b>	<b>4 891.2</b>	<b>10.4%</b>	<b>100.0%</b>	<b>5 055.4</b>	<b>5 267.6</b>	<b>5 550.7</b>	<b>4.3%</b>	<b>100.0%</b>
<b>Expenses</b>								
Current expenses	4 589.7	9.4%	98.4%	4 729.1	4 874.1	5 098.0	3.6%	98.3%
Compensation of employees	396.8	7.7%	8.2%	424.6	454.4	486.2	7.0%	9.0%
Goods and services	595.4	-4.9%	14.6%	616.1	642.2	603.5	0.4%	12.5%
Depreciation	16.7	3.6%	0.4%	12.4	-	-	-100.0%	0.2%
Interest, dividends and rent on land	3 580.7	13.0%	75.2%	3 676.0	3 777.6	4 008.3	3.8%	76.6%
<b>Total expenses</b>	<b>4 668.1</b>	<b>9.4%</b>	<b>100.0%</b>	<b>4 811.2</b>	<b>4 961.1</b>	<b>5 190.1</b>	<b>3.6%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>223.0</b>			<b>244.0</b>	<b>307.0</b>	<b>361.0</b>		
<b>Statement of financial position</b>								
Carrying value of assets	251.1	3.8%	0.6%	259.5	269.8	282.0	3.9%	0.5%
<i>of which:</i>								
Acquisition of assets	(1.2)	-41.3%	-0.0%	(0.9)	(0.9)	(0.9)	-7.4%	-0.0%
Investments	2 485.8	63.1%	3.2%	3 100.0	3 190.9	3 273.0	9.6%	5.9%
Receivables and prepayments	41 995.3	4.5%	91.1%	44 963.6	46 408.0	47 885.1	4.5%	89.6%
Cash and cash equivalents	3 418.9	17.3%	5.0%	710.9	1 948.6	1 900.0	-17.8%	4.0%
<b>Total assets</b>	<b>48 151.2</b>	<b>6.6%</b>	<b>100.0%</b>	<b>49 034.0</b>	<b>51 817.4</b>	<b>53 340.1</b>	<b>3.5%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	3 960.2	7.8%	7.9%	4 352.9	4 818.5	5 327.2	10.4%	9.1%
Capital and reserves	101.0	-9.2%	0.3%	101.0	101.0	101.0	-	0.2%
Capital reserve fund	1 766.6	-	4.0%	1 766.6	1 766.6	1 766.6	-	3.5%
Borrowings	6 250.3	10.3%	12.2%	5 518.0	5 696.4	5 702.6	-3.0%	11.5%
Trade and other payables	324.0	19.9%	0.5%	328.6	347.7	356.5	3.2%	0.7%
Provisions	596.1	4.1%	1.1%	646.6	693.8	745.1	7.7%	1.3%
Derivatives financial instruments	35 153.0	6.2%	74.1%	36 320.3	38 393.4	39 341.2	3.8%	73.7%
<b>Total equity and liabilities</b>	<b>48 151.2</b>	<b>6.6%</b>	<b>100.0%</b>	<b>49 034.0</b>	<b>51 817.4</b>	<b>53 340.1</b>	<b>3.5%</b>	<b>100.0%</b>

## Personnel information

**Table 7.33 Land and Agricultural Development Bank of South Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18	2018/19	2019/20	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22										
Land and Agricultural Development Bank of South Africa																			
Salary level	455	455	411	341.6	0.8	455	396.8	0.9	425	424.6	1.0	425	454.4	1.1	425	486.2	1.1	7.0%	100.0%
1-6	33	33	33	5.2	0.2	33	5.4	0.2	33	5.8	0.2	33	6.2	0.2	33	6.6	0.2	7.1%	7.6%
7-10	308	308	274	189.1	0.7	308	218.4	0.7	288	233.8	0.8	288	250.4	0.9	288	268.1	0.9	7.1%	67.7%
13-16	105	105	95	121.5	1.3	105	144.2	1.4	95	154.4	1.6	95	165.3	1.7	95	177.0	1.9	7.1%	22.5%
17-22	9	9	9	25.8	2.9	9	28.9	3.2	9	30.6	3.4	9	32.5	3.6	9	34.4	3.8	6.0%	2.1%

1. Rand million.

## Public Investment Corporation

### Mandate

The Public Investment Corporation was established by the Public Investment Corporation Act (2004). The corporation is a registered financial services provider, wholly owned by government, with the Minister of Finance as shareholder representative. The corporation is mandated to invest funds on behalf of its clients based on the investment mandates, as agreed on with each client and approved by the Financial Services Board. The corporation's clients are public entities, most of which are pension, provident, social security, development and guardian funds.

### Selected performance indicators

**Table 7.34 Public Investment Corporation performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Value of net profit after tax per year	Investments	Outcome 11: Create a better South Africa, a better Africa and a better world	R424m	R533m	R417m	R388m	R427m	R451m	R254m
Total amount of funds under management	Investments		R1.7tr	R1.9tr	R2.1tr	R2.1tr	R2.3tr	R2.4tr	R2.6tr
Percentage contribution of assets under management towards education, housing, health, infrastructure and environmental sustainability per year	Investments		2.5% (R63.7bn)	2.5% (R46bn)	2.6% (R48.6bn)	-1	-1	-1	-1
Percentage increase in African and offshore investment portfolios per year	Investments		15.7% (R16.9bn)	13.8% (R14.9bn)	14.5% (R15.6bn)	-1	-1	-1	-1
Amounts committed towards BEE development property investments (new developments, refurbishments and upgrades, and rural development investment) per year	Investments	Outcome 4: Decent employment through inclusive growth	R2bn	R2bn	R2bn	-1	-1	-1	-1

1. Indicator discontinued.

### Expenditure analysis

The Public Investment Corporation makes investments through the Isibaya Fund under the guidance of the Government Employees Pension Fund's developmental investment framework. This requires the corporation to find a balance between financial returns, and support for long-term economic, social and environmental outcomes. The corporation's developmental investments are focused on economic and social infrastructure; sustainability projects; enterprise development; and SMMEs in the manufacturing, tourism, mining and agro-processing sectors. Over the medium term, the corporation plans to commit R9 billion towards development property investments, including new developments, refurbishments and upgrades, and rural development investments. The value of African and offshore investments is expected to increase to R15.6 billion in 2017/18, while contributions to education, health, housing, infrastructure and environmental sustainability, SMMEs, and investments in priority sectors and transformation are expected to amount to R10 billion per year over the medium term.

As the corporation intensifies its investment activities, the value of assets under management is expected to increase from R2.1 trillion in 2018/19 to R2.6 trillion in 2021/22. This necessitates the appointment of additional asset managers to strengthen capacity. As such, spending on compensation of employees is expected to increase at an average annual rate of 8.8 per cent, from R762.9 million in 2018/19 to R981.9 million in 2021/22. Spending on compensation of employees accounts for a projected 63.5 per cent (R2.7 billion) of total expenditure, which is expected to increase at an average annual rate of 9.1 per cent, from R1.2 billion in 2018/19 to R1.5 billion in 2021/22.

The corporation derives its revenue mainly from fees for managing its clients' assets, including the Government Employees Pension Fund, and from interest received, board fees, and other income. Revenue is expected to increase at an average annual rate of 6.2 per cent, from R1.5 billion in 2018/19 to R1.8 billion in 2021/22, mainly due to an anticipated increase in management fees, growth in the equities portfolio, and an increase in assets under management for the consumer price index.

### Programmes/Objectives/Activities

**Table 7.35 Public Investment Corporation expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	325.1	430.3	439.7	503.7	15.7%	45.7%	542.0	581.1	629.4	7.7%	41.4%
Investments	399.1	368.9	625.5	678.2	19.3%	54.3%	780.0	831.2	905.7	10.1%	58.6%
<b>Total</b>	<b>724.2</b>	<b>799.3</b>	<b>1 065.2</b>	<b>1 182.0</b>	<b>17.7%</b>	<b>100.0%</b>	<b>1 322.1</b>	<b>1 412.4</b>	<b>1 535.0</b>	<b>9.1%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

### Table 7.36 Public Investment Corporation statements of historical financial performance and position

Statement of financial performance									
R million	2015/16		2016/17		2017/18		2018/19		Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>1 186.7</b>	<b>1 147.9</b>	<b>1 481.2</b>	<b>1 331.7</b>	<b>1 545.8</b>	<b>1 482.3</b>	<b>1 575.5</b>	<b>1 495.7</b>	<b>94.3%</b>
Sale of goods and services other than capital assets	1 088.7	1 010.7	1 367.3	1 112.9	1 425.0	1 224.5	1 447.5	1 288.1	87.0%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>1 088.7</i>	<i>1 010.7</i>	<i>1 367.3</i>	<i>1 112.9</i>	<i>1 425.0</i>	<i>1 224.5</i>	<i>1 447.5</i>	<i>1 288.1</i>	<i>87.0%</i>
Other non-tax revenue	98.0	137.2	113.9	218.9	120.8	257.9	128.0	207.6	178.3%
<b>Total revenue</b>	<b>1 186.7</b>	<b>1 147.9</b>	<b>1 481.2</b>	<b>1 331.7</b>	<b>1 545.8</b>	<b>1 482.3</b>	<b>1 575.5</b>	<b>1 495.7</b>	<b>94.3%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>874.2</b>	<b>563.2</b>	<b>973.1</b>	<b>611.9</b>	<b>1 080.7</b>	<b>887.7</b>	<b>1 116.1</b>	<b>1 078.1</b>	<b>77.7%</b>
Compensation of employees	598.8	411.1	694.9	440.3	728.1	548.9	761.6	762.9	77.7%
Goods and services	252.6	129.3	248.5	161.1	319.9	319.1	320.3	300.2	79.7%
Depreciation	22.8	22.8	29.6	10.5	32.7	19.7	34.2	15.0	57.0%
<b>Total expenses</b>	<b>934.8</b>	<b>724.2</b>	<b>1 066.3</b>	<b>799.3</b>	<b>1 162.0</b>	<b>1 065.2</b>	<b>1 248.1</b>	<b>1 182.0</b>	<b>85.5%</b>
<b>Surplus/(Deficit)</b>	<b>252.0</b>	<b>424.0</b>	<b>415.0</b>	<b>532.0</b>	<b>384.0</b>	<b>417.0</b>	<b>327.0</b>	<b>314.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	97.5	19.1	122.5	69.1	96.9	98.8	101.3	173.1	86.1%
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(56.0)</i>	<i>(5.1)</i>	<i>(49.9)</i>	<i>(6.4)</i>	<i>(56.6)</i>	<i>(104.1)</i>	<i>(59.2)</i>	<i>(101.5)</i>	<i>98.0%</i>
Investments	1 058.3	1 238.3	1 183.7	2 006.0	1 254.3	2 350.5	1 312.0	2 813.3	174.9%
Receivables and prepayments	105.8	122.2	112.1	79.5	118.8	95.6	124.3	267.6	122.5%
Cash and cash equivalents	465.2	605.5	561.4	403.2	732.7	299.8	766.4	305.6	63.9%
Taxation	7.2	89.8	7.6	107.9	8.0	100.2	8.4	87.9	1 237.0%
<b>Total assets</b>	<b>1 734.0</b>	<b>2 075.0</b>	<b>1 987.3</b>	<b>2 665.7</b>	<b>2 210.8</b>	<b>2 944.9</b>	<b>2 312.5</b>	<b>3 647.6</b>	<b>137.5%</b>
Accumulated surplus/(deficit)	1 227.6	1 309.6	1 467.4	1 666.3	1 676.5	1 890.4	1 753.6	2 189.2	115.2%
Capital and reserves	279.8	397.4	279.8	553.7	279.8	680.8	292.7	931.9	226.4%
Finance lease	0.0	0.6	0.0	0.7	0.0	1.2	0.0	1.6	4 346.3%
Trade and other payables	30.3	51.2	32.2	105.4	34.1	41.8	35.6	73.4	205.6%
Taxation	-	4.6	-	-	-	-	-	94.3	-
Provisions	196.1	311.6	207.9	339.6	220.4	330.7	230.5	357.2	156.6%
<b>Total equity and liabilities</b>	<b>1 734.0</b>	<b>2 075.0</b>	<b>1 987.3</b>	<b>2 665.7</b>	<b>2 210.8</b>	<b>2 944.9</b>	<b>2 312.5</b>	<b>3 647.6</b>	<b>137.5%</b>

## Statements of estimates of financial performance and position

### Table 7.37 Public Investment Corporation statements of estimates of financial performance and position

Statement of financial performance									
R million	Revised estimate	Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)	
				2019/20	2020/21	2021/22			
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>1 495.7</b>	<b>9.2%</b>	<b>100.0%</b>	<b>1 632.5</b>	<b>1 652.2</b>	<b>1 789.3</b>	<b>6.2%</b>	<b>100.0%</b>	
Sale of goods and services other than capital assets	1 288.1	8.4%	85.1%	1 404.5	1 409.9	1 527.0	5.8%	85.7%	
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>1 288.1</i>	<i>8.4%</i>	<i>85.1%</i>	<i>1 404.5</i>	<i>1 409.9</i>	<i>1 527.0</i>	<i>5.8%</i>	<i>85.7%</i>	
Other non-tax revenue	207.6	14.8%	14.9%	228.0	242.2	262.4	8.1%	14.3%	
<b>Total revenue</b>	<b>1 495.7</b>	<b>9.2%</b>	<b>100.0%</b>	<b>1 632.5</b>	<b>1 652.2</b>	<b>1 789.3</b>	<b>6.2%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 078.1</b>	<b>24.2%</b>	<b>82.2%</b>	<b>1 201.3</b>	<b>1 321.0</b>	<b>1 436.1</b>	<b>10.0%</b>	<b>92.3%</b>	
Compensation of employees	762.9	22.9%	57.0%	811.1	906.7	981.9	8.8%	63.5%	
Goods and services	300.2	32.4%	23.3%	374.3	397.4	435.8	13.2%	27.6%	
Depreciation	15.0	-13.0%	1.9%	15.9	16.9	18.3	6.9%	1.2%	
<b>Total expenses</b>	<b>1 182.0</b>	<b>17.7%</b>	<b>100.0%</b>	<b>1 322.1</b>	<b>1 412.4</b>	<b>1 535.0</b>	<b>9.1%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>314.0</b>			<b>310.0</b>	<b>240.0</b>	<b>254.0</b>			
<b>Statement of financial position</b>									
Carrying value of assets	173.1	108.6%	2.9%	286.3	295.7	306.0	20.9%	6.4%	
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(101.5)</i>	<i>171.6%</i>	<i>-1.7%</i>	<i>(24.7)</i>	<i>(21.5)</i>	<i>(23.2)</i>	<i>-38.8%</i>	<i>-1.1%</i>	
Investments	2 813.3	31.5%	73.0%	2 982.1	3 160.6	3 350.3	6.0%	75.0%	
Receivables and prepayments	267.6	29.9%	4.9%	283.7	299.8	315.9	5.7%	7.1%	
Cash and cash equivalents	305.6	-20.4%	15.7%	514.4	444.4	243.8	-7.3%	9.2%	
Taxation	87.9	-0.7%	3.5%	93.1	98.7	104.7	6.0%	2.3%	
<b>Total assets</b>	<b>3 647.6</b>	<b>20.7%</b>	<b>100.0%</b>	<b>4 159.6</b>	<b>4 299.3</b>	<b>4 320.6</b>	<b>5.8%</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	2 189.2	18.7%	62.5%	2 196.3	2 218.1	2 120.7	-1.1%	53.4%	
Capital and reserves	931.9	32.9%	22.1%	1 438.7	1 525.0	1 616.5	20.2%	33.3%	
Finance lease	1.6	38.6%	0.0%	0.3	0.3	0.3	-40.2%	0.0%	
Trade and other payables	73.4	12.7%	2.5%	46.0	48.7	51.7	-11.0%	1.4%	
Taxation	94.3	173.9%	0.7%	99.9	105.9	106.2	4.0%	2.5%	
Provisions	357.2	4.7%	12.2%	378.4	401.1	425.2	6.0%	9.5%	
<b>Total equity and liabilities</b>	<b>3 647.6</b>	<b>20.7%</b>	<b>100.0%</b>	<b>4 159.6</b>	<b>4 299.3</b>	<b>4 320.6</b>	<b>5.8%</b>	<b>100.0%</b>	

**Personnel information**

**Table 7.38 Public Investment Corporation personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment															Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost			2021/22		2018/19 - 2021/22		
Public Investment Corporation	Salary level	Number	Cost		Unit cost	Number		Cost	Unit cost		Number	Cost		Unit cost	Number	Cost	Unit cost		Number	Cost
		394	394	367	549.0	1.5	394	762.9	1.9	370	811.1	2.2	370	906.7	2.5	370	981.9	2.7	8.8%	100.0%
1 – 6	13	13	13	2.1	0.2	13	5.1	0.4	13	3.2	0.2	13	3.6	0.3	13	3.9	0.3	-8.5%	3.5%	
7 – 10	164	164	155	73.4	0.5	164	210.4	1.3	155	221.0	1.4	155	251.0	1.6	155	273.9	1.8	9.2%	41.8%	
11 – 12	50	50	47	73.2	1.6	50	50.2	1.0	50	61.5	1.2	50	69.8	1.4	50	76.2	1.5	15.0%	13.3%	
13 – 16	129	129	114	242.8	2.1	129	306.0	2.4	114	350.0	3.1	114	397.5	3.5	114	433.8	3.8	12.3%	31.3%	
17 – 22	38	38	38	157.4	4.1	38	191.2	5.0	38	175.4	4.6	38	184.8	4.9	38	194.2	5.1	0.5%	10.1%	

1. Rand million.

**South African Revenue Service**

**Mandate**

In terms of the South African Revenue Service Act (1997), the South African Revenue Service is mandated to collect all revenues due to the state and administer trade to support government in meeting its key growth developmental objectives. This involves facilitating legitimate trade, protecting South African ports of entry, and eliminating illegal trade and tax evasion. The organisation’s purpose is to contribute to the economic and social development of the country by collecting the resources needed by government to meet its policy and delivery priorities.

**Selected performance indicators**

**Table 7.39 South African Revenue Service performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of compliance of personal income tax filing per year	Business and individual tax	Outcome 12: An efficient, effective and development-oriented public service	92% (R4.2m/R4.6m)	91.5% (R5.2m/R5.7m)	94% (R5.3m/R5.6m)	92%	92%	92%	92%
Percentage uptake of personal income tax eFiling channel per year	Digital information services and technology		- <sup>1</sup> (R2.5m/R4.7m)	53% (R2.5m/R4.7m)	52% (R2.5m/R4.8m)	52%	53%	53%	53%

1. No historical data available.

**Expenditure analysis**

Over the medium term, the South African Revenue Service will continue to focus on providing government with more than 90 per cent of the revenue it requires to meet its objectives. It aims to do this by improving systems to encourage the use of eFiling and improve the experience of taxpayers, monitoring taxpayer compliance, and optimising tax collections. Accordingly, over the MTEF period, the modernisation of the revenue service’s IT infrastructure is expected to result in savings on future maintenance costs and help it keep pace with the evolving tax and customs legislative environment. Modernised IT infrastructure is expected to lead to changes in compliance behaviour, and will be designed to be responsive to the needs and expectations of taxpayers.

The number of personnel is expected to decrease from 13 985 in 2018/19 to 13 333 in 2021/22 due to natural attrition. The revenue service requires a diverse skill set to expand its footprint, improve compliance and revenue collection, and drive focused initiatives. As such, through stringent cost containment measures and reprioritisation within the operational budget, the organisation plans to fill critical vacancies and recruit scarce skills in key areas. Accordingly, spending on compensation of employees is expected to increase at an average annual rate of 5.8 per cent, from R7.4 billion in 2018/19 to R8.8 billion in 2021/22.

Total expenditure is expected to increase at an average annual rate of 4 per cent, from R10.9 billion in 2018/19 to R12.3 billion in 2021/22. Total revenue is expected to increase at an average annual rate of 5.2 per cent, from R9.4 billion in 2018/19 to R11 billion in 2021/22. The revenue service expects to receive R30.3 billion in transfers from National Treasury, comprising an estimated 97 per cent of total revenue.



## Programmes/Objectives/Activities

Table 7.40 South African Revenue Service expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	4 426.2	4 500.6	4 501.7	4 510.5	0.6%	42.0%	4 593.3	4 657.7	4 811.8	2.2%	40.3%
Business and individual tax enforcement	1 596.4	1 775.8	2 306.9	2 254.6	12.2%	18.5%	2 320.8	2 459.7	2 606.9	5.0%	20.9%
Customs and excise	1 691.6	1 647.5	1 291.9	1 376.3	-6.6%	14.1%	1 454.1	1 541.0	1 633.0	5.9%	13.0%
Digital information services and technology	1 070.8	1 190.1	1 275.7	1 277.2	6.1%	11.3%	1 349.3	1 430.3	1 516.3	5.9%	12.1%
Projects	1 166.5	1 278.6	1 306.5	1 319.6	4.2%	11.9%	1 422.8	1 536.4	1 659.6	7.9%	12.9%
Office of the tax ombud	252.9	258.7	62.6	146.7	-16.6%	1.7%	–	–	–	-100.0%	0.3%
African Tax Administration Forum	25.2	29.4	33.9	45.8	22.1%	0.3%	48.5	51.4	54.5	5.9%	0.4%
Davis tax committee	13.1	13.6	14.5	12.1	-2.6%	0.1%	12.8	13.5	14.2	5.4%	0.1%
South African Revenue Service advisory board	2.9	1.7	1.1	0.0	-81.6%	0.0%	0.0	0.0	0.0	5.4%	0.0%
	1.0	0.0	–	–	-100.0%	0.0%	–	–	–	–	–
<b>Total</b>	<b>10 246.6</b>	<b>10 696.0</b>	<b>10 794.9</b>	<b>10 942.9</b>	<b>2.2%</b>	<b>100.0%</b>	<b>11 201.5</b>	<b>11 689.9</b>	<b>12 296.4</b>	<b>4.0%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

Table 7.41 South African Revenue Service statements of historical financial performance and position

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>473.9</b>	<b>565.0</b>	<b>535.6</b>	<b>1 185.4</b>	<b>469.2</b>	<b>548.6</b>	<b>307.8</b>	<b>427.8</b>	<b>152.6%</b>
Sale of goods and services other than capital assets	297.4	320.5	305.6	925.1	308.6	346.3	307.8	307.8	155.8%
<i>of which:</i>									
Administrative fees	297.4	320.5	305.6	925.1	308.6	346.3	307.8	307.8	155.8%
Other non-tax revenue	176.4	244.5	230.0	260.2	160.6	202.3	–	120.0	145.9%
<b>Transfers received</b>	<b>9 334.4</b>	<b>9 334.4</b>	<b>9 363.7</b>	<b>10 009.2</b>	<b>10 218.2</b>	<b>10 218.2</b>	<b>9 007.2</b>	<b>9 007.2</b>	<b>101.7%</b>
<b>Total revenue</b>	<b>9 808.3</b>	<b>9 899.4</b>	<b>9 899.3</b>	<b>11 194.5</b>	<b>10 687.4</b>	<b>10 766.8</b>	<b>9 315.0</b>	<b>9 435.0</b>	<b>104.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>10 740.0</b>	<b>10 246.6</b>	<b>11 317.6</b>	<b>10 696.0</b>	<b>11 711.9</b>	<b>10 794.9</b>	<b>10 764.1</b>	<b>10 942.9</b>	<b>95.8%</b>
Compensation of employees	6 718.8	6 742.9	7 285.7	7 174.5	7 731.2	7 433.0	7 380.6	7 381.7	98.7%
Goods and services	3 383.1	2 883.2	3 299.7	2 993.8	3 340.2	2 768.9	2 811.3	2 985.7	90.6%
Depreciation	633.3	615.8	729.5	524.4	637.3	589.0	569.8	575.3	89.7%
Interest, dividends and rent on land	4.8	4.7	2.7	3.2	3.2	4.0	2.5	0.2	91.3%
<b>Total expenses</b>	<b>10 740.0</b>	<b>10 246.6</b>	<b>11 317.6</b>	<b>10 696.0</b>	<b>11 711.9</b>	<b>10 794.9</b>	<b>10 764.1</b>	<b>10 942.9</b>	<b>95.8%</b>
<b>Surplus/(Deficit)</b>	<b>(932.0)</b>	<b>(347.0)</b>	<b>(1 418.0)</b>	<b>499.0</b>	<b>(1 025.0)</b>	<b>(28.0)</b>	<b>(1 449.0)</b>	<b>(1 508.0)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	3 830.0	2 586.4	3 561.5	3 229.6	3 421.5	3 144.5	2 949.7	3 539.6	90.8%
<i>of which:</i>									
Acquisition of assets	(1 750.4)	(487.1)	(1 704.7)	(1 238.6)	(829.2)	(539.2)	(97.9)	(970.4)	73.8%
Inventory	–	–	–	–	–	38.3	–	38.3	–
Loans	71.0	80.5	70.5	80.5	70.5	42.2	60.5	2.2	75.4%
Accrued investment interest	41.3	5.5	15.7	–	–	–	–	–	9.6%
Receivables and prepayments	131.5	143.0	135.7	129.7	132.7	260.4	136.2	262.0	148.3%
Cash and cash equivalents	1 228.6	3 370.2	955.7	2 454.2	1 116.5	2 476.6	159.2	92.8	242.6%
<b>Total assets</b>	<b>5 302.4</b>	<b>6 185.5</b>	<b>4 739.1</b>	<b>5 894.1</b>	<b>4 741.3</b>	<b>5 962.0</b>	<b>3 305.7</b>	<b>3 935.0</b>	<b>121.5%</b>
Accumulated surplus/(deficit)	3 683.6	4 272.5	2 854.2	3 148.3	2 123.8	3 120.3	1 651.9	2 589.8	127.3%
Capital and reserves	397.6	224.2	224.5	262.2	433.0	324.6	433.0	326.3	76.4%
Finance lease	12.3	13.1	11.8	13.8	7.3	26.3	2.2	26.3	236.8%
Deferred income	–	0.3	–	977.5	977.2	977.4	–	–	200.1%
Trade and other payables	591.0	922.3	847.6	732.6	334.3	806.2	703.4	728.7	128.8%
Provisions	617.9	753.0	800.9	759.8	865.7	707.1	515.2	263.9	88.7%
<b>Total equity and liabilities</b>	<b>5 302.4</b>	<b>6 185.5</b>	<b>4 739.1</b>	<b>5 894.1</b>	<b>4 741.3</b>	<b>5 962.0</b>	<b>3 305.7</b>	<b>3 935.0</b>	<b>121.5%</b>

## Statements of estimates of financial performance and position

**Table 7.42 South African Revenue Service statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
Revised estimate	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million								
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>427.8</b>	<b>-8.9%</b>	<b>6.5%</b>	<b>312.2</b>	<b>315.3</b>	<b>318.5</b>	<b>-9.4%</b>	<b>3.4%</b>
Sale of goods and services other than capital assets	307.8	-1.3%	4.5%	312.2	315.3	318.5	1.1%	3.1%
of which:								
Administrative fees	307.8	-1.3%	4.5%	312.2	315.3	318.5	1.1%	3.1%
Other non-tax revenue	120.0	-21.1%	2.0%	-	-	-	-100.0%	0.3%
<b>Transfers received</b>	<b>9 007.2</b>	<b>-1.2%</b>	<b>93.5%</b>	<b>9 529.0</b>	<b>10 110.0</b>	<b>10 673.1</b>	<b>5.8%</b>	<b>96.6%</b>
<b>Total revenue</b>	<b>9 435.0</b>	<b>-1.6%</b>	<b>100.0%</b>	<b>9 841.2</b>	<b>10 425.3</b>	<b>10 991.6</b>	<b>5.2%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>10 942.9</b>	<b>2.2%</b>	<b>100.0%</b>	<b>11 201.5</b>	<b>11 689.9</b>	<b>12 296.4</b>	<b>4.0%</b>	<b>100.0%</b>
Compensation of employees	7 381.7	3.1%	67.3%	7 787.6	8 254.8	8 750.1	5.8%	69.7%
Goods and services	2 985.7	1.2%	27.3%	2 861.7	3 017.5	3 215.8	2.5%	26.2%
Depreciation	575.3	-2.2%	5.4%	552.0	417.3	330.2	-16.9%	4.1%
Interest, dividends and rent on land	0.2	-65.0%	0.0%	0.2	0.2	0.2	5.4%	0.0%
<b>Total expenses</b>	<b>10 942.9</b>	<b>2.2%</b>	<b>100.0%</b>	<b>11 201.5</b>	<b>11 689.9</b>	<b>12 296.4</b>	<b>4.0%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(1 508.0)</b>			<b>(1 360.0)</b>	<b>(1 265.0)</b>	<b>(1 305.0)</b>		
<b>Statement of financial position</b>								
Carrying value of assets	3 539.6	11.0%	59.8%	2 987.7	2 570.3	2 240.1	-14.1%	1 886.8%
of which:								
Acquisition of assets	(970.4)	25.8%	-15.6%	-	-	-	-100.0%	-6.2%
Inventory	38.3	-	0.4%	38.3	38.3	38.3	-	31.9%
Loans	2.2	-69.8%	0.9%	2.2	2.2	2.2	-	1.8%
Receivables and prepayments	262.0	22.4%	3.9%	265.5	265.5	267.9	0.7%	222.9%
Cash and cash equivalents	92.8	-69.8%	35.0%	(762.3)	(1 582.4)	(2 517.2)	-400.5%	-2 043.5%
<b>Total assets</b>	<b>3 935.0</b>	<b>-14.0%</b>	<b>100.0%</b>	<b>2 531.4</b>	<b>1 294.0</b>	<b>31.4</b>	<b>-80.0%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	2 589.8	-15.4%	60.2%	1 229.5	(35.0)	(1 339.9)	-180.3%	-1 039.8%
Capital and reserves	326.3	13.3%	5.5%	326.3	326.3	326.3	-	271.6%
Finance lease	26.3	26.1%	0.4%	4.2	-	-	-100.0%	0.2%
Trade and other payables	728.7	-7.6%	14.8%	703.9	735.1	774.7	2.1%	643.2%
Provisions	263.9	-29.5%	10.9%	267.5	267.7	270.2	0.8%	224.8%
<b>Total equity and liabilities</b>	<b>3 935.0</b>	<b>-14.0%</b>	<b>100.0%</b>	<b>2 531.4</b>	<b>1 294.0</b>	<b>31.4</b>	<b>-80.0%</b>	<b>100.0%</b>

## Personnel information

**Table 7.43 South African Revenue Service personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number						
Number of funded posts	Number of posts on approved establishment	Actual		Revised estimate		Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)							
		2017/18	Unit cost	2018/19	Unit cost	2019/20		2020/21		2021/22										
		Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost	Unit cost						
South African Revenue Service		13 985	13 985	13 421	7 433.0	0.6	13 333	7 381.7	0.6	13 333	7 787.6	0.6	13 333	8 254.8	0.6	13 333	8 750.1	0.7	5.8%	100.0%
Salary level																				
1 - 6	618	618	618	132.5	0.2	499	110.1	0.2	499	116.4	0.2	499	147.4	0.3	499	156.7	0.3	12.5%	3.7%	
7 - 10	8 977	8 977	8 788	3 226.9	0.4	8 697	3 282.5	0.4	8 697	3 454.8	0.4	8 697	3 585.9	0.4	8 697	3 799.3	0.4	5.0%	65.2%	
11 - 12	2 450	2 450	2 297	1 804.0	0.8	2 358	1 801.2	0.8	2 358	1 904.8	0.8	2 358	2 005.6	0.9	2 358	2 126.8	0.9	5.7%	17.7%	
13 - 16	1 896	1 896	1 674	2 146.5	1.3	1 740	2 079.7	1.2	1 740	2 197.2	1.3	1 740	2 386.3	1.4	1 740	2 529.6	1.5	6.7%	13.1%	
17 - 22	44	44	44	123.2	2.8	39	108.2	2.8	39	114.3	2.9	39	129.7	3.3	39	137.6	3.5	8.3%	0.3%	

1. Rand million.

## South African Special Risks Insurance Association

### Mandate

The South African Special Risks Insurance Association was established in 1979 and was registered in terms of section 21 of the Companies Act (1973). In line with the amendments of the South African Special Risks Insurance Association Act (1998) and the Companies Act (2008), government became the company's sole shareholder. The association is mandated to support the insurance industry by providing cover for special risks such as riots, strikes, political unrest, terrorist attacks, civil commotion, public disorder and labour disturbances.

### Selected performance indicators

**Table 7.44 South African Special Risks Insurance Association performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Value of gross written premium per year	Sustainable revenue growth: Gross written premium income growth	Outcome 4: Decent employment through inclusive growth	R1.7bn	R1.7bn	R1.7bn	R1.9bn	R2bn	R2.1bn	R2.3bn
Value of net underwriting profit per year	Sustainable revenue growth: Net underwriting profit growth		R431.7m	R458.9m	R489.8m	R525.8m	R569.4m	R600.7m	R655.5m
Percentage of all fast-tracked claims to be settled within 30 days from the date of submission per year	Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time per year	Entity mandate	86.5% (1 686/1 949)	87.2% (2 157/2 479)	86.5% (3 148/3 639)	90%	90%	90%	90%
Percentage of large loss claims per year finalised within 60 days	Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time		68.1% (273/400)	79.1% (410/518)	88.5% (3 220/3 639)	70%	70%	70%	70%
Average number of days per year for processing claims less than R250 000	Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time		30 days	30 days	30 days	30 days	30 days	30 days	30 days
Average number of days per year for processing large claims	Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time		60 days	60 days	70 days	70 days	70 days	70 days	70 days

### Expenditure analysis

Over the medium term, the South African Risks Insurance Association will focus on the sustainability of its business by establishing new distribution channels; enhancing customer services by conducting a needs analysis to understand its clients better; and improving brand awareness and product development by creating awareness of the industry, collating market intelligence and conducting research.

Over the MTEF period, expenditure is expected to increase at an average annual rate of 3.4 per cent, from R2.4 billion in 2018/19 to R2.6 billion in 2021/22. This is mainly due to increases in administrative, marketing and underwriting expenses. Over the MTEF period, the association aims to reduce its reliance on external consultants and increase its number of personnel, from 104 in 2018/19 to 128 in 2021/22. Accordingly, spending on goods and services is expected to decrease at an average annual rate of 2.7 per cent, from R2.5 billion in 2018/19 to R2.3 billion in 2021/22.

As the association expects an increase in personnel, it anticipates increases in the number of claims it receives, the monitoring of compliance with additional regulatory requirements and the development of new products. As a result, spending on compensation of employees is expected to increase at an average annual rate of 8.4 per cent, from R72.2 million in 2018/19 to R91.9 million in 2021/22. The association derives most of its revenue from underwriting premiums. Total revenue is expected to increase at an average annual rate of 10.3 per cent, from R2.4 billion in 2017/18 to R3.2 billion in 2020/21.

### Programmes/Objectives/Activities

**Table 7.45 South African Special Risks Insurance Association expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	
Administration	542.3	534.3	647.9	232.9	-24.5%	29.3%	823.4	700.4	750.2	47.7%	25.2%
Sustainable revenue growth: Gross written premium income growth	205.5	236.9	271.1	310.3	14.7%	14.4%	318.9	337.8	358.0	4.9%	13.4%
Sustainable revenue growth: Net underwriting profit growth	759.2	786.5	748.6	1 782.7	32.9%	54.8%	1 288.4	1 377.3	1 459.7	-6.4%	60.0%
Capital management: Ensure compliance with statutory capital requirements and the calculation of an economic risk basis for capital value	-	4.7	5.8	5.9	-	0.2%	6.8	7.2	7.7	9.7%	0.3%

**Table 7.45 South African Special Risks Insurance Association expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Customer centricity: Provide superior customer service to external stakeholders as part of the Customers Fairly project	2.9	4.6	4.9	5.3	22.2%	0.2%	5.7	6.1	6.5	7.0%	0.2%
Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time	6.7	–	–	–	-100.0%	0.1%	–	–	–	–	–
People, capacity and capability: Attract retain and develop skills	4.8	9.7	11.8	12.6	38.3%	0.5%	13.6	14.5	15.4	7.0%	0.6%
Brand development: Create a trusted brand that resonates with customers	5.5	5.5	5.4	7.3	9.8%	0.3%	7.7	8.1	8.5	5.5%	0.3%
Regulatory environment: Proactively manage compliance	0.2	0.0	0.1	0.0	-61.4%	0.0%	0.0	0.0	0.0	30.9%	0.0%
<b>Total</b>	<b>1 527.0</b>	<b>1 582.2</b>	<b>1 695.6</b>	<b>2 356.9</b>	<b>15.6%</b>	<b>100.0%</b>	<b>2 464.5</b>	<b>2 451.4</b>	<b>2 606.2</b>	<b>3.4%</b>	<b>100.0%</b>

**Statements of historical financial performance and position**

**Table 7.46 South African Special Risks Insurance Association statements of historical financial performance and position**

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2015/16	2016/17	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2015/16 - 2018/19
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>2 076.8</b>	<b>2 031.1</b>	<b>2 230.8</b>	<b>2 125.4</b>	<b>2 695.0</b>	<b>2 720.8</b>	<b>2 786.3</b>	<b>2 369.0</b>	<b>94.5%</b>
Sale of goods and services other than capital assets	1 639.7	1 710.0	1 760.4	1 687.3	2 044.1	1 887.1	2 205.7	2 110.3	96.7%
<i>of which:</i>									
Administrative fees	–	–	–	0.6	–	0.2	–	–	–
Sales by market establishment	1 639.7	1 710.0	1 760.4	1 686.8	2 044.1	1 886.9	2 205.7	2 110.3	96.7%
Other non-tax revenue	437.1	321.1	470.4	438.1	650.8	833.7	580.6	258.8	86.6%
<b>Total revenue</b>	<b>2 076.8</b>	<b>2 031.1</b>	<b>2 230.8</b>	<b>2 125.4</b>	<b>2 695.0</b>	<b>2 720.8</b>	<b>2 786.3</b>	<b>2 369.0</b>	<b>94.5%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 343.8</b>	<b>1 321.7</b>	<b>1 350.3</b>	<b>1 381.1</b>	<b>1 882.1</b>	<b>1 353.3</b>	<b>2 149.4</b>	<b>2 538.5</b>	<b>98.1%</b>
Compensation of employees	53.4	57.8	58.8	56.9	72.9	78.8	80.1	72.2	100.2%
Goods and services	1 281.8	1 256.8	1 283.0	1 316.9	1 804.3	1 269.6	2 062.5	2 462.2	98.0%
Depreciation	8.6	7.1	8.5	7.2	5.0	5.0	6.7	4.1	81.2%
<b>Total expenses</b>	<b>1 549.1</b>	<b>1 527.0</b>	<b>1 601.0</b>	<b>1 582.2</b>	<b>2 132.8</b>	<b>1 695.6</b>	<b>2 348.1</b>	<b>2 356.9</b>	<b>93.8%</b>
<b>Surplus/(Deficit)</b>	<b>528.0</b>	<b>504.0</b>	<b>630.0</b>	<b>543.0</b>	<b>562.0</b>	<b>1 025.0</b>	<b>438.0</b>	<b>12.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	60.5	60.1	59.7	62.2	66.5	66.8	127.6	134.7	103.0%
<i>of which:</i>									
Acquisition of assets	(8.6)	(5.2)	(6.2)	(1.5)	(10.7)	(3.3)	(11.0)	(2.9)	35.6%
Investments	5 135.3	4 591.3	5 091.2	4 031.6	7 882.9	5 769.5	7 989.6	1 968.3	62.7%
Receivables and prepayments	131.5	179.4	78.9	186.2	417.3	201.3	433.8	375.9	88.8%
Cash and cash equivalents	784.2	1 767.1	1 561.8	2 790.3	1 336.5	1 940.8	1 636.8	5 983.0	234.6%
Taxation	–	–	–	26.8	–	38.1	–	–	–
<b>Total assets</b>	<b>6 111.4</b>	<b>6 597.9</b>	<b>6 791.6</b>	<b>7 097.1</b>	<b>9 703.1</b>	<b>8 016.4</b>	<b>10 187.7</b>	<b>8 461.9</b>	<b>92.0%</b>
Accumulated surplus/(deficit)	2 899.6	4 937.8	2 427.0	5 284.3	5 846.4	6 097.1	6 284.7	6 209.2	129.0%
Capital and reserves	2 428.2	434.8	3 438.7	480.3	2 472.9	529.7	2 393.2	495.5	18.1%
Deferred income	6.3	6.0	2.7	7.2	3.8	4.3	4.2	4.2	128.0%
Trade and other payables	723.5	1 110.1	861.9	1 295.9	1 273.7	1 274.2	1 503.8	1 713.3	123.6%
Taxation	44.8	94.3	54.8	18.2	102.8	91.9	–	14.8	108.3%
Provisions	9.0	15.0	6.5	11.2	3.4	19.2	1.9	24.9	337.3%
<b>Total equity and liabilities</b>	<b>6 111.4</b>	<b>6 597.9</b>	<b>6 791.6</b>	<b>7 097.1</b>	<b>9 703.1</b>	<b>8 016.4</b>	<b>10 187.7</b>	<b>8 461.9</b>	<b>92.0%</b>

## Statements of estimates of financial performance and position

**Table 7.47 South African Special Risks Insurance Association statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million								
<b>Revenue</b>								
Non-tax revenue	2 369.0	5.3%	100.0%	2 813.5	2 989.1	3 174.8	10.3%	100.0%
Sale of goods and services other than capital assets	2 110.3	7.3%	80.5%	2 225.6	2 359.1	2 500.7	5.8%	81.5%
<i>of which:</i>								
Sales by market establishment	2 110.3	7.3%	80.5%	2 225.6	2 359.1	2 500.7	5.8%	81.5%
Other non-tax revenue	258.8	-6.9%	19.5%	587.9	630.0	674.2	37.6%	18.5%
<b>Total revenue</b>	<b>2 369.0</b>	<b>5.3%</b>	<b>100.0%</b>	<b>2 813.5</b>	<b>2 989.1</b>	<b>3 174.8</b>	<b>10.3%</b>	<b>100.0%</b>
<b>Expenses</b>								
Current expenses	2 538.5	24.3%	90.3%	2 083.3	2 271.6	2 408.0	-1.7%	94.3%
Compensation of employees	72.2	7.7%	3.8%	79.0	87.7	91.9	8.4%	3.3%
Goods and services	2 462.2	25.1%	86.2%	1 988.9	2 142.3	2 269.8	-2.7%	89.9%
Depreciation	4.1	-16.4%	0.3%	15.4	41.6	46.3	123.4%	1.1%
<b>Total expenses</b>	<b>2 356.9</b>	<b>15.6%</b>	<b>100.0%</b>	<b>2 464.5</b>	<b>2 451.4</b>	<b>2 606.2</b>	<b>3.4%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>12.0</b>			<b>349.0</b>	<b>538.0</b>	<b>569.0</b>		
<b>Statement of financial position</b>								
Carrying value of assets	134.7	30.9%	1.1%	144.6	130.6	124.4	-2.6%	1.5%
<i>of which:</i>								
Acquisition of assets	(2.9)	-17.6%	-0.0%	(3.4)	(3.8)	(4.1)	11.6%	-0.0%
Investments	1 968.3	-24.6%	55.4%	5 855.6	6 336.0	7 936.7	59.2%	59.7%
Receivables and prepayments	375.9	28.0%	3.1%	400.6	429.5	311.9	-6.0%	4.2%
Cash and cash equivalents	5 983.0	50.2%	40.3%	2 078.4	2 228.1	1 946.0	-31.2%	34.6%
<b>Total assets</b>	<b>8 461.9</b>	<b>8.6%</b>	<b>100.0%</b>	<b>8 479.2</b>	<b>9 124.2</b>	<b>10 319.0</b>	<b>6.8%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	6 209.2	7.9%	74.7%	6 701.6	7 246.6	8 227.0	9.8%	77.9%
Capital and reserves	495.5	4.5%	6.5%	495.5	495.5	522.8	1.8%	5.5%
Deferred income	4.2	-11.4%	0.1%	4.5	4.9	5.1	6.8%	0.1%
Trade and other payables	1 713.3	15.6%	17.8%	1 261.7	1 358.9	1 547.0	-3.3%	16.3%
Taxation	14.8	-46.0%	0.8%	13.2	16.6	16.8	4.4%	0.2%
Provisions	24.9	18.4%	0.2%	2.8	1.7	0.3	-77.3%	0.1%
<b>Total equity and liabilities</b>	<b>8 461.9</b>	<b>8.6%</b>	<b>100.0%</b>	<b>8 479.2</b>	<b>9 124.2</b>	<b>10 319.0</b>	<b>6.8%</b>	<b>100.0%</b>

## Personnel information

**Table 7.48 South African Special Risks Insurance Association personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019			Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
South African Special Risks Insurance Association			105	78.8	0.8	104	72.2	0.7	112	79.0	0.7	118	87.7	0.7	128	91.9	0.7	8.4%	100.0%
Salary level	101	101																	
1-6	16	16	21	5.2	0.2	19	4.3	0.2	27	7.2	0.3	30	9.3	0.3	37	7.7	0.2	21.6%	24.2%
7-10	43	43	44	21.9	0.5	43	18.4	0.4	43	19.7	0.5	46	21.7	0.5	49	23.6	0.5	8.8%	39.3%
1-12	23	23	22	20.7	0.9	23	18.3	0.8	23	18.7	0.8	23	20.9	0.9	23	22.3	1.0	6.9%	20.0%
3-16	13	13	12	16.7	1.4	13	15.7	1.2	13	16.8	1.3	13	17.9	1.4	13	19.1	1.5	6.8%	11.3%
7-22	6	6	6	14.3	2.4	6	15.6	2.6	6	16.7	2.8	6	17.9	3.0	6	19.1	3.2	7.0%	5.2%

1. Rand million.

## Other entities

Comprehensive coverage of the following public entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Accounting Standards Board** develops uniform standards of generally recognised accounting practice for all spheres of government in terms of section 216(1)(a) of the Constitution, and the Public Finance Management Act (1999). A further function of the board is to promote transparency in and the effective management of revenue, expenditure, assets and liabilities of the entities to which the standards apply. The board's total budget for 2019/20 is R14.7 million.

- The **Cooperative Banks Development Agency** was established in terms of the Cooperative Banks Act (2007), as amended, with the South African Reserve Bank as the sole supervisor of cooperative banks. The agency is mandated to provide for the registration and supervision of deposit taking financial services cooperatives, and savings and credit cooperatives, collectively referred to as cooperative financial institutions. The agency also facilitates, promotes and funds the education and training of these institutions. Its total budget for 2019/20 is R23 million.
- The **Financial and Fiscal Commission** derives its mandate from the Financial and Fiscal Commission Act (1997). The commission's legislative mandate is to advise the relevant legislative authorities on the financial and fiscal requirements for the national, provincial and local spheres of government in terms of section 220 of the Constitution. The commission's total budget for 2019/20 is R54.4 million.
- The **Financial Intelligence Centre** was established by the Financial Intelligence Centre Act (2001) and began operations in 2003. The act mandates the centre to identify the proceeds of unlawful activities, combat activities related to money laundering, combat the financing of terrorist and related activities, exchange information with law enforcement and other local and international agencies, supervise and enforce compliance with the act, and facilitate effective supervision and enforcement by supervisory bodies. The organisation's total budget for 2019/20 is R311.5 million.
- The **Financial Sector Conduct Authority** is an independent institution established by statute to oversee the South African non-banking financial services industry in the public interest. The board's legislative mandate is primarily derived from the Financial Regulations Act (2017). Its total budget for 2019/20 is R829.3 million.
- The **Financial Services Board** was an independent institution established by statute to oversee the South African non-banking financial services industry in the public interest. The board's legislative mandate was primarily derived from the Financial Services Board Act (1990), committing it to promote and maintain a sound financial investment environment in South Africa. The board was also responsible for ensuring that entities comply with relevant legislation and capital adequacy requirements. The board ceased to exist on the 31 March 2018 upon the passing of the Financial Sector Regulation Bill to implement the Twin Peaks model for financial regulation and supervision.
- The **Government Technical Advisory Centre** is mandated to assist organs of state in building their capacity for efficient, effective and transparent financial management. Its overarching objectives are to: render consulting services to government departments and other organs of state; provide specialised procurement support for high-impact government initiatives; render advice on the feasibility of infrastructure projects; and provide knowledge management for projects undertaken and any ancillary support. The centre's total budget for 2019/20 is R381.3 million.
- The **Independent Regulatory Board for Auditors** develops and maintains auditing and ethical standards that are internationally comparable, provides an appropriate framework for the education and training of properly qualified auditors, inspects and reviews the work of registered auditors, and investigates and takes appropriate action against registered auditors who do not comply with standards and are guilty of improper conduct. The board's total budget for 2019/20 is R142.2 million.
- The **Office of the Ombud for Financial Services Providers** is mandated to consider and dispose of complaints against financial services providers, primarily intermediaries selling investment products. The organisation's total budget for 2019/20 is R58.1 million.
- The **Office of the Pension Funds Adjudicator** investigates and determines complaints lodged in terms of the Pension Funds Act (1956). The office ensures a procedurally fair, economical and expeditious resolution of complaints in terms of the act. The office has jurisdiction only over funds that are registered under the Pension Funds Act (1956). The organisation's total budget for 2019/20 is R70.4 million.

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
<b>Infrastructure transfers to other spheres, agencies and departments</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Neighbourhood development partnership grant	Long-term township regeneration planning, catalytic and third-party nodal development	Various	9 000.0	583.6	591.9	657.8	601.9	621.2	654.9	704.1
<b>Total</b>			<b>9 000.0</b>	<b>583.6</b>	<b>591.9</b>	<b>657.8</b>	<b>601.9</b>	<b>621.2</b>	<b>654.9</b>	<b>704.1</b>





# Vote 8

## Planning, Monitoring and Evaluation

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	187.2	176.1	–	11.1	194.8	202.8
National Planning Coordination	74.4	73.3	–	1.1	81.6	86.7
Sector Monitoring Services	92.2	91.0	–	1.2	100.9	107.4
Public Sector Monitoring and Capacity Development	85.7	85.6	–	0.1	91.1	96.8
Evaluation, Evidence and Knowledge Systems	46.7	46.5	–	0.1	49.4	52.3
National Youth Development	470.7	11.1	459.6	0.0	497.4	523.7
<b>Total expenditure estimates</b>	<b>956.9</b>	<b>483.6</b>	<b>459.6</b>	<b>13.7</b>	<b>1 015.2</b>	<b>1 069.7</b>

Executive authority: Minister in the Presidency: Planning, Monitoring and Evaluation  
 Accounting officer: Director-General of Planning, Monitoring and Evaluation  
 Website address: [www.dpme.gov.za](http://www.dpme.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

Improve government service delivery through integrated planning, monitoring and evaluation.

### Mandate

The Department of Planning, Monitoring and Evaluation is mandated to:

- facilitate the implementation of the National Development Plan (NDP) through the development of sector-specific and outcome-specific medium-term plans and delivery agreements, and monitor and evaluate the implementation of these plans
- ensure the alignment of departmental strategic and annual plans and budget allocations with the medium-term strategic framework
- facilitate socioeconomic impact assessments of legislation and regulations
- monitor the performance of individual national and provincial government departments and municipalities, and related improvement plans, and facilitate targeted intervention programmes
- monitor frontline service delivery and manage the presidential hotline
- develop and implement the annual national evaluations plan and support the national evaluations system
- promote good planning, monitoring and evaluation practices in government
- facilitate the integration of youth development priorities into key government programmes.

### Selected performance indicators

**Table 8.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Annual budget mandate paper developed by 30 April each year	National Planning Coordination	Outcome 12: An efficient, effective and development-oriented public service	– <sup>1</sup>	– <sup>1</sup>	1	1	1	1	1
Number of assessment reports on annual performance plans provided to national departments annually	National Planning Coordination		43	39	44	40	40	40	40

**Table 8.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of progress reports submitted to Cabinet on the 14 priority outcomes per year	Sector Monitoring Services	Outcome 12: An efficient, effective and development-oriented public service	42 <sup>2</sup>	42 <sup>2</sup>	42 <sup>2</sup>	28	28	28	28
Number of local government management improvement model scorecards completed per year	Sector Monitoring Services		30	41	33	30	30	30	30
Number of consolidated management performance assessment tool reports submitted to Cabinet per year	Public Sector Monitoring and Capacity Development		1	1	1	1	1	1	1
Overview reports on the status of frontline performance and service delivery <sup>3</sup>	Public Sector Monitoring and Capacity Development		217	250	480	400	1	1	1
Number of national evaluation plan evaluation reports approved by evaluation steering committees per year	Evaluation, Evidence and Knowledge Systems		12	7	7	8	8	8	8

1. No historical data available.

2. Historically, targets for this indicator comprised 3 reports for each of the 14 outcomes. Targets over the MTEF period will comprise only 2 reports for each outcome, hence the decrease.

3. Indicator changed to measure a consolidated report of the number of frontline monitoring visits.

## Expenditure analysis

Chapter 13 of the NDP sets out a vision towards building a capable and developmental state. This vision is supported by outcome 12 (an efficient, effective and development-oriented public service) of government's 2014-2019 medium-term strategic framework, with which the work of the Department of Planning, Monitoring and Evaluation is directly aligned. Accordingly, over the medium term, the department will focus on: coordinating and supporting planning functions across government; monitoring and supporting the implementation of government policies and programmes; improving the capacity of state institutions; conducting evaluations that inform planning, monitoring and service delivery intervention programmes; and institutionalising youth development.

To ensure alignment with its new strategic direction, in 2018/19, the department implemented its revised organisational structure, which included a revised budget programme structure. As part of the revision, National Treasury approved a reduction in departmental programmes from 7 to 6, effective from 2019/20. Despite the revised organisational structure, the department's number of personnel is expected to average 474 over the MTEF period. Spending on compensation of employees is expected to increase at an average annual rate of 10 per cent, from R282.6 million in 2018/19 to R376.1 million in 2021/22, mainly due to cost of living adjustments. The department's overall expenditure is expected to increase at an average annual rate of 4.8 per cent, from R928 million in 2018/19 to R1.1 billion in 2021/22.

### **Coordinating and supporting planning functions**

As the current electoral cycle ends in May 2019, the department intends developing the 2019-2024 NDP implementation plan and government's 2019-2024 medium-term strategic framework. The 2019-2024 NDP implementation plan will contain high-level indicators and targets for the five-year period, which will inform government's 2019-2024 medium-term strategic framework and, in turn, serve as a monitoring framework linked to government's programme of action monitoring system. As such, government's 2019-2024 medium-term strategic framework will provide more detailed information about NDP targets to inform the strategic plans, annual performance plans and budgeting of departments. Activities related to the development of these planning tools are carried out in the Management: *National Planning Coordination* subprogramme in the *National Planning Coordination* programme. Spending in the subprogramme is expected to increase at an average annual rate of 5.3 per cent, from R42.7 million in 2018/19 to R49.8 million in 2021/22.

Activities specifically related to tracking the progress of the NDP's implementation through the 2019-2024 NDP implementation plan are carried out in the *Outcomes Monitoring and Support* subprogramme in the *Sector Monitoring Services* programme. Spending in the subprogramme is expected to increase at an average annual rate of 6.4 per cent, from R68.7 million in 2018/19 to R82.8 million in 2021/22.

In 2019/20, the department also plans to conduct its annual review of the alignment of national and provincial departments' annual performance plans with government's 2019-2024 medium-term strategic framework; and will, in consultation with National Treasury, develop an annual budget mandate paper to align budget allocations with medium-term service delivery priorities. These activities are carried out in the *Planning Coordination* subprogramme in the *National Planning Coordination* programme. Spending in the subprogramme is expected to increase at an average annual rate of 5.4 per cent, from R31.5 million in 2018/19 to R36.9 million in 2021/22.

### ***Monitoring and supporting implementation***

Over the medium term, government's 2019-2024 medium-term strategic framework will form the basis of using the programme of action monitoring system, which will identify critical actions to be taken by government towards achieving the NDP's vision while enabling direct links between the NDP, and departmental strategic and annual performance plans. Through the programme of action monitoring system, the department will report to Cabinet biannually regarding the implementation of government's 2019-2024 medium-term strategic framework. These activities are carried out in the *Outcomes Monitoring and Support* subprogramme in the *Sector Monitoring Services* programme. Expenditure in the subprogramme is expected to increase at an average annual rate of 6.4 per cent, from R68.7 million in 2018/19 to R82.8 million in 2021/22.

Due to growing demand from parliamentary committees and Cabinet, over the medium term, the department plans to intervene and support the implementation of government policies and programmes at various levels of the service delivery value chain, particularly in provinces placed under administration and in areas of social unrest; and fast-track the implementation of government policies and programmes in critical development issues through Operation Phakisa. In addition, the department will continue to support socioeconomic impact assessments of legislation and regulations to improve legislative and regulatory processes. These activities are carried out in the *Socioeconomic Impact Assessment and Intervention Support* subprogramme in the *Sector Monitoring Services* programme. Expenditure in the subprogramme is expected to increase at an average annual rate of 5.9 per cent, from R16.2 million in 2018/19 to R19.3 million in 2021/22.

### ***Improving the capacity of state institutions***

The department plans to provide support for the implementation of the NDP and government's 2019-2024 medium-term strategic framework by monitoring and improving the capacity of state institutions. This will be achieved through the development and use of appropriate tools, such as the management performance assessment tool and the local government management improvement model, that generate monitoring reports regarding the state of compliance with management practices in the three spheres of government. These activities are carried out in the *Public Service Monitoring and Capacity Development* subprogramme in the *Public Sector Monitoring and Capacity Development* programme. Expenditure in the subprogramme is expected to increase at an average annual rate of 3.8 per cent, from R82.4 million in 2018/19 to R92.1 million in 2021/22.

### ***Conducting evaluations to inform interventions***

Over the medium term, the department plans to review the 2011 national evaluation policy framework to incorporate methodologies and strategies that will improve a rapid evaluation response for planning and monitoring, and widen the scope of the department's evaluations. These will include sectoral reviews and extend the national evaluation system to cover public entities, and improve the uptake of implementation plans. These planned activities will enhance the department's knowledge management system to support planning, monitoring and evaluation, and will be carried out in the *Evaluation, Research, Knowledge and Data Systems* subprogramme in the *Evaluation, Evidence and Knowledge Systems* programme. Expenditure in the subprogramme is expected to increase at an average annual rate of 3.6 per cent, from R44.2 million in 2018/19 to R49.1 million in 2021/22.

## Institutionalising youth development

In responding to the key challenges emanating from a lack of education and skills, and high youth unemployment, over the MTEF period, the department plans to review the national youth policy and make recommendations for the possible revision of legislation, plans, policies, strategies and frameworks to support its implementation. The department will develop a monitoring and evaluation framework for the policy and the integrated youth development strategy to report on progress to Cabinet. These activities are carried out in the *Management: National Youth Development* subprogramme in the *National Youth Development* programme. Expenditure in the subprogramme is expected to increase at an average annual rate of 5.1 per cent, from R11.5 million in 2018/19 to R13.3 million in 2021/22. Transfer payments to the National Youth Development Agency are budgeted for in the *Youth Development Programmes* subprogramme in the *National Youth Development* programme. The subprogramme's budget is expected to increase at an average annual rate of 2.3 per cent, from R477.1 million in 2018/19 to R510.4 million in 2021/22.

## Expenditure trends

**Table 8.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. National Planning Coordination														
3. Sector Monitoring Services														
4. Public Sector Monitoring and Capacity Development														
5. Evaluation, Evidence and Knowledge Systems														
6. National Youth Development														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	69.8	104.2	111.9	134.3	141.1	134.3	168.3	173.4	154.9	186.6	170.8	163.8	101.1%	95.8%
Programme 2	88.2	41.4	48.5	103.2	26.0	43.4	41.0	39.4	42.5	71.0	74.1	69.1	67.1%	112.5%
Programme 3	54.6	55.4	53.9	62.1	54.0	50.5	76.6	65.4	58.0	78.4	91.4	79.8	89.1%	91.0%
Programme 4	59.6	63.1	64.5	71.1	66.5	66.5	86.2	73.1	72.6	78.2	86.3	84.9	97.7%	99.8%
Programme 5	31.0	75.0	54.1	43.5	98.8	75.4	109.4	107.0	101.2	57.2	46.8	42.7	113.4%	83.5%
Programme 6	414.5	415.1	416.0	413.4	411.4	411.1	442.0	440.2	437.6	455.9	488.6	487.8	101.5%	99.8%
<b>Total</b>	<b>717.7</b>	<b>754.2</b>	<b>748.8</b>	<b>827.7</b>	<b>797.7</b>	<b>781.2</b>	<b>923.5</b>	<b>898.5</b>	<b>866.8</b>	<b>927.4</b>	<b>958.0</b>	<b>928.0</b>	<b>97.9%</b>	<b>97.6%</b>
Change to 2018 Budget estimate											30.7			
Economic classification														
<b>Current payments</b>	<b>305.0</b>	<b>340.9</b>	<b>325.0</b>	<b>406.6</b>	<b>382.9</b>	<b>367.6</b>	<b>471.7</b>	<b>452.1</b>	<b>426.1</b>	<b>471.0</b>	<b>470.8</b>	<b>440.8</b>	<b>94.3%</b>	<b>94.7%</b>
Compensation of employees	173.6	192.3	176.9	246.6	216.5	202.2	268.9	243.7	234.2	312.8	312.6	282.6	89.4%	92.8%
Goods and services	131.4	148.6	148.1	160.0	166.4	165.4	202.8	208.4	191.9	158.2	158.2	158.2	101.7%	97.4%
<b>Transfers and subsidies</b>	<b>409.8</b>	<b>409.9</b>	<b>410.1</b>	<b>405.8</b>	<b>405.9</b>	<b>406.1</b>	<b>432.8</b>	<b>433.0</b>	<b>433.1</b>	<b>446.5</b>	<b>477.4</b>	<b>477.4</b>	<b>101.9%</b>	<b>100.0%</b>
Provinces and municipalities	–	0.0	0.0	–	0.0	0.0	–	0.0	0.0	–	–	–	–	154.5%
Departmental agencies and accounts	409.8	409.8	409.8	405.8	405.8	405.8	432.8	432.8	432.8	446.5	477.1	477.1	101.8%	100.0%
Non-profit institutions	–	–	–	–	0.1	0.1	–	–	0.0	–	–	–	–	125.0%
Households	–	0.1	0.3	–	0.1	0.2	–	0.2	0.2	–	0.2	0.2	–	150.4%
<b>Payments for capital assets</b>	<b>2.9</b>	<b>3.4</b>	<b>13.8</b>	<b>15.3</b>	<b>8.8</b>	<b>7.6</b>	<b>18.9</b>	<b>13.4</b>	<b>7.6</b>	<b>9.9</b>	<b>9.9</b>	<b>9.9</b>	<b>82.4%</b>	<b>109.3%</b>
Buildings and other fixed structures	–	–	0.4	8.1	0.1	0.1	4.0	0.6	0.1	0.5	0.3	0.3	7.0%	91.2%
Machinery and equipment	2.4	2.9	11.9	6.4	7.3	5.5	13.3	10.3	6.0	8.9	7.6	7.6	100.0%	110.1%
Software and other intangible assets	0.5	0.5	1.4	0.9	1.4	1.9	1.7	2.5	1.5	0.5	2.1	2.1	199.0%	108.4%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>0.0</b>	<b>–</b>	<b>–</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>717.7</b>	<b>754.2</b>	<b>748.8</b>	<b>827.7</b>	<b>797.7</b>	<b>781.2</b>	<b>923.5</b>	<b>898.5</b>	<b>866.8</b>	<b>927.4</b>	<b>958.0</b>	<b>928.0</b>	<b>97.9%</b>	<b>97.6%</b>

## Expenditure estimates

**Table 8.3 Vote expenditure estimates by programme and economic classification**

Programmes								
1. Administration								
2. National Planning Coordination								
3. Sector Monitoring Services								
4. Public Sector Monitoring and Capacity Development								
5. Evaluation, Evidence and Knowledge Systems								
6. National Youth Development								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22
Programme 1	163.8	16.3%	17.0%	187.2	194.8	202.8	7.4%	18.9%
Programme 2	69.1	18.6%	6.1%	74.4	81.6	86.7	7.9%	7.9%
Programme 3	79.8	12.9%	7.3%	92.2	100.9	107.4	10.4%	9.6%
Programme 4	84.9	10.4%	8.7%	85.7	91.1	96.8	4.5%	9.0%
Programme 5	42.7	-17.1%	8.2%	46.7	49.4	52.3	7.0%	4.8%
Programme 6	487.8	5.5%	52.7%	470.7	497.4	523.7	2.4%	49.9%
<b>Total</b>	<b>928.0</b>	<b>7.2%</b>	<b>100.0%</b>	<b>956.9</b>	<b>1 015.2</b>	<b>1 069.7</b>	<b>4.8%</b>	<b>100.0%</b>
Change to 2018				(15.3)	(17.1)	(18.9)		
Budget estimate								
Economic classification								
<b>Current payments</b>	<b>440.8</b>	<b>8.9%</b>	<b>46.9%</b>	<b>483.6</b>	<b>517.5</b>	<b>549.0</b>	<b>7.6%</b>	<b>50.1%</b>
Compensation of employees	282.6	13.7%	26.9%	331.6	356.4	376.1	10.0%	33.9%
Goods and services	158.2	2.1%	20.0%	152.1	161.1	172.9	3.0%	16.2%
<b>Transfers and subsidies</b>	<b>477.4</b>	<b>5.2%</b>	<b>51.9%</b>	<b>459.6</b>	<b>484.8</b>	<b>510.4</b>	<b>2.3%</b>	<b>48.7%</b>
Departmental agencies and accounts	477.1	5.2%	51.9%	459.6	484.8	510.4	2.3%	48.7%
Households	0.2	16.8%	0.0%	-	-	-	-100.0%	0.0%
<b>Payments for capital assets</b>	<b>9.9</b>	<b>42.7%</b>	<b>1.2%</b>	<b>13.7</b>	<b>13.0</b>	<b>10.3</b>	<b>1.3%</b>	<b>1.2%</b>
Buildings and other fixed structures	0.3	-	0.0%	3.5	1.5	0.3	3.4%	0.1%
Machinery and equipment	7.6	37.8%	0.9%	8.2	9.5	8.0	1.6%	0.8%
Software and other intangible assets	2.1	60.1%	0.2%	2.1	2.0	2.1	0.0%	0.2%
<b>Total</b>	<b>928.0</b>	<b>7.2%</b>	<b>100.0%</b>	<b>956.9</b>	<b>1 015.2</b>	<b>1 069.7</b>	<b>4.8%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 8.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
National Youth Development Agency	409 789	405 766	432 806	477 145	5.2%	51.9%	459 577	484 788	510 381	2.3%	48.7%
Computer services	23 485	24 506	23 002	25 810	3.2%	2.9%	27 510	28 876	30 276	5.5%	2.8%
Consultants: Business and advisory services	51 168	61 591	85 984	52 520	0.9%	7.6%	38 699	44 217	49 472	-2.0%	4.7%
Operating leases	6 655	6 903	7 291	7 494	4.0%	0.9%	10 515	11 041	11 593	15.7%	1.0%
Travel and subsistence	33 163	35 588	33 394	28 480	-4.9%	3.9%	31 480	33 058	35 056	7.2%	3.2%
Compensation of employees	176 910	202 190	234 168	312 594	20.9%	27.8%	331 556	356 423	376 132	6.4%	34.7%
<b>Total</b>	<b>701 170</b>	<b>736 544</b>	<b>816 645</b>	<b>904 043</b>	<b>8.8%</b>	<b>95.0%</b>	<b>899 337</b>	<b>958 403</b>	<b>1 012 910</b>	<b>3.9%</b>	<b>95.1%</b>

## Goods and services expenditure trends and estimates

Table 8.5 Vote goods and services expenditure trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		Average Expenditure/ Total Vote (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22		
R thousand													
Administrative fees	1 271	1 668	2 014	1 810	12.5%	1.0%	1 810	1 906	2 003	3.4%	1.2%		
Advertising	1 598	5 204	8 184	7 140	64.7%	3.3%	7 140	6 932	7 875	3.3%	4.5%		
Minor assets	752	486	595	2 827	55.5%	0.7%	2 825	1 302	1 197	-24.9%	1.3%		
Audit costs: External	2 168	2 293	3 124	2 500	4.9%	1.5%	2 500	2 625	2 756	3.3%	1.6%		
Bursaries: Employees	464	600	859	900	24.7%	0.4%	900	945	992	3.3%	0.6%		
Catering: Departmental activities	2 607	3 198	3 579	2 860	3.1%	1.8%	2 860	3 010	3 165	3.4%	1.8%		
Communication	5 585	4 945	3 573	4 515	-6.8%	2.8%	4 515	4 749	4 990	3.4%	2.9%		
Computer services	23 485	24 506	23 002	25 810	3.2%	14.6%	27 510	28 876	30 276	5.5%	17.5%		
Consultants: Business and advisory services	51 168	61 591	85 984	52 520	0.9%	37.9%	38 699	44 217	49 472	-2.0%	28.7%		
Legal services	-	-	1	500	-	0.1%	500	525	551	3.3%	0.3%		
Contractors	1 561	1 822	2 020	1 550	-0.2%	1.0%	1 550	1 628	1 710	3.3%	1.0%		
Agency and support/outsourced services	879	997	331	900	0.8%	0.5%	900	945	992	3.3%	0.6%		
Entertainment	39	29	12	-	-100.0%	-	-	-	-	-	-		
Fleet services (including government motor transport)	879	789	1 167	645	-9.8%	0.5%	645	677	710	3.3%	0.4%		
Consumable supplies	360	394	325	707	25.2%	0.3%	707	743	781	3.4%	0.5%		
Consumables: Stationery, printing and office supplies	1 535	1 474	1 436	1 260	-6.4%	0.9%	1 260	1 330	1 401	3.6%	0.8%		
Operating leases	6 655	6 903	7 291	7 494	4.0%	4.3%	10 515	11 041	11 593	15.7%	6.3%		
Rental and hiring	160	480	871	270	19.1%	0.3%	270	285	301	3.7%	0.2%		
Property payments	2 225	2 563	2 829	4 200	23.6%	1.8%	4 200	4 410	4 631	3.3%	2.7%		
Travel and subsistence	33 163	35 588	33 394	28 480	-4.9%	19.7%	31 480	33 058	35 056	7.2%	19.9%		
Training and development	894	1 672	3 550	2 400	39.0%	1.3%	2 400	2 520	2 646	3.3%	1.5%		
Operating payments	6 264	4 731	4 096	4 950	-7.5%	3.0%	4 950	5 201	5 462	3.3%	3.2%		
Venues and facilities	4 342	3 495	3 684	3 930	-3.3%	2.3%	3 930	4 129	4 336	3.3%	2.5%		
<b>Total</b>	<b>148 054</b>	<b>165 428</b>	<b>191 921</b>	<b>158 168</b>	<b>2.2%</b>	<b>100.0%</b>	<b>152 066</b>	<b>161 054</b>	<b>172 896</b>	<b>3.0%</b>	<b>100.0%</b>		

## Transfers and subsidies expenditure trends and estimates

Table 8.6 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		Average Expenditure/ Total (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22		
R thousand													
<b>Households</b>													
<b>Social benefits</b>													
<b>Current</b>	<b>241</b>	<b>181</b>	<b>243</b>	<b>215</b>	<b>-3.7%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>		
Employee social benefits	241	181	243	215	-3.7%	0.1%	-	-	-	-100.0%	-		
<b>Departmental agencies and accounts</b>													
<b>Departmental agencies (non-business entities)</b>													
<b>Current</b>	<b>409 789</b>	<b>405 766</b>	<b>432 806</b>	<b>477 145</b>	<b>5.2%</b>	<b>99.9%</b>	<b>459 577</b>	<b>484 788</b>	<b>510 381</b>	<b>2.3%</b>	<b>100.0%</b>		
National Youth Development Agency	409 789	405 766	432 806	477 145	5.2%	99.9%	459 577	484 788	510 381	2.3%	100.0%		
<b>Households</b>													
<b>Other transfers to households</b>													
<b>Current</b>	<b>30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
Arbitration award	30	-	-	-	-100.0%	-	-	-	-	-	-		
<b>Provinces and municipalities</b>													
<b>Municipal bank accounts</b>													
<b>Current</b>	<b>2</b>	<b>5</b>	<b>10</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
Vehicle licences	2	5	10	-	-100.0%	-	-	-	-	-	-		
<b>Non-profit institutions</b>													
<b>Current</b>	<b>-</b>	<b>100</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
South African Planning Institute	-	100	-	-	-	-	-	-	-	-	-		
Geekathon	-	-	25	-	-	-	-	-	-	-	-		
<b>Total</b>	<b>410 062</b>	<b>406 052</b>	<b>433 084</b>	<b>477 360</b>	<b>5.2%</b>	<b>100.0%</b>	<b>459 577</b>	<b>484 788</b>	<b>510 381</b>	<b>2.3%</b>	<b>100.0%</b>		

## Personnel information

**Table 8.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)				
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
<b>Planning, Monitoring and Evaluation</b>	<b>473</b>	<b>41</b>	<b>424</b>	<b>234.2</b>	<b>0.6</b>	<b>458</b>	<b>282.6</b>	<b>0.6</b>	<b>480</b>	<b>331.6</b>	<b>0.7</b>	<b>478</b>	<b>356.4</b>	<b>0.7</b>	<b>473</b>	<b>376.1</b>	<b>0.8</b>	<b>1.1%</b>	<b>100.0%</b>
Salary level	473	41	424	234.2	0.6	458	282.6	0.6	480	331.6	0.7	478	356.4	0.7	473	376.1	0.8	1.1%	100.0%
1 – 6	63	1	67	15.4	0.2	63	14.5	0.2	67	16.6	0.2	63	16.9	0.3	62	18.1	0.3	-0.5%	13.5%
7 – 10	155	–	149	62.0	0.4	154	69.1	0.4	156	75.2	0.5	156	81.4	0.5	154	86.1	0.6	–	32.8%
11 – 12	98	–	88	67.1	0.8	101	83.1	0.8	98	86.5	0.9	98	92.8	0.9	98	99.1	1.0	-1.0%	20.9%
13 – 16	119	4	80	85.2	1.1	95	108.2	1.1	117	145.7	1.2	118	158.0	1.3	116	165.1	1.4	6.9%	23.6%
Other	38	36	40	4.4	0.1	45	7.7	0.2	42	7.5	0.2	43	7.3	0.2	43	7.7	0.2	-1.5%	9.2%
<b>Programme</b>	<b>473</b>	<b>41</b>	<b>424</b>	<b>234.2</b>	<b>0.6</b>	<b>458</b>	<b>282.6</b>	<b>0.6</b>	<b>480</b>	<b>331.6</b>	<b>0.7</b>	<b>478</b>	<b>356.4</b>	<b>0.7</b>	<b>473</b>	<b>376.1</b>	<b>0.8</b>	<b>1.1%</b>	<b>100.0%</b>
Programme 1	190	13	181	80.3	0.4	188	91.0	0.5	190	104.6	0.6	191	111.5	0.6	190	118.2	0.6	0.4%	40.2%
Programme 2	59	6	43	28.2	0.7	56	44.1	0.8	61	51.9	0.9	60	57.2	1.0	59	59.2	1.0	1.8%	12.5%
Programme 3	92	11	75	47.5	0.6	84	60.9	0.7	95	76.7	0.8	93	82.7	0.9	92	86.8	0.9	3.1%	19.3%
Programme 4	80	6	81	51.0	0.6	80	55.2	0.7	81	60.4	0.7	81	64.5	0.8	80	68.9	0.9	–	17.0%
Programme 5	42	3	40	24.4	0.6	40	25.7	0.6	42	31.1	0.7	42	33.2	0.8	42	35.2	0.8	1.6%	8.8%
Programme 6	10	2	4	2.6	0.7	10	5.7	0.6	11	6.9	0.6	11	7.4	0.7	10	7.9	0.8	–	2.2%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 8.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
Departmental receipts	417	1 215	1 212	1 582	1 582	56.0%	100.0%	1 009	814	815	-19.8%	100.0%
Sales of goods and services produced by department	88	82	89	92	92	1.5%	7.9%	104	109	110	6.1%	9.8%
Sales by market establishments	26	27	26	20	20	-8.4%	2.2%	36	37	38	23.9%	3.1%
of which:												
Parking	26	27	26	20	20	-8.4%	2.2%	36	37	38	23.9%	3.1%
Other sales	62	55	63	72	72	5.1%	5.7%	68	72	72	–	6.7%
of which:												
Commission	31	37	63	50	50	17.3%	4.1%	46	50	50	–	4.6%
Transport	31	18	–	16	16	-19.8%	1.5%	17	17	17	2.0%	1.6%
Sale of minor assets	–	–	–	6	6	–	0.1%	5	5	5	-5.9%	0.5%
Sales of scrap, waste, arms and other used current goods	–	–	5	20	20	–	0.6%	20	20	20	–	1.9%
of which:												
Sales of wastepaper	–	–	5	20	20	–	0.6%	20	20	20	–	1.9%
Interest, dividends and rent on land	42	23	30	25	25	-15.9%	2.7%	35	35	35	11.9%	3.1%
Interest	42	23	30	25	25	-15.9%	2.7%	35	35	35	11.9%	3.1%
Sales of capital assets	16	160	10	35	35	29.8%	5.0%	50	50	50	12.6%	4.4%
Transactions in financial assets and liabilities	271	950	1 078	1 410	1 410	73.3%	83.8%	800	600	600	-24.8%	80.8%
<b>Total</b>	<b>417</b>	<b>1 215</b>	<b>1 212</b>	<b>1 582</b>	<b>1 582</b>	<b>56.0%</b>	<b>100.0%</b>	<b>1 009</b>	<b>814</b>	<b>815</b>	<b>-19.8%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 8.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministerial Support	36.0	42.8	39.1	28.5	-7.6%	25.6%	30.5	31.5	33.2	5.2%	16.4%
Departmental Management	8.2	7.7	10.2	14.3	20.5%	7.1%	14.8	15.7	16.7	5.3%	8.2%
Corporate and Financial Services	67.6	83.8	105.6	128.0	23.7%	67.3%	141.9	147.5	152.9	6.1%	75.5%
<b>Total</b>	<b>111.9</b>	<b>134.3</b>	<b>154.9</b>	<b>170.8</b>	<b>15.2%</b>	<b>100.0%</b>	<b>187.2</b>	<b>194.8</b>	<b>202.8</b>	<b>5.9%</b>	<b>100.0%</b>
Change to 2018				(15.8)			(9.8)	(13.5)	(16.4)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>103.5</b>	<b>128.9</b>	<b>148.9</b>	<b>163.5</b>	<b>16.4%</b>	<b>95.3%</b>	<b>176.1</b>	<b>184.4</b>	<b>195.2</b>	<b>6.1%</b>	<b>95.2%</b>
Compensation of employees	52.8	65.9	80.3	98.0	22.9%	51.9%	104.6	111.5	118.2	6.4%	57.2%
Goods and services <sup>1</sup>	50.8	63.0	68.5	65.5	8.9%	43.3%	71.5	72.9	77.1	5.6%	38.0%
of which:											
Advertising	1.1	5.0	8.0	6.8	85.8%	3.6%	6.8	6.6	7.5	3.3%	3.7%
Audit costs: External	2.2	2.3	3.1	2.5	4.9%	1.8%	2.5	2.6	2.8	3.3%	1.4%
Computer services	10.6	11.7	10.6	13.3	7.9%	8.1%	13.3	14.0	14.7	3.3%	7.3%
Operating leases	6.6	6.8	7.2	7.5	4.2%	4.9%	10.5	11.0	11.6	15.7%	5.4%
Property payments	2.2	2.6	2.8	4.2	23.6%	2.1%	4.2	4.4	4.6	3.3%	2.3%
Travel and subsistence	15.3	18.9	19.3	12.0	-7.8%	11.4%	15.0	15.7	16.6	11.5%	7.8%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-24.7%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Provinces and municipalities	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Households	0.1	0.1	0.0	0.1	-24.3%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>8.2</b>	<b>5.4</b>	<b>5.9</b>	<b>7.3</b>	<b>-3.9%</b>	<b>4.7%</b>	<b>11.1</b>	<b>10.4</b>	<b>7.6</b>	<b>1.5%</b>	<b>4.8%</b>
Buildings and other fixed structures	0.4	0.1	0.1	0.3	-16.9%	0.2%	3.5	1.5	0.3	3.4%	0.7%
Machinery and equipment	7.8	5.2	5.5	6.9	-3.7%	4.4%	7.6	8.8	7.2	1.4%	4.0%
Software and other intangible assets	-	0.1	0.3	0.1	-	0.1%	0.1	0.1	0.1	3.2%	0.1%
<b>Payments for financial assets</b>	<b>-</b>	<b>0.0</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>111.9</b>	<b>134.3</b>	<b>154.9</b>	<b>170.8</b>	<b>15.2%</b>	<b>100.0%</b>	<b>187.2</b>	<b>194.8</b>	<b>202.8</b>	<b>5.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>14.9%</b>	<b>17.2%</b>	<b>17.9%</b>	<b>17.8%</b>	<b>-</b>	<b>-</b>	<b>19.6%</b>	<b>19.2%</b>	<b>19.0%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>-18.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	0.1	0.0	0.0	0.1	-18.1%	-	-	-	-	-100.0%	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: National Planning Coordination

### Programme purpose

Facilitate and coordinate macro and transversal planning functions across government, and coordinate planning functions in the department.

### Objectives

- Facilitate medium-term and short-term planning by developing planning frameworks and guidelines, taking into account global, continental and regional frameworks on an ongoing basis.
- Ensure that the national budget process is informed by priorities identified annually for government plans by developing an annual budget mandate paper.
- Ensure that results-based planning is institutionalised in all spheres of government by including sectoral reviews and extending the national evaluation system over the medium term.



- Enhance coherence and interpretation in policy and planning by developing the 2019-2024 NDP implementation plan in 2019/20.

### Subprogrammes

- *Management: National Planning Coordination* provides management and support services to the programme and the National Planning Commission.
- *Planning Coordination* develops and implements planning frameworks and facilitates the alignment of the planning and budgeting functions across government and in the department.

### Expenditure trends and estimates

**Table 8.10 National Planning Coordination expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Management: National Planning Coordination	17.5	18.8	19.6	42.7	34.7%	47.2%	42.3	47.0	49.8	5.3%	57.4%
Planning Coordination	31.0	24.7	22.9	31.5	0.5%	52.8%	32.1	34.7	36.9	5.4%	42.6%
<b>Total</b>	<b>48.5</b>	<b>43.4</b>	<b>42.5</b>	<b>74.1</b>	<b>15.2%</b>	<b>100.0%</b>	<b>74.4</b>	<b>81.6</b>	<b>86.7</b>	<b>5.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				3.1			(2.4)	(0.4)	0.2		
<b>Economic classification</b>	<b>44.7</b>	<b>42.7</b>	<b>42.0</b>	<b>73.0</b>	<b>17.8%</b>	<b>97.0%</b>	<b>73.3</b>	<b>80.5</b>	<b>85.5</b>	<b>5.4%</b>	<b>98.6%</b>
<b>Current payments</b>											
Compensation of employees	22.7	29.0	28.2	49.2	29.5%	61.9%	51.9	57.2	59.2	6.4%	68.6%
Goods and services <sup>1</sup>	22.0	13.6	13.8	23.9	2.8%	35.1%	21.4	23.3	26.3	3.3%	29.9%
of which:											
<i>Catering: Departmental activities</i>	0.3	0.4	0.5	0.3	-2.3%	0.7%	0.3	0.3	0.3	3.3%	0.4%
<i>Communication</i>	0.3	0.3	0.3	0.3	-0.2%	0.6%	0.3	0.3	0.3	3.9%	0.4%
<i>Consultants: Business and advisory services</i>	12.4	6.8	8.3	18.5	14.2%	22.1%	16.0	17.7	20.4	3.3%	22.9%
<i>Travel and subsistence</i>	3.7	4.2	3.6	3.7	-0.5%	7.3%	3.7	3.8	4.0	3.3%	4.8%
<i>Operating payments</i>	1.7	0.3	0.1	0.3	-47.2%	1.1%	0.3	0.3	0.3	3.4%	0.3%
<i>Venues and facilities</i>	1.4	0.7	0.3	0.4	-35.0%	1.4%	0.4	0.4	0.4	3.4%	0.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Non-profit institutions	–	0.1	0.0	–	–	0.1%	–	–	–	–	–
Households	0.0	–	0.0	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>3.8</b>	<b>0.7</b>	<b>0.4</b>	<b>1.1</b>	<b>-33.8%</b>	<b>2.9%</b>	<b>1.1</b>	<b>1.2</b>	<b>1.2</b>	<b>3.3%</b>	<b>1.4%</b>
Machinery and equipment	3.8	0.1	0.0	0.1	-70.3%	1.9%	0.1	0.1	0.1	3.2%	0.1%
Software and other intangible assets	–	0.6	0.4	1.0	–	0.9%	1.0	1.1	1.1	3.3%	1.3%
<b>Total</b>	<b>48.5</b>	<b>43.4</b>	<b>42.5</b>	<b>74.1</b>	<b>15.2%</b>	<b>100.0%</b>	<b>74.4</b>	<b>81.6</b>	<b>86.7</b>	<b>5.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>6.5%</b>	<b>5.6%</b>	<b>4.9%</b>	<b>7.7%</b>	<b>–</b>	<b>–</b>	<b>7.8%</b>	<b>8.0%</b>	<b>8.1%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Non-profit institutions</b>											
<b>Current</b>	–	0.1	–	–	–	0.1%	–	–	–	–	–
South African Planning Institute	–	0.1	–	–	–	–	–	–	–	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Sector Monitoring Services

### Programme purpose

Ensure government policy coherence. Develop, facilitate, support and monitor the implementation of sector plans and intervention strategies.

### Objectives

- Ensure successful implementation of the NDP's vision by tracking progress on its implementation through the 2019-2024 NDP implementation plan, over the medium term.
- Support initiatives of state institutions undertaken to unlock challenges to service delivery by monitoring and accelerating the implementation of government programmes over the medium term.

## Subprogrammes

- *Management: Sector Monitoring Services* provides programme management and support services to the programme.
- *Outcomes Monitoring and Support* facilitates the coordination and management of outcomes through continual monitoring of performance and the provision of appropriate support.
- *Socioeconomic Impact Assessment and Intervention Support* supports socioeconomic impact assessments and special intervention strategies and plans.

## Expenditure trends and estimates

**Table 8.11 Sector Monitoring Services expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Management: Sector Monitoring Services	2.4	0.8	1.6	6.4	39.2%	4.4%	2.7	5.0	5.3	-6.2%	5.0%
Outcomes Monitoring and Support	39.6	42.5	48.0	68.7	20.1%	78.3%	74.7	77.8	82.8	6.4%	77.6%
Socioeconomic Impact Assessment and Intervention Support	11.9	7.2	8.4	16.2	11.0%	17.2%	14.8	18.1	19.3	5.9%	17.5%
<b>Total</b>	<b>53.9</b>	<b>50.5</b>	<b>58.0</b>	<b>91.4</b>	<b>19.2%</b>	<b>100.0%</b>	<b>92.2</b>	<b>100.9</b>	<b>107.4</b>	<b>5.5%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				12.9			8.2	10.8	12.3		
<b>Economic classification</b>											
<b>Current payments</b>	<b>52.8</b>	<b>49.5</b>	<b>57.0</b>	<b>90.1</b>	<b>19.5%</b>	<b>98.3%</b>	<b>91.0</b>	<b>99.8</b>	<b>106.3</b>	<b>5.7%</b>	<b>98.8%</b>
Compensation of employees	41.8	42.6	47.5	72.5	20.1%	80.5%	76.7	82.7	86.8	6.2%	81.3%
Goods and services <sup>1</sup>	11.0	6.9	9.5	17.6	17.0%	17.7%	14.3	17.2	19.4	3.3%	17.5%
of which:											
Administrative fees	0.2	0.2	0.2	0.4	25.3%	0.4%	0.4	0.4	0.4	3.3%	0.4%
Catering: Departmental activities	0.4	0.2	0.3	0.2	-12.6%	0.5%	0.2	0.3	0.3	4.0%	0.3%
Communication	0.7	0.6	0.5	0.6	-6.2%	0.9%	0.6	0.6	0.6	3.4%	0.6%
Consultants: Business and advisory services	3.6	-	3.0	9.8	39.7%	6.5%	6.5	8.9	10.8	3.3%	9.2%
Travel and subsistence	5.4	5.3	4.4	6.0	4.1%	8.3%	6.0	6.3	6.6	3.3%	6.4%
Operating payments	0.2	0.1	0.6	0.3	14.9%	0.5%	0.3	0.4	0.4	3.2%	0.4%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>0.0</b>	<b>77.6%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Households	0.0	-	0.0	0.0	77.6%	-	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>1.1</b>	<b>1.0</b>	<b>1.0</b>	<b>1.2</b>	<b>5.3%</b>	<b>1.7%</b>	<b>1.2</b>	<b>1.1</b>	<b>1.2</b>	<b>-2.2%</b>	<b>1.2%</b>
Machinery and equipment	0.1	0.1	0.2	0.3	41.9%	0.3%	0.3	0.3	0.3	3.7%	0.3%
Software and other intangible assets	1.0	0.9	0.9	1.0	-0.1%	1.5%	1.0	0.8	0.8	-4.0%	0.9%
<b>Total</b>	<b>53.9</b>	<b>50.5</b>	<b>58.0</b>	<b>91.4</b>	<b>19.2%</b>	<b>100.0%</b>	<b>92.2</b>	<b>100.9</b>	<b>107.4</b>	<b>5.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>7.2%</b>	<b>6.5%</b>	<b>6.7%</b>	<b>9.5%</b>	<b>-</b>	<b>-</b>	<b>9.6%</b>	<b>9.9%</b>	<b>10.0%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
Current	-	-	0.0	0.0	77.6%	-	-	-	-	-100.0%	-
Employee social benefits	-	-	0.0	0.0	77.6%	-	-	-	-	-100.0%	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Public Sector Monitoring and Capacity Development

### Programme purpose

Support the implementation of the medium-term strategic framework by monitoring and improving the capacity of state institutions to develop and implement plans, and provide services.

## Objective

- Improve the capacity of state institutions to develop and implement plans and provide services by monitoring and supporting the implementation of the 2019-2024 NDP implementation plan, over the medium term.

## Subprogrammes

- *Programme Management for Public Sector Monitoring and Capacity Development* provides management and support services to the programme.
- *Public Service Monitoring and Capacity Development* review, monitor and support the implementation of outcome 12 (an efficient, effective and development-oriented public service) of government's 2014-2019 medium-term strategic framework. This subprogramme also develops and implements strategic interventions to support and unblock implementation.

## Expenditure trends and estimates

**Table 8.12 Public Sector Monitoring and Capacity Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2019/20 - 2021/22
R million											
Programme Management for Public Sector Monitoring and Capacity Development	2.1	2.9	3.1	3.9	23.6%	4.1%	4.1	4.4	4.7	6.1%	4.8%
Public Service Monitoring and Capacity Development	62.4	63.6	69.5	82.4	9.7%	95.9%	81.6	86.7	92.1	3.8%	95.2%
<b>Total</b>	<b>64.5</b>	<b>66.5</b>	<b>72.6</b>	<b>86.3</b>	<b>10.2%</b>	<b>100.0%</b>	<b>85.7</b>	<b>91.1</b>	<b>96.8</b>	<b>3.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				8.1			2.0	1.4	2.2		
<b>Economic classification</b>											
<b>Current payments</b>	<b>63.8</b>	<b>65.9</b>	<b>72.5</b>	<b>86.1</b>	<b>10.5%</b>	<b>99.5%</b>	<b>85.6</b>	<b>91.0</b>	<b>96.6</b>	<b>3.9%</b>	<b>99.8%</b>
Compensation of employees	40.9	44.5	51.0	56.6	11.5%	66.6%	60.4	64.5	68.9	6.8%	69.6%
Goods and services <sup>1</sup>	22.9	21.5	21.4	29.5	8.8%	32.9%	25.2	26.5	27.8	-2.0%	30.3%
<i>of which:</i>											
Communication	1.8	1.5	1.1	1.5	-6.1%	2.0%	1.5	1.6	1.6	3.3%	1.7%
Computer services	11.5	12.2	11.9	12.5	2.8%	16.6%	14.2	14.9	15.6	7.7%	15.9%
Consultants: Business and advisory services	0.6	0.3	0.5	8.2	139.4%	3.3%	2.2	2.3	2.4	-33.4%	4.2%
Travel and subsistence	6.9	5.2	5.0	5.0	-10.4%	7.6%	5.0	5.2	5.5	3.3%	5.7%
Operating payments	0.5	0.5	0.2	0.5	-1.4%	0.6%	0.5	0.5	0.6	3.4%	0.6%
Venues and facilities	0.6	1.1	1.7	1.1	23.0%	1.5%	1.1	1.1	1.2	3.3%	1.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>-18.8%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Households	0.1	0.1	0.1	0.0	-18.8%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>0.6</b>	<b>0.4</b>	<b>0.1</b>	<b>0.1</b>	<b>-38.8%</b>	<b>0.4%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.2</b>	<b>3.7%</b>	<b>0.2%</b>
Machinery and equipment	0.1	0.1	0.1	0.1	-	0.2%	0.1	0.1	0.2	3.7%	0.2%
Software and other intangible assets	0.5	0.3	-	-	-100.0%	0.3%	-	-	-	-	-
<b>Total</b>	<b>64.5</b>	<b>66.5</b>	<b>72.6</b>	<b>86.3</b>	<b>10.2%</b>	<b>100.0%</b>	<b>85.7</b>	<b>91.1</b>	<b>96.8</b>	<b>3.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>8.6%</b>	<b>8.5%</b>	<b>8.4%</b>	<b>9.0%</b>	<b>-</b>	<b>-</b>	<b>9.0%</b>	<b>9.0%</b>	<b>9.0%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>-6.3%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	0.1	0.1	0.1	0.0	-6.3%	0.1%	-	-	-	-100.0%	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Evaluation, Evidence and Knowledge Systems

### Programme purpose

Coordinate and support the generation, collation, accessibility and timely use of quality evidence to inform planning, monitoring and evaluation across government.

## Objective

- Support evidence-based planning, monitoring and evaluation by reviewing the 2011 national evaluation policy framework in order to incorporate methodologies and strategies that will improve rapid evaluation response for planning and monitoring over the medium term.

## Subprogrammes

- *Management: Evaluation, Evidence and Knowledge Systems* provides management and support services to the programme.
- *Evaluation, Research, Knowledge and Data Systems* provide evaluation, research, knowledge management and data integration and analysis services.

## Expenditure trends and estimates

**Table 8.13 Evaluation, Evidence and Knowledge Systems expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 -	2018/19				2018/19 -	2021/22
Management: Evaluation, Evidence and Knowledge Systems	–	–	0.5	2.6	–	1.1%	2.7	2.9	3.1	6.5%	5.8%
Evaluation, Research, Knowledge and Data Systems	54.1	75.4	100.7	44.2	-6.5%	98.9%	43.9	46.5	49.1	3.6%	94.2%
<b>Total</b>	<b>54.1</b>	<b>75.4</b>	<b>101.2</b>	<b>46.8</b>	<b>-4.7%</b>	<b>100.0%</b>	<b>46.7</b>	<b>49.4</b>	<b>52.3</b>	<b>3.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(10.4)			(10.2)	(12.7)	(13.3)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>54.0</b>	<b>75.4</b>	<b>101.0</b>	<b>46.6</b>	<b>-4.8%</b>	<b>99.8%</b>	<b>46.5</b>	<b>49.3</b>	<b>52.1</b>	<b>3.8%</b>	<b>99.7%</b>
Compensation of employees	16.7	17.7	24.4	29.8	21.3%	31.9%	31.1	33.2	35.2	5.7%	66.3%
Goods and services <sup>1</sup>	37.3	57.7	76.6	16.8	-23.4%	67.9%	15.5	16.1	16.9	0.3%	33.4%
of which:											
<i>Catering: Departmental activities</i>	0.6	0.4	0.3	0.3	-19.3%	0.6%	0.3	0.3	0.4	3.3%	0.7%
<i>Communication</i>	0.2	0.2	0.2	0.3	10.3%	0.4%	0.3	0.3	0.4	3.5%	0.7%
<i>Consultants: Business and advisory services</i>	33.2	54.1	73.0	13.4	-26.1%	62.6%	12.1	12.6	13.0	-1.1%	26.2%
<i>Travel and subsistence</i>	1.4	1.1	0.9	1.4	-1.9%	1.7%	1.4	1.4	1.7	8.6%	3.0%
<i>Operating payments</i>	0.8	0.5	0.4	0.4	-17.9%	0.7%	0.4	0.4	0.5	3.5%	0.9%
<i>Venues and facilities</i>	0.6	0.7	0.4	0.6	-3.0%	0.8%	0.6	0.6	0.6	3.3%	1.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>65.4%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Households	0.0	0.0	0.1	0.1	65.4%	0.1%	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>32.1%</b>	<b>0.1%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>3.2%</b>	<b>0.3%</b>
Machinery and equipment	0.1	0.0	0.1	0.1	32.1%	0.1%	0.1	0.1	0.1	3.2%	0.3%
<b>Total</b>	<b>54.1</b>	<b>75.4</b>	<b>101.2</b>	<b>46.8</b>	<b>-4.7%</b>	<b>100.0%</b>	<b>46.7</b>	<b>49.4</b>	<b>52.3</b>	<b>3.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>7.2%</b>	<b>9.7%</b>	<b>11.7%</b>	<b>4.9%</b>	<b>–</b>	<b>–</b>	<b>4.9%</b>	<b>4.9%</b>	<b>4.9%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>65.4%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Employee social benefits	0.0	0.0	0.1	0.1	65.4%	0.1%	–	–	–	-100.0%	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 6: National Youth Development

### Programme purpose

Oversee youth development policy and its implementation. Transfer funds to the National Youth Development Agency.

### Objective

- Manage, support and coordinate interventions for youth development and empowerment by reviewing the national youth policy to unlock challenges relating to its implementation over the medium term.

## Subprogrammes

- *Management: National Youth Development* facilitates the development and implementation of national youth strategies and policies.
- *Youth Development Programmes* oversees the transfer of funds to the National Youth Development Agency.

## Expenditure trends and estimates

**Table 8.14 National Youth Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Management: National Youth Development	6.2	5.3	4.8	11.5	22.8%	1.6%	11.2	12.6	13.3	5.1%	2.5%
Youth Development Programmes	409.8	405.8	432.8	477.1	5.2%	98.4%	459.6	484.8	510.4	2.3%	97.5%
<b>Total</b>	<b>416.0</b>	<b>411.1</b>	<b>437.6</b>	<b>488.6</b>	<b>5.5%</b>	<b>100.0%</b>	<b>470.7</b>	<b>497.4</b>	<b>523.7</b>	<b>2.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				32.8			(3.1)	(2.6)	(3.7)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>6.2</b>	<b>5.3</b>	<b>4.7</b>	<b>11.4</b>	<b>22.9%</b>	<b>1.6%</b>	<b>11.1</b>	<b>12.5</b>	<b>13.3</b>	<b>5.1%</b>	<b>2.4%</b>
Compensation of employees	2.1	2.6	2.6	6.5	46.3%	0.8%	6.9	7.4	7.9	6.5%	1.4%
Goods and services <sup>1</sup>	4.1	2.7	2.1	4.9	6.5%	0.8%	4.2	5.2	5.4	3.3%	1.0%
<i>of which:</i>											
<i>Catering: Departmental activities</i>	0.2	0.1	0.1	0.1	-29.9%	–	0.1	0.1	0.1	3.0%	–
<i>Communication</i>	0.0	0.0	0.0	0.1	42.7%	–	0.1	0.1	0.1	3.6%	–
<i>Consultants: Business and advisory services</i>	–	–	–	1.7	–	0.1%	1.0	1.8	1.9	3.3%	0.3%
<i>Travel and subsistence</i>	0.5	0.9	0.2	0.5	2.2%	0.1%	0.5	0.5	0.6	3.3%	0.1%
<i>Operating payments</i>	2.2	1.6	1.5	1.6	-10.1%	0.4%	1.6	1.7	1.8	3.3%	0.3%
<i>Venues and facilities</i>	1.0	0.0	0.2	0.9	-3.5%	0.1%	0.9	0.9	1.0	3.3%	0.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>409.8</b>	<b>405.8</b>	<b>432.8</b>	<b>477.1</b>	<b>5.2%</b>	<b>98.4%</b>	<b>459.6</b>	<b>484.8</b>	<b>510.4</b>	<b>2.3%</b>	<b>97.5%</b>
Departmental agencies and accounts	409.8	405.8	432.8	477.1	5.2%	98.4%	459.6	484.8	510.4	2.3%	97.5%
<b>Payments for capital assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1.7%</b>	<b>–</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>3.2%</b>	<b>–</b>
Machinery and equipment	0.0	0.0	0.0	0.0	1.7%	–	0.0	0.0	0.0	3.2%	–
<b>Total</b>	<b>416.0</b>	<b>411.1</b>	<b>437.6</b>	<b>488.6</b>	<b>5.5%</b>	<b>100.0%</b>	<b>470.7</b>	<b>497.4</b>	<b>523.7</b>	<b>2.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>55.6%</b>	<b>52.6%</b>	<b>50.5%</b>	<b>51.0%</b>	<b>–</b>	<b>–</b>	<b>49.2%</b>	<b>49.0%</b>	<b>49.0%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>409.8</b>	<b>405.8</b>	<b>432.8</b>	<b>477.1</b>	<b>5.2%</b>	<b>98.4%</b>	<b>459.6</b>	<b>484.8</b>	<b>510.4</b>	<b>2.3%</b>	<b>97.5%</b>
National Youth Development Agency	409.8	405.8	432.8	477.1	5.2%	98.4%	459.6	484.8	510.4	2.3%	97.5%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entity

Comprehensive coverage of the following public entity is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **National Youth Development Agency** was established in 2009 through the merger of the National Youth Commission and the Umsobomvu Youth Fund. Its main role is to initiate, implement, facilitate and monitor youth development interventions aimed at reducing youth unemployment and promoting social cohesion. The agency's total budget for 2019/20 is R510.6 million.

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Departmental infrastructure</b>										
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Additions and upgrades to office buildings	Additions and upgrade of office accommodation (330 Grosvenor Street, Hatfield, Pretoria)	Completed	0.5	0.4	–	0.1	–	–	–	–
Additions and upgrades to office buildings	Additions and upgrade of office accommodation (new building)	Site identification	6.2	–	0.1	–	0.3	3.5	1.5	0.3
<b>Total</b>			<b>6.7</b>	<b>0.4</b>	<b>0.1</b>	<b>0.1</b>	<b>0.3</b>	<b>3.5</b>	<b>1.5</b>	<b>0.3</b>

# Vote 9

## Public Enterprises

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	164.9	161.6	0.0	3.3	175.9	186.0
State-owned Companies Governance Assurance and Performance	43.9	43.9	–	–	47.1	50.3
Business Enhancement, Transformation and Industrialisation	84.2	84.2	–	–	89.8	95.7
<b>Total expenditure estimates</b>	<b>293.0</b>	<b>289.7</b>	<b>0.0</b>	<b>3.3</b>	<b>312.8</b>	<b>332.0</b>

Executive authority Minister of Public Enterprises  
 Accounting officer Director-General of Public Enterprises  
 Website address [www.dpe.gov.za](http://www.dpe.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Drive investment, productivity and transformation in the department's portfolio of state-owned companies to unlock growth, drive industrialisation, create jobs and develop skills.*

### Mandate

The Department of Public Enterprises is government's shareholder representative for the state-owned companies in its portfolio. The department's mandate is to fulfil oversight responsibilities at these companies to ensure that they contribute to the realisation of government's strategic objectives, as articulated in the National Development Plan (NDP), government's 2014-2019 medium-term strategic framework and the industrial policy action plan. State-owned companies are crucial to driving the state's strategic objectives of creating jobs, and enhancing equity and transformation. The department does not directly execute programmes, but seeks to use state ownership in the economy to support the achievement of these objectives.

### Selected performance indicators

**Table 9.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of shareholder compacts signed per year	Business Enhancement, Transformation and Industrialisation	Outcome 6: An efficient, competitive and responsive economic infrastructure network	6	5	6	6	7 <sup>1</sup>	7 <sup>1</sup>	7 <sup>1</sup>
Number of corporate plans reviewed per year	Business Enhancement, Transformation and Industrialisation		6	5	6	6	7 <sup>1</sup>	7 <sup>1</sup>	7 <sup>1</sup>
Number of quarterly financial reviews per year	Business Enhancement, Transformation and Industrialisation		24	24	24	24	28 <sup>1</sup>	28 <sup>1</sup>	28 <sup>1</sup>

1. The department is responsible for 7 state-owned enterprises due to the transfer of South African Airways from National Treasury.

## Expenditure analysis

The NDP identifies the potential of state-owned companies in building a capable and developmental state. In performing their mandates, state-owned companies contribute to outcome 4 (decent employment through inclusive growth) and outcome 6 (an efficient, competitive and responsive economic infrastructure network) of government's 2014-2019 medium-term strategic framework. Over the medium term, the Department of Public Enterprises will continue to focus on strengthening its oversight capacity to ensure that the state-owned companies in its portfolio are sustainable and contribute to investment in key infrastructure. By ensuring that these companies contribute to lowering the cost of doing business in South Africa, the department aims to reduce the cost structure of the economy. The department oversees the operations of 7 state-owned companies (Alexkor, Denel, the South African Forestry Company, Eskom, South African Express Airways, South African Airways and Transnet) to ensure that appropriate investments are made to create jobs and sustain economic growth.

### **Strengthening state-owned company oversight**

The department oversees the state-owned companies within its portfolio by ensuring that each one signs a shareholder compact each year. The department as the government shareholder representative aims to ensure that state-owned companies are governed and managed well and that their properties are aligned to national objectives including the National Development Plan, the Medium Term Strategic Framework and the State of the Nation Address. Over the medium term, the department plans to continue assessing the corporate plans of these companies to ensure that key performance indicators in their compacts are incorporated appropriately, and will enhance its monitoring and reviewing of the companies' financial and operational performance. The department is developing operating procedures to standardise and enhance its analysis of the financial and operational performance of these companies, and, where necessary, intervention measures will be developed with a view to align the performance of state-owned companies with the NDP's vision.

In 2018/19, the Minister of Public Enterprises appointed new boards of directors in all state-owned companies to strengthen their governance systems. In 2019/20, the department plans to conduct 5 evaluations on the performance of the new boards of directors, in line with the companies' shareholder compacts. Working with other relevant departments, the department plans to align policies affecting the air transportation sector, with a view to positioning state airlines to support growth in trade and tourism, and thereby create jobs. In addition, proposals have been made for the implementation of an optimal corporate structure for state airlines, which will facilitate closer collaboration between South African Airways and South African Express Airways. The department will oversee and support the implementation of the approved structure.

Over the medium term, the department will continue developing a government shareholder management policy that aims to clarify how government will go about exercising its role as shareholder. The policy seeks to improve the performance of state-owned companies through good corporate governance by setting explicit goals, and requiring the companies' boards and management to monitor performance. Performance incentives for executives will be transparently and directly linked to desired outcomes, including audit outcomes. To ensure state-owned companies are properly managed and remain financially viable, guidelines for incentives and the remuneration of executive directors, prescribed officers and non-executive directors were approved in 2016/17. To give further effect to this, the State Owned Enterprises Bill is expected to be finalised over the medium term.

The department's oversight activities are mainly funded in the *State-owned Companies Governance Assurance and Performance*, and *Business Enhancement, Transformation and Industrialisation* programmes. The combined budget for these programmes is expected to decrease at an average annual rate of 71.6 per cent over the medium term, from R6.4 billion in 2018/19 to R146 million in 2021/22. This is due to additional funding of R1.2 billion allocated to South African Express Airways and R5 billion allocated to South African Airways during the 2018/19 adjustments budget.

Spending on goods and services, mainly driven by travel and subsistence and consultants, is expected to increase at an average annual rate of 6.3 per cent, from R97.5 million in 2018/19 to R117.1 million in 2021/22. Spending on compensation of employees, which is set to increase at an average annual rate of 7.2 per cent, from



R171.4 million in 2018/19 to R211.2 million in 2021/22, constitutes the department's largest cost driver.

## Expenditure trends

**Table 9.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. State-owned Companies Governance Assurance and Performance														
3. Business Enhancement, Transformation and Industrialisation														
Programme														
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
Programme 1	158.6	161.9	145.9	158.0	155.8	151.6	150.9	158.5	144.0	152.0	152.0	152.0	95.8%	94.5%
Programme 2	23.8	23.5	19.4	26.0	25.9	33.7	37.4	24.2	27.5	39.1	39.1	39.1	94.7%	106.1%
Programme 3	85.1	23 117.2	23 094.4	90.0	86.3	68.5	78.5	84.0	78.8	82.9	6 331.9	6 331.9	8 792.2%	99.8%
<b>Total</b>	<b>267.5</b>	<b>23 302.6</b>	<b>23 259.7</b>	<b>274.0</b>	<b>268.0</b>	<b>253.8</b>	<b>266.7</b>	<b>266.7</b>	<b>250.4</b>	<b>273.9</b>	<b>6 522.9</b>	<b>6 522.9</b>	<b>2 799.0%</b>	<b>99.8%</b>
Change to 2018											6 249.0			
Budget estimate														
Economic classification														
<b>Current payments</b>	<b>263.8</b>	<b>264.6</b>	<b>217.8</b>	<b>270.1</b>	<b>263.9</b>	<b>249.5</b>	<b>263.8</b>	<b>263.5</b>	<b>241.9</b>	<b>270.8</b>	<b>268.9</b>	<b>268.9</b>	<b>91.5%</b>	<b>92.2%</b>
Compensation of employees	152.3	153.1	140.0	168.4	162.2	148.3	166.9	156.9	142.2	171.4	171.4	171.4	91.3%	93.5%
Goods and services	111.5	111.5	77.9	101.8	101.8	101.2	96.9	106.6	99.8	99.4	97.5	97.5	91.9%	90.1%
<b>Transfers and subsidies</b>	<b>0.1</b>	<b>34.4</b>	<b>35.5</b>	<b>0.1</b>	<b>0.3</b>	<b>0.4</b>	<b>0.0</b>	<b>0.3</b>	<b>3.1</b>	<b>0.0</b>	<b>0.4</b>	<b>0.4</b>	<b>16 605.9%</b>	<b>111.2%</b>
Public corporations and private enterprises	-	33.1	33.1	-	-	-	-	-	-	-	-	-	-	100.0%
Households	0.1	1.3	2.4	0.1	0.3	0.4	-	0.3	3.1	-	0.4	0.4	2 879.2%	273.1%
<b>Payments for capital assets</b>	<b>3.6</b>	<b>3.6</b>	<b>6.3</b>	<b>3.7</b>	<b>3.7</b>	<b>3.9</b>	<b>2.9</b>	<b>2.9</b>	<b>5.2</b>	<b>3.1</b>	<b>4.6</b>	<b>4.6</b>	<b>150.7%</b>	<b>135.2%</b>
Machinery and equipment	3.5	3.5	5.7	3.6	3.6	3.8	2.8	2.8	4.9	3.0	4.5	4.5	147.6%	131.6%
Software and other intangible assets	0.1	0.1	0.6	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.1	244.8%	270.3%
<b>Payments for financial assets</b>	<b>-</b>	<b>23 000.0</b>	<b>23 000.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>-</b>	<b>6 249.0</b>	<b>6 249.0</b>	<b>-</b>	<b>100.0%</b>
<b>Total</b>	<b>267.5</b>	<b>23 302.6</b>	<b>23 259.7</b>	<b>274.0</b>	<b>268.0</b>	<b>253.8</b>	<b>266.7</b>	<b>266.7</b>	<b>250.4</b>	<b>273.9</b>	<b>6 522.9</b>	<b>6 522.9</b>	<b>2 799.0%</b>	<b>99.8%</b>

## Expenditure estimates

**Table 9.3 Vote expenditure estimates by programme and economic classification**

Programmes									
1. Administration									
2. State-owned Companies Governance Assurance and Performance									
3. Business Enhancement, Transformation and Industrialisation									
Programme									
R million	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
				2018/19	2019/20	2020/21			2021/22
Programme 1	152.0	-2.1%	2.0%	164.9	175.9	186.0	7.0%	9.1%	
Programme 2	39.1	18.5%	0.4%	43.9	47.1	50.3	8.7%	2.4%	
Programme 3	6 331.9	-35.1%	97.6%	84.2	89.8	95.7	-75.3%	88.5%	
<b>Total</b>	<b>6 522.9</b>	<b>-34.6%</b>	<b>100.0%</b>	<b>293.0</b>	<b>312.8</b>	<b>332.0</b>	<b>-62.9%</b>	<b>100.0%</b>	
Change to 2018				-	-	-			
Budget estimate									
Economic classification									
<b>Current payments</b>	<b>268.9</b>	<b>0.5%</b>	<b>3.2%</b>	<b>289.7</b>	<b>309.3</b>	<b>328.3</b>	<b>6.9%</b>	<b>16.0%</b>	
Compensation of employees	171.4	3.8%	2.0%	184.5	198.3	211.2	7.2%	10.3%	
Goods and services	97.5	-4.4%	1.2%	105.2	111.0	117.1	6.3%	5.8%	
<b>Transfers and subsidies</b>	<b>0.4</b>	<b>-77.8%</b>	<b>0.1%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-67.5%</b>	<b>0.0%</b>	
Households	0.4	-33.9%	0.0%	-	-	-	-100.0%	0.0%	
<b>Payments for capital assets</b>	<b>4.6</b>	<b>8.6%</b>	<b>0.1%</b>	<b>3.3</b>	<b>3.6</b>	<b>3.7</b>	<b>-6.6%</b>	<b>0.2%</b>	
Machinery and equipment	4.5	8.2%	0.1%	3.2	3.4	3.6	-6.9%	0.2%	
Software and other intangible assets	0.1	29.1%	0.0%	0.1	0.1	0.1	5.4%	0.0%	
<b>Payments for financial assets</b>	<b>6 249.0</b>	<b>-35.2%</b>	<b>96.6%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>83.8%</b>	
<b>Total</b>	<b>6 522.9</b>	<b>-34.6%</b>	<b>100.0%</b>	<b>293.0</b>	<b>312.8</b>	<b>332.0</b>	<b>-62.9%</b>	<b>100.0%</b>	

## Expenditure trends and estimates for significant spending items

**Table 9.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total vote (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total vote (%)
Compensation of employees	139 977	148 321	142 175	171 444	7.0%	2.0%	184 514	198 312	211 203	7.2%	10.3%
Consultants: Business and advisory services	14 800	22 084	16 965	28 512	24.4%	0.3%	33 749	36 117	38 104	10.1%	1.8%
Travel and subsistence	19 233	17 229	24 913	17 988	-2.2%	0.3%	18 790	19 588	20 669	4.7%	1.0%
<b>Total</b>	<b>174 010</b>	<b>187 634</b>	<b>184 053</b>	<b>217 944</b>	<b>7.8%</b>	<b>2.5%</b>	<b>237 053</b>	<b>254 017</b>	<b>269 976</b>	<b>7.4%</b>	<b>13.1%</b>

## Goods and services expenditure trends and estimates

**Table 9.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
Administrative fees	2 334	1 488	1 301	1 359	-16.5%	1.7%	1 562	1 332	1 405	1.1%	1.3%
Advertising	2 326	1 824	1 041	2 449	1.7%	2.0%	2 263	2 361	2 491	0.6%	2.2%
Minor assets	224	87	270	607	39.4%	0.3%	165	174	183	-32.9%	0.3%
Audit costs: External	3 559	3 328	3 293	3 404	-1.5%	3.6%	3 554	3 749	3 955	5.1%	3.4%
Bursaries: Employees	724	407	580	850	5.5%	0.7%	898	1 669	1 761	27.5%	1.2%
Catering: Departmental activities	698	456	772	644	-2.6%	0.7%	961	1 007	1 061	18.1%	0.9%
Communication	4 165	7 416	4 967	4 857	5.3%	5.7%	5 271	4 796	5 060	1.4%	4.6%
Computer services	3 958	3 843	5 985	5 144	9.1%	5.0%	5 360	5 688	6 001	5.3%	5.2%
Consultants: Business and advisory services	14 800	22 084	16 965	28 512	24.4%	21.9%	33 749	36 117	38 104	10.1%	31.7%
Legal services	829	6 450	3 261	3 128	55.7%	3.6%	3 466	3 815	4 025	8.8%	3.4%
Contractors	2 039	5 725	3 221	3 957	24.7%	4.0%	4 364	5 079	5 358	10.6%	4.4%
Agency and support/outsourced services	1 659	8 398	2 642	466	-34.5%	3.5%	485	508	536	4.8%	0.5%
Entertainment	-	-	-	30	-	-	31	28	30	-	-
Fleet services (including government motor transport)	771	965	1 296	1 027	10.0%	1.1%	1 072	1 130	1 192	5.1%	1.0%
Inventory: Clothing material and accessories	1	1	-	-	-100.0%	-	-	-	-	-	-
Inventory: Materials and supplies	5	18	-	-	-100.0%	-	-	-	-	-	-
Inventory: Medical supplies	3	-	-	-	-100.0%	-	-	-	-	-	-
Inventory: Medicine	2	-	-	-	-100.0%	-	-	-	-	-	-
Consumable supplies	356	1 866	2 605	468	9.5%	1.4%	437	459	484	1.1%	0.4%
Consumables: Stationery, printing and office supplies	1 566	1 265	879	1 351	-4.8%	1.3%	1 511	1 593	1 680	7.5%	1.4%
Operating leases	1 223	10 032	12 703	10 878	107.2%	9.3%	11 266	12 253	12 927	5.9%	11.0%
Rental and hiring	970	995	2 374	1 247	8.7%	1.5%	581	613	647	-19.6%	0.7%
Property payments	10 321	1 972	5 150	3 860	-28.0%	5.7%	4 085	3 746	3 952	0.8%	3.6%
Transport provided: Departmental activity	208	416	1 031	246	5.8%	0.5%	260	274	289	5.5%	0.2%
Travel and subsistence	19 233	17 229	24 913	17 988	-2.2%	21.1%	18 790	19 588	20 669	4.7%	17.9%
Training and development	1 466	1 274	749	1 100	-9.1%	1.2%	1 162	924	975	-3.9%	1.0%
Operating payments	2 867	1 695	2 419	2 326	-6.7%	2.5%	2 448	2 530	2 665	4.6%	2.3%
Venues and facilities	1 554	1 925	1 337	1 602	1.0%	1.7%	1 450	1 527	1 612	0.2%	1.4%
<b>Total</b>	<b>77 861</b>	<b>101 159</b>	<b>99 754</b>	<b>97 500</b>	<b>7.8%</b>	<b>100.0%</b>	<b>105 191</b>	<b>110 960</b>	<b>117 062</b>	<b>6.3%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 9.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>1 923</b>	<b>405</b>	<b>3 057</b>	<b>367</b>	<b>-42.4%</b>	<b>14.6%</b>	-	-	-	<b>-100.0%</b>	<b>88.6%</b>
Employee social benefits	1 923	405	2 983	367	-42.4%	14.4%	-	-	-	-100.0%	88.6%
Donation cash	-	-	74	-	-	0.2%	-	-	-	-	-

Table 9.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/Total (%)	
<b>Public corporations and private enterprises</b>												
<b>Other transfers to public corporations</b>												
<b>Current</b>	33 106	–	–	–	-100.0%	84.1%	–	–	–	–	–	–
Defence	33 106	–	–	–	-100.0%	84.1%	–	–	–	–	–	–
<b>Households</b>												
<b>Other transfers to households</b>												
<b>Current</b>	447	20	–	–	-100.0%	1.2%	–	–	–	–	–	–
Gifts and donations	386	–	–	–	-100.0%	1.0%	–	–	–	–	–	–
Employee social benefits	61	20	–	–	-100.0%	0.2%	–	–	–	–	–	–
<b>Provinces and municipalities</b>												
<b>Municipal bank accounts</b>												
<b>Current</b>	–	9	11	11	–	0.1%	11	12	13	5.7%	11.4%	
Vehicle licences	–	9	11	11	–	0.1%	11	12	13	5.7%	11.4%	
<b>Total</b>	<b>35 476</b>	<b>434</b>	<b>3 068</b>	<b>378</b>	<b>-78.0%</b>	<b>100.0%</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>-67.5%</b>	<b>100.0%</b>	

## Personnel information

Table 9.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes																			
1. Administration																			
2. State-owned Companies Governance Assurance and Performance																			
3. Business Enhancement, Transformation and Industrialisation																			
Number of posts estimated for 31 March 2019	Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number						
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22											
			Number	Unit Cost cost	Number	Unit Cost cost	Number	Unit Cost cost	Number	Unit Cost cost	Number	Unit Cost cost							
<b>Public Enterprises</b>	<b>233</b>	–	<b>206</b>	<b>142.2</b>	<b>0.7</b>	<b>230</b>	<b>171.4</b>	<b>0.7</b>	<b>232</b>	<b>184.5</b>	<b>0.8</b>	<b>232</b>	<b>198.3</b>	<b>0.9</b>	<b>231</b>	<b>211.2</b>	<b>0.9</b>	<b>0.1%</b>	<b>100.0%</b>
<b>Salary level</b>																			
1 – 6	14	–	13	6.1	0.5	14	4.9	0.3	14	5.2	0.4	14	5.6	0.4	14	6.1	0.4	–	6.1%
7 – 10	80	–	75	36.5	0.5	80	38.6	0.5	80	41.4	0.5	81	45.1	0.6	81	48.5	0.6	0.4%	34.8%
11 – 12	41	–	39	33.0	0.8	41	33.4	0.8	43	36.6	0.9	43	39.2	0.9	42	40.7	1.0	0.8%	18.3%
13 – 16	74	–	55	66.4	1.2	74	88.0	1.2	74	94.2	1.3	74	100.9	1.4	74	107.9	1.5	–	32.0%
Other	24	–	24	0.1	0.0	21	6.6	0.3	21	7.1	0.3	20	7.5	0.4	20	8.0	0.4	-1.6%	8.9%
<b>Programme</b>	<b>233</b>	–	<b>206</b>	<b>142.2</b>	<b>0.7</b>	<b>230</b>	<b>171.4</b>	<b>0.7</b>	<b>232</b>	<b>184.5</b>	<b>0.8</b>	<b>232</b>	<b>198.3</b>	<b>0.9</b>	<b>231</b>	<b>211.2</b>	<b>0.9</b>	<b>0.1%</b>	<b>100.0%</b>
Programme 1	136	–	124	68.8	0.6	133	82.3	0.6	137	91.5	0.7	137	98.6	0.7	136	104.5	0.8	0.7%	58.7%
Programme 2	33	–	27	21.4	0.8	33	30.1	0.9	36	34.0	0.9	36	36.5	1.0	36	39.0	1.1	2.9%	15.2%
Programme 3	64	–	55	51.9	0.9	64	59.0	0.9	59	59.0	1.0	59	63.3	1.1	59	67.7	1.1	-2.7%	26.1%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million

## Departmental receipts

Table 9.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate 2018/19	Revised estimate	Average growth rate (%)		Medium-term receipts estimate			Average growth rate (%)		
	2015/16	2016/17	2017/18			2015/16 - 2018/19	Average: Receipt item/Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Receipt item/Total (%)	
<b>Departmental receipts</b>	<b>3 377</b>	<b>5 213</b>	<b>188</b>	<b>217</b>	<b>213</b>	<b>-60.2%</b>	<b>100.0%</b>	<b>7 000</b>	<b>214</b>	<b>294</b>	<b>312</b>	<b>13.6%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>72</b>	<b>75</b>	<b>64</b>	<b>56</b>	<b>52</b>	<b>-10.3%</b>	<b>2.9%</b>	<b>97</b>	<b>99</b>	<b>99</b>		<b>23.9%</b>	<b>–</b>
Sales by market establishments of which:													
Sales by market establishments	45	46	64	35	16	-29.2%	1.9%	61	62	62		57.1%	–
Other sales of which:													
Commission insurance	25	29	–	20	36	12.9%	1.0%	36	37	37		0.9%	–
Replacement of security cards	2	–	–	1	–	-100.0%	–	–	–	–		–	–

Table 9.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)	
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21			2021/22
Sales of scrap, waste, arms and other used current goods	-	-	-	4	4	-	-	-	-	-	-100.0%	-	
of which:													
Sales of scrap paper	-	-	-	2	-	-	-	-	-	-	-	-	
Cellular phones	-	-	-	2	4	-	-	-	-	-	-100.0%	-	
Interest, dividends and rent on land	7	1	19	1	1	-47.7%	0.3%	2	2	3	44.2%	-	
Interest	7	1	19	1	1	-47.7%	0.3%	2	2	3	44.2%	-	
Sales of capital assets	187	-	95	16	16	-55.9%	3.3%	-	65	65	59.6%	-	
Transactions in financial assets and liabilities	3 111	5 137	10	140	140	-64.4%	93.4%	7 000	115	128	145	1.2%	100.0%
<b>Total</b>	<b>3 377</b>	<b>5 213</b>	<b>188</b>	<b>217</b>	<b>213</b>	<b>-60.2%</b>	<b>100.0%</b>	<b>7 000</b>	<b>214</b>	<b>294</b>	<b>312</b>	<b>13.6%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

Table 9.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	28.6	31.2	35.0	28.8	0.2%	20.8%	30.9	32.8	34.8	6.6%	18.7%
Management	12.8	9.9	8.8	20.8	17.4%	8.8%	22.0	25.6	27.1	9.3%	14.1%
Communications	30.4	38.3	36.3	37.7	7.4%	24.1%	41.2	42.8	45.4	6.4%	24.6%
Chief Financial Officer	13.9	15.2	16.1	17.6	8.4%	10.6%	19.4	20.7	22.0	7.5%	11.7%
Human Resources	34.2	36.3	27.7	27.7	-6.7%	21.2%	30.0	31.9	33.3	6.3%	18.1%
Internal Audit	5.3	6.1	3.6	4.6	-4.5%	3.3%	5.7	5.7	6.1	9.7%	3.3%
Corporate Services	10.7	3.9	3.4	3.8	-29.2%	3.7%	4.1	4.4	4.7	7.1%	2.5%
Office Accommodation	10.0	10.7	13.2	11.0	3.1%	7.5%	11.6	12.0	12.7	5.0%	7.0%
<b>Total</b>	<b>145.9</b>	<b>151.6</b>	<b>144.0</b>	<b>152.0</b>	<b>1.4%</b>	<b>100.0%</b>	<b>164.9</b>	<b>175.9</b>	<b>186.0</b>	<b>7.0%</b>	<b>100.0%</b>
Change to 2018				-			2.7	3.1	2.7		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>137.8</b>	<b>147.4</b>	<b>135.8</b>	<b>147.0</b>	<b>2.2%</b>	<b>95.7%</b>	<b>161.6</b>	<b>172.4</b>	<b>182.3</b>	<b>7.4%</b>	<b>97.7%</b>
Compensation of employees	76.2	77.9	68.8	82.3	2.6%	51.4%	91.5	98.6	104.5	8.3%	55.5%
Goods and services <sup>1</sup>	61.7	69.5	67.0	64.7	1.6%	44.3%	70.1	73.8	77.8	6.3%	42.2%
of which:											
Communication	3.7	6.7	3.5	4.0	2.4%	3.0%	4.4	3.8	4.0	0.4%	2.4%
Computer services	3.7	3.8	6.0	5.1	11.3%	3.2%	5.4	5.7	6.0	5.3%	3.3%
Consultants: Business and advisory services	7.4	6.9	5.2	10.4	12.1%	5.1%	12.6	13.8	14.6	11.9%	7.6%
Operating leases	1.2	10.0	12.7	10.9	107.2%	5.9%	11.3	12.3	12.9	5.9%	7.0%
Property payments	10.3	2.0	5.2	3.9	-28.0%	3.6%	4.1	3.7	4.0	0.8%	2.3%
Travel and subsistence	12.6	11.3	16.3	9.8	-8.0%	8.4%	10.5	11.1	11.7	6.0%	6.4%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1.7</b>	<b>0.3</b>	<b>2.9</b>	<b>0.4</b>	<b>-40.8%</b>	<b>0.9%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-66.8%</b>	<b>0.1%</b>
Households	1.7	0.3	2.9	0.3	-41.4%	0.9%	-	-	-	-100.0%	0.1%
<b>Payments for capital assets</b>	<b>6.3</b>	<b>3.9</b>	<b>5.2</b>	<b>4.6</b>	<b>-10.2%</b>	<b>3.4%</b>	<b>3.3</b>	<b>3.6</b>	<b>3.7</b>	<b>-6.6%</b>	<b>2.2%</b>
Machinery and equipment	5.7	3.8	4.9	4.5	-7.9%	3.2%	3.2	3.4	3.6	-6.9%	2.2%
Software and other intangible assets	0.6	0.1	0.2	0.1	-43.2%	0.2%	0.1	0.1	0.1	5.4%	0.1%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>-</b>	<b>0.3</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>145.9</b>	<b>151.6</b>	<b>144.0</b>	<b>152.0</b>	<b>1.4%</b>	<b>100.0%</b>	<b>164.9</b>	<b>175.9</b>	<b>186.0</b>	<b>7.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.6%</b>	<b>59.7%</b>	<b>57.5%</b>	<b>2.3%</b>	<b>-</b>	<b>-</b>	<b>56.3%</b>	<b>56.2%</b>	<b>56.0%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: State-owned Companies Governance Assurance and Performance

### Programme purpose

Provide and enforce state-owned companies' governance, legal assurance, and financial and non-financial performance monitoring, evaluation and reporting systems in support of the shareholder to ensure alignment with government priorities.

### Objectives

- Ensure effective shareholder oversight of state-owned companies on an ongoing basis by:
  - providing governance and legal systems
  - developing and maintaining shareholder risk profiles and mitigating strategies
  - monitoring, evaluating and reporting on financial and non-financial performance, and proposing intervention measures when required.

### Subprogrammes

- *Management* comprises the office of the deputy director-general, which provides strategic leadership and management for the programme's personnel.
- *Legal* provides external legal services and support, including transaction and contract management support, to sector teams and the commercial activities of the state-owned companies within their portfolio.
- *Governance* develops, monitors and advises on legislative, corporate governance and shareholder management systems for the department and its portfolio of state-owned companies. The subprogramme develops and implements risk and compliance management guidelines and systems for shareholder risk.
- *Financial Assessment and Investment Support* analyses state-owned companies' capital planning, operational performance, execution of capital programmes and proposed restructuring proposals, and advises on appropriate action.

### Expenditure trends and estimates

**Table 9.10 State-owned Companies Governance Assurance and Performance expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Management	2.8	3.2	2.8	2.9	1.9%	9.7%	3.1	3.3	3.6	6.8%	7.2%
Legal	7.2	12.9	11.6	11.4	16.9%	36.0%	12.2	13.0	13.8	6.6%	28.0%
Governance	4.0	7.6	7.2	10.7	39.3%	24.6%	12.1	12.9	13.4	7.8%	27.2%
Financial Assessment and Investment Support	5.5	10.0	6.0	14.0	36.8%	29.6%	16.5	17.8	19.5	11.5%	37.6%
<b>Total</b>	<b>19.4</b>	<b>33.7</b>	<b>27.5</b>	<b>39.1</b>	<b>26.4%</b>	<b>100.0%</b>	<b>43.9</b>	<b>47.1</b>	<b>50.3</b>	<b>8.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			1.6	1.7	2.0		
<b>Economic classification</b>											
<b>Current payments</b>	<b>19.4</b>	<b>33.6</b>	<b>27.4</b>	<b>39.1</b>	<b>26.4%</b>	<b>99.8%</b>	<b>43.9</b>	<b>47.1</b>	<b>50.3</b>	<b>8.7%</b>	<b>100.0%</b>
Compensation of employees	16.5	17.7	21.4	30.1	22.1%	71.7%	34.0	36.5	39.0	9.0%	77.4%
Goods and services <sup>1</sup>	2.8	15.9	6.0	9.0	47.1%	28.1%	9.9	10.7	11.2	7.9%	22.6%
of which:											
Communication	0.1	0.3	0.2	0.3	26.9%	0.7%	0.3	0.3	0.3	5.4%	0.7%
Consultants: Business and advisory services	0.6	4.8	0.6	3.9	85.0%	8.3%	4.6	5.0	5.3	10.8%	10.4%
Legal services	0.7	5.2	3.3	2.8	58.2%	10.0%	3.0	3.1	3.3	5.5%	6.8%
Travel and subsistence	1.3	2.0	1.9	1.8	10.4%	5.9%	2.0	2.1	2.2	8.3%	4.5%
Venues and facilities	0.0	0.2	0.0	0.1	20.8%	0.3%	0.1	0.1	0.1	6.3%	0.1%
Transfers and subsidies <sup>1</sup>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	–	<b>-100.0%</b>	<b>0.2%</b>	–	–	–	–	–
Households	0.0	0.1	0.1	–	-100.0%	0.2%	–	–	–	–	–
<b>Total</b>	<b>19.4</b>	<b>33.7</b>	<b>27.5</b>	<b>39.1</b>	<b>26.4%</b>	<b>100.0%</b>	<b>43.9</b>	<b>47.1</b>	<b>50.3</b>	<b>8.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.1%</b>	<b>13.3%</b>	<b>11.0%</b>	<b>0.6%</b>	–	–	<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Business Enhancement, Transformation and Industrialisation

### Programme purpose

Provide sector oversight to ensure that state-owned companies contribute to the advancement of industrialisation, transformation, intergovernmental relations and international collaboration services. Support the shareholder in strategically positioning and enhancing the operations of state-owned companies.

### Objectives

- Contribute to the enhancement of the performance of state-owned companies on an ongoing basis by:
  - conducting reviews, research and modelling of pipeline and new business enhancement opportunities within state-owned companies
  - assessing the operations of state-owned companies and developing mitigation instruments in conjunction with policy departments, regulatory bodies and industry
  - conducting research, modelling job creation and transforming instruments for state-owned companies to inform compact alignment imperatives, unlock bottlenecks affecting state-owned companies and inform evidence-based policy formulation.

### Subprogrammes

- *Energy Resources* exercises shareholder oversight of Eskom, Alexkor and the South African Forestry Company.
- *Research and Economic Modelling* conducts cost benefit analysis reviews on business enhancement and transformation initiatives, and develops economic sustainability models for proposed work packages and projects.
- *Transport and Defence* exercises shareholder oversight of Transnet, South African Express Airways, South African Airways and Denel.
- *Business Enhancement Services* develops and coordinates the implementation of state-owned companies' strategies to leverage localisation programmes; provides intergovernmental coordination and support to programmes and state-owned companies in relation to economic development programmes, as agreed with provincial and local government; and maintains a register of commitments made by state-owned companies and lobbies for the implementation of special programmes focusing on skills development, transformation and youth.

### Expenditure trends and estimates

**Table 9.11 Business Enhancement, Transformation and Industrialisation expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Energy Resources	23 019.2	22.5	14.5	13.7	-91.6%	78.0%	14.7	15.9	16.9	7.3%	0.9%
Research and Economic Modelling	3.6	5.7	25.2	13.5	55.9%	0.2%	14.0	14.9	15.9	5.7%	0.9%
Transport and Defence	55.4	24.3	15.0	6 269.0	383.8%	21.5%	21.5	23.1	24.6	-84.2%	96.0%
Business Enhancement Services	16.3	16.0	24.3	35.7	29.9%	0.3%	33.9	35.9	38.4	2.5%	2.2%
<b>Total</b>	<b>23 094.4</b>	<b>68.5</b>	<b>78.8</b>	<b>6 331.9</b>	<b>-35.0%</b>	<b>100.0%</b>	<b>84.2</b>	<b>89.8</b>	<b>95.7</b>	<b>-75.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				6 249.0			(4.4)	(4.8)	(4.8)		

**Table 9.11 Business Enhancement, Transformation and Industrialisation expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Current payments</b>	<b>60.6</b>	<b>68.5</b>	<b>78.8</b>	<b>82.8</b>	<b>10.9%</b>	<b>1.0%</b>	<b>84.2</b>	<b>89.8</b>	<b>95.7</b>	<b>4.9%</b>	<b>5.3%</b>
Compensation of employees	47.3	52.7	51.9	59.0	7.7%	0.7%	59.0	63.3	67.7	4.7%	3.8%
Goods and services <sup>1</sup>	13.4	15.8	26.8	23.8	21.2%	0.3%	25.1	26.5	28.0	5.6%	1.6%
<i>of which:</i>											
<i>Catering: Departmental activities</i>	<i>0.0</i>	<i>0.1</i>	<i>0.2</i>	<i>0.0</i>	<i>21.1%</i>	<i>–</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>5.9%</i>	<i>–</i>
<i>Communication</i>	<i>0.3</i>	<i>0.5</i>	<i>1.4</i>	<i>0.6</i>	<i>24.2%</i>	<i>–</i>	<i>0.6</i>	<i>0.6</i>	<i>0.7</i>	<i>5.6%</i>	<i>–</i>
<i>Consultants: Business and advisory services</i>	<i>6.8</i>	<i>10.3</i>	<i>11.1</i>	<i>14.2</i>	<i>27.9%</i>	<i>0.1%</i>	<i>16.6</i>	<i>17.3</i>	<i>18.2</i>	<i>8.6%</i>	<i>1.0%</i>
<i>Contractors</i>	<i>0.3</i>	<i>0.1</i>	<i>1.4</i>	<i>1.6</i>	<i>83.6%</i>	<i>–</i>	<i>1.6</i>	<i>2.1</i>	<i>2.3</i>	<i>13.1%</i>	<i>0.1%</i>
<i>Entertainment</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>0.0</i>	<i>–</i>	<i>–</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>4.3%</i>	<i>–</i>
<i>Travel and subsistence</i>	<i>5.3</i>	<i>3.9</i>	<i>6.7</i>	<i>6.4</i>	<i>6.5%</i>	<i>0.1%</i>	<i>6.3</i>	<i>6.4</i>	<i>6.7</i>	<i>1.6%</i>	<i>0.4%</i>
<b>Transfers and subsidies<sup>1</sup></b>	<b>33.8</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>-91.3%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Public corporations and private enterprises	33.1	–	–	–	-100.0%	0.1%	–	–	–	–	–
Households	0.7	0.0	0.1	0.0	-67.7%	–	–	–	–	-100.0%	–
<b>Payments for financial assets</b>	<b>23 000.0</b>	<b>–</b>	<b>–</b>	<b>6 249.0</b>	<b>-35.2%</b>	<b>98.9%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>94.7%</b>
<b>Total</b>	<b>23 094.4</b>	<b>68.6</b>	<b>78.8</b>	<b>6 331.9</b>	<b>-35.0%</b>	<b>100.0%</b>	<b>84.2</b>	<b>89.8</b>	<b>95.7</b>	<b>-75.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>99.3%</b>	<b>27.0%</b>	<b>31.5%</b>	<b>97.1%</b>	<b>–</b>	<b>–</b>	<b>28.7%</b>	<b>28.7%</b>	<b>28.8%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

### Alexkor

Alexkor was established in terms of the Alexkor Limited Act (1992) to mine marine and land diamonds in Alexander Bay, Northern Cape. Through its activities, Alexkor contributes to outcome 4 (decent employment through inclusive growth) of government's 2014-2019 medium-term strategic framework.

Over the medium term, the company plans to execute the remaining deed of settlement obligations regarding the transfer of properties and assets to the Richtersveld local municipality, the Richtersveld community and the Northern Cape provincial government. An amount of R45 million will be paid to the community as directed by the deed of settlement. A working group has been established to oversee the smooth transfer of municipal engineering infrastructure from Alexkor to the Richtersveld municipality and the provincial government. The cost for the transfer of municipal services is yet to be determined following an assessment of the status of the current infrastructure. The first municipal properties are expected to be transferred by 1 July 2019, and include 1 police station, 2 schools, 2 churches, 1 hospital and various public spaces.

In 2017/18, the Alexkor Richtersveld Mining Company Pooling and Sharing Joint Venture generated R409 million compared to the previous year's revenue of R757 million. This decrease is attributed to a decrease in deep sea diamond mining operations as a result of extensive fire damage to the joint venture's mining vessel. As a result, diamond production decreased from 152 000 carats in 2016/17 to 41 000 carats in 2017/18. Revenue in 2018/19 is expected to increase by 10 per cent with the commissioning of operations in other mining concessions.

Alexkor is experiencing financial challenges as its cash reserves for maintaining its head office have been depleted. In 2019/20, the department will review the company's operating structure to address these challenges. The outcome of the review will be presented to Cabinet for consideration.

### Denel

Denel was incorporated as a private company in 1992 in terms of the Companies Act (1973), with the South African government as its sole shareholder. It operates in the military aerospace and landward defence environment, and provides strategic defence equipment. Denel supplies the South African National Defence Force with strategic and sovereign capabilities. In doing so, it contributes to outcome 6 (an efficient, competitive and responsive economic infrastructure network) of government's 2014-2019 medium-term strategic

framework.

The company's broad focus over the medium term will be on restructuring, which entails optimising its cost structure and reviewing its business model to improve its global competitiveness. Emphasis will be placed on the company's internal cost structure, efficiency, effectiveness, disposal of non-core businesses, improved supply chain policies and alignment of IT infrastructure with the new organisational structure. The goal is to establish a healthy strategic and operational foundation to facilitate sustainable and accelerated growth, and the ability to generate revenue and reduce reliance on financial support from government.

As a result of these measures, revenue is expected to increase at an average of 12 per cent over the medium term, from an estimated R1.9 billion in 2018/19. Denel experienced a 38 per cent decrease in revenue, from R8.1 billion in 2016/17 to R4.8 billion in 2017/18, recording a loss of R1.8 billion in 2017/18 after six years of consecutive profits. The company is expected to return to profitability from 2020/21. Denel plans to expand its exports base and strategic partnerships to further improve market access.

### **Eskom**

Eskom is governed by the Eskom Conversion Act (2001), and is mandated to generate, transmit and distribute electricity to industrial, mining, commercial, agricultural and residential customers and redistributors. Eskom generates 95 per cent of the electricity used in South Africa and 45 per cent of the electricity used in Africa. In fulfilling its mandate, Eskom contributes to outcome 6 (an efficient, competitive and responsive economic infrastructure network) of government's 2014-2019 medium-term strategic framework.

Eskom and the department have concluded a turnaround strategy to deal with the company's short-term recovery and long-term sustainability. The strategy is premised on driving necessary reforms and efficiencies, containing operational costs, ensuring clean governance, and improving operational performance to ensure affordable and reliable electricity supply. As the entity focuses on implementing this strategy over the medium term, it will review its cost structure and business operating model to become financially sustainable and reposition itself for growth while responding to the changing energy landscape. The appointment of a new board of directors in January 2018 restored investor confidence and resulted in the entity receiving R43 billion in funding from capital markets.

The company's infrastructural build programme aims to build new power stations and refurbish existing ones to increase the output of high-voltage transmission power lines and transformer capacity. Investment in this programme has resulted in improved plant maintenance and increased capacity, leading to an increase in plant availability (the percentage of time a plant is available to generate power) from 77.3 per cent in 2016/17 to 78 per cent in 2017/18. As a result, with the commercialisation of Medupi units 4 and 5, and Kusile Unit 1, Eskom has been able to increase electricity capacity by 2 387 megawatts (MW), and total system capacity to more than 45 000 MW.

Eskom's revenue increased from R177.1 billion in 2016/17 to R177.4 billion in 2017/18. This marginal increase is attributed to the lower than inflation tariff increase granted by the National Energy Regulator of South Africa in 2017/18. As a result, Eskom's financial position continued to deteriorate due to operating expenditure and debt-servicing costs for the new build programme increasing at a higher rate than revenue.

### **South African Airways**

South African Airways is the country's national air carrier, and operates a full-service network in the international, regional and domestic markets. From August 2018, the president transferred executive authority responsibilities for the airline from the Minister of Finance to the Minister of Public Enterprises in terms of section 97 of the Constitution.

In 2017/18, the airline developed a long-term turnaround strategy, which was refined in 2018/19, in an effort to position the airline to support growth in trade and tourism, and in turn support job creation. To halt further decline in performance over the medium term, the company is focusing on optimising its route network, improving its use of aircraft, enhancing maintenance efficiency and cost effectiveness, driving down



procurement costs, and improving employee productivity and accountability. As a result of these measures, with the support of the Department of Public Enterprises and other relevant departments, most domestic and regional routes are already operating profitably. In addition, proposals have been put forward for the implementation of a group corporate structure that will facilitate closer collaboration with South African Express Airways. The department will oversee and support the implementation of the approved structure.

In the 2018/19 adjustments budget, the airline was allocated R5 billion. This contributed to improving its solvency, although it still remains technically insolvent. Despite an anticipated improvement in financial performance with the implementation of the turnaround strategy, it is unlikely that the airline will return to solvency immediately. Therefore, over the medium term, South African Airways will consider bringing on board a strategic equity partner.

### **South African Express Airways**

As a feeder airline to South African Airways, South African Express Airways serves as a regional air carrier mandated to provide transportation and other related aviation services on low-density domestic and African regional routes. The airline was grounded by the South African Civil Aviation Authority in May 2018, but has since recovered both its air operator's certificate and licence as an airline maintenance organisation, and has been strengthening its safety management systems. It resumed operations in August 2018.

In 2018/19, the company revised its turnaround strategy to focus on stabilising its financial and operational performance to reduce its high cost structure and improve its ability to generate revenue. A number of initiatives were identified to implement the strategy, including optimising the airline's route network; cancelling or renegotiating contracts and agreements; strengthening revenue and yield management; filling key positions; enhancing organisational culture and values; ensuring that at least 90 per cent of flights are on time; and improving schedule and aircraft reliability.

Over the medium term, the airline plans to work with the Department of Public Enterprises and National Treasury towards finalising an optimal corporate structure to foster collaboration among state airlines and improve performance. The company is also working with South African Airways to identify synergies, such as the joint procurement of IT services, collaborative pilot and cabin crew training, joint ground handling and procurement, and centralised route planning.

The company received R1.2 billion during the 2018/19 adjustments budget for the repayment of government-guaranteed debt. This allocation is expected to help improve the airline's liquidity.

### **South African Forestry Company**

The South African Forestry Company was established in 1992 in terms of the Management of State Forests Act (1992). It is mandated to ensure the sustainable management of plantation forests, increase downstream timber processing, and play a catalytic role in rural economic development and transformation. In performing these functions, the company contributes to outcome 7 (comprehensive rural development and land reform) of government's 2014-2019 medium-term strategic framework. Over the MTEF period, the company plans to continue fulfilling its commitments to communities near its operations, and diversify its product offering by increasing its production of timber for public facilities, poles for the electricity distribution sector, and furniture. The company supports communities around its operations, and is developing suitable land settlement models in partnership with the Department of Rural Development and Land Reform.

The company's revenue decreased from R1 billion in 2016/17 to R900 million in 2017/18 as a result of poor log and timber sales, and delays in the upgrading of obsolete equipment at its subsidiaries (Timbadola in Limpopo and Industrias Florestais de Manica in Mozambique), which resulted in high maintenance costs. Despite this decrease in revenue, the company remains stable and is able to sustain itself without relying on financial support from government. Revenue is expected to increase to R1.6 billion in 2021/22 as a result of planned investments in new projects.

## **Transnet**

Transnet plays a significant role in South Africa's freight logistics. The company is mandated to contribute to lowering the cost of doing business in South Africa to enable economic growth by providing appropriate port, rail and pipeline infrastructure. Its mandate is closely aligned with outcome 6 (an efficient, competitive and responsive infrastructure network) of government's 2014-2019 medium-term strategic framework.

Over the medium term, Transnet aims to continue lowering the costs of freight transport. Since the inception of the entity's market demand strategy in 2012, more than R165.6 billion has been spent on infrastructure and maintenance projects. Over the five-year period ending 2022/23, Transnet plans to invest R163.7 billion in capital expenditure, particularly in rail, port and pipeline infrastructure, across its operating divisions to sustain and expand capacity. In 2017/18, the entity invested R5.4 billion in expanding its infrastructure and equipment, and R16.4 billion in maintaining capacity in its rail and ports divisions.

As a result of the improved infrastructure, Transnet Freight Rail, a division of Transnet, moved 226.3 million tonnes in 2017/18 compared to 219.1 million tonnes in 2016/17, an increase of 3.3 per cent. This contributed to an 11.3 per cent increase in Transnet's revenue, from R65.5 billion in 2016/17 to R72.9 billion in 2017/18. As a result, the company's profit increased by 75 per cent over the same period, from R2.8 billion to R4.9 billion. However, growth was slower in 2018/19 due to the challenging economic environment.

Performance in port operations improved by 6 per cent, from 4 396 twenty-foot equivalent units in 2016/17 to 4 664 in 2017/18. However, pipeline volumes decreased by 3.9 per cent, from 16.9 billion litres in 2016/17 to 16.3 billion litres in 2017/18 due to a two-month closure of a fuel refinery following an explosion in May 2017. Full operationalisation of the new multi-product pipeline for diesel and fuel products is expected to increase liquid fuel volume throughput over the medium term. Major projects scheduled for 2018/19 include the construction of crude oil refinery tanks and the upgrading of fire protection systems at various sites.

# Vote 10

## Public Service and Administration

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	246.1	242.8	0.5	2.8	264.6	284.7
Policy Development, Research and Analysis	36.3	36.1	0.0	0.2	38.5	41.0
Public Service Employment and Conditions of Service	84.4	83.8	–	0.6	90.6	94.1
Government Chief Information Officer	23.3	22.9	–	0.4	24.9	29.6
Service Delivery Support	282.6	54.5	227.8	0.3	310.0	337.3
Governance of Public Administration	329.4	49.4	278.5	1.4	352.7	375.4
<b>Total expenditure estimates</b>	<b>1 002.1</b>	<b>489.6</b>	<b>506.9</b>	<b>5.7</b>	<b>1 081.3</b>	<b>1 162.0</b>
Executive authority	Minister of Public Service and Administration					
Accounting officer	Director-General of Public Service and Administration					
Website address	<a href="http://www.dpsa.gov.za">www.dpsa.gov.za</a>					

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Lead the modernisation of the public service, through a generally applicable framework of norms and standards, to improve service delivery.*

### Mandate

The Department of Public Service and Administration draws its mandate from section 195(1) of the Constitution, which sets out basic values and principles the public service should adhere to, and the Public Service Act (1994). In terms of the act, the Minister of Public Service and Administration is responsible for establishing norms and standards relating to:

- the functions of the public service
- organisational structures and establishments of departments, and other organisational and governance arrangements in the public service
- the conditions of service and other employment practices for employees
- labour relations in the public service
- the health and wellness of employees
- information management in the public service
- electronic government
- integrity, ethics, conduct and anti-corruption in the public service
- transformation, reform, innovation and any other matters to improve the effectiveness and efficiency of the public service and its service delivery to the public.

## Selected performance indicators

**Table 10.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of selected departments in which the implementation of the productivity management framework is monitored per year	Policy Development, Research and Analysis	Outcome 12: An efficient, effective and development oriented public service	2	2	2	2	2	2	2
Number of human resources development forum meetings held per year to provide support to national and provincial departments with the appointment of youth into learnership, internship and artisan programmes in the public service	Public Service Employment and Conditions of Service		10	10	10	10	10	10	10
Number of departments supported with the implementation of the e-enablement security guidelines per year	Government Chief Information Officer		-1	-1	166	166	166	166	-2
Development and implementation of a common digital administration system that serves as a repository for all public service administrative and service delivery performance and compliance information that is relevant to the work of the Department of Public Service and Administration	Government Chief Information Officer		-1	-1	-1	Conduct project assessment and scoping exercises to develop a clear business case for a digital administration system	Develop and deploy the digital administration system as a pilot in the Department of Public Service and Administration	Implement the digital administration system	-2
Number of service delivery improvement plans received per year from provincial and national departments for quality assessment rated as meeting the minimum standards	Service Delivery Support		123	78	78	78	78	78	78
Development of a framework for the establishment, promotion and maintenance of Thusong service centres to improve citizens' access to government services	Service Delivery Support		-1	-1	-1	Develop concept document and roadmap for the Thusong service centre programme	Undertake broad stakeholder consultation and benchmarking	Develop draft framework for the Thusong service centre programme	-2

1. No historical data available.

2. Indicator discontinued.

## Expenditure analysis

Chapter 13 of the National Development Plan (NDP) outlines a vision for building a capable and developmental state through strengthening delegation, accountability and oversight in the public service. This vision is given expression by outcome 12 (an efficient, effective and development-oriented public service) of government's 2014-2019 medium-term expenditure framework, with which the work of the Department of Public Service and Administration is closely aligned. Over the medium term, the department will focus on promoting meaningful delegations of authority and ensuring accountability in the public service, promoting public service as a career of choice, ensuring efficient and effective management and operations systems in the public service, and increasing the responsiveness of public servants.

The services carried out by other departments within the vote (the National School of Government, the Public Service Commission and the Centre for Public Service Innovation) provide public service employees with access to knowledge and skills, promote the principles of public administration, and foster innovation in the public service. Accordingly, 50.3 per cent (R1.6 billion) of the Department of Public Service and Administration's total budget is allocated to transfers for the operations of these departments over the MTEF period. Transfers and subsidies to departmental agencies and accounts are expected to increase at an average annual rate of

7.9 per cent, from R469.5 million in 2018/19 to R589.8 million in 2021/22, mainly due to an additional allocation of R60 million over the medium term to the National School of Government for the introduction of mandatory programmes.

Expenditure on compensation of employees, the department's second-largest spending area, accounts for an estimated 30.8 per cent (R1 billion) of the Department of Public Service and Administration's total budget over the MTEF period, and provides for an average of 460 employees per year over the medium term.

### ***Promoting meaningful delegations of authority and ensuring accountability***

In responding to the NDP's vision of strengthening delegations of authority in the public service, the department issued a guide in 2016/17 on public administration and management delegations. The guide provides comprehensive principles and a toolkit for exercising discretionary decision-making at an operational level; synergising the powers and duties of heads of departments in terms of the Public Service Act (1994) and the Public Administration Management Act (2014); and optimising the use of resources, including human resources. The department plans to assist 5 departments per year over the medium term in implementing the directive on delegations, as contained in the guide. Once the directive is implemented, departments will be required to submit annual compliance reports. Activities related to this will be carried out in the *Organisational Design and Macro Organisation of the Public Service* subprogramme, which accounts for an estimated 2.8 per cent (R29.8 million) of spending in the *Governance for Public Administration* programme.

The performance management and development system aims to strengthen accountability among heads of departments regarding performance. Over the medium term, the department intends to hold workshops to support national and provincial departments on the key stages of implementing the system. This will be carried out in the *Leadership Management* subprogramme, which has a budget of R20.7 million over the medium term, in the *Governance of Public Administration* programme.

Over the MTEF period, the department plans to design a uniform system for grading jobs in the public service. This system will be linked to a competency framework, which will form the basis of differentiated development systems for performance management for various occupational classes and performer levels. To this end, R1.6 million is allocated over the medium term in the *Remuneration and Job Grading* subprogramme in the *Public Service Employment and Conditions of Service* programme.

### ***Public service as a career of choice***

Part of building a capable and developmental state entails attracting, developing and retaining capable public servants. To achieve this, the department developed a framework in 2017/18 for recruiting dedicated graduates, and ensuring that their skills are developed as their careers progress. In line with the framework, the department will aim to support national and provincial departments in placing a targeted 20 000 young people per year over the medium term in public service learnerships, internships and artisan programmes. This is expected to be enabled by hosting 10 human resources development forum meetings per year over the same period. These activities will be carried out in the *Human Resource Development* subprogramme in the *Public Service Employment and Conditions of Service* programme, which is allocated a total budget of R15.6 million.

To ensure that sustainable housing solutions are provided to all government employees, over the medium term, the department aims to operationalise the Government Employees Housing Scheme to assist public service employees on salary levels 1 to 10 with access to home loans. R55.2 million is allocated over the MTEF period for this purpose, including a reprioritisation of R20.9 million from goods and services to compensation of employees, in the *Public Service Employment and Conditions of Service* programme. As a result, spending on compensation of employees in the programme is set to increase at an average annual rate of 11.4 per cent, from R51.7 million in 2018/19 to R71.5 million in 2021/22, in line with an increase in the number of personnel in the scheme from 3 in 2018/19 to 9 in 2021/22.

### ***Effective and efficient management and operation systems***

The planning, execution and management of basic operations are critical for productivity and effective public service delivery. Over the medium term, the department will focus on entrenching the institutionalisation of the

productivity management framework and related toolkits, which have been developed to improve the efficiency and effectiveness of frontline service delivery. This is expected to be achieved by monitoring the framework's implementation in 2 selected departments per year over the medium term. Activities related to this will be carried out in the *Research and Analysis* subprogramme, which accounts for an estimated 11.3 per cent (R13.1 million) of the total budget in the *Policy Development, Research and Analysis* programme over the MTEF period.

In the pursuit of improving the overall functioning of the public service, the department plans to develop a strategic framework, by 2020/21 to provide guidance on how norms and standards can improve the functioning of the public service. The framework will aim to conceptualise a common definition of, and design and document norms and standards on, the functional areas of the Public Service Act (1994); the Public Administration Management Act (2014); and regulations, determinations and directives associated with the Municipal Systems Act (2000). This work will be carried out in the *Public Service Performance, Monitoring and Evaluation* subprogramme, which is allocated a budget of R7.2 million in the *Policy Development, Research and Analysis* programme over the MTEF period.

The department is committed to digitising public administration to ensure effective and efficient management and operational systems. As such, over the medium term, the department plans to develop and deploy a management information system that will provide dashboards and real-time reports to inform policy. The system is expected to be piloted in 5 national departments in 2019/20, with the full rollout planned to commence in 2020/21. In collaboration with the State Information Technology Agency and the Government Information Technology Officers' Council, the department plans to hold workshops over the medium term with national and provincial departments on how to use the system. To carry out these activities, R2.9 million is allocated over the MTEF period in the *Public Service ICT e-Enablement* subprogramme in the *Government Chief Information Officer* programme.

### **Increased responsiveness and accountability to citizens**

Adherence to the Batho Pele principles entails putting people first in the delivery of public services. As such, over the medium term, the department will focus on monitoring the quality of public services and increasing its responsiveness to concerns and views raised by citizens. This is expected to be achieved by, among other things, promoting the public service charter by hosting workshops with national and provincial departments. This work will be carried out in the *Batho Pele Support Initiatives* subprogramme in the *Service Delivery Support* programme at a projected cost of R1.2 million over the medium term.

## **Expenditure trends**

**Table 10.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Policy Development, Research and Analysis														
3. Public Service Employment and Conditions of Service														
4. Government Chief Information Officer														
5. Service Delivery Support														
6. Governance of Public Administration														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	219.7	221.4	215.8	215.7	223.0	225.3	230.7	236.7	222.9	248.9	240.6	240.6	98.9%	98.1%
Programme 2	37.5	38.6	33.9	33.8	29.4	30.8	35.1	33.4	29.6	34.1	34.1	34.1	91.4%	94.8%
Programme 3	68.6	73.6	67.6	81.4	77.5	66.1	70.1	67.0	64.7	82.4	78.0	78.0	91.4%	93.3%
Programme 4	21.5	21.5	20.2	20.9	18.9	15.9	21.5	17.1	16.5	21.7	22.4	22.4	87.7%	93.9%
Programme 5	220.7	219.6	231.2	138.1	156.5	155.0	247.9	235.7	235.9	257.6	262.4	262.4	102.3%	101.2%
Programme 6	269.0	272.9	272.4	280.6	274.6	270.2	291.8	287.2	287.3	311.9	313.1	313.1	99.1%	99.6%
<b>Total</b>	<b>837.0</b>	<b>847.6</b>	<b>840.9</b>	<b>770.4</b>	<b>779.8</b>	<b>763.3</b>	<b>897.1</b>	<b>877.1</b>	<b>856.9</b>	<b>956.7</b>	<b>950.7</b>	<b>950.7</b>	<b>98.6%</b>	<b>98.7%</b>
Change to 2018 Budget estimate											(6.0)			

**Table 10.2 Vote expenditure trends by programme and economic classification**

Economic classification	2018/19			2019/20			2020/21			2021/22			Average: Annual Outcome/budget (%)	Average: Adjusted Outcome/Adjusted appropriation (%)
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate		
<b>Current payments</b>	<b>443.2</b>	<b>444.1</b>	<b>429.9</b>	<b>443.8</b>	<b>434.1</b>	<b>413.2</b>	<b>451.6</b>	<b>438.4</b>	<b>410.0</b>	<b>479.7</b>	<b>470.2</b>	<b>470.2</b>	<b>94.8%</b>	<b>96.4%</b>
Compensation of employees	277.8	276.0	242.5	272.8	270.5	254.5	275.7	265.2	260.4	288.4	283.1	282.2	93.3%	95.0%
Goods and services	165.4	168.1	187.4	171.0	163.6	158.6	175.9	173.1	149.6	191.3	187.0	188.0	97.2%	98.8%
<b>Transfers and subsidies</b>	<b>391.5</b>	<b>400.2</b>	<b>404.3</b>	<b>323.6</b>	<b>335.5</b>	<b>336.5</b>	<b>442.5</b>	<b>432.9</b>	<b>441.1</b>	<b>471.6</b>	<b>472.9</b>	<b>472.9</b>	<b>101.6%</b>	<b>100.8%</b>
Departmental agencies and accounts	390.7	395.9	399.2	321.6	332.4	332.4	440.4	430.7	436.0	469.5	469.5	469.5	100.9%	100.5%
Foreign governments and international organisations	0.8	2.1	1.9	2.1	2.2	2.7	2.1	2.1	1.8	2.1	2.1	2.1	120.5%	99.8%
Households	–	2.2	3.2	–	0.8	1.4	–	–	3.2	–	1.3	1.3	–	210.3%
<b>Payments for capital assets</b>	<b>2.3</b>	<b>3.3</b>	<b>6.7</b>	<b>3.0</b>	<b>10.3</b>	<b>13.3</b>	<b>3.0</b>	<b>5.9</b>	<b>5.7</b>	<b>5.4</b>	<b>7.6</b>	<b>7.6</b>	<b>243.5%</b>	<b>123.1%</b>
Machinery and equipment	2.1	3.1	6.7	3.0	10.3	13.3	3.0	5.7	5.7	4.0	6.3	6.3	263.4%	126.3%
Software and other intangible assets	0.2	0.2	–	–	–	–	–	0.2	0.0	1.3	1.3	1.3	87.2%	76.9%
<b>Payments for financial assets</b>	<b>–</b>	<b>0.0</b>	<b>0.1</b>	<b>–</b>	<b>0.0</b>	<b>0.4</b>	<b>–</b>	<b>0.0</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>998.0%</b>
<b>Total</b>	<b>837.0</b>	<b>847.6</b>	<b>840.9</b>	<b>770.4</b>	<b>779.8</b>	<b>763.3</b>	<b>897.1</b>	<b>877.1</b>	<b>856.9</b>	<b>956.7</b>	<b>950.7</b>	<b>950.7</b>	<b>98.6%</b>	<b>98.7%</b>

## Expenditure estimates

**Table 10.3 Vote expenditure estimates by programme and economic classification**

Programmes									
1. Administration									
2. Policy Development, Research and Analysis									
3. Public Service Employment and Conditions of Service									
4. Government Chief Information Officer									
5. Service Delivery Support									
6. Governance of Public Administration									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
				2018/19	2019/20	2020/21			2021/22
R million									
Programme 1	240.6	2.8%	26.5%	246.1	264.6	284.7	5.8%	24.7%	
Programme 2	34.1	-4.0%	3.8%	36.3	38.5	41.0	6.3%	3.6%	
Programme 3	78.0	2.0%	8.1%	84.4	90.6	94.1	6.5%	8.3%	
Programme 4	22.4	1.4%	2.2%	23.3	24.9	29.6	9.7%	2.4%	
Programme 5	262.4	6.1%	25.9%	282.6	310.0	337.3	8.7%	28.4%	
Programme 6	313.1	4.7%	33.5%	329.4	352.7	375.4	6.2%	32.7%	
<b>Total</b>	<b>950.7</b>	<b>3.9%</b>	<b>100.0%</b>	<b>1 002.1</b>	<b>1 081.3</b>	<b>1 162.0</b>	<b>6.9%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				(4.8)	5.1	20.1			
Economic classification									
<b>Current payments</b>	<b>470.2</b>	<b>1.9%</b>	<b>50.5%</b>	<b>489.6</b>	<b>525.5</b>	<b>563.6</b>	<b>6.2%</b>	<b>48.8%</b>	
Compensation of employees	282.2	0.7%	30.5%	311.9	335.7	362.9	8.7%	30.8%	
Goods and services	188.0	3.8%	20.0%	177.7	189.8	200.7	2.2%	18.0%	
<b>Transfers and subsidies</b>	<b>472.9</b>	<b>5.7%</b>	<b>48.5%</b>	<b>506.9</b>	<b>549.8</b>	<b>592.1</b>	<b>7.8%</b>	<b>50.6%</b>	
Departmental agencies and accounts	469.5	5.8%	48.0%	504.7	547.6	589.8	7.9%	50.3%	
Foreign governments and international organisations	2.1	-0.4%	0.2%	2.1	2.2	2.3	4.2%	0.2%	
Households	1.3	-16.0%	0.3%	–	–	–	-100.0%	0.0%	
<b>Payments for capital assets</b>	<b>7.6</b>	<b>32.1%</b>	<b>1.0%</b>	<b>5.7</b>	<b>5.9</b>	<b>6.3</b>	<b>-6.3%</b>	<b>0.6%</b>	
Machinery and equipment	6.3	26.5%	0.9%	4.3	4.5	4.8	-8.6%	0.5%	
Software and other intangible assets	1.3	86.8%	0.0%	1.4	1.4	1.5	3.3%	0.1%	
<b>Total</b>	<b>950.7</b>	<b>3.9%</b>	<b>100.0%</b>	<b>1 002.1</b>	<b>1 081.3</b>	<b>1 162.0</b>	<b>6.9%</b>	<b>100.0%</b>	

## Expenditure trends and estimates for significant spending items

**Table 10.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/Total (%)
Compensation of employees	242 534	254 534	260 423	283 140	5.3%	30.5%	311 872	335 714	362 866	8.6%	30.8%
National School of Government	140 439	71 067	153 906	168 959	6.4%	15.7%	187 905	208 844	229 859	10.8%	19.0%
Centre for Public Service Innovation	29 003	32 094	34 055	36 030	7.5%	3.8%	38 437	40 969	43 447	6.4%	3.8%
Public Service Commission	229 752	229 233	248 059	264 399	4.8%	28.5%	278 229	297 627	316 333	6.2%	27.6%
<b>Total</b>	<b>641 728</b>	<b>586 928</b>	<b>696 443</b>	<b>752 528</b>	<b>24.0%</b>	<b>78.5%</b>	<b>816 443</b>	<b>883 154</b>	<b>952 505</b>	<b>32.0%</b>	<b>81.2%</b>

## Goods and services expenditure trends and estimates

**Table 10.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/Total (%)
Administrative fees	1 620	1 357	2 069	2 009	7.4%	1.0%	1 613	1 692	1 798	-3.6%	0.9%
Advertising	4 835	4 458	961	2 808	-16.6%	1.9%	2 222	3 675	3 377	6.3%	1.6%
Minor assets	357	333	464	1 939	75.8%	0.5%	3 136	3 192	3 369	20.2%	1.5%
Audit costs: External	4 116	3 807	4 109	4 519	3.2%	2.4%	5 551	5 120	5 402	6.1%	2.7%
Bursaries: Employees	446	442	452	500	3.9%	0.3%	500	700	739	13.9%	0.3%
Catering: Departmental activities	4 212	3 023	2 871	4 294	0.6%	2.1%	4 691	4 628	4 952	4.9%	2.5%
Communication	8 516	6 703	6 503	7 929	-2.4%	4.3%	7 928	8 388	9 264	5.3%	4.4%
Computer services	18 817	20 819	25 826	26 339	11.9%	13.4%	25 556	27 820	28 879	3.1%	14.4%
Consultants: Business and advisory services	11 729	4 672	2 989	3 629	-32.4%	3.4%	3 009	3 194	4 045	3.7%	1.8%
Infrastructure and planning services	–	–	–	175	–	–	–	–	–	-100.0%	–
Legal services	2 069	2 747	3 672	1 472	-10.7%	1.5%	2 144	2 310	2 437	18.3%	1.1%
Contractors	6 513	3 037	1 560	4 756	-9.9%	2.3%	2 405	2 584	2 754	-16.6%	1.7%
Agency and support/outourced services	1 019	1 129	–	–	-100.0%	0.3%	–	–	–	–	–
Entertainment	51	44	29	104	26.8%	–	111	118	124	6.0%	0.1%
Fleet services (including government motor transport)	1 786	2 029	2 109	1 596	-3.7%	1.1%	1 625	1 471	1 552	-0.9%	0.8%
Consumable supplies	1 946	2 956	2 038	2 171	3.7%	1.3%	1 277	1 248	1 312	-15.5%	0.8%
Consumables: Stationery, printing and office supplies	3 849	4 332	3 062	6 883	21.4%	2.7%	4 757	5 139	4 529	-13.0%	2.8%
Operating leases	38 235	38 792	40 873	45 954	6.3%	24.0%	49 355	51 692	54 535	5.9%	26.7%
Rental and hiring	5 642	3 341	1 890	1 436	-36.6%	1.8%	2 295	2 500	2 670	23.0%	1.2%
Property payments	7 744	11 012	10 119	17 127	30.3%	6.7%	17 090	18 121	18 831	3.2%	9.4%
Transport provided: Departmental activity	136	137	721	1 155	104.0%	0.3%	1 301	1 395	1 472	8.4%	0.7%
Travel and subsistence	45 654	29 915	28 079	29 571	-13.5%	19.5%	29 874	30 702	33 055	3.8%	16.3%
Training and development	3 468	2 447	1 462	3 954	4.5%	1.7%	3 228	3 809	4 028	0.6%	2.0%
Operating payments	5 429	5 373	3 436	8 784	17.4%	3.4%	6 520	8 609	9 801	3.7%	4.5%
Venues and facilities	9 176	5 716	4 311	7 916	-4.8%	4.0%	1 534	1 728	1 824	-38.7%	1.7%
<b>Total</b>	<b>187 365</b>	<b>158 621</b>	<b>149 605</b>	<b>187 020</b>	<b>-0.1%</b>	<b>100.0%</b>	<b>177 722</b>	<b>189 835</b>	<b>200 749</b>	<b>2.4%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 10.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/Total (%)
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>3 204</b>	<b>1 381</b>	<b>3 193</b>	<b>1 293</b>	<b>-26.1%</b>	<b>0.5%</b>	–	–	–	<b>-100.0%</b>	<b>0.1%</b>
Employee social benefits	3 204	1 381	3 193	1 293	-26.1%	0.5%	–	–	–	-100.0%	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>399 194</b>	<b>332 394</b>	<b>436 020</b>	<b>469 525</b>	<b>5.6%</b>	<b>98.9%</b>	<b>504 715</b>	<b>547 591</b>	<b>589 797</b>	<b>7.9%</b>	<b>99.5%</b>
Communication	–	–	–	137	–	–	144	151	158	4.9%	–
National School of Government	140 439	71 067	153 906	168 959	6.4%	32.3%	187 905	208 844	229 859	10.8%	37.5%
Centre for Public Service Innovation	29 003	32 094	34 055	36 030	7.5%	7.9%	38 437	40 969	43 447	6.4%	7.5%
Public Service Commission	229 752	229 233	248 059	264 399	4.8%	58.7%	278 229	297 627	316 333	6.2%	54.5%



Table 10.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
Current	4	5	8	10	35.7%	-	10	10	10	-	-
Vehicle licences	4	5	8	10	35.7%	-	10	10	10	-	-
<b>Households</b>											
<b>Other transfers to households</b>											
Current	-	-	20	-	-	-	-	-	-	-	-
Employee social benefits	-	-	20	-	-	-	-	-	-	-	-
<b>Foreign governments and international organisations</b>											
Current	1 852	2 693	1 848	2 053	3.5%	0.5%	2 125	2 200	2 321	4.2%	0.4%
African Association for Public Administration and Management	245	299	271	300	7.0%	0.1%	317	334	352	5.5%	0.1%
African Training and Research Centre in Administration for Development	-	725	-	-	-	-	-	-	-	-	-
International Institute of Administration Sciences	33	42	36	40	6.6%	-	43	47	50	7.7%	-
Commonwealth Association for Public Administration and Management	60	-	-	-	-100.0%	-	-	-	-	-	-
Open Government Partnership	1 270	1 394	1 293	1 441	4.3%	0.3%	1 470	1 499	1 581	3.1%	0.3%
Organisation for Economic Cooperation and Development	244	233	248	272	3.7%	0.1%	295	320	338	7.5%	0.1%
<b>Total</b>	<b>404 254</b>	<b>336 473</b>	<b>441 089</b>	<b>472 881</b>	<b>5.4%</b>	<b>100.0%</b>	<b>506 850</b>	<b>549 801</b>	<b>592 128</b>	<b>7.8%</b>	<b>100.0%</b>

## Personnel information

Table 10.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes																					
1. Administration																					
2. Policy Development, Research and Analysis																					
3. Public Service Employment and Conditions of Service																					
4. Government Chief Information Officer																					
5. Service Delivery Support																					
6. Governance of Public Administration																					
Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number							
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)						
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22									
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
<b>Public Service and Administration</b>		<b>491</b>	<b>-</b>	<b>-</b>	<b>477</b>	<b>260.4</b>	<b>0.5</b>	<b>449</b>	<b>282.2</b>	<b>0.6</b>	<b>460</b>	<b>311.7</b>	<b>0.7</b>	<b>459</b>	<b>335.6</b>	<b>0.7</b>	<b>462</b>	<b>363.5</b>	<b>0.8</b>	<b>1.0%</b>	<b>100.0%</b>
Salary level	491	-	477	260.4	0.5	449	282.2	0.6	460	311.7	0.7	459	335.6	0.7	462	363.5	0.8	1.0%	100.0%		
1 - 6	143	-	154	34.3	0.2	139	33.3	0.2	140	36.4	0.3	139	39.0	0.3	138	42.0	0.3	-0.2%	30.4%		
7 - 10	128	-	116	47.3	0.4	119	55.7	0.5	124	62.8	0.5	122	66.1	0.5	123	71.9	0.6	1.1%	26.7%		
11 - 12	101	-	99	68.9	0.7	89	69.4	0.8	87	72.6	0.8	87	78.0	0.9	90	86.0	1.0	0.4%	19.3%		
13 - 16	117	-	106	105.9	1.0	100	119.5	1.2	107	135.2	1.3	109	147.5	1.4	109	158.3	1.5	2.9%	23.2%		
Other	2	-	2	4.0	2.0	2	4.3	2.2	2	4.6	2.3	2	5.0	2.5	2	5.3	2.6	-	0.4%		
<b>Programme</b>	<b>491</b>	<b>-</b>	<b>477</b>	<b>260.4</b>	<b>0.5</b>	<b>449</b>	<b>282.2</b>	<b>0.6</b>	<b>460</b>	<b>311.7</b>	<b>0.7</b>	<b>459</b>	<b>335.6</b>	<b>0.7</b>	<b>462</b>	<b>363.5</b>	<b>0.8</b>	<b>1.0%</b>	<b>100.0%</b>		
Programme 1	241	-	254	112.8	0.4	234	119.1	0.5	230	124.2	0.5	232	135.6	0.6	234	147.9	0.6	-	50.8%		
Programme 2	34	-	31	26.3	0.8	33	28.9	0.9	32	30.0	0.9	32	32.2	1.0	32	34.4	1.1	-1.0%	7.0%		
Programme 3	96	-	80	49.6	0.6	76	51.6	0.7	88	65.8	0.7	86	68.9	0.8	82	71.5	0.9	2.6%	18.1%		
Programme 4	22	-	20	13.5	0.7	18	15.6	0.9	18	17.5	1.0	17	18.4	1.1	21	22.6	1.1	5.3%	4.0%		
Programme 5	53	-	49	28.1	0.6	46	32.3	0.7	49	36.1	0.7	49	39.1	0.8	49	41.9	0.9	2.1%	10.5%		
Programme 6	45	-	43	30.2	0.7	42	34.7	0.8	43	38.1	0.9	43	41.5	1.0	44	45.2	1.0	1.6%	9.4%		

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 10.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>1 441</b>	<b>757</b>	<b>475</b>	<b>721</b>	<b>721</b>	<b>-20.6%</b>	<b>100.0%</b>	<b>731</b>	<b>761</b>	<b>594</b>	<b>-6.3%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>490</b>	<b>193</b>	<b>173</b>	<b>457</b>	<b>457</b>	<b>-2.3%</b>	<b>38.7%</b>	<b>457</b>	<b>457</b>	<b>264</b>	<b>-16.7%</b>	<b>58.2%</b>
Sales by market establishments	199	114	95	170	170	-5.1%	17.0%	170	170	172	0.4%	24.3%
of which:												
Parking	199	114	95	170	170	-5.1%	17.0%	170	170	172	0.4%	24.3%
Administrative fees	78	79	78	87	87	3.7%	9.5%	87	87	92	1.9%	12.6%
of which:												
Commission	78	79	78	85	85	2.9%	9.4%	85	85	90	1.9%	12.3%
Replacement of access cards	-	-	-	2	2	-	0.1%	2	2	2	-	0.3%
Other sales	213	-	-	200	200	-2.1%	12.2%	200	200	-	-100.0%	21.4%
of which:												
Sale of capital assets	213	-	-	200	200	-2.1%	12.2%	200	200	-	-100.0%	21.4%
Interest, dividends and rent on land	4	3	8	4	4	-	0.6%	4	4	5	7.7%	0.6%
Interest	4	3	8	4	4	-	0.6%	4	4	5	7.7%	0.6%
Transactions in financial assets and liabilities	947	561	294	260	260	-35.0%	60.8%	270	300	325	7.7%	41.1%
<b>Total</b>	<b>1 441</b>	<b>757</b>	<b>475</b>	<b>721</b>	<b>721</b>	<b>-20.6%</b>	<b>100.0%</b>	<b>731</b>	<b>761</b>	<b>594</b>	<b>-6.3%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department, and coordinate the department's international relations.

### Objective

- Improve public administration through an exchange of best international practices in governance and public administration on an ongoing basis.

### Subprogrammes

- *International Relations* establishes and manages the department's bilateral, multilateral and institutional relations and cooperation programmes with international organisations.

## Expenditure trends and estimates

**Table 10.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	39.3	44.4	44.8	41.5	1.8%	18.8%	36.9	40.0	47.6	4.8%	16.0%
Departmental Management	3.1	2.8	2.5	2.9	-2.2%	1.2%	11.1	13.2	14.0	69.2%	4.0%
Corporate Services	82.2	83.1	82.1	89.3	2.8%	37.2%	86.2	93.3	98.4	3.3%	35.4%
Finance Administration	26.5	26.7	25.1	26.9	0.5%	11.6%	28.1	30.3	32.0	6.0%	11.3%
Internal Audit	5.9	4.8	5.3	5.8	-0.7%	2.4%	6.2	6.0	6.5	3.9%	2.4%
Legal Services	5.6	6.4	6.9	6.8	6.3%	2.8%	8.0	8.5	9.0	10.0%	3.1%
International Relations	9.4	11.0	8.8	9.5	0.3%	4.3%	9.2	9.9	10.5	3.4%	3.8%
Office Accommodation	43.8	46.1	47.4	58.1	9.9%	21.6%	60.4	63.3	66.8	4.8%	24.0%
<b>Total</b>	<b>215.8</b>	<b>225.3</b>	<b>222.9</b>	<b>240.6</b>	<b>3.7%</b>	<b>100.0%</b>	<b>246.1</b>	<b>264.6</b>	<b>284.7</b>	<b>5.8%</b>	<b>100.0%</b>
Change to 2018				(8.4)			(19.2)	(18.5)	(15.5)		
Budget estimate											

**Table 10.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Current payments</b>	<b>206.8</b>	<b>212.7</b>	<b>217.4</b>	<b>235.3</b>	<b>4.4%</b>	<b>96.4%</b>	<b>242.8</b>	<b>261.0</b>	<b>281.0</b>	<b>6.1%</b>	<b>98.5%</b>
Compensation of employees	100.8	106.9	112.8	119.7	5.9%	48.7%	124.4	135.7	147.3	7.2%	50.9%
Goods and services <sup>1</sup>	106.0	105.9	104.6	115.6	2.9%	47.8%	118.4	125.3	133.7	5.0%	47.6%
of which:											
Audit costs: External	4.1	3.8	4.1	4.5	3.2%	1.8%	4.8	4.6	4.9	2.6%	1.8%
Communication	3.8	3.8	4.1	3.8	0.2%	1.7%	4.1	4.3	4.9	8.9%	1.7%
Computer services	12.7	14.0	19.8	17.3	10.9%	7.1%	15.5	16.4	17.5	0.3%	6.4%
Operating leases	38.1	36.5	39.2	45.8	6.3%	17.6%	47.4	49.6	52.4	4.6%	18.8%
Property payments	6.2	9.9	9.9	14.5	32.6%	4.5%	15.5	16.4	17.3	6.2%	6.2%
Travel and subsistence	17.0	14.1	12.7	12.2	-10.6%	6.2%	13.3	13.7	14.7	6.5%	5.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>3.3</b>	<b>1.4</b>	<b>1.9</b>	<b>1.5</b>	<b>-22.7%</b>	<b>0.9%</b>	<b>0.5</b>	<b>0.5</b>	<b>0.6</b>	<b>-28.4%</b>	<b>0.3%</b>
Departmental agencies and accounts	–	–	–	0.1	–	–	0.1	0.1	0.1	5.5%	0.1%
Foreign governments and international organisations	0.3	1.1	0.3	0.3	0.2%	0.2%	0.4	0.4	0.4	5.7%	0.1%
Households	2.9	0.3	1.6	1.0	-29.2%	0.7%	–	–	–	-100.0%	0.1%
<b>Payments for capital assets</b>	<b>5.7</b>	<b>11.1</b>	<b>3.5</b>	<b>3.8</b>	<b>-12.8%</b>	<b>2.7%</b>	<b>2.8</b>	<b>3.0</b>	<b>3.2</b>	<b>-5.6%</b>	<b>1.2%</b>
Machinery and equipment	5.7	11.1	3.5	3.8	-12.8%	2.7%	2.8	3.0	3.2	-5.6%	1.2%
<b>Payments for financial assets</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>215.8</b>	<b>225.3</b>	<b>222.9</b>	<b>240.6</b>	<b>3.7%</b>	<b>100.0%</b>	<b>246.1</b>	<b>264.6</b>	<b>284.7</b>	<b>5.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>25.7%</b>	<b>29.5%</b>	<b>26.0%</b>	<b>25.3%</b>	<b>–</b>	<b>–</b>	<b>24.6%</b>	<b>24.5%</b>	<b>24.5%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>2.9</b>	<b>0.3</b>	<b>1.6</b>	<b>1.0</b>	<b>-29.3%</b>	<b>0.6%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>
Employee social benefits	2.9	0.3	1.6	1.0	-29.3%	0.6%	–	–	–	-100.0%	0.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Policy Development, Research and Analysis

### Programme purpose

Manage and oversee the setting and translation of public administration norms and standards into administrative policy instruments using research and policy analysis techniques. Manage the organisational functionality assessments of public service efficiency and effectiveness for public administration reform.

### Objectives

- Improve the capacity and capability of the public service through public administration reforms by:
  - implementing the Public Administration Management Act (2014) in collaboration with local government on an ongoing basis
  - developing a white paper on the transformation and modernisation of public administration, linked to the vision of the NDP, by 2020/21.
- Ensure greater effectiveness and efficiency measures through the use of instruments to measure productivity on an ongoing basis by:
  - providing a framework to link productivity measures to performance measures
  - institutionalising the productivity measurement instrument and reporting on the progress of its implementation
  - maintaining a database for citizen segmentation per ward level.

### Subprogrammes

- *Management: Policy Development, Research and Analysis* provides administrative support and management to the programme.

- *Policy Oversight, Development and Knowledge Management* oversees, develops, formulates, manages, coordinates and reviews policies within the public service; manages learning networks; and promotes knowledge management.
- *Public Administration Policy Analysis* analyses existing and emerging public administration norms and standards, which inform the design, governance, administration and management of appropriate policy instruments in terms of public administration legislative frameworks.
- *Integrated Public Sector Reform* manages public sector reforms through the development and monitoring of a public service reform strategy, which informs policy reviews and advice on the development of integrated public service reforms across all spheres of government.
- *Public Service Performance, Monitoring and Evaluation* measures organisational performance, functionality and productivity through the monitoring and evaluation of public service norms and standards, which are derived from performance information for public service regulatory instruments.
- *Research and Analysis* researches and reports on national and international trends and best practices related to public administration, and analyses performance in sector departments.
- *Public Service Access Norms and Mechanisms* manages and facilitates integrated access, geographic information systems and norms based on population segmentation.

## Expenditure trends and estimates

**Table 10.10 Policy Development, Research and Analysis expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Management: Policy Development, Research and Analysis	3.0	2.6	2.3	3.6	6.0%	9.0%	3.7	3.9	4.5	7.6%	10.5%
Policy Oversight, Development and Knowledge Management	6.8	6.1	4.4	4.7	-11.3%	17.1%	3.9	4.2	4.4	-2.1%	11.5%
Public Administration Policy Analysis	1.1	1.0	0.6	2.3	28.3%	3.9%	3.6	3.8	4.1	20.8%	9.3%
Integrated Public Sector Reform	2.7	1.8	1.9	2.7	-0.1%	7.1%	3.5	3.7	3.9	13.2%	9.2%
Public Service Performance, Monitoring and Evaluation	14.0	13.1	13.7	13.2	-2.1%	42.0%	13.5	14.4	14.9	4.1%	37.3%
Research and Analysis	1.8	2.2	3.5	3.9	28.3%	8.8%	4.1	4.4	4.7	6.5%	11.3%
Public Service Access Norms and Mechanisms	4.4	4.0	3.3	3.7	-5.7%	12.0%	4.1	4.2	4.4	6.4%	11.0%
<b>Total</b>	<b>33.9</b>	<b>30.8</b>	<b>29.6</b>	<b>34.1</b>	<b>0.2%</b>	<b>100.0%</b>	<b>36.3</b>	<b>38.5</b>	<b>41.0</b>	<b>6.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				0.0			(0.6)	(0.8)	(0.8)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>33.7</b>	<b>30.6</b>	<b>29.4</b>	<b>33.8</b>	<b>0.2%</b>	<b>99.4%</b>	<b>36.1</b>	<b>38.3</b>	<b>40.7</b>	<b>6.4%</b>	<b>99.4%</b>
Compensation of employees	23.6	25.8	26.3	28.5	6.5%	81.2%	30.0	32.2	34.4	6.5%	83.5%
Goods and services <sup>1</sup>	10.1	4.9	3.1	5.3	-19.3%	18.2%	6.1	6.1	6.3	5.8%	15.8%
of which:											
<i>Catering: Departmental activities</i>	0.1	0.1	0.1	0.2	36.5%	0.3%	0.4	0.3	0.4	29.3%	0.9%
<i>Communication</i>	0.3	0.4	0.3	0.6	20.3%	1.2%	0.7	0.7	0.7	8.2%	1.7%
<i>Computer services</i>	1.1	0.4	0.0	0.3	-38.4%	1.4%	0.3	0.3	0.3	6.6%	0.8%
<i>Consultants: Business and advisory services</i>	1.6	0.6	–	0.0	-69.5%	1.7%	0.2	0.2	0.2	74.0%	0.5%
<i>Travel and subsistence</i>	2.8	1.9	1.9	2.8	-0.6%	7.3%	3.3	3.4	3.4	7.8%	8.7%
<i>Operating payments</i>	2.3	0.2	0.1	0.3	-46.7%	2.3%	0.4	0.3	0.3	-2.5%	0.9%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>–</b>	<b>0.1%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-48.9%</b>	<b>0.1%</b>
Households	0.1	0.0	0.0	0.1	-4.7%	0.1%	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>0.1</b>	<b>0.2</b>	<b>0.1</b>	<b>0.2</b>	<b>15.5%</b>	<b>0.5%</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>3.7%</b>	<b>0.6%</b>
Machinery and equipment	0.1	0.2	0.1	0.2	15.5%	0.5%	0.2	0.2	0.2	3.7%	0.6%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>33.9</b>	<b>30.8</b>	<b>29.6</b>	<b>34.1</b>	<b>–</b>	<b>100.0%</b>	<b>36.3</b>	<b>38.5</b>	<b>41.0</b>	<b>–</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>4.0%</b>	<b>4.0%</b>	<b>3.5%</b>	<b>3.6%</b>	<b>–</b>	<b>–</b>	<b>3.6%</b>	<b>3.6%</b>	<b>3.5%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Public Service Employment and Conditions of Service

### Programme purpose

Develop, implement and monitor labour relations, human resource management, and remuneration policies and guidelines. Ensure coordinated collective bargaining.

### Objectives

- Contribute to improving the management of appropriate conduct within the public service by monitoring and reporting on disciplinary cases in the public service quarterly.
- Contribute to the health, safety and morale of public service employees by providing support to national and provincial departments through the implementation of the employee health and wellness strategic framework for the public service and the public service charter annually.
- Improve the competence levels of public service employees and contribute to the professionalisation of the public service by:
  - implementing a formal graduate recruitment scheme to support departments in attracting and developing young talent on an ongoing basis
  - supporting the appointment of 20 000 young people into learnerships, internships and artisan programmes per year over the medium term
  - strengthening the role of the state in the creation of technical skills and specialist professionals who are essential to the state's ability to deliver and manage infrastructure programmes and other catalyst projects on an ongoing basis.
- Contribute to the improvement in conditions of service for public service employees by monitoring and reporting on the implementation of the resolutions of the Public Service Coordinating Bargaining Council on an ongoing basis.

### Subprogrammes

- *Management: Public Service Employment and Conditions of Service* provides administrative support and management to the programme.
- *Labour Relations, Negotiations and Discipline Management* implements and maintains policies and systems on labour relations issues for the public service, coordinates and facilitates discipline management, and ensures coordinated collective bargaining in the Public Service Coordinating Bargaining Council and the General Public Service Sectoral Bargaining Council.
- *Workplace Environment Management* develops and supports the implementation of employee health and wellness frameworks and policies within the public service, and ensures the institutionalisation of the public service charter among public service employees.
- *Human Resource Development* aims to improve the competency of public servants through activities targeted at capacity development. These include internships, learnerships, compulsory courses and skills programmes designed to ensure a constant pool of productive employees through appropriate policies, prescripts, advice and support.
- *Remuneration and Job Grading* develops, implements and maintains policies, practices and systems on remuneration and job grading.
- *Employee Benefits* focuses on the development, implementation and maintenance of policies and practices on general and macro benefits. These include pension benefits, medical assistance, housing allowances, working hours, leave, foreign service dispensation and remunerative allowances.
- *Human Resource Planning, Employment Practices and Performance Management* manages and supports the implementation of human resources planning and employment policies, frameworks, systems and practices.

## Expenditure trends and estimates

Table 10.11 Public Service Employment and Conditions of Service expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Management: Public Service	3.9	1.5	1.2	3.1	-7.3%	3.5%	3.8	4.0	4.2	10.4%	4.4%
Employment and Conditions of Service											
Labour Relations, Negotiations and Discipline Management	8.2	6.6	6.1	8.1	-0.4%	10.5%	7.5	8.0	8.5	1.7%	9.3%
Workplace Environment Management	6.4	4.8	5.0	4.4	-11.5%	7.4%	5.3	5.6	6.0	10.4%	6.1%
Human Resource Development	4.4	4.4	4.4	4.4	-0.1%	6.4%	5.2	5.1	5.4	6.9%	5.8%
Remuneration and Job Grading	19.9	21.6	22.8	18.6	-2.2%	30.0%	11.7	12.5	15.3	-6.2%	16.7%
Employee Benefits	13.9	16.3	13.4	27.0	24.9%	25.5%	37.4	42.0	39.3	13.4%	42.0%
Human Resource Planning, Employment Practices and Performance Management	10.9	11.0	11.7	12.4	4.5%	16.7%	13.5	13.4	15.4	7.3%	15.8%
<b>Total</b>	<b>67.6</b>	<b>66.1</b>	<b>64.7</b>	<b>78.0</b>	<b>4.9%</b>	<b>100.0%</b>	<b>84.4</b>	<b>90.6</b>	<b>94.1</b>	<b>6.5%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(4.4)			5.7	4.7	3.0		
<b>Economic classification</b>	<b>67.0</b>	<b>64.9</b>	<b>62.4</b>	<b>77.1</b>	<b>4.8%</b>	<b>98.2%</b>	<b>83.8</b>	<b>90.0</b>	<b>93.5</b>	<b>6.6%</b>	<b>99.2%</b>
<b>Current payments</b>											
Compensation of employees	46.4	49.2	49.6	51.7	3.6%	71.2%	65.8	68.9	71.5	11.4%	74.3%
Goods and services <sup>1</sup>	20.6	15.7	12.8	25.5	7.4%	27.0%	18.0	21.1	22.0	-4.8%	24.9%
of which:											
Communication	0.8	0.9	0.8	1.3	18.3%	1.4%	1.2	1.3	1.4	3.5%	1.5%
Computer services	1.7	2.0	1.7	2.0	6.2%	2.7%	1.7	2.4	2.3	4.5%	2.4%
Consultants: Business and advisory services	5.6	1.8	1.0	1.3	-38.4%	3.5%	1.0	1.0	1.1	-5.7%	1.3%
Consumables: Stationery, printing and office supplies	0.7	0.8	0.5	4.1	79.6%	2.2%	2.0	2.3	1.5	-28.4%	2.8%
Travel and subsistence	6.6	4.2	4.7	6.3	-1.5%	7.9%	5.1	5.0	5.8	-2.6%	6.4%
Operating payments	0.3	0.8	0.4	3.1	121.0%	1.7%	2.3	4.3	5.3	19.0%	4.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.1</b>	<b>0.8</b>	<b>1.2</b>	<b>0.2</b>	<b>25.1%</b>	<b>0.8%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>
Provinces and municipalities	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Households	0.1	0.7	1.2	0.2	25.5%	0.8%	-	-	-	-100.0%	0.1%
<b>Payments for capital assets</b>	<b>0.5</b>	<b>0.5</b>	<b>1.1</b>	<b>0.7</b>	<b>14.0%</b>	<b>1.0%</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>	<b>-3.4%</b>	<b>0.7%</b>
Machinery and equipment	0.5	0.5	1.1	0.7	14.0%	1.0%	0.6	0.6	0.6	-3.4%	0.7%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>67.6</b>	<b>66.1</b>	<b>64.7</b>	<b>78.0</b>	<b>-</b>	<b>100.0%</b>	<b>84.4</b>	<b>90.6</b>	<b>94.1</b>	<b>-</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>8.0%</b>	<b>8.7%</b>	<b>7.5%</b>	<b>8.2%</b>	<b>-</b>	<b>-</b>	<b>8.4%</b>	<b>8.4%</b>	<b>8.1%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Government Chief Information Officer

## Programme purpose

Create an environment for the deployment of IT as a strategic tool of public administration. Minimise and control IT-related risks and costs in the public service.

## Objectives

- Improve ICT security across the public service on an ongoing basis by monitoring the implementation of the e-enablement security guidelines throughout the public service.
- Deploy a digital administration system to serve as a repository for all public service administrative and service delivery performance and compliance information over the medium term.
- Manage ICT costs in the public service by developing and implementing the public service ICT value management framework from 2019/20 onwards.

## Subprogrammes

- *Management: Government Chief Information Officer* provides administrative support and management to the programme.

- *Public Service ICT e-Enablement* develops a common public service vision and approach to ICT service delivery through the development and support of an ICT strategy.
- *Public Service ICT Stakeholder Management* coordinates and consolidates public service efforts in ICT to deploy ICT as a tool for service delivery, and manages the development and supports the implementation of ICT governance and oversight policies and frameworks.
- *Public Service ICT Risk Management* reduces and controls public service ICT risks through the continual improvement of the corporate governance of ICT in the public service based on identified risks in the fast-changing ICT environment.
- *Public Service ICT Service Management* minimises ICT costs in the public service by aligning ICT service provision with the ICT strategy, and developing and implementing related policies.

## Expenditure trends and estimates

**Table 10.12 Government Chief Information Officer expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
Management: Government Chief Information Officer	3.2	0.9	1.6	3.3	1.3%	12.0%	3.4	3.6	3.8	5.1%	14.2%
Public Service ICT E-enablement	6.1	4.6	5.1	6.5	2.2%	29.8%	7.9	8.4	8.9	10.8%	31.6%
Public Service ICT Stakeholder Management	6.7	6.1	5.8	7.0	1.3%	34.1%	6.2	6.6	8.0	4.8%	27.8%
Public Service ICT Risk Management	3.2	3.1	2.8	4.2	9.1%	17.8%	4.3	4.7	5.9	12.3%	19.1%
Public Service ICT Service Management	0.9	1.3	1.1	1.4	14.2%	6.3%	1.5	1.6	2.9	26.9%	7.3%
<b>Total</b>	<b>20.2</b>	<b>15.9</b>	<b>16.5</b>	<b>22.4</b>	<b>3.6%</b>	<b>100.0%</b>	<b>23.3</b>	<b>24.9</b>	<b>29.6</b>	<b>9.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				0.7			0.3	0.3	3.4		
<b>Economic classification</b>											
<b>Current payments</b>	<b>19.9</b>	<b>15.7</b>	<b>16.1</b>	<b>22.1</b>	<b>3.6%</b>	<b>98.3%</b>	<b>22.9</b>	<b>24.6</b>	<b>29.2</b>	<b>9.8%</b>	<b>98.5%</b>
Compensation of employees	13.9	13.5	13.5	15.4	3.4%	75.1%	17.5	18.4	22.6	13.6%	73.6%
Goods and services <sup>1</sup>	5.9	2.2	2.6	6.7	3.9%	23.2%	5.5	6.2	6.6	-0.1%	24.9%
of which:											
Communication	2.1	0.2	0.2	0.3	-45.3%	3.9%	0.4	0.4	0.4	5.3%	1.5%
Computer services	0.2	0.2	0.2	0.4	27.0%	1.3%	2.0	2.5	2.7	90.3%	7.6%
Consultants: Business and advisory services	0.5	0.5	0.9	1.5	46.8%	4.5%	0.4	0.4	0.4	-33.6%	2.7%
Consumables: Stationery, printing and office supplies	0.2	0.2	0.1	0.1	-4.2%	0.8%	0.2	0.2	0.2	9.3%	0.7%
Travel and subsistence	1.1	0.5	0.6	1.7	15.4%	5.3%	1.7	1.8	1.9	4.1%	7.1%
Operating payments	0.1	0.1	0.1	0.4	78.8%	0.8%	0.2	0.2	0.2	-16.4%	1.0%
Transfers and subsidies <sup>1</sup>	0.1	0.1	0.1	0.0	-42.9%	0.4%	-	-	-	-100.0%	-
Households	0.1	0.1	0.1	0.0	-42.9%	0.4%	-	-	-	-100.0%	-
Payments for capital assets	0.2	0.1	0.3	0.4	13.8%	1.3%	0.4	0.3	0.4	0.3%	1.4%
Machinery and equipment	0.2	0.1	0.3	0.2	-5.3%	1.1%	0.2	0.1	0.1	-10.5%	0.7%
Software and other intangible assets	-	-	0.0	0.2	-	0.2%	0.2	0.2	0.2	12.0%	0.7%
<b>Total</b>	<b>20.2</b>	<b>15.9</b>	<b>16.5</b>	<b>22.4</b>	<b>-</b>	<b>100.0%</b>	<b>23.3</b>	<b>24.9</b>	<b>29.6</b>	<b>-</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>2.4%</b>	<b>2.1%</b>	<b>1.9%</b>	<b>2.4%</b>	<b>-</b>	<b>-</b>	<b>2.3%</b>	<b>2.3%</b>	<b>2.5%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Service Delivery Support

### Programme purpose

Manage and facilitate the improvement of service delivery in government.

### Objectives

- Contribute to the improvement of service delivery in the public service by:

- providing technical support, through workshops on the mapping of business processes and the development of standard operating procedures, to at least 3 priority departments per year over the medium term
- supporting selected departments in institutionalising the public service productivity management framework, and monitoring and reporting on improvements in turnaround times on the services that the Department of Public Service and Administration renders to the public on an ongoing basis
- assisting departments in improving the quality of their service delivery improvement plans by annually assessing and providing feedback on the quality of the plans submitted
- managing and administering the Thusong service centre at Maponya Mall (Gauteng) on an ongoing basis
- managing citizen relations and engagement through service delivery improvement forums on an ongoing basis
- developing and institutionalising a framework for the establishment, promotion and maintenance of service centres over the medium term
- developing and implementing a framework for the community development workers programme over the medium term.

### **Subprogrammes**

- *Management: Service Delivery Support* provides administrative support and management to the programme.
- *Service Delivery Planning and Operations Management* manages public service delivery planning and operations management through service standards, delivery models and standard operating procedures; and designs toolkits and instruments that support improved service delivery.
- *Service Delivery Improvement Initiatives* manages and supports continual service delivery improvement mechanisms, programmes and initiatives across the public service.
- *Community Development and Citizen Relations* facilitates and coordinates the implementation of community development programmes, and manages citizen relations through service delivery improvement forums.
- *Public Participation and Social Dialogue* manages, coordinates and promotes the implementation of the African peer review mechanism and public participation programmes, including the open government partnership project.
- *Batho Pele Support Initiatives* manages service delivery complaints and assists departments in designing service delivery charters with citizens and communities. This subprogramme promotes the professionalisation of government employees through change management programmes that institutionalise Batho Pele principles.
- *Centre for Public Service Innovation* facilitates transfer payments to the Centre for Public Service Innovation, which unlocks innovation in the public sector and creates an enabling environment for improved and innovative service delivery through activities targeted at capacity development.
- *National School of Government* facilitates transfer payments to the National School of Government to fund the school's management and administrative support; and the augmentation of the training trading entity, which aims to enhance the quality, extent and impact of public sector management and leadership development. It does this through collaboration with other training service providers, compulsory training programmes, and the facilitation of training for all spheres of government.



## Expenditure trends and estimates

Table 10.13 Service Delivery Support expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Management: Service Delivery Support	4.6	2.9	3.8	4.2	-3.3%	1.8%	4.3	4.6	4.9	5.0%	1.5%
Service Delivery Planning and Operations Management	3.7	3.6	3.5	6.4	20.1%	1.9%	4.6	4.3	4.6	-10.8%	1.7%
Service Delivery Improvement Initiatives	15.9	12.9	12.3	13.7	-4.7%	6.2%	15.7	16.7	17.8	8.9%	5.4%
Community Development and Citizen Relations	7.5	8.3	7.0	7.3	-0.9%	3.4%	8.8	9.4	10.0	11.0%	3.0%
Public Participation and Social Dialogue	19.4	14.6	11.8	16.5	-5.3%	7.0%	13.0	14.6	15.5	-2.0%	5.0%
Batho Pele Support Initiatives	10.6	9.6	9.6	9.3	-4.4%	4.4%	9.9	10.7	11.4	6.9%	3.5%
Centre for Public Service Innovation	29.0	32.1	34.1	36.0	7.5%	14.8%	38.4	41.0	43.4	6.4%	13.3%
National School of Government	140.4	71.1	153.9	169.0	6.4%	60.4%	187.9	208.8	229.9	10.8%	66.7%
<b>Total</b>	<b>231.2</b>	<b>155.0</b>	<b>235.9</b>	<b>262.4</b>	<b>4.3%</b>	<b>100.0%</b>	<b>282.6</b>	<b>310.0</b>	<b>337.3</b>	<b>8.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				4.8			8.8	18.8	28.8		
<b>Economic classification</b>											
<b>Current payments</b>	<b>60.3</b>	<b>48.8</b>	<b>46.1</b>	<b>54.8</b>	<b>-3.1%</b>	<b>23.7%</b>	<b>54.5</b>	<b>58.4</b>	<b>62.1</b>	<b>4.2%</b>	<b>19.3%</b>
Compensation of employees	26.0	27.8	28.1	32.6	7.8%	13.0%	36.1	39.1	41.9	8.7%	12.6%
Goods and services <sup>1</sup>	34.3	21.0	18.0	22.2	-13.5%	10.8%	18.5	19.3	20.2	-3.1%	6.7%
of which:											
Catering: Departmental activities	2.7	1.0	2.1	1.8	-12.7%	0.8%	2.2	2.1	2.2	8.1%	0.7%
Contractors	1.4	1.1	0.9	2.8	28.0%	0.7%	2.4	2.6	2.8	-0.9%	0.9%
Rental and hiring	3.7	0.7	1.9	0.9	-37.0%	0.8%	2.0	2.2	2.3	35.9%	0.6%
Property payments	1.5	0.5	0.2	0.5	-33.1%	0.3%	1.6	1.7	1.5	48.3%	0.4%
Transport provided:											
Departmental activity	0.1	0.1	0.7	1.2	130.8%	0.2%	1.3	1.4	1.5	8.4%	0.4%
Travel and subsistence	13.9	6.8	6.2	4.2	-33.0%	3.5%	3.3	3.4	3.6	-4.9%	1.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>170.7</b>	<b>104.6</b>	<b>189.4</b>	<b>206.4</b>	<b>6.5%</b>	<b>75.9%</b>	<b>227.8</b>	<b>251.3</b>	<b>274.9</b>	<b>10.0%</b>	<b>80.6%</b>
Departmental agencies and accounts	169.4	103.2	188.0	205.0	6.6%	75.3%	226.4	249.8	273.3	10.1%	80.1%
Foreign governments and international organisations	1.3	1.4	1.3	1.4	4.3%	0.6%	1.5	1.5	1.6	3.1%	0.5%
Households	0.0	0.1	0.1	0.0	-43.3%	-	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>0.1</b>	<b>1.2</b>	<b>0.4</b>	<b>1.1</b>	<b>128.3%</b>	<b>0.3%</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>-35.3%</b>	<b>0.2%</b>
Machinery and equipment	0.1	1.2	0.4	1.1	128.3%	0.3%	0.3	0.3	0.3	-35.3%	0.2%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.3</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>231.2</b>	<b>155.0</b>	<b>235.9</b>	<b>262.4</b>	<b>130.8%</b>	<b>100.0%</b>	<b>282.6</b>	<b>310.0</b>	<b>337.3</b>	<b>8.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>27.5%</b>	<b>20.3%</b>	<b>27.5%</b>	<b>27.6%</b>	<b>-</b>	<b>-</b>	<b>28.2%</b>	<b>28.7%</b>	<b>29.0%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>169.4</b>	<b>103.2</b>	<b>188.0</b>	<b>205.0</b>	<b>-</b>	<b>75.3%</b>	<b>226.3</b>	<b>249.8</b>	<b>273.3</b>	<b>-</b>	<b>80.1%</b>
National School of Government	140.4	71.1	153.9	169.0	6.6%	60.4%	187.9	208.8	229.9	10.1%	66.7%
Centre for Public Service Innovation	29.0	32.1	34.1	36.0	-	14.8%	38.4	41.0	43.4	-	13.3%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>1.3</b>	<b>1.4</b>	<b>1.3</b>	<b>1.4</b>	<b>-</b>	<b>0.6%</b>	<b>1.5</b>	<b>1.5</b>	<b>1.6</b>	<b>-</b>	<b>0.5%</b>
Open Government Partnership	1.3	1.4	1.3	1.4	-	0.6%	1.5	1.5	1.6	-	0.5%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 6: Governance of Public Administration

## Programme purpose

Manage and oversee the implementation of policies, strategies and programmes on public service integrity, intergovernmental relations, the macro organisation of the state, organisational design and senior leadership management. Manage government intervention programmes.

## Objectives

- Manage the risk of corruption in the public service on an ongoing basis by:
  - monitoring and reporting on the implementation of the financial disclosure framework by departments
  - monitoring and reporting on the implementation of the determination on other remunerative work by public service employees to ensure that public service employees, as individuals or through companies, do not conduct business with the state.
- Enhance and promote the quality of organisational structures in the public service by providing ongoing support to national and provincial departments on organisational design through the implementation of organisational design tools and frameworks, training and support for implementation.
- Improve transparency, responsibility and accountability in the public service by monitoring and reporting on departments' compliance with the directive on public administration and management delegations on an ongoing basis.
- Monitor the implementation of outcome 12 (an efficient, effective and development-oriented public service) of government's 2014-2019 medium-term strategic framework throughout the public service by coordinating reporting to the governance and administration cluster and Cabinet quarterly.
- Strengthen the recruitment and development practices of senior managers on an ongoing basis by:
  - supporting the implementation of and monitoring compliance with the directive on compulsory capacity development
  - providing training days and minimum entry requirements for senior managers in the public service.

## Subprogrammes

- *Management: Governance of Public Administration* provides administrative support and management to the programme.
- *Ethics and Integrity Management* develops and manages policies, strategies and programmes on ethics and integrity in the public service.
- *Organisational Design and Macro Organisation of the Public Service* develops, manages and supports the implementation of organisational design and macro organisational policies and frameworks for the public service and the state.
- *Transformation Policies and Programmes* manages the development and supports the implementation of transformation and diversity management policies, practices and frameworks.
- *Intergovernmental Relations and Government Interventions* manages intergovernmental relations between Parliament and Cabinet, and manages public administration government interventions.
- *Leadership Management* provides a leadership and management framework for the senior management service to ensure good governance of the public service through a professional management echelon.
- *Human Resource Management Information Systems* manages the development, implementation and maintenance of the human resources management module of the integrated financial management system, and provides data and statistics from the PERSAL system.
- *Public Service Commission* facilitates a transfer payment to the Public Service Commission, which oversees and evaluates the functioning of the public service with a view to establishing good governance and best practice principles.

## Expenditure trends and estimates

Table 10.14 Governance of Public Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
Management: Governance of Public Administration	4.2	3.3	3.6	3.7	-4.1%	1.3%	4.2	4.4	4.6	7.8%	1.2%
Ethics and Integrity Management	10.7	11.5	12.6	15.6	13.2%	4.4%	15.7	17.1	18.8	6.5%	4.9%
Organisational Design and Macro Organisation of the Public Service	7.9	6.5	6.3	8.7	3.4%	2.6%	9.3	10.0	10.6	6.5%	2.8%
Transformation Policies and Programmes	4.9	4.3	3.4	4.2	-5.5%	1.5%	4.6	5.0	5.3	8.1%	1.4%
Intergovernmental Relations and Government Interventions	3.6	4.4	3.8	4.0	3.3%	1.4%	4.3	4.6	4.9	6.9%	1.3%
Leadership Management	5.8	5.7	3.9	6.4	3.2%	1.9%	6.5	6.9	7.3	4.6%	2.0%
Human Resource Management Information Systems	5.4	5.2	5.7	6.2	4.6%	2.0%	6.7	7.1	7.6	7.1%	2.0%
Public Service Commission	229.8	229.2	248.1	264.4	4.8%	85.0%	278.2	297.6	316.3	6.2%	84.4%
<b>Total</b>	<b>272.4</b>	<b>270.2</b>	<b>287.3</b>	<b>313.1</b>	<b>4.8%</b>	<b>100.0%</b>	<b>329.4</b>	<b>352.7</b>	<b>375.4</b>	<b>6.2%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				1.2			0.3	0.5	1.1		
<b>Economic classification</b>	<b>42.3</b>	<b>40.4</b>	<b>38.7</b>	<b>47.0</b>	<b>3.6%</b>	<b>14.7%</b>	<b>49.4</b>	<b>53.3</b>	<b>57.2</b>	<b>6.7%</b>	<b>15.1%</b>
<b>Current payments</b>	<b>31.8</b>	<b>31.4</b>	<b>30.2</b>	<b>35.2</b>	<b>3.5%</b>	<b>11.2%</b>	<b>38.1</b>	<b>41.5</b>	<b>45.2</b>	<b>8.6%</b>	<b>11.7%</b>
Compensation of employees	31.8	31.4	30.2	35.2	3.5%	11.2%	38.1	41.5	45.2	8.6%	11.7%
Goods and services <sup>1</sup>	10.5	9.0	8.5	11.8	4.0%	3.5%	11.3	11.8	12.0	0.5%	3.4%
of which:											
Catering: Departmental activities	0.2	0.2	0.0	0.3	21.4%	0.1%	0.5	0.5	0.6	20.0%	0.1%
Communication	0.5	0.6	0.5	0.6	6.8%	0.2%	0.7	0.7	0.7	8.0%	0.2%
Computer services	2.8	3.8	3.9	5.6	25.7%	1.4%	5.8	5.9	5.7	0.7%	1.7%
Travel and subsistence	4.3	2.3	2.0	2.5	-16.7%	1.0%	3.2	3.4	3.6	12.8%	0.9%
Training and development	0.1	0.2	0.4	0.2	32.0%	0.1%	0.3	0.3	0.3	5.8%	0.1%
Operating payments	0.2	0.2	0.2	0.2	0.7%	0.1%	0.3	0.3	0.3	13.7%	0.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>230.0</b>	<b>229.5</b>	<b>248.5</b>	<b>264.7</b>	<b>4.8%</b>	<b>85.1%</b>	<b>278.5</b>	<b>297.9</b>	<b>316.7</b>	<b>6.2%</b>	<b>84.5%</b>
Departmental agencies and accounts	229.8	229.2	248.1	264.4	4.8%	85.0%	278.2	297.6	316.3	6.2%	84.4%
Foreign governments and international organisations	0.2	0.2	0.2	0.3	3.7%	0.1%	0.3	0.3	0.3	7.5%	0.1%
Households	0.0	0.1	0.2	-	-100.0%	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>0.1</b>	<b>0.2</b>	<b>0.2</b>	<b>1.4</b>	<b>140.6%</b>	<b>0.2%</b>	<b>1.4</b>	<b>1.5</b>	<b>1.5</b>	<b>2.5%</b>	<b>0.4%</b>
Machinery and equipment	0.1	0.2	0.2	0.2	34.2%	0.1%	0.3	0.3	0.3	4.7%	0.1%
Software and other intangible assets	-	-	-	1.2	-	0.1%	1.2	1.2	1.3	2.1%	0.4%
<b>Total</b>	<b>272.4</b>	<b>270.2</b>	<b>287.3</b>	<b>313.1</b>	<b>-</b>	<b>100.0%</b>	<b>329.4</b>	<b>352.7</b>	<b>375.4</b>	<b>-</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>32.4%</b>	<b>35.4%</b>	<b>33.5%</b>	<b>32.9%</b>	<b>-</b>	<b>-</b>	<b>32.9%</b>	<b>32.6%</b>	<b>32.3%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>229.8</b>	<b>229.2</b>	<b>248.1</b>	<b>264.4</b>	<b>-</b>	<b>85.0%</b>	<b>278.2</b>	<b>297.6</b>	<b>316.3</b>	<b>-</b>	<b>84.4%</b>
Public Service Commission	229.8	229.2	248.1	264.4	4.8%	85.0%	278.2	297.6	316.3	6.2%	84.4%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

# Other departments within the vote

## National School of Government

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	108.1	104.8	–	3.3	115.1	122.1
Public Sector Organisational and Staff Development	79.8	–	79.8	–	93.7	107.8
<b>Total expenditure estimates</b>	<b>187.9</b>	<b>104.8</b>	<b>79.8</b>	<b>3.3</b>	<b>208.8</b>	<b>229.9</b>

Executive authority: Minister of Public Service and Administration  
 Accounting officer: Principal of the National School of Government  
 Website address: [www.thensg.gov.za](http://www.thensg.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Department purpose

*Provide or coordinate the provision of learning, training and development interventions that lead to improved performance and service delivery in the public sector.*

### Mandate

The National School of Government derives its mandate from the Public Service Amendment Act (2007). In terms of the act, the institution is mandated to provide training or effect the provision of training. The school responds to its mandate by developing relevant training and development programmes for delivery to South African public service officials at all levels. The school uses its trading account, which was established in terms of the Public Finance Management Act (1999), as a delivery vehicle for its core output.

### Expenditure analysis

In aligning its work with outcome 12 (an efficient, effective and development-oriented public service) of government's 2014-19 medium-term strategic framework, over the medium term, the National School of Government will continue to focus on fulfilling the education, training and developmental needs of public servants. The school carries out its core function through the National School of Government training trading account, which is funded through transfers from the Department of Public Service and Administration and revenue generated through training programmes.

The school receives transfer payments from the Department of Public Service and Administration amounting to R626.6 million over the MTEF period, of which 56.3 per cent (R345.3 million) is allocated to the *Administration* programme. Activities in the programme mainly involve providing strategic leadership to ensure the functioning of the school and the training trading account; and providing administrative support such as human resources, internal audit, and finance and supply chain management services. The remaining 43.7 per cent (R281.3 million) of the school's budget is allocated to the National School of Government training trading account for the augmentation of the school's operations.

Expenditure is expected to increase at an average annual rate of 10.8 per cent, from R169 million in 2018/19 to R229.9 million in 2021/22. This is mainly due to a R60 million budget increase over the medium term for the introduction of mandatory programmes to address skills gaps in the public service. These mandatory programmes include citizen-centred service delivery, supply chain management for practitioners, and coaching for leadership development. The school will continue to outsource support services such as IT and facilities management, which are expected to account for 21.4 per cent (R30.8 million) of its total allocation for goods and services over the medium term. Expenditure on the compensation of 91 employees accounts for an estimated 30.5 per cent (188.1 million) of the department's total budget over the medium term.

## Expenditure trends

**Table 10.15 Departmental expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Public Sector Organisational and Staff Development														
Programme														
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
Programme 1	84.3	84.6	89.8	55.1	88.6	87.7	95.9	95.9	90.4	102.6	102.6	102.6	109.6%	99.7%
Programme 2	55.2	55.8	47.8	-	-	-	64.6	64.6	63.3	66.4	66.4	66.4	95.3%	95.0%
<b>Total</b>	<b>139.5</b>	<b>140.4</b>	<b>137.6</b>	<b>55.1</b>	<b>88.6</b>	<b>87.7</b>	<b>160.5</b>	<b>160.5</b>	<b>153.7</b>	<b>169.0</b>	<b>169.0</b>	<b>169.0</b>	<b>104.5%</b>	<b>98.1%</b>
Change to 2018 Budget estimate											-			
Economic classification														
<b>Current payments</b>	<b>81.9</b>	<b>82.3</b>	<b>85.0</b>	<b>55.1</b>	<b>86.2</b>	<b>84.6</b>	<b>92.9</b>	<b>93.9</b>	<b>87.7</b>	<b>99.5</b>	<b>99.5</b>	<b>99.5</b>	<b>108.3%</b>	<b>98.6%</b>
Compensation of employees	47.8	48.1	44.1	50.0	50.0	49.1	51.9	51.9	50.5	54.9	54.9	54.9	97.1%	96.9%
Goods and services	34.1	34.1	41.0	5.1	36.2	35.5	41.0	42.0	37.2	44.5	44.5	44.5	126.8%	100.9%
<b>Transfers and subsidies</b>	<b>55.2</b>	<b>55.8</b>	<b>47.9</b>	<b>-</b>	<b>-</b>	<b>0.1</b>	<b>64.6</b>	<b>64.6</b>	<b>63.6</b>	<b>66.4</b>	<b>66.4</b>	<b>66.4</b>	<b>95.6%</b>	<b>95.3%</b>
Departmental agencies and accounts	55.2	55.8	47.8	-	-	-	64.6	64.6	63.3	66.4	66.4	66.4	95.3%	95.0%
Households	-	-	0.1	-	-	0.1	-	-	0.3	-	-	-	-	-
<b>Payments for capital assets</b>	<b>2.4</b>	<b>2.4</b>	<b>4.7</b>	<b>-</b>	<b>2.4</b>	<b>2.9</b>	<b>3.0</b>	<b>2.0</b>	<b>2.4</b>	<b>3.1</b>	<b>3.1</b>	<b>3.1</b>	<b>154.4%</b>	<b>132.4%</b>
Machinery and equipment	2.4	2.4	4.3	-	2.4	2.7	3.0	2.0	2.3	3.1	3.1	3.1	147.2%	126.3%
Software and other intangible assets	-	-	0.4	-	-	0.2	-	-	0.1	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>139.5</b>	<b>140.4</b>	<b>137.6</b>	<b>55.1</b>	<b>88.6</b>	<b>87.7</b>	<b>160.5</b>	<b>160.5</b>	<b>153.7</b>	<b>169.0</b>	<b>169.0</b>	<b>169.0</b>	<b>104.5%</b>	<b>98.1%</b>

## Expenditure estimates

**Table 10.16 Departmental expenditure estimates by programme and economic classification**

Programmes									
1. Administration									
2. Public Sector Organisational and Staff Development									
Programme									
R million	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
				2018/19	2015/16 - 2018/19	2019/20			2020/21
Programme 1	102.6	6.6%	67.6%	108.1	115.1	122.1	6.0%	56.3%	
Programme 2	66.4	6.0%	32.4%	79.8	93.7	107.8	17.5%	43.7%	
<b>Total</b>	<b>169.0</b>	<b>6.4%</b>	<b>100.0%</b>	<b>187.9</b>	<b>208.8</b>	<b>229.9</b>	<b>10.8%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				8.6	18.5	28.4			
Economic classification									
<b>Current payments</b>	<b>99.5</b>	<b>6.5%</b>	<b>65.1%</b>	<b>104.8</b>	<b>111.7</b>	<b>118.5</b>	<b>6.0%</b>	<b>54.6%</b>	
Compensation of employees	54.9	4.5%	36.3%	58.4	62.8	66.9	6.8%	30.5%	
Goods and services	44.5	9.3%	28.9%	46.4	48.9	51.6	5.0%	24.1%	
<b>Transfers and subsidies</b>	<b>66.4</b>	<b>6.0%</b>	<b>32.5%</b>	<b>79.8</b>	<b>93.7</b>	<b>107.8</b>	<b>17.5%</b>	<b>43.7%</b>	
Departmental agencies and accounts	66.4	6.0%	32.4%	79.8	93.7	107.8	17.5%	43.7%	
<b>Payments for capital assets</b>	<b>3.1</b>	<b>9.6%</b>	<b>2.4%</b>	<b>3.3</b>	<b>3.4</b>	<b>3.6</b>	<b>5.2%</b>	<b>1.7%</b>	
Machinery and equipment	3.1	9.6%	2.3%	3.3	3.4	3.6	5.2%	1.7%	
<b>Total</b>	<b>169.0</b>	<b>6.4%</b>	<b>100.0%</b>	<b>187.9</b>	<b>208.8</b>	<b>229.9</b>	<b>10.8%</b>	<b>100.0%</b>	

## Expenditure trends and estimates for significant spending items

**Table 10.17 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
National School of Government training trading account	47 795	–	63 312	66 380	11.6%	32.4%	79 847	93 703	107 757	17.5%	43.7%
Agency and support/outsourced services	8 415	5 083	175	10 190	6.6%	4.4%	9 768	10 261	10 807	2.0%	5.2%
Operating leases	9 554	9 529	11 654	10 679	3.8%	7.6%	10 877	11 483	12 125	4.3%	5.7%
Compensation of employees	44 056	49 100	50 528	54 945	7.6%	36.3%	58 416	62 797	66 879	6.8%	30.5%
<b>Total</b>	<b>109 820</b>	<b>63 712</b>	<b>125 669</b>	<b>142 194</b>	<b>9.0%</b>	<b>80.6%</b>	<b>158 908</b>	<b>178 244</b>	<b>197 568</b>	<b>11.6%</b>	<b>85.1%</b>

## Goods and services expenditure trends and estimates

**Table 10.18 Departmental goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administrative fees	391	579	738	56	-47.7%	1.1%	60	63	69	7.2%	0.1%
Advertising	787	361	591	710	-3.4%	1.5%	750	792	836	5.6%	1.6%
Minor assets	331	113	246	480	13.2%	0.7%	506	533	562	5.4%	1.1%
Audit costs: External	4 285	2 868	4 609	3 690	-4.9%	9.8%	3 897	4 111	4 337	5.5%	8.4%
Bursaries: Employees	697	740	1 006	497	-10.7%	1.9%	525	554	584	5.5%	1.1%
Catering: Departmental activities	411	520	273	268	-13.3%	0.9%	283	299	315	5.5%	0.6%
Communication	1 236	1 117	945	1 570	8.3%	3.1%	1 658	1 750	1 846	5.5%	3.6%
Computer services	4 145	3 492	6 937	4 472	2.6%	12.0%	4 730	4 998	5 281	5.7%	10.2%
Consultants: Business and advisory services	279	329	1 380	1 190	62.2%	2.0%	1 256	1 325	1 398	5.5%	2.7%
Legal services	177	245	539	677	56.4%	1.0%	715	754	795	5.5%	1.5%
Contractors	754	1 388	586	769	0.7%	2.2%	812	857	904	5.5%	1.7%
Agency and support/outsourced services	8 415	5 083	175	10 190	6.6%	15.1%	9 768	10 261	10 807	2.0%	21.4%
Entertainment	–	–	–	116	–	0.1%	122	128	135	5.2%	0.3%
Fleet services (including government motor transport)	294	7	226	541	22.5%	0.7%	571	602	635	5.5%	1.2%
Inventory: Food and food supplies	–	–	–	32	–	–	33	34	36	4.0%	0.1%
Inventory: Learner and teacher support material	–	–	–	360	–	0.2%	380	401	423	5.5%	0.8%
Inventory: Materials and supplies	79	205	–	27	-30.1%	0.2%	29	31	33	6.9%	0.1%
Inventory: Medical supplies	–	225	–	10	–	0.1%	11	12	13	9.1%	–
Inventory: Other supplies	–	–	–	89	–	0.1%	94	99	104	5.3%	0.2%
Consumable supplies	397	793	813	–	-100.0%	1.3%	–	–	–	–	–
Consumables: Stationery, printing and office supplies	1 014	759	701	1 438	12.4%	2.5%	1 518	1 602	1 690	5.5%	3.3%
Operating leases	9 554	9 529	11 654	10 679	3.8%	26.2%	10 877	11 483	12 125	4.3%	23.6%
Rental and hiring	4	41	24	–	-100.0%	–	–	–	–	–	–
Property payments	4 151	3 391	3 431	626	-46.8%	7.3%	661	697	735	5.5%	1.4%
Travel and subsistence	2 056	2 108	1 233	3 081	14.4%	5.4%	3 754	3 961	4 179	10.7%	7.8%
Training and development	667	742	440	2 213	49.1%	2.6%	2 592	2 735	2 885	9.2%	5.4%
Operating payments	742	154	661	484	-13.3%	1.3%	510	538	568	5.5%	1.1%
Venues and facilities	91	747	–	262	42.3%	0.7%	277	292	308	5.5%	0.6%
<b>Total</b>	<b>40 957</b>	<b>35 536</b>	<b>37 208</b>	<b>44 527</b>	<b>2.8%</b>	<b>100.0%</b>	<b>46 389</b>	<b>48 912</b>	<b>51 603</b>	<b>5.0%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 10.19 Departmental transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>47 795</b>	<b>–</b>	<b>63 312</b>	<b>66 380</b>	<b>11.6%</b>	<b>99.7%</b>	<b>79 847</b>	<b>93 703</b>	<b>107 757</b>	<b>17.5%</b>	<b>100.0%</b>
National School of Government training trading account	47 795	–	63 312	66 380	11.6%	99.7%	79 847	93 703	107 757	17.5%	100.0%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>66</b>	<b>134</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Employee social benefits	66	134	–	–	-100.0%	0.1%	–	–	–	–	–
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>–</b>	<b>–</b>	<b>267</b>	<b>–</b>	<b>–</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Employee social benefits	–	–	267	–	–	0.2%	–	–	–	–	–
<b>Total</b>	<b>47 861</b>	<b>134</b>	<b>63 579</b>	<b>66 380</b>	<b>11.5%</b>	<b>100.0%</b>	<b>79 847</b>	<b>93 703</b>	<b>107 757</b>	<b>17.5%</b>	<b>100.0%</b>

## Personnel information

**Table 10.20 Departmental personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment																			
Number of posts estimated for 31 March 2019		Medium-term expenditure estimate												Number							
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			2019/20			2020/21			2021/22			Average growth rate (%)	Average: Salary level/Total (%)			
		2017/18	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22														
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
<b>National School of Government</b>		<b>89</b>	<b>–</b>	<b>–</b>	<b>89</b>	<b>50.5</b>	<b>0.6</b>	<b>91</b>	<b>54.4</b>	<b>0.6</b>	<b>91</b>	<b>58.3</b>	<b>0.6</b>	<b>91</b>	<b>62.7</b>	<b>0.7</b>	<b>91</b>	<b>67.2</b>	<b>0.7</b>	<b>–</b>	<b>100.0%</b>
<b>Salary level</b>	<b>89</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>89</b>	<b>50.5</b>	<b>0.6</b>	<b>91</b>	<b>54.4</b>	<b>0.6</b>	<b>91</b>	<b>58.3</b>	<b>0.6</b>	<b>91</b>	<b>62.7</b>	<b>0.7</b>	<b>91</b>	<b>67.2</b>	<b>0.7</b>	<b>–</b>	<b>100.0%</b>
1 – 6	16	–	–	–	16	3.5	0.2	17	4.2	0.2	17	4.5	0.3	17	4.8	0.3	17	5.2	0.3	–	18.7%
7 – 10	38	–	–	–	38	13.4	0.4	38	14.6	0.4	38	15.7	0.4	38	16.9	0.4	38	18.2	0.5	–	41.8%
11 – 12	18	–	–	–	18	13.8	0.8	19	14.5	0.8	19	15.5	0.8	19	16.6	0.9	19	17.8	0.9	–	20.9%
13 – 16	17	–	–	–	17	19.8	1.2	17	21.2	1.2	17	22.7	1.3	17	24.3	1.4	17	26.0	1.5	–	18.7%
<b>Programme</b>	<b>89</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>89</b>	<b>50.5</b>	<b>0.6</b>	<b>91</b>	<b>54.4</b>	<b>0.6</b>	<b>91</b>	<b>58.3</b>	<b>0.6</b>	<b>91</b>	<b>62.7</b>	<b>0.7</b>	<b>91</b>	<b>67.2</b>	<b>0.7</b>	<b>–</b>	<b>100.0%</b>
<b>Programme 1</b>	<b>89</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>89</b>	<b>50.5</b>	<b>0.6</b>	<b>91</b>	<b>54.4</b>	<b>0.6</b>	<b>91</b>	<b>58.3</b>	<b>0.6</b>	<b>91</b>	<b>62.7</b>	<b>0.7</b>	<b>91</b>	<b>67.2</b>	<b>0.7</b>	<b>–</b>	<b>100.0%</b>

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 10.21 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>102</b>	<b>183</b>	<b>125</b>	<b>109</b>	<b>109</b>	<b>2.2%</b>	<b>100.0%</b>	<b>114</b>	<b>115</b>	<b>116</b>	<b>2.1%</b>	<b>100.0%</b>
<b>Tax receipts</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>4</b>	<b>4</b>	<b>–</b>	<b>0.8%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.9%</b>
<b>Sales of goods and services produced by department</b>	<b>33</b>	<b>38</b>	<b>35</b>	<b>16</b>	<b>16</b>	<b>-21.4%</b>	<b>23.5%</b>	<b>29</b>	<b>30</b>	<b>31</b>	<b>24.7%</b>	<b>23.3%</b>
Sales by market establishments of which:	–	–	–	16	16	–	3.1%	–	–	–	-100.0%	3.5%
Parking fees	–	–	–	16	16	–	3.1%	–	–	–	-100.0%	3.5%
Other sales of which:	33	38	35	–	–	-100.0%	20.4%	29	30	31	–	19.8%
Parking fees	1	1	1	–	–	-100.0%	0.6%	1	1	1	–	0.7%
Commission	32	37	34	–	–	-100.0%	19.8%	28	29	30	–	19.2%

**Table 10.21 Departmental receipts by economic classification**

	Audited outcome			Adjusted estimate 2018/19	Revised estimate	Average growth rate (%) 2015/16 - 2018/19	Average: Receipt item/ Total (%) 2015/16 - 2018/19	Medium-term receipts estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Receipt item/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18					2019/20	2020/21	2021/22		
R thousand												
Sales of scrap, waste, arms and other used current goods	-	-	1	-	-	-	0.2%	-	-	-	-	-
of which:												
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	1	-	-	-	0.2%	-	-	-	-	-
Interest, dividends and rent on land	50	48	53	82	82	17.9%	44.9%	85	85	85	1.2%	74.2%
Interest	50	48	53	36	36	-10.4%	36.0%	39	39	39	2.7%	33.7%
Dividends	-	-	-	46	46	-	8.9%	46	46	46	-	40.5%
of which:												
Interest, dividends and rent on land	-	-	-	32	32	-	6.2%	32	32	32	-	28.2%
Transactions in financial assets and liabilities	-	-	-	14	14	-	2.7%	14	14	14	-	12.3%
Sales of capital assets	14	56	16	7	7	-20.6%	17.9%	-	-	-	-100.0%	1.5%
Transactions in financial assets and liabilities	5	41	20	-	-	-100.0%	12.7%	-	-	-	-	-
<b>Total</b>	<b>102</b>	<b>183</b>	<b>125</b>	<b>109</b>	<b>109</b>	<b>2.2%</b>	<b>100.0%</b>	<b>114</b>	<b>115</b>	<b>116</b>	<b>2.1%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the National School of Government.

### Expenditure trends and estimates

**Table 10.22 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Management	12.4	15.4	14.9	16.0	8.8%	15.9%	17.0	18.1	19.1	6.2%	15.7%
Corporate Services	63.7	60.0	61.3	86.0	10.5%	73.2%	90.4	96.4	102.2	5.9%	83.7%
Property Management	13.7	12.2	14.2	0.6	-64.3%	11.0%	0.7	0.7	0.7	5.5%	0.6%
<b>Total</b>	<b>89.8</b>	<b>87.7</b>	<b>90.4</b>	<b>102.6</b>	<b>4.5%</b>	<b>100.0%</b>	<b>108.1</b>	<b>115.1</b>	<b>122.1</b>	<b>6.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			(1.4)	(1.5)	(1.6)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>85.0</b>	<b>84.6</b>	<b>87.7</b>	<b>99.5</b>	<b>5.4%</b>	<b>96.3%</b>	<b>104.8</b>	<b>111.7</b>	<b>118.5</b>	<b>6.0%</b>	<b>97.0%</b>
Compensation of employees	44.1	49.1	50.5	54.9	7.6%	53.6%	58.4	62.8	66.9	6.8%	54.3%
Goods and services <sup>1</sup>	41.0	35.5	37.2	44.5	2.8%	42.7%	46.4	48.9	51.6	5.0%	42.7%
of which:											
Audit costs: External	4.3	2.9	4.6	3.7	-4.9%	4.2%	3.9	4.1	4.3	5.5%	3.6%
Computer services	4.1	3.5	6.9	4.5	2.6%	5.1%	4.7	5.0	5.3	5.7%	4.3%
Agency and support/outsourced services	8.4	5.1	0.2	10.2	6.6%	6.4%	9.8	10.3	10.8	2.0%	9.2%
Operating leases	9.6	9.5	11.7	10.7	3.8%	11.2%	10.9	11.5	12.1	4.3%	10.1%
Travel and subsistence	2.1	2.1	1.2	3.1	14.4%	2.3%	3.8	4.0	4.2	10.7%	3.3%
Training and development	0.7	0.7	0.4	2.2	49.1%	1.1%	2.6	2.7	2.9	9.2%	2.3%
Transfers and subsidies <sup>1</sup>	<b>0.1</b>	<b>0.1</b>	<b>0.3</b>	-	<b>-100.0%</b>	<b>0.1%</b>	-	-	-	-	-
Households	0.1	0.1	0.3	-	-100.0%	0.1%	-	-	-	-	-
Payments for capital assets	<b>4.7</b>	<b>2.9</b>	<b>2.4</b>	<b>3.1</b>	<b>-12.7%</b>	<b>3.5%</b>	<b>3.3</b>	<b>3.4</b>	<b>3.6</b>	<b>5.2%</b>	<b>3.0%</b>
Machinery and equipment	4.3	2.7	2.3	3.1	-10.3%	3.3%	3.3	3.4	3.6	5.2%	3.0%
Software and other intangible assets	0.4	0.2	0.1	-	-100.0%	0.2%	-	-	-	-	-
Payments for financial assets	<b>0.1</b>	-	-	-	<b>-100.0%</b>	-	-	-	-	-	-
<b>Total</b>	<b>89.8</b>	<b>87.7</b>	<b>90.4</b>	<b>102.6</b>	<b>4.5%</b>	<b>100.0%</b>	<b>108.1</b>	<b>115.1</b>	<b>122.1</b>	<b>6.0%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	65.3%	100.0%	58.8%	60.7%	-	-	57.5%	55.1%	53.1%	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.



## Programme 2: Public Sector Organisational and Staff Development

### Objectives

- Inform learning and development needs and opportunities in the public service by implementing effective research, knowledge management and diagnostic strategies on an ongoing basis.
- Monitor the quality of learning and development interventions, and evaluate the effectiveness of interventions on performance, based on norms and standards, by implementing an effective monitoring and evaluation framework over the medium term.
- Respond to the needs of the public service and the career development of individuals within it by designing and carrying out quality assurance checks on accredited and non-accredited curriculums on an ongoing basis.
- Provide learning and development opportunities by managing an integrated and collaborative network of local and international learning and development institutions and practitioners on an ongoing basis.

### Expenditure trends and estimates

**Table 10.23 Public Sector Organisational and Staff Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
National School of Government training trading account	47.8	–	63.3	66.4	11.6%	100.0%	79.8	93.7	107.8	17.5%	100.0%
<b>Total</b>	<b>47.8</b>	<b>–</b>	<b>63.3</b>	<b>66.4</b>	<b>11.6%</b>	<b>100.0%</b>	<b>79.8</b>	<b>93.7</b>	<b>107.8</b>	<b>17.5%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			10.0	20.0	30.0		
<b>Economic classification</b>											
Transfers and subsidies <sup>1</sup>	47.8	–	63.3	66.4	11.6%	100.0%	79.8	93.7	107.8	17.5%	100.0%
Departmental agencies and accounts	47.8	–	63.3	66.4	11.6%	100.0%	79.8	93.7	107.8	17.5%	100.0%
<b>Total</b>	<b>47.8</b>	<b>–</b>	<b>63.3</b>	<b>66.4</b>	<b>11.6%</b>	<b>100.0%</b>	<b>79.8</b>	<b>93.7</b>	<b>107.8</b>	<b>17.5%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	34.7%		41.2%	39.3%	–	–	42.5%	44.9%	46.9%	–	–
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
Current	47.8	–	63.3	66.4	11.6%	100.0%	79.8	93.7	107.8	17.5%	100.0%
National School of Government training trading account	47.8	–	63.3	66.4	11.6%	100.0%	79.8	93.7	107.8	17.5%	100.0%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Public Service Commission

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	128.6	123.9	1.3	3.4	137.2	146.5
Leadership and Management Practices	47.5	47.2	0.2	0.1	50.9	54.4
Monitoring and Evaluation	43.4	43.1	–	0.3	46.5	47.9
Integrity and Anti-Corruption	58.8	58.7	–	0.1	63.0	67.5
<b>Total expenditure estimates</b>	<b>278.2</b>	<b>272.9</b>	<b>1.4</b>	<b>3.9</b>	<b>297.6</b>	<b>316.3</b>

Executive authority: Minister of Public Service and Administration  
 Accounting officer: Director-General of the Public Service Commission  
 Website address: [www.psc.gov.za](http://www.psc.gov.za)

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

## Department purpose

*Promote constitutional values and the principles of public administration in the public service.*

## Mandate

The Public Service Commission is an independent institution established in terms of chapter 10 of the Constitution, and derives its mandate from sections 195 and 196 of the Constitution, which set out the values and principles governing public administration. The commission aims to promote these values and principles, as well as the powers and functions of public administration. The commission is vested with custodial oversight responsibilities for the public service, and monitors, evaluates and investigates public administration practices. It has the power to issue directions on compliance with personnel procedures relating to recruitment, transfers, promotions and dismissals.

## Selected performance indicators

**Table 10.24 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of grievances finalised per year	Leadership and Management Practices	Outcome 12: An efficient, effective and development-oriented public service	89% (605/680)	87% (615/709)	85% (559/654)	80%	80%	80%	80%
Number of reports on the management of grievances in the public service produced per year	Leadership and Management Practices		1	1	1	3	1	1	1
Number of research reports on strategic human resources and leadership produced per year	Leadership and Management Practices		1	1	2	5	1	1	2
Number of reports on the evaluation of constitutional values and principles produced per year	Monitoring and Evaluation		4	4	14	100	12	100	12
Percentage of public administration investigations concluded per year	Integrity and Anti-Corruption		73% (371/510)	84% (303/360)	69% (211/306)	65%	70%	75%	75%
Number of reports on selected public administration practices produced per year	Integrity and Anti-Corruption		-1	4	2	2	1	1	1
Number of research reports on professional ethics per year	Integrity and Anti-Corruption		-2	-2	-2	-2	1	1	1
Percentage of national anti-corruption hotline cases referred to relevant department within 7 days of receipt of report per year	Integrity and Anti-Corruption		100% (1 374)	100% (1 856)	99.5% (878)	85%	90%	95%	95%
Percentage of financial disclosure forms received and scrutinised per year	Integrity and Anti-Corruption		100% (8 986)	100% (10 302)	100% (10 267)	100%	100%	100%	100%
Percentage of early resolution cases finalised within 45 days upon receipt of all relevant information per year	Integrity and Anti-Corruption		100% (154)	85% (126/148)	89% (17/19)	80%	80%	80%	80%

1. Indicator introduced in 2016/17.

2. New indicator.

## Expenditure analysis

In giving expression to chapters 13 and 14 of the NDP, which emphasise building a capable and developmental state and rooting out corruption in government, the work of the Public Service Commission contributes to outcome 12 (an efficient, effective and development-oriented public service) of government's 2014-2019 medium-term strategic framework. Accordingly, over the medium term, the Public Service Commission will focus on promoting constitutional values and principles, and evaluating the extent of their implementation, assessing the commitment of leadership in promoting professional ethics in the public service, and building capacity to facilitate the reorganisation of the state after the 2019 national elections.

As the work of the commission is knowledge driven, it is labour intensive. As a result, spending on compensation of employees accounts for an estimated 76.6 per cent (R685.5 million) of the commission's total expenditure over the MTEF period.

### ***Promoting constitutional values and principles and evaluating the extent of their implementation***

Section 195 of the Constitution outlines the values and principles of public administration. These include

maintaining the efficient, economic and effective use of resources; accountability; responsiveness to the needs of the public; and sound human resources management and career development practices. The commission developed an institutional evaluation tool in 2016 to track the responsiveness of governance institutions to these constitutional values and principles. The tool, which was piloted in 2017, includes quantitative and qualitative performance indicators related to the principles of public administration. Quantitative indicators are used to establish whether systems are in place, whereas qualitative indicators aim to establish whether those systems assist in bringing about change. The tool was rolled out across all national and provincial departments in 2018/19, and the commission plans to produce 24 qualitative evaluation reports over the medium term (12 in 2019/20 and 12 in 2021/22) and 100 quantitative evaluation reports in 2020/21. Activities related to this are carried out in the *Governance Monitoring* subprogramme, which accounts for an estimated 24.8 per cent (R34.5 million) of total expenditure in the *Monitoring and Evaluation* programme over the MTEF period.

Based on the findings of these reports, over the medium term, the commission plans to hold 4 workshops targeting 400 participants at various levels, including senior management, at various sites, to promote the internalisation of constitutional values and principles in their daily activities. These activities will be carried out in the *Service Delivery and Compliance Evaluations* subprogramme, which is allocated a total budget of R29.5 million in the *Monitoring and Evaluation* programme over the medium term.

#### ***Assessing the commitment of leadership in promoting professional ethics***

Over the MTEF period, the commission plans to promote professional ethics in the public service by conducting a study focused on concrete actions to be taken by heads of departments and executive authorities against ethical violations and non-compliance with prescripts. The study will include all national and provincial departments, and will be based on reports issued regarding the financial disclosure framework, and complaints received through the national anti-corruption hotline. This work will be carried out in the *Professional Ethics* subprogramme, which accounts for 39.4 per cent (R73.9 million) of expenditure in the *Integrity and Anti-Corruption* programme over the medium term.

#### ***Building capacity to facilitate the reorganisation of the state after the 2019 national elections***

In response to the anticipated reorganisation of the state after the 2019 national elections, the commission plans to formulate and implement a strategy to provide advice to departments on matters relating to the matching, placing and reskilling of employees, and implementing and monitoring change management processes. The commission will deal with grievances and complaints emanating from the reorganisation process and be involved in inducting new executive authorities and heads of departments. The commission will also develop a comprehensive guide for executive authorities and heads of departments in 2019/20, and circulate it to be used as a frame of reference during the centralised induction processes. After formal induction sessions, the commission plans to engage with executive authorities, heads of departments and other senior managers in their departments with the objective of promoting stability and continuity in the public service. Issues to be discussed during the engagement sessions seek to promote awareness and understanding of human resources management rules and practices, and service delivery obligations during the change of administration. These activities will be carried out in the *Leadership and Human Resource Reviews* subprogramme, which accounts for 19.5 per cent (R29.1 million) of the total allocation in the *Leadership and Management Practices* programme over the medium term.

## Expenditure trends

**Table 10.25 Departmental expenditure trends by programme and economic classification**

<b>Programmes</b>																									
1. Administration																									
2. Leadership and Management Practices																									
3. Monitoring and Evaluation																									
4. Integrity and Anti-Corruption																									
<b>Programme</b>	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Revised estimate			Average: Outcome/Annual budget (%)		Average: Outcome/Adjusted appropriation (%)	
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19			2015/16 - 2018/19		2015/16 - 2018/19							
Programme 1	100.2	98.7	107.9	105.8	102.4	106.2	115.0	120.9	125.7	125.9	124.8	124.8	104.0%	104.0%											
Programme 2	38.6	39.6	38.2	40.4	38.3	37.4	43.1	41.2	39.0	44.7	44.7	44.7	95.5%	97.2%											
Programme 3	37.0	37.7	36.2	38.7	32.9	34.3	36.8	32.6	33.8	39.3	39.7	39.7	94.9%	100.8%											
Programme 4	46.3	50.5	47.1	49.3	55.7	51.2	50.8	48.1	49.0	54.5	55.2	55.2	100.7%	96.6%											
<b>Total</b>	<b>222.1</b>	<b>226.5</b>	<b>229.3</b>	<b>234.2</b>	<b>229.2</b>	<b>229.1</b>	<b>245.7</b>	<b>242.8</b>	<b>247.4</b>	<b>264.4</b>	<b>264.4</b>	<b>264.4</b>	<b>100.4%</b>	<b>100.8%</b>											
Change to 2018 Budget estimate																									
<b>Economic classification</b>																									
<b>Current payments</b>	<b>221.2</b>	<b>224.8</b>	<b>226.6</b>	<b>234.2</b>	<b>228.3</b>	<b>225.7</b>	<b>244.7</b>	<b>240.8</b>	<b>244.6</b>	<b>263.1</b>	<b>263.1</b>	<b>263.1</b>	<b>99.7%</b>	<b>100.3%</b>											
Compensation of employees	181.3	180.7	167.1	190.8	177.7	172.7	188.8	183.2	179.9	202.7	200.7	200.7	94.3%	97.1%											
Goods and services	39.8	44.1	59.5	43.4	50.6	53.0	55.9	57.6	64.7	60.4	62.4	62.4	120.1%	111.6%											
<b>Transfers and subsidies</b>	<b>0.0</b>	<b>0.7</b>	<b>0.8</b>	<b>-</b>	<b>0.3</b>	<b>0.8</b>	<b>0.3</b>	<b>1.0</b>	<b>1.4</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>540.1%</b>	<b>145.1%</b>											
Foreign governments and international organisations	0.0	0.0	-	-	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	141.3%	103.7%											
Households	-	0.7	0.8	-	0.2	0.7	0.3	1.0	1.4	0.3	0.3	0.3	599.8%	147.2%											
<b>Payments for capital assets</b>	<b>0.9</b>	<b>0.9</b>	<b>1.8</b>	<b>-</b>	<b>0.6</b>	<b>2.6</b>	<b>0.7</b>	<b>1.0</b>	<b>1.4</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>264.1%</b>	<b>191.9%</b>											
Machinery and equipment	0.9	0.9	1.8	-	0.6	1.5	0.7	1.0	0.9	1.0	1.0	1.0	204.0%	148.3%											
Software and other intangible assets	-	-	-	-	-	1.1	-	-	0.4	-	-	-	-	-											
<b>Total</b>	<b>222.1</b>	<b>226.5</b>	<b>229.3</b>	<b>234.2</b>	<b>229.2</b>	<b>229.1</b>	<b>245.7</b>	<b>242.8</b>	<b>247.4</b>	<b>264.4</b>	<b>264.4</b>	<b>264.4</b>	<b>100.4%</b>	<b>100.8%</b>											

## Expenditure estimates

**Table 10.26 Departmental expenditure estimates by programme and economic classification**

<b>Programmes</b>									
1. Administration									
2. Leadership and Management Practices									
3. Monitoring and Evaluation									
4. Integrity and Anti-Corruption									
<b>Programme</b>	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
R million	2018/19	2015/16 - 2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	
Programme 1	124.8	8.2%	47.9%	128.6	137.2	146.5	5.5%	46.4%	
Programme 2	44.7	4.1%	16.4%	47.5	50.9	54.4	6.8%	17.1%	
Programme 3	39.7	1.7%	14.8%	43.4	46.5	47.9	6.4%	15.3%	
Programme 4	55.2	3.0%	20.9%	58.8	63.0	67.5	6.9%	21.1%	
<b>Total</b>	<b>264.4</b>	<b>5.3%</b>	<b>100.0%</b>	<b>278.2</b>	<b>297.6</b>	<b>316.3</b>	<b>6.2%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate									

**Table 10.26 Departmental expenditure estimates by programme and economic classification**

Economic classification	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
<b>Current payments</b>	<b>263.1</b>	<b>5.4%</b>	<b>99.0%</b>	<b>272.9</b>	<b>292.0</b>	<b>310.4</b>	<b>5.7%</b>	<b>98.4%</b>
Compensation of employees	200.7	3.6%	74.3%	212.9	228.9	243.7	6.7%	76.6%
Goods and services	62.4	12.2%	24.7%	60.0	63.1	66.7	2.2%	21.8%
<b>Transfers and subsidies</b>	<b>0.3</b>	<b>-24.7%</b>	<b>0.3%</b>	<b>1.4</b>	<b>1.5</b>	<b>1.6</b>	<b>72.5%</b>	<b>0.4%</b>
Foreign governments and international organisations	0.0	27.3%	0.0%	0.0	0.0	0.0	5.7%	0.0%
Households	0.3	-27.0%	0.3%	1.4	1.5	1.5	77.7%	0.4%
<b>Payments for capital assets</b>	<b>1.0</b>	<b>2.5%</b>	<b>0.7%</b>	<b>3.9</b>	<b>4.1</b>	<b>4.4</b>	<b>63.9%</b>	<b>1.2%</b>
Machinery and equipment	1.0	2.5%	0.5%	3.7	3.9	4.1	60.8%	1.1%
Software and other intangible assets	-	-	0.2%	0.2	0.2	0.2	-	0.1%
<b>Total</b>	<b>264.4</b>	<b>5.3%</b>	<b>100.0%</b>	<b>278.2</b>	<b>297.6</b>	<b>316.3</b>	<b>6.2%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 10.27 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R thousand											
Compensation of employees	167 108	172 696	179 885	200 711	6.3%	74.3%	212 866	228 872	243 748	6.7%	76.6%
Consultants: Business and advisory services	6 116	5 816	2 764	3 359	-18.1%	1.9%	3 895	4 109	4 323	8.8%	1.4%
Operating leases	17 827	20 642	30 553	24 114	10.6%	9.6%	20 402	21 327	22 688	-2.0%	7.7%
Property payments	4 496	4 846	8 614	4 493	-	2.3%	4 524	4 776	5 024	3.8%	1.6%
<b>Total</b>	<b>195 547</b>	<b>204 000</b>	<b>221 816</b>	<b>232 677</b>	<b>6.0%</b>	<b>88.0%</b>	<b>241 687</b>	<b>259 084</b>	<b>275 783</b>	<b>5.8%</b>	<b>87.3%</b>

## Goods and services expenditure trends and estimates

**Table 10.28 Departmental goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R thousand											
Administrative fees	82	117	118	42	-20.0%	0.1%	33	35	36	-5.0%	0.1%
Advertising	361	238	229	191	-19.1%	0.4%	106	113	118	-14.8%	0.2%
Minor assets	142	103	58	156	3.2%	0.2%	188	198	208	10.1%	0.3%
Audit costs: External	3 017	2 667	3 409	3 621	6.3%	5.3%	3 700	3 903	4 106	4.3%	6.1%
Bursaries: Employees	559	292	105	396	-10.9%	0.6%	417	440	463	5.3%	0.7%
Catering: Departmental activities	526	669	465	318	-15.4%	0.8%	508	535	565	21.1%	0.8%
Communication	3 564	3 825	4 120	4 448	7.7%	6.7%	4 698	4 965	5 219	5.5%	7.7%
Computer services	9 076	4 698	6 410	7 193	-7.5%	11.4%	7 873	8 306	8 738	6.7%	12.7%
Consultants: Business and advisory services	6 116	5 816	2 764	3 359	-18.1%	7.5%	3 895	4 109	4 323	8.8%	6.2%
Legal services	28	-	145	-	-100.0%	0.1%	-	-	-	-	-
Contractors	295	190	242	5 099	158.6%	2.4%	3 715	3 919	4 122	-6.8%	6.7%
Agency and support/outsourced services	67	130	-	3	-64.5%	0.1%	-	-	-	-100.0%	-
Fleet services (including government motor transport)	1 388	1 170	827	1 140	-6.4%	1.9%	1 346	1 411	1 489	9.3%	2.1%
Inventory: Clothing material and accessories	165	6	-	-	-100.0%	0.1%	-	-	-	-	-
Inventory: Medical supplies	-	16	-	-	-	-	-	-	-	-	-
Consumable supplies	189	172	402	278	13.7%	0.4%	564	594	628	31.2%	0.8%
Consumables: Stationery, printing and office supplies	1 425	1 355	1 491	1 395	-0.7%	2.4%	1 680	1 767	1 858	10.0%	2.7%
Operating leases	17 827	20 642	30 553	24 114	10.6%	38.9%	20 402	21 327	22 688	-2.0%	35.1%
Rental and hiring	51	1	-	-	-100.0%	-	1	-	-	-	-
Property payments	4 496	4 846	8 614	4 493	-	9.4%	4 524	4 776	5 024	3.8%	7.5%
Travel and subsistence	7 360	4 572	3 313	3 062	-25.3%	7.6%	3 161	3 332	3 507	4.6%	5.2%
Training and development	1 062	403	441	1 581	14.2%	1.5%	1 665	1 757	1 848	5.3%	2.7%
Operating payments	1 692	1 068	915	1 378	-6.6%	2.1%	1 545	1 632	1 713	7.5%	2.5%
Venues and facilities	15	22	93	125	102.7%	0.1%	-	-	-	-100.0%	-
<b>Total</b>	<b>59 503</b>	<b>53 018</b>	<b>64 714</b>	<b>62 392</b>	<b>1.6%</b>	<b>100.0%</b>	<b>60 021</b>	<b>63 119</b>	<b>66 653</b>	<b>2.2%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 10.29 Departmental transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
Current	-	-	245	-	-	7.4%	-	-	-	-	-
Employee social benefits	-	-	245	-	-	7.4%	-	-	-	-	-
<b>Households</b>											
<b>Other transfers to households</b>											
Current	835	702	1 147	274	-31.0%	89.2%	1 385	1 461	1 537	77.7%	97.0%
Employee social benefits	835	702	1 147	274	-31.0%	89.2%	1 385	1 461	1 537	77.7%	97.0%
<b>Foreign governments and international organisations</b>											
Current	-	56	24	33	-	3.4%	35	37	39	5.7%	3.0%
Association of African Public Services Commissions	-	56	24	33	-	3.4%	35	37	39	5.7%	3.0%
<b>Total</b>	<b>835</b>	<b>758</b>	<b>1 416</b>	<b>307</b>	<b>-28.4%</b>	<b>100.0%</b>	<b>1 420</b>	<b>1 498</b>	<b>1 576</b>	<b>72.5%</b>	<b>100.0%</b>

## Personnel information

**Table 10.30 Departmental personnel numbers and cost by salary level and programme<sup>1</sup>**

Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>Public Service Commission</b>	<b>271</b>	<b>6</b>	<b>278</b>	<b>179.9</b>	<b>0.6</b>	<b>275</b>	<b>200.8</b>	<b>0.7</b>	<b>271</b>	<b>213.0</b>	<b>0.8</b>	<b>272</b>	<b>229.0</b>	<b>0.8</b>	<b>271</b>	<b>243.8</b>	<b>0.9</b>	<b>-0.5%</b>	<b>100.0%</b>
Salary level	271	6	278	179.9	0.6	275	200.8	0.7	271	213.0	0.8	272	229.0	0.8	271	243.8	0.9	-0.5%	100.0%
1 – 6	64	3	65	15.0	0.2	64	17.6	0.3	61	18.2	0.3	62	20.0	0.3	61	21.4	0.4	-1.6%	22.8%
7 – 10	82	2	77	35.1	0.5	76	37.9	0.5	76	40.8	0.5	76	43.9	0.6	77	47.9	0.6	0.4%	28.0%
11 – 12	77	-	78	59.9	0.8	78	67.6	0.9	78	72.3	0.9	78	77.4	1.0	78	82.8	1.1	-	28.7%
13 – 16	48	1	58	69.8	1.2	57	77.7	1.4	56	81.7	1.5	56	87.6	1.6	55	91.8	1.7	-1.2%	20.6%
<b>Programme</b>	<b>271</b>	<b>6</b>	<b>278</b>	<b>179.9</b>	<b>0.6</b>	<b>275</b>	<b>200.8</b>	<b>0.7</b>	<b>271</b>	<b>213.0</b>	<b>0.8</b>	<b>272</b>	<b>229.0</b>	<b>0.8</b>	<b>271</b>	<b>243.8</b>	<b>0.9</b>	<b>-0.5%</b>	<b>100.0%</b>
Programme 1	97	6	106	65.2	0.6	103	68.6	0.7	99	71.3	0.7	100	77.0	0.8	100	83.0	0.8	-1.0%	36.9%
Programme 2	55	-	52	37.6	0.7	52	41.9	0.8	52	44.9	0.9	52	48.1	0.9	52	51.5	1.0	-	19.1%
Programme 3	47	-	49	31.7	0.6	49	37.9	0.8	49	40.6	0.8	49	43.6	0.9	48	44.8	0.9	-0.7%	17.9%
Programme 4	72	-	71	45.4	0.6	71	52.4	0.7	71	56.1	0.8	71	60.2	0.8	71	64.5	0.9	-	26.1%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 10.31 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)		Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18			2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
<b>Departmental receipts</b>	<b>211</b>	<b>371</b>	<b>469</b>	<b>559</b>	<b>559</b>	<b>38.4%</b>	<b>100.0%</b>	<b>567</b>	<b>581</b>	<b>582</b>	<b>1.4%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>87</b>	<b>100</b>	<b>108</b>	<b>104</b>	<b>104</b>	<b>6.1%</b>	<b>24.8%</b>	<b>109</b>	<b>115</b>	<b>115</b>	<b>3.4%</b>	<b>19.4%</b>
Other sales	87	100	108	104	104	6.1%	24.8%	109	115	115	3.4%	19.4%
of which:												
Parking	36	45	51	46	46	8.5%	11.1%	50	55	55	6.1%	9.0%
Commission Insurance	51	55	57	58	58	4.4%	13.7%	59	60	60	1.1%	10.4%
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>
of which:												
Sales: Wastepaper	-	-	-	2	2	-	0.1%	-	-	-	-100.0%	0.1%
<b>Interest, dividends and rent on land</b>	<b>1</b>	<b>15</b>	<b>8</b>	<b>13</b>	<b>13</b>	<b>135.1%</b>	<b>2.3%</b>	<b>11</b>	<b>14</b>	<b>14</b>	<b>2.5%</b>	<b>2.3%</b>
Interest	1	15	8	13	13	135.1%	2.3%	11	14	14	2.5%	2.3%
<b>Transactions in financial assets and liabilities</b>	<b>123</b>	<b>256</b>	<b>353</b>	<b>440</b>	<b>440</b>	<b>52.9%</b>	<b>72.8%</b>	<b>447</b>	<b>452</b>	<b>453</b>	<b>1.0%</b>	<b>78.3%</b>
<b>Total</b>	<b>211</b>	<b>371</b>	<b>469</b>	<b>559</b>	<b>559</b>	<b>38.4%</b>	<b>100.0%</b>	<b>567</b>	<b>581</b>	<b>582</b>	<b>1.4%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the Commission.

**Table 10.32 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2015/16	2016/17	2017/18		2018/19	2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
R million												
Public Service Commission	19.3	19.1	21.8	21.3	3.3%	17.6%	24.5	26.3	27.9	9.4%	18.6%	
Management	5.8	11.8	13.5	15.3	38.1%	10.0%	15.7	16.9	18.0	5.5%	12.3%	
Corporate Services	61.3	50.5	52.2	60.9	-0.2%	48.4%	64.4	69.0	74.0	6.7%	50.0%	
Property Management	21.5	24.8	38.2	27.3	8.3%	24.0%	23.9	25.0	26.6	-0.8%	19.1%	
<b>Total</b>	<b>107.9</b>	<b>106.2</b>	<b>125.7</b>	<b>124.8</b>	<b>5.0%</b>	<b>100.0%</b>	<b>128.6</b>	<b>137.2</b>	<b>146.5</b>	<b>5.5%</b>	<b>100.0%</b>	
Change to 2018							(1.9)	(1.7)	(0.9)			
Budget estimate												
<b>Economic classification</b>												
<b>Current payments</b>	<b>106.2</b>	<b>103.3</b>	<b>124.1</b>	<b>123.8</b>	<b>5.2%</b>	<b>98.5%</b>	<b>123.9</b>	<b>132.3</b>	<b>141.3</b>	<b>4.5%</b>	<b>97.0%</b>	
Compensation of employees	58.9	60.6	65.2	68.6	5.2%	54.5%	71.3	77.0	83.0	6.6%	55.8%	
Goods and services <sup>1</sup>	47.3	42.8	58.9	55.2	5.3%	44.0%	52.5	55.2	58.4	1.9%	41.2%	
<i>of which:</i>												
<i>Audit costs: External</i>	3.0	2.7	3.4	3.6	6.3%	2.7%	3.7	3.9	4.1	4.3%	2.9%	
<i>Computer services</i>	9.1	4.7	6.4	7.2	-7.5%	5.9%	7.9	8.3	8.7	6.7%	6.0%	
<i>Consultants: Business and advisory services</i>	2.6	2.9	2.5	3.0	4.9%	2.4%	3.6	3.8	4.0	9.6%	2.7%	
<i>Contractors</i>	0.2	0.1	0.2	5.0	204.6%	1.2%	3.7	3.9	4.1	-6.9%	3.1%	
<i>Operating leases</i>	17.8	20.6	30.6	23.9	10.3%	20.0%	20.4	21.3	22.7	-1.7%	16.4%	
<i>Property payments</i>	3.7	4.2	7.7	3.4	-3.0%	4.1%	3.6	3.7	3.9	5.1%	2.7%	
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.1</b>	<b>0.4</b>	<b>0.3</b>	<b>0.1</b>	<b>23.8%</b>	<b>0.2%</b>	<b>1.3</b>	<b>1.3</b>	<b>1.4</b>	<b>112.0%</b>	<b>0.8%</b>	
Foreign governments and international organisations	–	0.1	0.0	0.0	–	–	0.0	0.0	0.0	5.7%	–	
Households	0.1	0.3	0.3	0.1	13.6%	0.2%	1.2	1.3	1.4	128.8%	0.7%	
<b>Payments for capital assets</b>	<b>1.7</b>	<b>2.4</b>	<b>1.2</b>	<b>0.9</b>	<b>-18.4%</b>	<b>1.3%</b>	<b>3.4</b>	<b>3.6</b>	<b>3.8</b>	<b>61.5%</b>	<b>2.2%</b>	
Machinery and equipment	1.7	1.3	0.8	0.9	-18.4%	1.0%	3.4	3.6	3.8	61.5%	2.2%	
Software and other intangible assets	–	1.1	0.4	–	–	0.3%	–	–	–	–	–	
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	
<b>Total</b>	<b>107.9</b>	<b>106.2</b>	<b>125.7</b>	<b>124.8</b>	<b>5.0%</b>	<b>100.0%</b>	<b>128.6</b>	<b>137.2</b>	<b>146.5</b>	<b>5.5%</b>	<b>100.0%</b>	
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>47.1%</b>	<b>46.3%</b>	<b>50.8%</b>	<b>47.2%</b>	<b>–</b>	<b>–</b>	<b>46.2%</b>	<b>46.1%</b>	<b>46.3%</b>	<b>–</b>	<b>–</b>	
<b>Details of selected transfers and subsidies</b>												
<b>Households</b>												
<b>Other transfers to households</b>												
<b>Current</b>	<b>0.1</b>	<b>0.3</b>	<b>0.3</b>	<b>0.1</b>	<b>30.4%</b>	<b>0.2%</b>	<b>1.2</b>	<b>1.3</b>	<b>1.4</b>	<b>128.8%</b>	<b>0.7%</b>	
Employee social benefits	0.1	0.3	0.3	0.1	30.4%	0.2%	1.2	1.3	1.4	128.8%	0.7%	

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Leadership and Management Practices

### Programme purpose

Promote sound public service leadership, human resource management, labour relations and labour practices.

### Objectives

- Improve labour relations in the public service on an ongoing basis by:
  - investigating grievances and making recommendations to relevant departments to correct omissions and tighten policy
  - monitoring trends and conducting research in relation to labour relations in the public service, and making recommendations for implementation across it.
- Promote sound leadership practices and human resources management in the public service by conducting research in these areas and making recommendations for implementation thereon across the public service on an ongoing basis.

### Subprogrammes

- *Labour Relations Improvement* promotes labour relations and practices through the timeous investigation of properly referred grievances and the provision of best practices.
- *Leadership and Human Resource Reviews* identifies and promotes sound human resources management and leadership practices in public administration.
- *Programme Management: Leadership and Management Practices* provides overall management to the programme.

### Expenditure trends and estimates

**Table 10.33 Leadership and Management Practices expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average Expenditure/Total (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	
R million											
Labour Relations Improvement	23.5	11.9	12.3	14.8	-14.3%	39.2%	16.1	17.2	18.6	8.0%	33.8%
Leadership and Human Resource Reviews	13.0	6.1	6.9	9.4	-10.4%	22.2%	9.0	9.7	10.3	3.3%	19.5%
Programme Management: Leadership and Management Practices	1.7	19.5	19.7	20.5	131.7%	38.6%	22.3	24.0	25.5	7.5%	46.7%
<b>Total</b>	<b>38.2</b>	<b>37.4</b>	<b>39.0</b>	<b>44.7</b>	<b>5.4%</b>	<b>100.0%</b>	<b>47.5</b>	<b>50.9</b>	<b>54.4</b>	<b>6.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			1.0	0.9	1.3		
<b>Economic classification</b>											
<b>Current payments</b>	<b>38.1</b>	<b>37.2</b>	<b>38.8</b>	<b>44.5</b>	<b>5.3%</b>	<b>99.5%</b>	<b>47.2</b>	<b>50.6</b>	<b>54.2</b>	<b>6.8%</b>	<b>99.5%</b>
Compensation of employees	34.7	35.4	37.6	41.8	6.4%	93.9%	44.8	48.0	51.4	7.1%	94.2%
Goods and services <sup>1</sup>	3.3	1.8	1.2	2.6	-7.7%	5.6%	2.5	2.6	2.7	1.2%	5.3%
of which:											
Communication	0.6	0.6	0.4	0.6	-0.6%	1.4%	0.5	0.5	0.6	-1.3%	1.1%
Fleet services (including government motor transport)	0.3	0.3	0.1	0.3	-2.5%	0.6%	0.4	0.4	0.5	21.0%	0.8%
Consumables: Stationery, printing and office supplies	0.2	0.2	0.1	0.4	23.7%	0.6%	0.4	0.4	0.5	6.0%	0.9%
Property payments	0.4	0.1	0.1	0.2	-13.4%	0.5%	0.2	0.2	0.2	-0.9%	0.5%
Travel and subsistence	1.6	0.4	0.2	0.5	-31.7%	1.7%	0.5	0.5	0.6	4.0%	1.1%
Operating payments	0.0	0.1	0.0	0.3	100.2%	0.3%	0.2	0.2	0.2	-10.2%	0.4%
Transfers and subsidies <sup>1</sup>	0.0	0.2	0.2	0.2	76.0%	0.3%	0.2	0.2	0.2	5.2%	0.3%
Households	0.0	0.2	0.2	0.2	76.0%	0.3%	0.2	0.2	0.2	5.2%	0.3%
Payments for capital assets	0.1	0.1	0.1	0.1	1.6%	0.1%	0.1	0.1	0.1	15.4%	0.2%
Machinery and equipment	0.1	0.1	0.1	0.1	1.6%	0.1%	0.1	0.1	0.1	15.4%	0.2%
<b>Total</b>	<b>38.2</b>	<b>37.4</b>	<b>39.0</b>	<b>44.7</b>	<b>5.4%</b>	<b>100.0%</b>	<b>47.5</b>	<b>50.9</b>	<b>54.4</b>	<b>6.8%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	16.6%	16.3%	15.8%	16.9%	-	-	17.1%	17.1%	17.2%	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Monitoring and Evaluation

### Programme purpose

Establish a high standard of service delivery, monitoring and good governance in the public service.

### Objective

- Improve the functionality of the public service by conducting evaluations to assess its performance, and determine whether the values and principles of public administration are being upheld on an ongoing basis.

### Subprogrammes

- *Governance Monitoring* provides institutional assessments and programme evaluations that support policy and management decisions.
- *Service Delivery and Compliance Evaluations* provides participative evaluations, including evaluations of service delivery models, and processes to support policy and management decisions.



- *Programme Management: Monitoring and Evaluation* provides overall management to the programme.

### Expenditure trends and estimates

**Table 10.34 Monitoring and Evaluation expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22		
R million											
Governance Monitoring	17.4	7.4	7.1	9.6	-18.1%	28.8%	10.7	11.5	12.2	8.5%	24.8%
Service Delivery and Compliance Evaluations	18.0	7.5	6.7	7.5	-25.4%	27.5%	9.7	10.3	9.4	8.1%	20.8%
Programme Management: Monitoring and Evaluation	0.7	19.5	20.0	22.7	215.6%	43.6%	22.9	24.6	26.2	5.0%	54.3%
<b>Total</b>	<b>36.2</b>	<b>34.3</b>	<b>33.8</b>	<b>39.7</b>	<b>3.2%</b>	<b>100.0%</b>	<b>43.4</b>	<b>46.5</b>	<b>47.9</b>	<b>6.4%</b>	<b>100.0%</b>
Change to 2018				-			1.5	1.5	0.1		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>35.5</b>	<b>34.2</b>	<b>33.5</b>	<b>39.7</b>	<b>3.8%</b>	<b>99.3%</b>	<b>43.1</b>	<b>46.1</b>	<b>47.5</b>	<b>6.2%</b>	<b>99.4%</b>
Compensation of employees	32.2	31.7	31.7	37.9	5.6%	92.7%	40.6	43.6	44.8	5.8%	94.1%
Goods and services <sup>1</sup>	3.3	2.6	1.8	1.8	-18.2%	6.6%	2.5	2.6	2.7	14.3%	5.4%
of which:											
Communication	0.6	0.5	0.4	0.4	-15.4%	1.3%	0.4	0.4	0.4	1.9%	0.8%
Consultants: Business and advisory services	0.0	0.1	0.1	-	-100.0%	0.2%	0.3	0.3	0.3	-	0.4%
Fleet services (including government motor transport)	0.4	0.2	0.2	0.3	-10.1%	0.8%	0.5	0.5	0.5	17.9%	1.0%
Consumables: Stationery, printing and office supplies	0.1	0.2	0.2	0.2	10.0%	0.5%	0.2	0.2	0.2	9.2%	0.4%
Property payments	0.4	0.1	0.2	0.2	-18.1%	0.6%	0.2	0.2	0.2	2.4%	0.5%
Travel and subsistence	1.5	1.1	0.4	0.5	-29.0%	2.5%	0.6	0.6	0.7	8.1%	1.4%
Transfers and subsidies <sup>1</sup>	0.5	0.0	0.3	-	-100.0%	0.6%	-	-	-	-	-
Households	0.5	0.0	0.3	-	-100.0%	0.6%	-	-	-	-	-
Payments for capital assets	0.1	0.1	0.1	-	-100.0%	0.1%	0.3	0.3	0.3	-	0.6%
Machinery and equipment	0.1	0.1	0.1	-	-100.0%	0.1%	0.1	0.1	0.1	-	0.2%
Software and other intangible assets	-	-	-	-	-	-	0.2	0.2	0.2	-	0.4%
<b>Total</b>	<b>36.2</b>	<b>34.3</b>	<b>33.8</b>	<b>39.7</b>	<b>3.2%</b>	<b>100.0%</b>	<b>43.4</b>	<b>46.5</b>	<b>47.9</b>	<b>6.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>15.8%</b>	<b>15.0%</b>	<b>13.7%</b>	<b>15.0%</b>	<b>-</b>	<b>-</b>	<b>15.6%</b>	<b>15.6%</b>	<b>15.1%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Integrity and Anti-Corruption

### Programme purpose

Undertake public administration investigations, analyse and refer cases of alleged corruption to respective departments for investigation, and scrutinise the financial disclosure forms of senior managers to ensure an integrity-driven public service and administration.

### Objectives

- Improve public administration practices by investigating and finalising complaints lodged through the national anti-corruption hotline on an ongoing basis.
- Promote ethical conduct by scrutinising 100 per cent of financial disclosure forms submitted by public service employees, as required by the Public Administration and Management Act (2014), annually.

### Subprogrammes

- *Public Administration Investigations* investigates and improves public administration practices, makes recommendations to departments on the promotion of good governance, and issues directions regarding compliance with the Public Service Act (1994).
- *Professional Ethics* promotes ethical conduct among public servants through the management of the financial disclosure framework and the national anti-corruption hotline, and provides advice on professional and ethical conduct in the public service.

- *Programme Management: Integrity and Anti-Corruption* provides overall management to the programme.

### Expenditure trends and estimates

**Table 10.35 Integrity and Anti-Corruption expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Public Administration	19.5	13.0	12.6	13.5	-11.5%	28.9%	14.7	15.8	16.9	7.7%	24.9%
Investigations											
Professional Ethics	25.5	19.8	17.7	22.3	-4.4%	42.2%	22.9	24.5	26.5	5.8%	39.4%
Programme Management: Integrity and Anti-Corruption	2.1	18.4	18.7	19.4	110.8%	28.9%	21.1	22.7	24.1	7.6%	35.7%
<b>Total</b>	<b>47.1</b>	<b>51.2</b>	<b>49.0</b>	<b>55.2</b>	<b>5.5%</b>	<b>100.0%</b>	<b>58.8</b>	<b>63.0</b>	<b>67.5</b>	<b>6.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			(0.6)	(0.7)	(0.4)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>46.8</b>	<b>50.9</b>	<b>48.2</b>	<b>55.2</b>	<b>5.6%</b>	<b>99.4%</b>	<b>58.7</b>	<b>63.0</b>	<b>67.4</b>	<b>6.9%</b>	<b>99.9%</b>
Compensation of employees	41.2	45.1	45.4	52.4	8.3%	91.0%	56.1	60.2	64.5	7.2%	95.4%
Goods and services <sup>1</sup>	5.6	5.9	2.8	2.7	-21.3%	8.4%	2.6	2.7	2.9	1.6%	4.4%
of which:											
Communication	0.6	0.7	0.7	0.7	6.3%	1.3%	0.7	0.8	0.8	7.3%	1.2%
Fleet services (including government motor transport)	0.2	0.3	0.2	0.2	7.8%	0.5%	0.3	0.3	0.3	8.3%	0.5%
Consumables: Stationery, printing and office supplies	0.3	0.4	0.4	0.3	-2.8%	0.6%	0.3	0.3	0.3	5.5%	0.5%
Property payments	0.0	0.5	0.6	0.7	162.7%	0.9%	0.6	0.6	0.6	-1.1%	1.0%
Travel and subsistence	0.7	0.8	0.6	0.3	-29.5%	1.2%	0.4	0.5	0.5	23.4%	0.7%
Operating payments	0.3	0.2	0.1	0.2	-9.4%	0.3%	0.1	0.1	0.1	-8.2%	0.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.2</b>	<b>0.2</b>	<b>0.7</b>	<b>0.0</b>	<b>-75.0%</b>	<b>0.5%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Households	0.2	0.2	0.7	0.0	-75.0%	0.5%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>-21.9%</b>	<b>0.1%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>71.0%</b>	<b>0.1%</b>
Machinery and equipment	0.0	0.1	0.1	0.0	-21.9%	0.1%	0.1	0.1	0.1	71.0%	0.1%
<b>Total</b>	<b>47.1</b>	<b>51.2</b>	<b>49.0</b>	<b>55.2</b>	<b>5.5%</b>	<b>100.0%</b>	<b>58.8</b>	<b>63.0</b>	<b>67.5</b>	<b>6.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>20.5%</b>	<b>22.3%</b>	<b>19.8%</b>	<b>20.9%</b>	<b>-</b>	<b>-</b>	<b>21.1%</b>	<b>21.2%</b>	<b>21.3%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Centre for Public Service Innovation

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	21.0	20.4	0.0	0.6	22.4	23.7
Public Sector Innovation	17.5	17.5	-	-	18.6	19.8
<b>Total expenditure estimates</b>	<b>38.4</b>	<b>37.9</b>	<b>0.0</b>	<b>0.6</b>	<b>41.0</b>	<b>43.4</b>

Executive authority: Minister of Public Service and Administration  
 Accounting officer: Chief Executive Officer of the Centre for Public Service Innovation  
 Website address: [www.cpsi.co.za](http://www.cpsi.co.za)

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

### Department purpose

Facilitate the unearthing, development and practical implementation of innovative solutions within and throughout the public service.

### Mandate

The responsibility for innovation in the public sector is vested in the Minister for Public Service and Administration in terms of section 3(1)(i) of the Public Service Act (1994). The Centre for Public Service Innovation is tasked by the minister to fulfil this mandate, which includes establishing norms and standards

relating to transformation, reform and innovation to improve the effectiveness and efficiency of the public service and its service delivery to the public.

## Selected performance indicators

**Table 10.36 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of innovative solutions developed to address service delivery challenges per year	Public Sector Innovation	Outcome 12: An efficient, effective and development-oriented public service	-1	-1	-1	2	2	2	2
Number public sector officials and other partners capacitated on innovation tools, processes and approaches through the multimedia innovation centre per year <sup>2</sup>	Public Sector Innovation		330	165	569	330	330	330	330
Number of innovative solutions facilitated and supported for replication per year	Public Sector Innovation		2	2	1	2	2	2	2
Number of knowledge platforms hosted to unearth, demonstrate, share, encourage and award innovation in the public sector per year	Public Sector Innovation		5	5	6	6	6	6	6
Number of editions of Ideas that Work: The South African Public Sector Innovation Journal published per year to encourage learning	Public Sector Innovation		2	2	2	2	1	1	1
Number of international programmes participated in to profile and strengthen national and regional capacity per year	Public Sector Innovation		2	2	2	2	2	2	2

1. No historical data available.

2. Fluctuations due to indicator being driven by demand.

## Expenditure analysis

The Centre for Public Service Innovation is tasked by the Minister of Public Service and Administration to contribute to the improvement, effectiveness and efficiency of the public service, in line with outcome 12 (an efficient, effective and development-oriented public service) of government's 2014-2019 medium-term strategic framework. Over the MTEF period, the centre intends to focus on unearthing innovation, providing tools for innovation, and tracking and reporting on trends in innovation.

As the centre's work is driven by knowledge and research, spending on compensation of employees accounts for an estimated 54.6 per cent (R67.3 million) of its total budget over the medium term, while travel and subsistence accounts for 16 per cent (R8.8 million) of total projected expenditure on goods and services.

### **Unearthing innovation**

The centre aims to unearth innovation in government through initiatives such as the annual public sector innovation awards. A targeted 2 innovation solutions submitted for adjudication at the awards per year will be replicated across government departments in areas where efficiencies can be gained. Activities related to the awards are expected to be carried out at a cost of R1.5 million per year over the MTEF period in the *Enabling Environment* subprogramme in the *Public Sector Innovation* programme. The centre also plans to partner with other government departments, non-governmental organisations, the private sector, tertiary institutions, academics, and international entities to unearth innovation solutions for identified service delivery challenges. To this end, R600 000 over the MTEF period is allocated in the *Solution Support and Incubation* subprogramme in the *Public Sector Innovation* programme.

### **Providing tools for innovation**

To strengthen the culture of innovation among public service officials, in each year over the medium term, the centre plans to facilitate 1 conference and 4 training sessions aimed at sharing the latest innovation practices, tools and approaches for replication. Facilitating these conferences and training sessions is estimated to result in expenditure of R1.3 million per year over the medium in the *Enabling Environment* subprogramme in the *Public Sector Innovation* programme.

The multimedia innovation centre is a critical platform for entrenching innovative practices in the public sector. It also serves as a critical tool for integrating service delivery challenges and undertaking process mapping. As such, the centre plans to enable 330 public sector officials and other innovation partners in each year over the medium term to use the multimedia innovation centre. Activities related to the multimedia innovation centre are carried out in the *Solution Support and Incubation* subprogramme in the *Public Sector Innovation* programme at an estimated cost of R1.1 million over the medium term.

### Tracking and reporting on trends in innovation

Ideas that Work: The South African Public Sector Innovation Journal is a valuable resource for case studies, projects and academic articles that promote service delivery innovation. The journal is an important platform for entrenching a culture of information sharing and learning for an informed and empowered public sector, including researchers in academic institutions, and is disseminated across the public sector in South Africa and abroad. The centre plans to publish 1 edition of the journal per year over the medium term, with printing costs estimated to be R135 000 per edition.

The centre aims to participate in 2 international innovation programmes per year over the medium term for learning, sharing and profiling South African innovations to strengthen good governance initiatives. It will also continue to serve as an online regional centre for the United Nations Public Administration Network. This work will be carried out in the *Enabling Environment* subprogramme, which accounts for an estimated 50.1 per cent (R27.9 million) of the total budget in the *Public Sector Innovation* programme over the MTEF period. To enhance the participation of Southern African Development Community members in the network and its activities, the centre plans to facilitate the network's annual capacity-building workshop in 2019/20, in partnership with the *United Nations Development Programme*, at an estimated cost of R70 000 in the *Enabling Environment* subprogramme in the *Public Sector Innovation* programme.

## Expenditure trends

**Table 10.37 Departmental expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Public Sector Innovation														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	14.0	14.0	13.3	16.5	17.7	17.9	18.7	18.7	18.3	19.4	19.9	19.9	101.3%	98.9%
Programme 2	15.0	15.0	14.7	15.6	14.4	13.5	15.4	15.4	14.2	16.6	16.1	16.1	93.5%	96.1%
<b>Total</b>	<b>29.0</b>	<b>29.0</b>	<b>28.1</b>	<b>32.1</b>	<b>32.1</b>	<b>31.4</b>	<b>34.1</b>	<b>34.1</b>	<b>32.5</b>	<b>36.0</b>	<b>36.0</b>	<b>36.0</b>	<b>97.6%</b>	<b>97.6%</b>
Change to 2018 Budget estimate												-		
Economic classification														
<b>Current payments</b>	<b>28.9</b>	<b>28.9</b>	<b>27.3</b>	<b>32.0</b>	<b>32.0</b>	<b>29.1</b>	<b>33.8</b>	<b>33.5</b>	<b>32.0</b>	<b>35.8</b>	<b>35.5</b>	<b>35.5</b>	<b>95.0%</b>	<b>95.4%</b>
Compensation of employees	15.0	15.0	14.2	17.2	16.8	15.6	18.4	18.4	18.0	19.4	19.4	19.4	96.1%	96.7%
Goods and services	14.0	14.0	13.1	14.8	15.2	13.5	15.4	15.1	14.0	16.4	16.1	16.1	93.7%	93.9%
<b>Payments for capital assets</b>	<b>0.1</b>	<b>0.1</b>	<b>0.8</b>	<b>0.1</b>	<b>0.1</b>	<b>2.3</b>	<b>0.2</b>	<b>0.6</b>	<b>0.5</b>	<b>0.3</b>	<b>0.5</b>	<b>0.5</b>	<b>632.7%</b>	<b>328.4%</b>
Buildings and other fixed structures	-	-	-	-	-	0.8	-	-	-	-	-	-	-	-
Machinery and equipment	0.1	0.1	0.5	0.1	0.1	1.3	0.2	0.6	0.5	0.2	0.2	0.2	466.9%	261.7%
Software and other intangible assets	-	-	0.2	-	-	0.2	-	-	-	0.1	0.3	0.3	719.2%	266.7%
<b>Total</b>	<b>29.0</b>	<b>29.0</b>	<b>28.1</b>	<b>32.1</b>	<b>32.1</b>	<b>31.4</b>	<b>34.1</b>	<b>34.1</b>	<b>32.5</b>	<b>36.0</b>	<b>36.0</b>	<b>36.0</b>	<b>97.6%</b>	<b>97.6%</b>

## Expenditure estimates

**Table 10.38 Departmental expenditure estimates by programme and economic classification**

Programmes								
1. Administration								
2. Public Sector Innovation								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	19.9	12.4%	54.3%	21.0	22.4	23.7	6.0%	54.7%
Programme 2	16.1	2.5%	45.7%	17.5	18.6	19.8	7.0%	45.3%
<b>Total</b>	<b>36.0</b>	<b>7.5%</b>	<b>100.0%</b>	<b>38.4</b>	<b>41.0</b>	<b>43.4</b>	<b>6.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-	-	-		
Economic classification								
<b>Current payments</b>	<b>35.5</b>	<b>7.1%</b>	<b>96.8%</b>	<b>37.9</b>	<b>40.4</b>	<b>42.8</b>	<b>6.5%</b>	<b>98.6%</b>
Compensation of employees	19.4	9.1%	52.5%	20.9	22.5	23.9	7.2%	54.6%
Goods and services	16.1	4.8%	44.3%	17.0	17.9	18.9	5.5%	44.0%
<b>Payments for capital assets</b>	<b>0.5</b>	<b>93.4%</b>	<b>3.1%</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>	<b>7.3%</b>	<b>1.4%</b>
Machinery and equipment	0.2	49.8%	2.0%	0.3	0.3	0.3	7.8%	0.7%
Software and other intangible assets	0.3	-	0.6%	0.3	0.3	0.3	6.9%	0.8%
<b>Total</b>	<b>36.0</b>	<b>7.5%</b>	<b>100.0%</b>	<b>38.4</b>	<b>41.0</b>	<b>43.4</b>	<b>6.4%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 10.39 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total Vote (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R thousand											
Compensation of employees	14 169	15 593	18 046	19 425	11.1%	52.5%	20 902	22 470	23 929	7.2%	54.6%
Audit costs: External	740	1 447	1 783	1 599	29.3%	4.4%	1 684	1 744	1 805	4.1%	4.3%
Operating leases	2 277	2 791	3 707	4 000	20.7%	10.0%	4 332	4 570	4 821	6.4%	11.2%
Travel and subsistence	2 516	2 755	2 144	2 358	-2.1%	7.6%	2 753	2 947	3 146	10.1%	7.1%
<b>Total</b>	<b>19 702</b>	<b>22 586</b>	<b>25 680</b>	<b>27 382</b>	<b>59.0%</b>	<b>74.5%</b>	<b>29 671</b>	<b>31 731</b>	<b>33 701</b>	<b>27.8%</b>	<b>77.2%</b>

## Goods and services expenditure trends and estimates

**Table 10.40 Departmental goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R thousand											
Administrative fees	96	105	89	197	27.1%	0.9%	215	228	240	6.8%	1.3%
Advertising	1 053	146	172	221	-40.6%	2.8%	357	377	399	21.8%	1.9%
Minor assets	140	222	9	169	6.5%	1.0%	92	97	102	-15.5%	0.7%
Audit costs: External	740	1 447	1 783	1 599	29.3%	9.8%	1 684	1 744	1 805	4.1%	9.8%
Catering: Departmental activities	76	148	171	114	14.5%	0.9%	126	132	139	6.8%	0.7%
Communication	327	327	331	399	6.9%	2.4%	421	445	470	5.6%	2.5%
Computer services	670	749	904	2 296	50.8%	8.1%	1 818	1 917	2 018	-4.2%	11.5%
Consultants: Business and advisory services	142	597	484	515	53.6%	3.1%	796	840	886	19.8%	4.3%
Contractors	1 200	992	965	950	-7.5%	7.2%	773	819	868	-3.0%	4.9%
Consumable supplies	301	344	331	359	6.0%	2.4%	367	387	407	4.3%	2.2%
Consumables: Stationery, printing and office supplies	243	349	210	345	12.4%	2.0%	352	371	391	4.3%	2.1%
Operating leases	2 277	2 791	3 707	4 000	20.7%	22.5%	4 332	4 570	4 821	6.4%	25.4%
Property payments	269	431	968	307	4.5%	3.5%	323	341	360	5.5%	1.9%
Travel and subsistence	2 516	2 755	2 144	2 358	-2.1%	17.2%	2 753	2 947	3 146	10.1%	16.0%
Training and development	85	212	109	215	36.3%	1.1%	248	262	279	9.1%	1.4%
Operating payments	973	698	695	695	-10.6%	5.4%	754	782	823	5.8%	4.4%
Venues and facilities	2 023	1 221	898	1 340	-12.8%	9.7%	1 568	1 654	1 745	9.2%	9.0%
<b>Total</b>	<b>13 131</b>	<b>13 534</b>	<b>13 970</b>	<b>16 079</b>	<b>7.0%</b>	<b>100.0%</b>	<b>16 979</b>	<b>17 913</b>	<b>18 899</b>	<b>5.5%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 10.41 Departmental transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	–	–	–	1	–	3.6%	1	1	1	–	13.3%
Communication	–	–	–	1	–	3.6%	1	1	1	–	13.3%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	–	1	–	26	–	96.4%	–	–	–	-100.0%	86.7%
Employee social benefits	–	1	–	26	–	96.4%	–	–	–	-100.0%	86.7%
<b>Total</b>	–	1	–	27	–	100.0%	1	1	1	-66.7%	100.0%

## Personnel information

**Table 10.42 Departmental personnel numbers and cost by salary level and programme<sup>1</sup>**

Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)	
		2017/18		2018/19		2019/20			2020/21			2021/22			2018/19 - 2021/22				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>Centre for Public Service Innovation</b>		<b>30</b>	<b>18.0</b>	<b>0.6</b>	<b>30</b>	<b>19.4</b>	<b>0.6</b>	<b>30</b>	<b>20.9</b>	<b>0.7</b>	<b>30</b>	<b>22.5</b>	<b>0.7</b>	<b>30</b>	<b>23.9</b>	<b>0.8</b>	–	100.0%	
<b>Salary level</b>																			
1 – 6	12	–	12	3.2	0.3	12	2.9	0.2	12	3.3	0.3	12	3.5	0.3	12	3.7	0.3	–	40.0%
7 – 10	3	1	3	1.0	0.3	3	1.2	0.4	3	1.3	0.4	3	1.4	0.5	3	1.5	0.5	–	10.0%
11 – 12	9	1	9	6.3	0.7	9	7.2	0.8	9	7.7	0.9	9	8.3	0.9	9	8.9	1.0	–	30.0%
13 – 16	6	–	6	7.5	1.3	6	8.1	1.3	6	8.6	1.4	6	9.2	1.5	6	9.9	1.6	–	20.0%
<b>Programme</b>	<b>30</b>	<b>2</b>	<b>30</b>	<b>18.0</b>	<b>0.6</b>	<b>30</b>	<b>19.4</b>	<b>0.6</b>	<b>30</b>	<b>20.9</b>	<b>0.7</b>	<b>30</b>	<b>22.5</b>	<b>0.7</b>	<b>30</b>	<b>23.9</b>	<b>0.8</b>	–	100.0%
Programme 1	18	2	18	9.3	0.5	18	9.9	0.6	18	10.7	0.6	18	11.5	0.6	18	12.2	0.7	–	60.0%
Programme 2	12	–	12	8.8	0.7	12	9.5	0.8	12	10.2	0.9	12	11.0	0.9	12	11.7	1.0	–	40.0%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 10.43 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)		Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18			2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
<b>Departmental receipts</b>	<b>2</b>	<b>3</b>	<b>24</b>	<b>9</b>	<b>9</b>	<b>65.1%</b>	<b>100.0%</b>	<b>7</b>	<b>8</b>	<b>9</b>	–	100.0%
<b>Sales of goods and services produced by department</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>26.0%</b>	<b>36.8%</b>	<b>7</b>	<b>8</b>	<b>9</b>	31.0%	84.8%
Other sales	2	3	5	4	4	26.0%	36.8%	7	8	9	31.0%	84.8%
of which:												
Insurance collections	2	3	5	4	4	26.0%	36.8%	7	8	9	31.0%	84.8%
Transactions in financial assets and liabilities	–	–	19	5	5	–	63.2%	–	–	–	-100.0%	15.2%
<b>Total</b>	<b>2</b>	<b>3</b>	<b>24</b>	<b>9</b>	<b>9</b>	<b>65.1%</b>	<b>100.0%</b>	<b>7</b>	<b>8</b>	<b>9</b>	–	100.0%

### Programme 1: Administration

#### Programme purpose

Provide strategic leadership, management and support services to the centre.

**Expenditure trends and estimates****Table 10.44 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
Strategic Management	4.3	3.7	3.7	3.7	-4.7%	22.2%	4.1	4.4	4.7	7.8%	19.5%
Corporate Resource Management	5.9	9.6	8.9	9.9	18.3%	49.4%	10.3	10.9	11.6	5.6%	49.1%
Office of the Chief Financial Officer	3.1	4.6	5.7	6.3	27.3%	28.4%	6.6	7.0	7.4	5.4%	31.4%
<b>Total</b>	<b>13.3</b>	<b>17.9</b>	<b>18.3</b>	<b>19.9</b>	<b>14.3%</b>	<b>100.0%</b>	<b>21.0</b>	<b>22.4</b>	<b>23.7</b>	<b>6.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				0.5			-	-	-		
<b>Economic classification</b>											
<b>Current payments</b>	<b>12.6</b>	<b>16.1</b>	<b>17.9</b>	<b>19.6</b>	<b>15.8%</b>	<b>95.3%</b>	<b>20.4</b>	<b>21.8</b>	<b>23.1</b>	<b>5.6%</b>	<b>97.6%</b>
Compensation of employees	6.2	7.8	9.3	9.9	17.2%	47.7%	10.7	11.5	12.2	7.2%	50.9%
Goods and services <sup>1</sup>	6.5	8.3	8.6	9.7	14.5%	47.6%	9.8	10.3	10.9	3.9%	46.8%
of which:											
Audit costs: External	0.7	1.4	1.8	1.6	29.3%	8.0%	1.7	1.7	1.8	4.1%	7.9%
Computer services	0.6	0.7	0.9	1.6	39.3%	5.5%	1.1	1.2	1.3	-5.5%	6.1%
Consultants: Business and advisory services	0.1	0.6	0.5	0.3	34.2%	2.3%	0.4	0.4	0.4	9.0%	1.8%
Operating leases	2.3	2.8	3.7	4.0	20.7%	18.4%	4.3	4.6	4.8	6.4%	20.4%
Property payments	0.1	0.4	0.4	0.3	56.6%	1.7%	0.3	0.3	0.4	5.5%	1.5%
Travel and subsistence	0.8	1.0	0.7	0.7	-6.9%	4.5%	0.7	0.8	0.8	6.7%	3.4%
<b>Payments for capital assets</b>	<b>0.7</b>	<b>1.8</b>	<b>0.4</b>	<b>0.3</b>	<b>-27.9%</b>	<b>4.6%</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>	<b>31.9%</b>	<b>2.3%</b>
Buildings and other fixed structures	-	0.8	-	-	-	1.2%	-	-	-	-	-
Machinery and equipment	0.5	1.0	0.4	0.2	-28.6%	2.9%	0.3	0.3	0.3	19.6%	1.1%
Software and other intangible assets	0.2	0.0	-	0.1	-26.5%	0.5%	0.3	0.3	0.3	48.8%	1.2%
<b>Total</b>	<b>13.3</b>	<b>17.9</b>	<b>18.3</b>	<b>19.9</b>	<b>14.3%</b>	<b>100.0%</b>	<b>21.0</b>	<b>22.4</b>	<b>23.7</b>	<b>6.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>47.6%</b>	<b>57.0%</b>	<b>56.4%</b>	<b>55.3%</b>	-	-	<b>54.6%</b>	<b>54.6%</b>	<b>54.5%</b>	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

**Programme 2: Public Sector Innovation****Programme purpose**

Drive service delivery innovation in the public sector in line with government priorities.

**Objectives**

- Contribute to the improvement of service delivery in the public service by:
  - developing innovative solutions to address service delivery challenges on an ongoing basis
  - capacitating public sector officials and other partners on innovation tools, processes and approaches through the multimedia innovation centre on an ongoing basis
  - investigating challenges in service delivery and identifying solutions, in partnership with relevant stakeholders, for possible development, adaptation, piloting and/or replication on an ongoing basis
  - hosting knowledge platforms to unearth, demonstrate, share, encourage and award innovation in the public sector annually
  - publishing 1 edition of Ideas that Work: The South African Public Sector Innovation Journal annually to encourage learning and information sharing
  - profiling and strengthening national and regional capacity by participating in international programmes annually.

**Subprogrammes**

- *Research and Development* establishes the knowledge base in support of the programme to inform the selection and development of potentially innovative models and solutions.
- *Solution Support and Incubation* facilitates the testing, piloting, demonstration, replication and mainstreaming of innovative solutions for the public sector.

- *Enabling Environment* nurtures and sustains an enabling environment that entrenches a culture and practice of innovation in the public sector through innovative platforms and products.

### Expenditure trends and estimates

**Table 10.45 Public Sector Innovation expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Research and Development	2.6	2.5	3.5	4.2	17.0%	22.0%	4.5	4.8	5.1	6.3%	26.0%
Solution Support and Incubation	3.8	3.4	3.3	3.7	-0.6%	24.4%	4.2	4.5	4.8	8.4%	23.9%
Enabling Environment	8.3	7.6	7.3	8.1	-0.4%	53.5%	8.7	9.3	9.9	6.7%	50.1%
<b>Total</b>	<b>14.7</b>	<b>13.5</b>	<b>14.2</b>	<b>16.1</b>	<b>3.1%</b>	<b>100.0%</b>	<b>17.5</b>	<b>18.6</b>	<b>19.8</b>	<b>7.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(0.5)			-	-	-		
<b>Economic classification</b>											
<b>Current payments</b>	<b>14.7</b>	<b>13.0</b>	<b>14.1</b>	<b>15.9</b>	<b>2.7%</b>	<b>98.6%</b>	<b>17.5</b>	<b>18.6</b>	<b>19.8</b>	<b>7.5%</b>	<b>99.7%</b>
Compensation of employees	8.0	7.8	8.8	9.5	5.9%	58.2%	10.2	11.0	11.7	7.2%	59.1%
Goods and services <sup>1</sup>	6.7	5.3	5.3	6.4	-1.4%	40.4%	7.2	7.6	8.0	7.9%	40.6%
<i>of which:</i>											
Computer services	0.1	0.0	-	0.7	102.7%	1.4%	0.7	0.7	0.7	-1.6%	3.8%
Consultants: Business and advisory services	-	-	-	0.2	-	0.3%	0.4	0.4	0.4	37.0%	2.0%
Contractors	1.2	0.9	1.0	1.0	-7.1%	6.8%	0.8	0.8	0.9	-3.0%	4.7%
Travel and subsistence	1.7	1.8	1.5	1.7	-	11.3%	2.0	2.2	2.3	11.4%	11.4%
Operating payments	0.6	0.6	0.6	0.5	-3.4%	3.8%	0.6	0.6	0.6	6.0%	3.2%
Venues and facilities	1.9	1.1	0.9	1.2	-12.6%	8.7%	1.5	1.5	1.6	9.7%	8.2%
<b>Payments for capital assets</b>	<b>0.0</b>	<b>0.5</b>	<b>0.1</b>	<b>0.2</b>	<b>82.2%</b>	<b>1.4%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.3%</b>
Machinery and equipment	0.0	0.3	0.1	0.1	17.7%	0.8%	-	-	-	-100.0%	0.1%
Software and other intangible assets	-	0.2	-	0.2	-	0.6%	-	-	-	-100.0%	0.2%
<b>Total</b>	<b>14.7</b>	<b>13.5</b>	<b>14.2</b>	<b>16.1</b>	<b>-</b>	<b>100.0%</b>	<b>17.5</b>	<b>18.6</b>	<b>19.8</b>	<b>-</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>52.4%</b>	<b>43.0%</b>	<b>43.6%</b>	<b>44.7%</b>	<b>-</b>	<b>-</b>	<b>45.4%</b>	<b>45.4%</b>	<b>45.5%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entity

Comprehensive coverage of the following entity is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **National School of Government training trading account** functions within the National School of Government as a mechanism for the partial recovery of the costs of training programmes. The branches of the trading account directly facilitate and monitor the provision of leadership development and management training at all levels of government, in collaboration with provincial academies and local government training entities. The trading account's total budget for 2019/20 is R226.4 million.



# Vote 11

## Public Works

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	508.0	499.6	1.3	7.1	543.2	596.7
Intergovernmental Coordination	60.9	54.8	5.3	0.7	63.4	70.7
Expanded Public Works Programme	2 680.8	330.1	2 348.8	1.9	2 844.7	3 259.3
Property and Construction Industry	4 443.8	35.4	4 408.1	0.3	4 680.1	4 871.0
Policy and Research						
Prestige Policy	115.4	91.4	10.8	13.2	106.3	121.4
<b>Total expenditure estimates</b>	<b>7 809.0</b>	<b>1 011.4</b>	<b>6 774.4</b>	<b>23.2</b>	<b>8 237.8</b>	<b>8 919.0</b>

Executive authority Minister of Public Works  
 Accounting officer Director-General of Public Works  
 Website address [www.publicworks.gov.za](http://www.publicworks.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Provide policy formulation for, as well as coordination, regulation and oversight of, the public works sector in relation to the accommodation, housing, land and infrastructure needs of national departments. Enhance intergovernmental relations by coordinating concurrent public works functions. Lead and direct the implementation of the national expanded public works programme. Promote growth, job creation and transformation in the construction and property industries.*

### Mandate

As set out in the Government Immovable Asset Management Act (2007), the Department of Public Works is mandated to be the custodian and portfolio manager of government's immovable assets. Following the creation of the Property Management Trading Entity in 2015/16, the department's role now consists of policy formulation, coordination, regulation and oversight relating to the provision of accommodation and expert built environment services to client departments at national level; and, through the entity, the planning, acquisition, management and disposal of immovable assets in the department's custody. The department is further mandated to coordinate and provide strategic leadership in initiatives for the creation of jobs through the implementation of the expanded public works programme. Public works is constitutionally designated as a concurrent function exercised by the national and provincial spheres of government.

### Selected performance indicators

**Table 11.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of cooperation and protocol agreements for joint service delivery signed with provinces and municipalities per year	Intergovernmental Coordination	Outcome 12: An efficient, effective and development-oriented public service	2	10	12	15	15	15	15

**Table 11.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of policy frameworks developed for the public works sector per year	Intergovernmental Coordination	Outcome 4: Decent employment through inclusive growth	-1	-1	3	4	1	1	1
Number of work opportunities reported on the expanded public works programme reporting system per year	Expanded Public Works Programme		741 540	779 251	900 234	1 455 840	1 455 000	1 455 000	1 455 000
Number of public bodies reporting on expanded public works programme targets provided with technical support per year	Expanded Public Works Programme	Outcome 12: An efficient, effective and development-oriented public service	278	297	297	290	290	290	290
Number of prestige policies approved per year	Prestige Policy		-1	-1	0	2	2	2	2

1. No historical data available.

## Expenditure analysis

Over the medium term, the Department of Public Works will continue to focus on: creating employment opportunities; providing better oversight, better cooperation and better service delivery; facilitating skills development in the construction and property sectors; reviewing and developing policy; and improving governance and mitigating risk. These objectives contribute towards the realisation of outcome 4 (decent employment through inclusive growth), outcome 6 (an efficient, competitive and responsive economic infrastructure network) and outcome 12 (an efficient, effective and development-orientated public service) of government's 2014-2019 medium-term strategic framework.

Over the medium term, 86.6 per cent (R21.6 billion) of the department's total budget is allocated to transfers and subsidies for the operations of the department's entities, and conditional grants to provinces and municipalities for the implementation of the expanded public works programme. An estimated 7.1 per cent (R1.8 billion) of the department's total budget over the period ahead is allocated to spending on compensation of employees.

### **Creating work opportunities**

The department leads and coordinates the expanded public works programme, which provides an important avenue for labour absorption and income transfers to poor households in the short to medium term. To date, the programme has created a total of 3.5 million work opportunities in the infrastructure, social, environment and culture sectors, in line with the demand for labour. The department aims to create a further 4.4 million work opportunities through the programme over the MTEF period through transfers and subsidies to public bodies, such as provinces, municipalities and non-profit organisations, amounting to an estimated R7.7 billion.

The department will continue to provide technical support, particularly through data capturing and verification, to public bodies implementing the programme. The department expects to spend R1.1 billion for the management of the programme in the *Expanded Public Works Programme*, of which: R573.3 million is for compensation of employees for the administration of the programme; and R507.4 million for goods and services, with R241.2 million of the R507.4 million earmarked for data capturing and verification.

### **Better oversight, better cooperation, better service delivery**

The department is mandated to provide office accommodation to client departments, and ensure that its buildings are maintained to an acceptable standard and that property rates are paid to municipalities. The department leads and coordinates policies and legislative frameworks that guide the implementation of the public works function at provincial and municipal level, and oversees and manages the performance of provinces. It manages its portfolio of immovable assets through the Property Management Trading Entity. The department will continue to monitor programmes in the sector and provide support on processes related to planning and performance management. Accordingly, over the medium term, the department aims to sign

45 cooperation and protocol agreements for joint service delivery with provinces and municipalities, and establish non-punitive mechanisms, such as interdepartmental forums, to address negative audit outcomes. To carry out its oversight role, R105 million over the medium term is allocated in the *Intergovernmental Coordination* programme, with spending on compensation of employees accounting for 77.7 per cent (R81.6 million) of this amount.

### ***Skills development in the construction and property sectors***

To improve the delivery of infrastructure in the public works sector, the department plans to support skills development and transformation in the built environment sector. As part of its efforts to increase the throughput of built environment graduates and invest in young built environment professionals, the department's skills pipeline strategy makes provision for technical bursary schemes, internships, learnerships, property management training and artisan development, with structured workplace training to expedite professional development and registration.

In giving expression to this strategy, the department will ensure the participation of an estimated 1 100 beneficiaries over the medium term in the department and *Property Management Trading Entity's skills development* programme. Skills development activities will be carried out in the *Professional Services* subprogramme in the *Intergovernmental Coordination* programme through an allocation of R89.4 million over the medium term.

### ***Reviewing and developing policy***

The department is responsible for regulating the construction and property sectors, and ensuring that they transform in line with the vision articulated in the National Development Plan. Towards the development of a public works act that will provide an overarching legislative framework for the sector, over the medium term, the department will continue its review of the Construction Industry Development Board Act (2000), the Council for the Built Environment Act (2000) and the founding acts for the 6 built environment professional councils. It will also continue finalising its reviews of the 1997 and 1999 white papers on public works. These reviews are expected to culminate in a draft document in 2019/20 that will take into account comments from key stakeholders in the public works sector and construction industry, and establish mechanisms to ensure the transformation of the construction and built environment sectors.

Expenditure for activities related to the regulation and transformation of the construction and built environment sectors is expected to amount to R111 million over the medium term in the *Property and Construction Industry Policy and Research* programme.

### ***Improving governance and mitigating risk***

To bring about greater efficiencies in the delivery of services and contribute towards good governance and ethical practices, the department aims to improve various internal policies, processes and systems. This includes the implementation of a holistic strategy aimed at preventing fraud, which emphasises the application of proactive measures to enhance operational efficiency. The strategy seeks to put in place key controls that address the risk of fraud by aligning financial and business internal control systems with the department's fraud risk management plan to increase awareness about the risk of fraud. Through these measures, the department aims to limit fraud and corruption, ensure the efficient use of state resources, and improve service delivery and stakeholder confidence. An estimated R142.2 million over the medium term is allocated in the *Administration* programme to carry out governance, risk and compliance activities.

## Expenditure trends

**Table 11.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Intergovernmental Coordination														
3. Expanded Public Works Programme														
4. Property and Construction Industry Policy and Research														
5. Prestige Policy														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	476.0	477.3	479.2	516.6	516.0	450.5	493.8	443.3	447.6	480.3	483.4	478.4	94.3%	96.6%
Programme 2	47.2	45.7	44.7	31.4	28.6	16.5	60.2	48.2	45.4	58.1	56.1	56.1	82.6%	91.1%
Programme 3	1 992.2	1 953.4	1 939.9	2 319.5	2 319.5	2 301.4	2 414.6	2 407.6	2 367.8	2 566.6	2 547.3	2 544.4	98.5%	99.2%
Programme 4	3 803.0	3 743.0	3 735.4	3 565.1	3 552.6	3 547.0	3 969.9	4 001.4	3 986.8	4 250.4	4 246.5	4 246.4	99.5%	99.8%
Programme 5	92.7	92.8	82.0	96.1	96.1	87.9	99.6	84.6	79.6	97.9	150.0	150.0	103.4%	94.3%
<b>Total</b>	<b>6 411.1</b>	<b>6 312.2</b>	<b>6 281.1</b>	<b>6 528.8</b>	<b>6 512.8</b>	<b>6 403.4</b>	<b>7 038.1</b>	<b>6 985.1</b>	<b>6 927.3</b>	<b>7 453.3</b>	<b>7 483.3</b>	<b>7 475.3</b>	<b>98.7%</b>	<b>99.2%</b>
Change to 2018 Budget estimate	30.0													
Economic classification														
<b>Current payments</b>	<b>882.8</b>	<b>884.1</b>	<b>801.9</b>	<b>917.9</b>	<b>905.1</b>	<b>804.9</b>	<b>960.4</b>	<b>878.6</b>	<b>816.2</b>	<b>951.5</b>	<b>990.5</b>	<b>982.5</b>	<b>91.7%</b>	<b>93.1%</b>
Compensation of employees	475.0	475.0	435.9	470.8	471.8	438.8	486.4	458.4	445.0	518.3	518.3	510.3	93.8%	95.1%
Goods and services	407.8	409.1	364.5	447.1	433.3	366.1	474.0	418.4	369.4	433.2	471.8	471.8	89.2%	90.7%
Interest and rent on land	–	–	1.6	–	–	–	–	1.8	1.8	–	0.4	0.4	–	171.5%
<b>Transfers and subsidies</b>	<b>5 500.2</b>	<b>5 400.1</b>	<b>5 411.3</b>	<b>5 572.3</b>	<b>5 570.2</b>	<b>5 571.2</b>	<b>6 055.7</b>	<b>6 088.5</b>	<b>6 089.0</b>	<b>6 478.3</b>	<b>6 471.0</b>	<b>6 471.0</b>	<b>99.7%</b>	<b>100.1%</b>
Provinces and municipalities	1 178.9	1 140.0	1 139.4	1 425.7	1 425.7	1 425.7	1 472.6	1 472.6	1 472.6	1 516.9	1 516.9	1 516.9	99.3%	100.0%
Departmental agencies and accounts	3 703.1	3 641.8	3 653.5	3 511.0	3 507.4	3 507.3	3 922.1	3 845.4	3 845.4	4 173.8	4 173.8	4 173.8	99.2%	100.1%
Foreign governments and international organisations	23.3	23.3	23.4	24.8	28.2	28.2	26.0	22.3	22.3	27.5	22.7	22.7	95.1%	100.1%
Public corporations and private enterprises	50.0	50.0	50.0	–	–	–	–	111.1	111.1	28.4	28.4	28.4	241.7%	100.0%
Non-profit institutions	534.8	534.8	535.1	600.4	600.4	600.4	624.0	624.0	624.0	720.2	720.2	720.2	100.0%	100.0%
Households	10.2	10.2	9.9	10.5	8.5	9.6	11.0	13.0	13.6	11.6	9.1	9.1	97.5%	103.3%
<b>Payments for capital assets</b>	<b>28.1</b>	<b>28.1</b>	<b>23.5</b>	<b>38.5</b>	<b>37.5</b>	<b>25.8</b>	<b>22.0</b>	<b>18.0</b>	<b>16.9</b>	<b>23.5</b>	<b>21.7</b>	<b>21.7</b>	<b>78.4%</b>	<b>83.5%</b>
Machinery and equipment	28.1	28.1	23.2	38.5	37.5	19.7	22.0	18.0	16.8	23.5	21.7	21.7	72.7%	77.3%
Software and other intangible assets	–	–	0.4	–	–	6.1	–	–	0.1	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>44.4</b>	<b>–</b>	<b>–</b>	<b>1.4</b>	<b>–</b>	<b>–</b>	<b>5.2</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>6 411.1</b>	<b>6 312.2</b>	<b>6 281.1</b>	<b>6 528.8</b>	<b>6 512.8</b>	<b>6 403.4</b>	<b>7 038.1</b>	<b>6 985.1</b>	<b>6 927.3</b>	<b>7 453.3</b>	<b>7 483.3</b>	<b>7 475.3</b>	<b>98.7%</b>	<b>99.2%</b>

## Expenditure estimates

**Table 11.3 Vote expenditure estimates by programme and economic classification**

Programmes									
1. Administration									
2. Intergovernmental Coordination									
3. Expanded Public Works Programme									
4. Property and Construction Industry Policy and Research									
5. Prestige Policy									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
Programme 1	478.4	0.1%	6.9%	508.0	543.2	596.7	7.6%	6.6%	
Programme 2	56.1	7.1%	0.6%	60.9	63.4	70.7	8.0%	0.8%	
Programme 3	2 544.4	9.2%	33.8%	2 680.8	2 844.7	3 259.3	8.6%	34.9%	
Programme 4	4 246.4	4.3%	57.3%	4 443.8	4 680.1	4 871.0	4.7%	56.2%	
Programme 5	150.0	17.4%	1.5%	115.4	106.3	121.4	-6.8%	1.5%	
<b>Total</b>	<b>7 475.3</b>	<b>5.8%</b>	<b>100.0%</b>	<b>7 809.0</b>	<b>8 237.8</b>	<b>8 919.0</b>	<b>6.1%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				(90.0)	(108.7)	91.4			

**Table 11.3 Vote expenditure estimates by programme and economic classification**

Economic classification	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
		2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Current payments</b>	<b>982.5</b>	<b>3.6%</b>	<b>12.6%</b>	<b>1 011.4</b>	<b>1 073.6</b>	<b>1 173.9</b>	<b>6.1%</b>	<b>13.1%</b>
Compensation of employees	510.3	2.4%	6.8%	557.8	599.7	638.6	7.8%	7.1%
Goods and services	471.8	4.9%	5.8%	453.5	473.9	535.2	4.3%	6.0%
Interest and rent on land	0.4	-	0.0%	-	-	-	-100.0%	0.0%
<b>Transfers and subsidies</b>	<b>6 471.0</b>	<b>6.2%</b>	<b>86.9%</b>	<b>6 774.4</b>	<b>7 143.6</b>	<b>7 720.2</b>	<b>6.1%</b>	<b>86.6%</b>
Provinces and municipalities	1 516.9	10.0%	20.5%	1 598.2	1 688.0	1 782.7	5.5%	20.3%
Departmental agencies and accounts	4 173.8	4.6%	56.0%	4 386.9	4 625.5	4 816.0	4.9%	55.5%
Foreign governments and international organisations	22.7	-0.8%	0.4%	26.6	28.2	29.8	9.5%	0.3%
Public corporations and private enterprises	28.4	-17.2%	0.7%	5.0	-	-	-100.0%	0.1%
Non-profit institutions	720.2	10.4%	9.2%	750.4	794.4	1 084.2	14.6%	10.3%
Households	9.1	-3.4%	0.2%	7.3	7.5	7.5	-6.4%	0.1%
<b>Payments for capital assets</b>	<b>21.7</b>	<b>-8.2%</b>	<b>0.3%</b>	<b>23.2</b>	<b>20.6</b>	<b>25.0</b>	<b>4.7%</b>	<b>0.3%</b>
Machinery and equipment	21.7	-8.2%	0.3%	23.2	20.6	25.0	4.7%	0.3%
<b>Total</b>	<b>7 475.3</b>	<b>5.8%</b>	<b>100.0%</b>	<b>7 809.0</b>	<b>8 237.8</b>	<b>8 919.0</b>	<b>6.1%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 11.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Employment programmes	535 147	600 427	535 147	624 024	5.3%	8.5%	750 424	794 371	1 084 181	20.2%	10.0%
Property Management Trading Entity	3 524 652	3 389 448	3 682 254	4 009 490	4.4%	53.9%	4 215 736	4 444 840	4 625 305	4.9%	53.3%
Expanded public works programme integrated grant for provinces	325 607	402 009	395 579	416 036	8.5%	5.7%	437 388	462 376	488 789	5.5%	5.6%
Expanded public works programme integrated grant for municipalities	587 685	663 991	691 447	692 878	5.6%	9.7%	730 046	771 174	814 414	5.5%	9.3%
Social sector expanded public works programme incentive grant for provinces	226 103	359 662	385 583	407 948	21.7%	5.1%	430 793	454 487	479 484	5.5%	5.5%
<b>Total</b>	<b>5 199 194</b>	<b>5 415 537</b>	<b>5 690 010</b>	<b>6 150 376</b>	<b>5.8%</b>	<b>82.9%</b>	<b>6 564 387</b>	<b>6 927 248</b>	<b>7 492 173</b>	<b>6.8%</b>	<b>83.6%</b>

## Goods and services expenditure trends and estimates

**Table 11.5 Vote goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Administrative fees	12 437	13 313	29 739	42 297	50.4%	6.2%	44 982	47 508	50 121	5.8%	9.6%
Advertising	7 389	4 277	4 791	3 869	-19.4%	1.3%	4 338	4 635	5 656	13.5%	1.0%
Minor assets	3 447	3 399	2 711	6 540	23.8%	1.0%	8 379	8 102	9 474	13.1%	1.7%
Audit costs: External	16 420	9 605	12 378	12 879	-7.8%	3.3%	13 644	15 617	16 476	8.6%	3.0%
Bursaries: Employees	147	48	155	1 000	89.5%	0.1%	1 500	1 555	1 613	17.3%	0.3%
Catering: Departmental activities	1 866	1 724	2 851	4 673	35.8%	0.7%	4 852	4 916	5 434	5.2%	1.0%
Communication	12 644	5 912	5 679	14 858	5.5%	2.5%	23 546	22 863	21 550	13.2%	4.3%
Computer services	40 200	31 585	48 468	36 062	-3.6%	9.9%	38 250	40 689	46 020	8.5%	8.3%
Consultants: Business and advisory services	26 214	25 700	28 643	34 202	9.3%	7.3%	33 838	35 007	42 424	7.4%	7.5%
Infrastructure and planning services	25 340	32 222	-	-	-100.0%	3.7%	-	-	-	-	-
Legal services	14 987	17 402	16 956	16 394	3.0%	4.2%	14 601	15 514	16 149	-0.5%	3.2%
Contractors	43 599	22 766	32 320	90 735	27.7%	12.1%	48 270	39 231	46 534	-20.0%	11.6%
Agency and support/outsourced services	87 617	79 036	71 572	73 649	-5.6%	19.8%	75 294	84 273	94 642	8.7%	16.9%
Entertainment	177	160	159	295	18.6%	0.1%	422	384	454	15.5%	0.1%

**Table 11.5 Vote goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R thousand											
Fleet services (including government motor transport)	1 914	2 134	2 578	3 353	20.5%	0.6%	3 452	3 630	3 809	4.3%	0.7%
Consumable supplies	2 071	5 668	2 242	4 217	26.7%	0.9%	2 608	2 754	3 819	-3.3%	0.7%
Consumables: Stationery, printing and office supplies	5 482	6 080	4 314	7 165	9.3%	1.5%	6 596	7 583	8 996	7.9%	1.6%
Operating leases	3 920	20 520	24 006	31 567	100.4%	5.1%	35 698	39 148	44 940	12.5%	7.8%
Rental and hiring	245	1 139	402	673	40.0%	0.2%	218	214	829	7.2%	0.1%
Property payments	1 390	27 485	16 934	15 365	122.8%	3.9%	19 451	21 610	27 529	21.5%	4.3%
Transport provided:	-	-	-	100	-	-	106	112	118	5.7%	-
Departmental activity											
Travel and subsistence	43 543	38 809	48 004	51 823	6.0%	11.6%	52 881	56 178	62 277	6.3%	11.5%
Training and development	5 083	6 168	4 814	6 131	6.4%	1.4%	6 578	6 805	7 325	6.1%	1.4%
Operating payments	5 295	5 842	4 960	6 563	7.4%	1.4%	6 397	7 604	8 948	10.9%	1.5%
Venues and facilities	3 035	5 117	4 745	7 398	34.6%	1.3%	7 637	8 000	10 104	10.9%	1.7%
<b>Total</b>	<b>364 462</b>	<b>366 111</b>	<b>369 421</b>	<b>471 808</b>	<b>9.0%</b>	<b>100.0%</b>	<b>453 538</b>	<b>473 932</b>	<b>535 241</b>	<b>4.3%</b>	<b>100.0%</b>

**Transfers and subsidies expenditure trends and estimates****Table 11.6 Vote transfers and subsidies trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R thousand											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>795</b>	<b>1 928</b>	<b>2 427</b>	<b>4 140</b>	<b>73.3%</b>	<b>-</b>	<b>1 971</b>	<b>1 903</b>	<b>1 621</b>	<b>-26.8%</b>	<b>-</b>
Employee social benefits	795	1 928	2 427	4 140	73.3%	-	1 971	1 903	1 621	-26.8%	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>3 653 519</b>	<b>3 507 343</b>	<b>3 845 388</b>	<b>4 173 787</b>	<b>4.5%</b>	<b>64.5%</b>	<b>4 386 911</b>	<b>4 625 501</b>	<b>4 815 960</b>	<b>4.9%</b>	<b>64.0%</b>
Agrément South Africa	11 682	12 383	29 045	29 988	36.9%	0.4%	31 062	32 804	34 643	4.9%	0.5%
Construction Industry Development Board	65 626	52 059	74 984	73 323	3.8%	1.1%	76 160	80 349	84 768	5.0%	1.1%
Council for the Built Environment	41 994	43 413	48 568	50 100	6.1%	0.8%	52 796	55 702	58 766	5.5%	0.8%
Construction Education and Training Authority	475	468	486	518	2.9%	-	558	600	633	6.9%	-
Property Management Trading Entity	3 524 652	3 389 448	3 682 254	4 009 490	4.4%	62.0%	4 215 736	4 444 840	4 625 305	4.9%	61.5%
Parliamentary Villages Management Board	9 090	9 572	10 051	10 368	4.5%	0.2%	10 599	11 206	11 845	4.5%	0.2%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>9 091</b>	<b>7 651</b>	<b>11 127</b>	<b>5 000</b>	<b>-18.1%</b>	<b>0.1%</b>	<b>5 280</b>	<b>5 570</b>	<b>5 876</b>	<b>5.5%</b>	<b>0.1%</b>
Bursaries for non-employees	9 091	7 651	10 413	5 000	-18.1%	0.1%	5 280	5 570	5 876	5.5%	0.1%
Claims against the state	-	-	714	-	-	-	-	-	-	-	-
<b>Provinces and Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>587 689</b>	<b>663 995</b>	<b>691 453</b>	<b>692 884</b>	<b>5.6%</b>	<b>11.2%</b>	<b>730 052</b>	<b>771 180</b>	<b>814 420</b>	<b>5.5%</b>	<b>10.7%</b>
Vehicle licences	4	4	6	6	14.5%	-	6	6	6	-	-
Expanded public works programme integrated grant for municipalities	587 685	663 991	691 447	692 878	5.6%	11.2%	730 046	771 174	814 414	5.5%	10.7%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>23 363</b>	<b>28 234</b>	<b>22 342</b>	<b>22 723</b>	<b>-0.9%</b>	<b>0.4%</b>	<b>26 564</b>	<b>28 163</b>	<b>29 849</b>	<b>9.5%</b>	<b>0.4%</b>
Commonwealth War Graves Commission	23 363	28 234	22 342	22 723	-0.9%	0.4%	26 564	28 163	29 849	9.5%	0.4%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>535 147</b>	<b>600 427</b>	<b>624 024</b>	<b>720 158</b>	<b>10.4%</b>	<b>10.5%</b>	<b>750 424</b>	<b>794 371</b>	<b>1 084 181</b>	<b>14.6%</b>	<b>11.9%</b>
Various institutions: Non-state sector programme	534 816	600 257	623 904	720 158	10.4%	10.5%	750 424	794 371	1 084 181	14.6%	11.9%
South African Council for the Landscape Architectural Profession	331	170	120	-	-100.0%	-	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>50 000</b>	<b>-</b>	<b>111 066</b>	<b>28 362</b>	<b>-17.2%</b>	<b>0.8%</b>	<b>5 000</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>
Independent Development Trust	50 000	-	111 066	28 362	-17.2%	0.8%	5 000	-	-	-100.0%	0.1%

Table 11.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
<b>Provinces and municipalities</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>551 710</b>	<b>761 671</b>	<b>781 162</b>	<b>823 984</b>	<b>14.3%</b>	<b>12.4%</b>	<b>868 181</b>	<b>916 863</b>	<b>968 273</b>	<b>5.5%</b>	<b>12.7%</b>
Expanded public works programme integrated grant for provinces	325 607	402 009	395 579	416 036	8.5%	6.5%	437 388	462 376	488 789	5.5%	6.4%
Social sector expanded public works programme incentive grant for provinces	226 103	359 662	385 583	407 948	21.7%	5.9%	430 793	454 487	479 484	5.5%	6.3%
<b>Total</b>	<b>5 411 314</b>	<b>5 571 249</b>	<b>6 088 989</b>	<b>6 471 038</b>	<b>6.1%</b>	<b>100.0%</b>	<b>6 774 383</b>	<b>7 143 551</b>	<b>7 720 180</b>	<b>6.1%</b>	<b>100.0%</b>

## Personnel information

Table 11.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes																				
1. Administration																				
2. Intergovernmental Coordination																				
3. Expanded Public Works Programme																				
4. Property and Construction Industry Policy and Research																				
5. Prestige Policy																				
Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment													Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22								
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				
<b>Public Works</b>		<b>841</b>	<b>166</b>	<b>831</b>	<b>445.0</b>	<b>0.5</b>	<b>879</b>	<b>510.3</b>	<b>0.6</b>	<b>859</b>	<b>557.8</b>	<b>0.6</b>	<b>855</b>	<b>599.7</b>	<b>0.7</b>	<b>833</b>	<b>638.6</b>	<b>0.8</b>	<b>-1.8%</b>	<b>100.0%</b>
Salary level	841	166	831	445.0	0.5	879	510.3	0.6	859	557.8	0.6	855	599.7	0.7	833	638.6	0.8	-1.8%	100.0%	
1 – 6	199	60	203	37.1	0.2	215	46.0	0.2	207	47.0	0.2	201	49.4	0.2	204	54.0	0.3	-1.7%	24.1%	
7 – 10	281	18	284	132.7	0.5	290	145.2	0.5	289	156.1	0.5	291	169.1	0.6	294	183.7	0.6	0.5%	34.0%	
11 – 12	195	13	194	161.8	0.8	199	179.6	0.9	206	198.8	1.0	206	213.0	1.0	208	229.8	1.1	1.5%	23.9%	
13 – 16	99	11	100	106.8	1.1	107	129.1	1.2	115	147.2	1.3	116	158.9	1.4	112	164.0	1.5	1.5%	13.1%	
Other	67	64	50	6.6	0.1	68	10.5	0.2	42	8.7	0.2	41	9.3	0.2	15	7.1	0.5	-39.6%	4.8%	
<b>Programme</b>	<b>841</b>	<b>166</b>	<b>831</b>	<b>445.0</b>	<b>0.5</b>	<b>879</b>	<b>510.3</b>	<b>0.6</b>	<b>859</b>	<b>557.8</b>	<b>0.6</b>	<b>855</b>	<b>599.7</b>	<b>0.7</b>	<b>833</b>	<b>638.6</b>	<b>0.8</b>	<b>-1.8%</b>	<b>100.0%</b>	
Programme 1	527	143	510	231.2	0.5	546	271.9	0.5	516	295.1	0.6	516	317.0	0.6	493	337.6	0.7	-3.3%	60.4%	
Programme 2	45	9	53	27.9	0.5	47	36.1	0.8	56	40.6	0.7	48	41.7	0.9	48	45.0	0.9	0.7%	5.8%	
Programme 3	205	–	210	148.1	0.7	214	157.3	0.7	216	174.9	0.8	220	190.7	0.9	225	207.8	0.9	1.7%	25.5%	
Programme 4	19	7	15	10.9	0.7	18	16.6	0.9	20	19.0	0.9	20	20.6	1.0	14	16.0	1.1	-8.0%	2.1%	
Programme 5	45	7	43	26.9	0.6	54	28.4	0.5	51	28.4	0.6	51	29.7	0.6	53	32.3	0.6	-0.6%	6.1%	

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

Table 11.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>7 106</b>	<b>14 608</b>	<b>10 358</b>	<b>3 374</b>	<b>3 374</b>	<b>-22.0%</b>	<b>100.0%</b>	<b>1 949</b>	<b>1 520</b>	<b>1 520</b>	<b>-23.3%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>977</b>	<b>1 222</b>	<b>280</b>	<b>340</b>	<b>340</b>	<b>-29.7%</b>	<b>8.0%</b>	<b>280</b>	<b>280</b>	<b>280</b>	<b>-6.3%</b>	<b>14.1%</b>
Sales by market establishments	977	128	117	120	120	-50.3%	3.8%	120	120	120	–	5.7%
of which:												
Market establishment: Rental parking: Covered and open	977	128	117	120	120	-50.3%	3.8%	120	120	120	–	5.7%
Other sales	–	1 094	163	220	220	–	4.2%	160	160	160	-10.1%	8.4%
of which:												
Tender documents	–	1 094	163	60	60	–	3.7%	160	160	160	38.7%	6.5%
Services rendered: Commission on insurance and garnishees	–	–	–	160	160	–	0.5%	–	–	–	-100.0%	1.9%

Table 11.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2015/16 - 2018/19	2019/20		
Sales of scrap, waste, arms and other used current goods	8	39	12	5	5	-14.5%	0.2%	40	40	40	100.0%	1.5%
<i>of which:</i>												
<i>Sales: Scrap</i>	–	–	–	5	5	–	–	–	–	–	-100.0%	0.1%
<i>Sales: Waste</i>	8	39	12	–	–	-100.0%	0.2%	40	40	40	–	1.4%
Fines, penalties and forfeits	–	–	3	–	–	–	–	–	–	–	–	–
Interest, dividends and rent on land	2 300	12 361	8 498	2 400	2 400	1.4%	72.1%	600	600	600	-37.0%	50.2%
Interest	2 300	12 361	8 498	2 400	2 400	1.4%	72.1%	600	600	600	-37.0%	50.2%
Sales of capital assets	9	70	–	200	200	181.1%	0.8%	–	–	–	-100.0%	2.4%
Transactions in financial assets and liabilities	3 812	916	1 565	429	429	-51.7%	19.0%	1 029	600	600	11.8%	31.8%
<b>Total</b>	<b>7 106</b>	<b>14 608</b>	<b>10 358</b>	<b>3 374</b>	<b>3 374</b>	<b>-22.0%</b>	<b>100.0%</b>	<b>1 949</b>	<b>1 520</b>	<b>1 520</b>	<b>-23.3%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

Table 11.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R million											
Ministry	25.3	25.5	38.0	42.9	19.3%	7.1%	44.5	48.2	55.3	8.9%	9.0%
Management	114.7	90.6	103.5	104.9	-3.0%	22.2%	116.7	126.2	135.2	8.8%	22.7%
Corporate Services	271.7	251.9	225.5	247.5	-3.1%	53.6%	247.7	260.9	284.2	4.7%	48.8%
Finance and Supply Chain Management	67.5	45.5	45.0	50.2	-9.4%	11.2%	53.7	57.2	63.3	8.1%	10.5%
Office Accommodation	–	36.9	35.6	38.0	–	5.9%	45.4	50.7	58.7	15.6%	9.0%
<b>Total</b>	<b>479.2</b>	<b>450.5</b>	<b>447.6</b>	<b>483.4</b>	<b>0.3%</b>	<b>100.0%</b>	<b>508.0</b>	<b>543.2</b>	<b>596.7</b>	<b>7.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				3.1			(3.6)	(14.5)	(0.0)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>427.4</b>	<b>425.7</b>	<b>427.0</b>	<b>468.7</b>	<b>3.1%</b>	<b>94.0%</b>	<b>499.6</b>	<b>535.8</b>	<b>588.6</b>	<b>7.9%</b>	<b>98.2%</b>
Compensation of employees	251.7	240.4	231.2	276.9	3.2%	53.8%	295.1	317.0	337.6	6.8%	57.6%
Goods and services <sup>1</sup>	174.4	185.3	194.0	191.4	3.1%	40.0%	204.5	218.7	251.0	9.5%	40.6%
<i>of which:</i>											
<i>Communication</i>	11.0	4.6	4.4	12.6	4.7%	1.7%	21.2	20.2	18.1	12.6%	3.4%
<i>Computer services</i>	39.9	31.6	48.5	36.1	-3.3%	8.4%	38.2	40.7	46.0	8.4%	7.6%
<i>Consultants: Business and advisory services</i>	18.8	17.6	23.3	17.5	-2.4%	4.1%	16.2	16.4	20.3	5.1%	3.3%
<i>Operating leases</i>	2.7	18.5	22.0	28.2	117.7%	3.8%	32.2	35.2	40.8	13.1%	6.4%
<i>Property payments</i>	1.4	21.2	16.9	15.4	122.7%	2.9%	19.5	21.6	27.5	21.5%	3.9%
<i>Travel and subsistence</i>	20.9	18.9	24.6	23.6	4.2%	4.7%	23.4	24.8	28.2	6.1%	4.7%
Interest and rent on land	1.2	–	1.8	0.4	-31.7%	0.2%	–	–	–	-100.0%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>9.6</b>	<b>8.1</b>	<b>7.4</b>	<b>3.4</b>	<b>-29.4%</b>	<b>1.5%</b>	<b>1.3</b>	<b>1.2</b>	<b>0.9</b>	<b>-36.4%</b>	<b>0.3%</b>
Households	9.6	8.1	7.4	3.4	-29.4%	1.5%	1.3	1.2	0.9	-36.5%	0.3%
<b>Payments for capital assets</b>	<b>10.0</b>	<b>15.5</b>	<b>11.3</b>	<b>11.3</b>	<b>4.0%</b>	<b>2.6%</b>	<b>7.1</b>	<b>6.3</b>	<b>7.2</b>	<b>-13.9%</b>	<b>1.5%</b>
Machinery and equipment	9.7	9.5	11.2	11.3	5.3%	2.2%	7.1	6.3	7.2	-13.9%	1.5%
Software and other intangible assets	0.4	6.1	0.1	–	-100.0%	0.3%	–	–	–	–	–
<b>Payments for financial assets</b>	<b>32.1</b>	<b>1.1</b>	<b>1.9</b>	<b>–</b>	<b>-100.0%</b>	<b>1.9%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>479.2</b>	<b>450.5</b>	<b>447.6</b>	<b>483.4</b>	<b>0.3%</b>	<b>100.0%</b>	<b>508.0</b>	<b>543.2</b>	<b>596.7</b>	<b>7.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>7.6%</b>	<b>7.0%</b>	<b>6.5%</b>	<b>6.5%</b>	<b>–</b>	<b>–</b>	<b>6.5%</b>	<b>6.6%</b>	<b>6.7%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.



## Programme 2: Intergovernmental Coordination

### Programme purpose

Promote sound sectoral and intergovernmental relations and strategic partnerships. Coordinate with provinces on immovable asset registers, construction and property management, and the reporting of performance information within the public works sector.

### Objectives

- Ensure the integrated planning and coordination of concurrent functions over the medium term by:
  - signing 45 agreements for joint service delivery with public bodies across all spheres of government
  - conducting a review of intergovernmental governance structures.

Restore the skills pipeline in the built environment by ensuring the participation of 1 100 beneficiaries over the medium term in the department and Property Management Trading Entity's skills development programme.

### Subprogrammes

- *Monitoring, Evaluation and Reporting* promotes good governance by supporting provinces in strengthening their governance and coordination capabilities.
- *Intergovernmental Relations and Coordination* improves the coordination and alignment of public works sector policies and programmes by providing oversight, intervention and support services to provinces.
- *Professional Services* provides support to learning interventions and focused experiential learning processes; and contributes towards the development of competent, skilled and motivated built environment professionals.

### Expenditure trends and estimates

**Table 11.10 Intergovernmental Coordination expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22		
R million											
Monitoring, Evaluation and Reporting	34.2	2.7	3.6	7.2	-40.5%	29.3%	8.2	6.9	7.5	1.3%	11.8%
Intergovernmental Relations and Coordination	10.6	13.8	20.0	24.4	32.1%	42.3%	25.2	27.3	30.6	7.9%	42.8%
Professional Services	–	–	21.8	24.6	–	28.5%	27.5	29.3	32.6	9.9%	45.4%
<b>Total</b>	<b>44.7</b>	<b>16.5</b>	<b>45.4</b>	<b>56.1</b>	<b>7.9%</b>	<b>100.0%</b>	<b>60.9</b>	<b>63.4</b>	<b>70.7</b>	<b>8.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(2.0)			(1.1)	(1.4)	(0.3)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>31.9</b>	<b>16.2</b>	<b>37.0</b>	<b>50.5</b>	<b>16.6%</b>	<b>83.3%</b>	<b>54.8</b>	<b>57.0</b>	<b>64.0</b>	<b>8.2%</b>	<b>90.1%</b>
Compensation of employees	25.9	14.0	27.9	36.1	11.7%	63.8%	40.6	41.7	45.0	7.7%	65.0%
Goods and services <sup>1</sup>	6.0	2.2	9.0	14.4	34.1%	19.5%	14.3	15.4	19.0	9.5%	25.1%
of which:											
Catering: Departmental activities	0.1	0.1	0.4	1.2	103.6%	1.1%	1.2	1.1	1.4	5.9%	1.9%
Communication	0.2	0.1	0.2	0.6	36.5%	0.6%	0.5	0.7	1.4	34.5%	1.3%
Consumables: Stationery, printing and office supplies	0.5	0.1	0.3	0.9	20.8%	1.0%	0.7	0.8	1.0	6.4%	1.4%
Operating leases	0.0	0.0	–	0.7	385.4%	0.4%	0.7	1.0	1.1	17.2%	1.4%
Travel and subsistence	1.8	1.3	4.4	5.6	44.6%	8.1%	5.6	6.2	7.0	7.8%	9.7%
Venues and facilities	0.4	0.3	1.8	2.2	78.9%	2.9%	2.3	2.4	2.6	6.1%	3.8%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.0</b>	<b>–</b>	<b>5.0</b>	<b>5.2</b>	<b>987.9%</b>	<b>6.2%</b>	<b>5.3</b>	<b>5.6</b>	<b>6.0</b>	<b>5.0%</b>	<b>8.8%</b>
Households	0.0	–	5.0	5.2	987.9%	6.2%	5.3	5.6	6.0	5.0%	8.8%
<b>Payments for capital assets</b>	<b>0.5</b>	<b>0.3</b>	<b>0.3</b>	<b>0.5</b>	<b>-3.5%</b>	<b>1.0%</b>	<b>0.7</b>	<b>0.7</b>	<b>0.8</b>	<b>16.7%</b>	<b>1.1%</b>
Machinery and equipment	0.5	0.3	0.3	0.5	-3.5%	1.0%	0.7	0.7	0.8	16.7%	1.1%
<b>Payments for financial assets</b>	<b>12.3</b>	<b>0.0</b>	<b>3.2</b>	<b>–</b>	<b>-100.0%</b>	<b>9.5%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>44.7</b>	<b>16.5</b>	<b>45.4</b>	<b>56.1</b>	<b>7.9%</b>	<b>100.0%</b>	<b>60.9</b>	<b>63.4</b>	<b>70.7</b>	<b>8.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.7%</b>	<b>0.3%</b>	<b>0.7%</b>	<b>0.8%</b>	<b>–</b>	<b>–</b>	<b>0.8%</b>	<b>0.8%</b>	<b>0.8%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Expanded Public Works Programme

### Programme purpose

Coordinate the implementation of the expanded public works programme, which aims to create work opportunities and provide training for unskilled, marginalised and unemployed people in South Africa.

### Objectives

- Monitor and evaluate the implementation of public employment programmes within the expanded public works programme over the medium term by:
  - monitoring and reporting on the 4.4 million work opportunities set to be created by public bodies implementing the programme
  - ensuring that public bodies report on the participation of designated groups (with targets of 55 per cent for women, 55 per cent for youth and 2 per cent for people with disabilities) in the programme producing 6 data quality assessment reports.
- Support public bodies in implementing public employment programmes in the non-state sector by contracting 350 non-profit organisations to implement non-state sector projects over the medium term.
- Support public bodies in implementing public employment programmes within the expanded public works programme in the infrastructure, social, environment and culture sectors by ensuring that 290 public bodies are provided with technical support over the medium term.
- Provide strategic guidance on sectoral convergence by developing 1 framework on sectoral convergence over the medium term.

### Subprogrammes

- *Expanded Public Works Programme: Monitoring and Evaluation* reports and monitors the outputs of the expanded public works programme, and evaluates the impact of the creation and provision of work opportunities and training for unskilled, marginalised and unemployed people.
- *Expanded Public Works Programme: Infrastructure* aims to ensure that publicly funded construction and maintenance infrastructure projects are implemented using labour-intensive methods to create work opportunities.
- *Expanded Public Works Programme: Operations* facilitates the creation of work opportunities in the environmental, culture, non-state and social sectors.
- *Expanded Public Works Programme: Partnership Support* coordinates and supports national, provincial and municipal programmes of the expanded public works programme; and provides an enabling environment for training, enterprise development and communication across the 4 sectors of the expanded public works programme.
- *Expanded Public Works Programme: Public Employment Coordinating Commission* consolidates progress reports on the implementation of public employment programmes such as the expanded public works programme, and produces strategic reports for the interministerial committee on public employment programmes.

## Expenditure trends and estimates

Table 11.11 Expanded Public Works Programme expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Expanded Public Works Programme: Monitoring and Evaluation	63.5	68.4	49.6	56.4	-3.9%	2.6%	59.4	63.4	68.6	6.8%	2.2%
Expanded Public Works Programme: Infrastructure	1 016.1	1 177.1	1 184.3	1 210.5	6.0%	50.1%	1 271.7	1 345.3	1 425.2	5.6%	46.4%
Expanded Public Works Programme: Operations	799.2	997.4	1 067.8	1 205.8	14.7%	44.5%	1 265.6	1 344.7	1 667.3	11.4%	48.4%
Expanded Public Works Programme: Partnership Support	57.3	53.9	60.3	68.6	6.2%	2.6%	78.1	84.5	90.8	9.8%	2.8%
Expanded Public Works Programme: Public Employment Coordinating Commission	3.8	4.7	5.8	5.9	15.7%	0.2%	6.1	6.7	7.5	8.2%	0.2%
<b>Total</b>	<b>1 939.9</b>	<b>2 301.4</b>	<b>2 367.8</b>	<b>2 547.3</b>	<b>9.5%</b>	<b>100.0%</b>	<b>2 680.8</b>	<b>2 844.7</b>	<b>3 259.3</b>	<b>8.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(19.4)			(65.5)	(59.2)	188.3		
<b>Economic classification</b>											
<b>Current payments</b>	<b>263.3</b>	<b>272.1</b>	<b>269.4</b>	<b>308.4</b>	<b>5.4%</b>	<b>12.2%</b>	<b>330.1</b>	<b>360.4</b>	<b>390.3</b>	<b>8.2%</b>	<b>12.3%</b>
Compensation of employees	134.0	152.6	148.1	160.2	6.2%	6.5%	174.9	190.7	207.8	9.0%	6.5%
Goods and services <sup>1</sup>	129.4	119.5	121.4	148.2	4.6%	5.7%	155.2	169.7	182.5	7.2%	5.8%
of which:											
Administrative fees	11.3	11.9	28.7	42.1	55.2%	1.0%	44.5	46.9	49.5	5.5%	1.6%
Advertising	3.2	2.2	2.4	1.8	-16.9%	0.1%	2.1	2.3	2.5	10.6%	0.1%
Consultants: Business and advisory services	0.8	0.7	1.1	4.5	78.4%	0.1%	4.8	5.0	5.3	5.5%	0.2%
Agency and support/outsourced services	62.7	46.5	65.6	68.6	3.1%	2.7%	71.4	81.4	88.4	8.8%	2.7%
Travel and subsistence	18.2	16.4	16.7	19.7	2.6%	0.8%	20.8	21.9	23.5	6.1%	0.8%
Venues and facilities	1.6	2.8	1.5	2.3	13.5%	0.1%	2.4	2.6	2.6	4.2%	0.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 674.4</b>	<b>2 027.2</b>	<b>2 096.6</b>	<b>2 237.2</b>	<b>10.1%</b>	<b>87.8%</b>	<b>2 348.8</b>	<b>2 482.6</b>	<b>2 867.1</b>	<b>8.6%</b>	<b>87.7%</b>
Provinces and municipalities	1 139.4	1 425.7	1 472.6	1 516.9	10.0%	60.7%	1 598.2	1 688.0	1 782.7	5.5%	58.1%
Non-profit institutions	534.8	600.3	623.9	720.2	10.4%	27.1%	750.4	794.4	1 084.2	14.6%	29.6%
Households	0.2	1.3	0.0	0.2	-5.8%	-	0.2	0.2	0.2	5.0%	-
<b>Payments for capital assets</b>	<b>2.2</b>	<b>1.9</b>	<b>1.7</b>	<b>1.6</b>	<b>-9.2%</b>	<b>0.1%</b>	<b>1.9</b>	<b>1.7</b>	<b>2.0</b>	<b>6.4%</b>	<b>0.1%</b>
Machinery and equipment	2.2	1.9	1.7	1.6	-9.2%	0.1%	1.9	1.7	2.0	6.4%	0.1%
<b>Payments for financial assets</b>	<b>-</b>	<b>0.3</b>	<b>0.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 939.9</b>	<b>2 301.4</b>	<b>2 367.8</b>	<b>2 547.3</b>	<b>9.5%</b>	<b>100.0%</b>	<b>2 680.8</b>	<b>2 844.7</b>	<b>3 259.3</b>	<b>8.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>30.9%</b>	<b>35.9%</b>	<b>34.2%</b>	<b>34.0%</b>	<b>-</b>	<b>-</b>	<b>34.3%</b>	<b>34.5%</b>	<b>36.5%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>587.7</b>	<b>664.0</b>	<b>691.4</b>	<b>692.9</b>	<b>5.6%</b>	<b>28.8%</b>	<b>730.0</b>	<b>771.2</b>	<b>814.4</b>	<b>5.5%</b>	<b>26.5%</b>
Expanded public works programme integrated grant for municipalities	587.7	664.0	691.4	692.9	5.6%	28.8%	730.0	771.2	814.4	5.5%	26.5%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>534.8</b>	<b>600.3</b>	<b>623.9</b>	<b>720.2</b>	<b>10.4%</b>	<b>27.1%</b>	<b>750.4</b>	<b>794.4</b>	<b>1 084.2</b>	<b>14.6%</b>	<b>29.6%</b>
Various institutions: Non-state sector programme	534.8	600.3	623.9	720.2	10.4%	27.1%	750.4	794.4	1 084.2	14.6%	29.6%
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>551.7</b>	<b>761.7</b>	<b>781.2</b>	<b>824.0</b>	<b>14.3%</b>	<b>31.9%</b>	<b>868.2</b>	<b>916.9</b>	<b>968.3</b>	<b>5.5%</b>	<b>31.6%</b>
Expanded public works programme integrated grant for provinces	325.6	402.0	395.6	416.0	8.5%	16.8%	437.4	462.4	488.8	5.5%	15.9%
Social sector expanded public works programme incentive grant for provinces	226.1	359.7	385.6	407.9	21.7%	15.1%	430.8	454.5	479.5	5.5%	15.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Property and Construction Industry Policy and Research

## Programme purpose

Promote the growth and transformation of the construction and property industries. Promote a standardised

approach and best practice in construction and immovable asset management in the public sector.

## Objective

- Research and develop policies and legislative prescripts for the construction and property sectors by developing and reviewing 3 legislative prescripts for the Public Works Bill, Construction Industry Development Board Act (2000) and Council for the Built Environment Act (2000) over the medium term.

## Subprogrammes

- *Construction Policy Development Programme* creates an enabling environment for transforming the construction industry by developing appropriate legislation and implementing monitoring mechanisms for the sector. This subprogramme aims to facilitate the transformation and regulation of the construction industry for economic growth and development.
- *Property Policy Development Programme* provides leadership and guidance on the transformation of the property industry. It also promotes uniformity and best practice on immovable asset management in the public sector through policy development, sets the best practice standards for compiling and maintaining immovable asset registers, and provides guidelines for the administration of rights over state and private land. This subprogramme aims to ensure effective and efficient strategic leadership in the management of immovable assets and the delivery of infrastructure programmes through the development of guidelines on immovable asset performance and condition assessments.
- *Construction Industry Development Board* transfers funds annually to the Construction Industry Development Board.
- *Council for the Built Environment* transfers funds annually to the Council for the Built Environment.
- *Independent Development Trust* transfers funds annually to the Independent Development Trust.
- *Construction Education and Training Authority* provides support to training and skills development across the construction industry.
- *Property Management Trading Entity* transfers funds annually to the Property Management Trading Entity.
- *Assistance to Organisations for the Preservation of National Memorials* provides funding to the Commonwealth War Graves Commission and the United Nations for maintaining national memorials.

## Expenditure trends and estimates

**Table 11.12 Property and Construction Industry Policy and Research expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Construction Policy Development Programme	20.9	21.7	39.0	47.7	31.7%	0.8%	50.4	53.0	52.8	3.4%	1.1%
Property Policy Development Programme	8.4	11.7	8.1	14.3	19.3%	0.3%	16.6	17.4	18.9	9.7%	0.4%
Construction Industry Development Board	65.6	52.1	75.0	73.3	3.8%	1.7%	76.2	80.3	84.8	5.0%	1.7%
Council for the Built Environment	42.0	43.4	48.6	50.1	6.1%	1.2%	52.8	55.7	58.8	5.5%	1.2%
Independent Development Trust	50.0	–	111.1	28.4	-17.2%	1.2%	5.0	–	–	-100.0%	0.2%
Construction Education and Training Authority	0.5	0.5	0.5	0.5	2.9%	–	0.6	0.6	0.6	6.9%	–
Property Management Trading Entity	3 524.7	3 389.4	3 682.3	4 009.5	4.4%	94.1%	4 215.7	4 444.8	4 625.3	4.9%	94.8%
Assistance to Organisations for the Preservation of National Memorials	23.4	28.2	22.3	22.7	-0.9%	0.6%	26.6	28.2	29.8	9.5%	0.6%
<b>Total</b>	<b>3 735.4</b>	<b>3 547.0</b>	<b>3 986.8</b>	<b>4 246.5</b>	<b>4.4%</b>	<b>100.0%</b>	<b>4 443.8</b>	<b>4 680.1</b>	<b>4 871.0</b>	<b>4.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(3.9)			(18.9)	(22.9)	(92.1)		

**Table 11.12 Property and Construction Industry Policy and Research expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Current payments</b>	<b>17.1</b>	<b>20.7</b>	<b>16.8</b>	<b>31.5</b>	<b>22.6%</b>	<b>0.6%</b>	<b>35.4</b>	<b>37.1</b>	<b>36.4</b>	<b>4.9%</b>	<b>0.8%</b>
Compensation of employees	8.7	10.5	10.9	16.7	24.2%	0.3%	19.0	20.6	16.0	-1.5%	0.4%
Goods and services <sup>1</sup>	8.4	10.2	5.9	14.8	21.0%	0.3%	16.5	16.5	20.5	11.4%	0.4%
<i>of which:</i>											
Advertising	0.0	0.3	0.1	0.3	84.5%	–	0.4	0.2	0.4	18.4%	–
Catering: Departmental activities	0.0	0.0	0.0	0.3	335.3%	–	0.3	0.2	0.3	1.1%	–
Consultants: Business and advisory services	4.8	7.4	3.5	11.3	32.9%	0.2%	12.1	12.9	16.0	12.1%	0.3%
Agency and support/outsourced services	0.7	–	–	0.8	8.7%	–	1.3	0.9	0.9	3.9%	–
Consumables: Stationery, printing and office supplies	0.1	0.0	–	0.3	41.9%	–	0.3	0.3	0.5	20.0%	–
Travel and subsistence	0.9	0.7	0.2	1.0	1.3%	–	1.0	1.0	1.1	4.7%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>3 718.2</b>	<b>3 526.2</b>	<b>3 970.0</b>	<b>4 214.7</b>	<b>4.3%</b>	<b>99.4%</b>	<b>4 408.1</b>	<b>4 642.7</b>	<b>4 834.2</b>	<b>4.7%</b>	<b>99.2%</b>
Departmental agencies and accounts	3 644.4	3 497.8	3 835.3	4 163.4	4.5%	97.6%	4 376.3	4 614.3	4 804.1	4.9%	98.4%
Foreign governments and international organisations	23.4	28.2	22.3	22.7	-0.9%	0.6%	26.6	28.2	29.8	9.5%	0.6%
Public corporations and private enterprises	50.0	–	111.1	28.4	-17.2%	1.2%	5.0	–	–	-100.0%	0.2%
Non-profit institutions	0.3	0.2	0.1	–	-100.0%	–	–	–	–	–	–
Households	0.0	0.0	1.1	0.2	76.4%	–	0.2	0.2	0.2	1.8%	–
<b>Payments for capital assets</b>	<b>0.1</b>	<b>0.2</b>	<b>0.1</b>	<b>0.2</b>	<b>19.4%</b>	<b>–</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>12.8%</b>	<b>–</b>
Machinery and equipment	0.1	0.2	0.1	0.2	19.4%	–	0.3	0.3	0.3	12.8%	–
<b>Total</b>	<b>3 735.4</b>	<b>3 547.0</b>	<b>3 986.8</b>	<b>4 246.5</b>	<b>4.4%</b>	<b>100.0%</b>	<b>4 443.8</b>	<b>4 680.1</b>	<b>4 871.0</b>	<b>4.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>59.5%</b>	<b>55.4%</b>	<b>57.6%</b>	<b>56.7%</b>	<b>–</b>	<b>–</b>	<b>56.9%</b>	<b>56.8%</b>	<b>54.6%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>3 644.4</b>	<b>3 497.8</b>	<b>3 835.3</b>	<b>4 163.4</b>	<b>4.5%</b>	<b>97.6%</b>	<b>4 376.3</b>	<b>4 614.3</b>	<b>4 804.1</b>	<b>4.9%</b>	<b>98.4%</b>
Agrément South Africa	11.7	12.4	29.0	30.0	36.9%	0.5%	31.1	32.8	34.6	4.9%	0.7%
Construction Industry Development Board	65.6	52.1	75.0	73.3	3.8%	1.7%	76.2	80.3	84.8	5.0%	1.7%
Council for the Built Environment	42.0	43.4	48.6	50.1	6.1%	1.2%	52.8	55.7	58.8	5.5%	1.2%
Construction Education and Training Authority	0.5	0.5	0.5	0.5	2.9%	–	0.6	0.6	0.6	6.9%	–
Property Management Trading Entity	3 524.7	3 389.4	3 682.3	4 009.5	4.4%	94.1%	4 215.7	4 444.8	4 625.3	4.9%	94.8%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>23.4</b>	<b>28.2</b>	<b>22.3</b>	<b>22.7</b>	<b>-0.9%</b>	<b>0.6%</b>	<b>26.6</b>	<b>28.2</b>	<b>29.8</b>	<b>9.5%</b>	<b>0.6%</b>
Commonwealth War Graves Commission	23.4	28.2	22.3	22.7	-0.9%	0.6%	26.6	28.2	29.8	9.5%	0.6%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>50.0</b>	<b>–</b>	<b>111.1</b>	<b>28.4</b>	<b>-17.2%</b>	<b>1.2%</b>	<b>5.0</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.2%</b>
Independent Development Trust	50.0	–	111.1	28.4	-17.2%	1.2%	5.0	–	–	-100.0%	0.2%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Prestige Policy

### Programme purpose

Provide norms and standards for the prestige accommodation portfolio and meet the protocol responsibilities for state functions.

### Objectives

- Improve the delivery of services to prestige clients over the medium term by:
  - developing and monitoring 6 prestige policies
  - supporting 24 planned state events with movable structures
  - providing movable assets within 60 working days to prestige clients.

### Subprogrammes

- *Prestige Accommodation and State Functions* funds allocations for activities relating to the residences of parliamentarians, ministers, deputy ministers, the deputy president and the president.

- *Parliamentary Villages Management Board* provides for the efficient and effective transportation and related costs of parliamentarians and related officials residing in parliamentary villages.

## Expenditure trends and estimates

**Table 11.13 Prestige Policy expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Prestige Accommodation and State Functions	72.9	78.4	69.6	139.6	24.2%	90.2%	104.8	95.1	109.5	-7.8%	91.1%
Parliamentary Villages Management Board	9.1	9.6	10.1	10.4	4.5%	9.8%	10.6	11.2	11.8	4.5%	8.9%
<b>Total</b>	<b>82.0</b>	<b>87.9</b>	<b>79.6</b>	<b>150.0</b>	<b>22.3%</b>	<b>100.0%</b>	<b>115.4</b>	<b>106.3</b>	<b>121.4</b>	<b>-6.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				52.1			(0.9)	(10.8)	(4.5)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>62.2</b>	<b>70.2</b>	<b>66.1</b>	<b>131.3</b>	<b>28.3%</b>	<b>82.6%</b>	<b>91.4</b>	<b>83.3</b>	<b>94.6</b>	<b>-10.4%</b>	<b>81.3%</b>
Compensation of employees	15.6	21.3	26.9	28.4	22.2%	23.1%	28.4	29.7	32.3	4.4%	24.1%
Goods and services <sup>1</sup>	46.3	48.9	39.2	103.0	30.5%	59.4%	63.1	53.6	62.3	-15.4%	57.2%
<i>of which:</i>											
Minor assets	2.5	2.6	2.2	4.6	23.2%	3.0%	6.8	6.0	7.0	14.9%	4.9%
Contractors	38.6	19.6	31.1	89.8	32.6%	44.8%	47.3	38.2	45.3	-20.4%	44.7%
Consumable supplies	0.5	1.1	0.4	1.2	38.8%	0.8%	1.3	1.4	1.4	4.5%	1.1%
Operating leases	0.6	1.3	1.3	2.0	50.2%	1.3%	2.1	2.2	2.2	3.4%	1.7%
Travel and subsistence	1.7	1.6	2.0	2.0	6.7%	1.8%	2.1	2.3	2.5	7.3%	1.8%
Operating payments	0.7	0.9	0.6	0.9	5.4%	0.8%	0.9	1.0	1.0	4.9%	0.8%
Interest and rent on land	0.3	-	-	-	-100.0%	0.1%	-	-	-	-	-
<b>Transfers and subsidies<sup>1</sup></b>	<b>9.1</b>	<b>9.8</b>	<b>10.1</b>	<b>10.6</b>	<b>5.1%</b>	<b>9.9%</b>	<b>10.8</b>	<b>11.4</b>	<b>12.1</b>	<b>4.5%</b>	<b>9.1%</b>
Departmental agencies and accounts	9.1	9.6	10.1	10.4	4.5%	9.8%	10.6	11.2	11.8	4.5%	8.9%
Households	0.0	0.2	0.0	0.2	108.7%	0.1%	0.2	0.2	0.2	3.2%	0.2%
<b>Payments for capital assets</b>	<b>10.7</b>	<b>7.9</b>	<b>3.4</b>	<b>8.1</b>	<b>-8.7%</b>	<b>7.5%</b>	<b>13.2</b>	<b>11.6</b>	<b>14.7</b>	<b>22.0%</b>	<b>9.7%</b>
Machinery and equipment	10.7	7.9	3.4	8.1	-8.7%	7.5%	13.2	11.6	14.7	22.0%	9.7%
<b>Total</b>	<b>82.0</b>	<b>87.9</b>	<b>79.6</b>	<b>150.0</b>	<b>22.3%</b>	<b>100.0%</b>	<b>115.4</b>	<b>106.3</b>	<b>121.4</b>	<b>-6.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.3%</b>	<b>1.4%</b>	<b>1.1%</b>	<b>2.0%</b>	-	-	<b>1.5%</b>	<b>1.3%</b>	<b>1.4%</b>	-	-
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>9.1</b>	<b>9.6</b>	<b>10.1</b>	<b>10.4</b>	<b>4.5%</b>	<b>9.8%</b>	<b>10.6</b>	<b>11.2</b>	<b>11.8</b>	<b>4.5%</b>	<b>8.9%</b>
Parliamentary villages management board	9.1	9.6	10.1	10.4	4.5%	9.8%	10.6	11.2	11.8	4.5%	8.9%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entity

### Property Management Trading Entity

#### Mandate

The Property Management Trading Entity was established following a decision in 2006 that accommodation-related costs be devolved from the Department of Public Works to client departments. The entity performs immovable asset management functions on behalf of the department, including the provision of residential and office accommodation for user departments at national government level; as well as the acquisition, management, operation, maintenance and disposal of immovable assets in the department's custody. The entity was established to effect professional business approaches in managing and optimising the state's immovable asset portfolio for maximum return. On a cost recovery basis, the entity finances the purchase, construction, refurbishment and maintenance of nationally owned government properties; and manages the leases of privately owned properties accommodating national departments. The entity charges a management fee for the payment of municipal services on behalf of national departments, for which it is recouped.

**Selected performance indicators****Table 11.14 Property Management Trading Entity performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of sites established for precinct development per year	Real estate investment services	Outcome 7: Comprehensive rural development and land reform	- <sup>1</sup>	3	3	3	4	4	4
Percentage of valuations completed within scheduled timeframes per year	Real estate investment services	Outcome 6: An efficient, competitive and responsive economic infrastructure network	- <sup>1</sup>	83% (290/350)	128% (379/296)	90%	90%	90%	90%
Number of facilities performance assessed in terms of identified performance areas per year	Real estate investment services		300	478	703	800	800	800	800
Number of infrastructure projects completed within agreed construction period per year	Construction management services	Outcome 12: An efficient, effective and development-oriented public service	125	139	138	84	92	115	115
Number of infrastructure projects completed within approved budget per year	Construction management services		109	129	141	84	92	115	115
Number of expanded public works programme work opportunities created through construction projects per year	Construction management services	Outcome 4: Decent employment through inclusive growth	11 126	8 959	5 732	7 511	8 200	9 020	9 020
Percentage of infrastructure projects backlogs reduced per year	Construction management services	Outcome 12: An efficient, effective and development-oriented public service	15% (216)	14% (154)	100% (43)	20%	30%	40%	40%
Number of private leases reduced within the security cluster per year	Real estate management services		- <sup>1</sup>	2	7	12	13	13	10
Percentage increase in revenue generation through letting of state-owned properties (excluding harbour-related properties) per year	Real estate management services	- <sup>1</sup>	- <sup>1</sup>	30% (R6.82m)	10%	15%	15%	10%	
Number of provincial immovable asset registers assessed for compliance per year	Real estate registry services	Outcome 9: Responsive, accountable, effective and efficient developmental local government	- <sup>1</sup>	9	9	9	9	9	9
Number of prioritised facilities with facilities management in place per year	Facilities management services	Outcome 10: Protect and enhance our environmental assets and natural resources	718	881	742	500	550	600	650

1. No historical data available.

**Expenditure analysis**

Over the medium term, the Property Management Trading Entity will focus on refurbishing and maintaining buildings, developing government precincts to support efficient and integrated planning, developing small fishing harbours, and updating and correcting its immovable asset register to ensure greater financial sustainability. To achieve these objectives, the entity plans to spend R53.6 billion over the MTEF period, with expenditure projected to increase at an average annual rate of 7.8 per cent. An estimated 79.5 per cent (R42.4 billion) of this amount is set to be on goods and services, mainly for repairs and maintenance, and lease payments. An estimated 11.8 per cent (R6.5 billion) of total expenditure will be spent on the compensation of the entity's 4 789 employees.

Through its construction management services programme, over the medium term, the entity intends to replace, refurbish and upgrade existing facilities to ensure people with disabilities have unimpeded access; construct new office buildings for departments; and refurbish border post centres, correctional centres and police stations. The entity aims to complete 2 800 infrastructure projects over the MTEF period at a projected cost of R6.6 billion, and in the process support economic growth and socioeconomic transformation by creating jobs. In the facilities management services programme, a further R4.3 billion has been allocated over the period ahead for ad-hoc building maintenance, and R4.1 billion mainly for repair operations on 488 state-owned buildings.

The entity is required to maintain 31 146 properties (land parcels) and 92 594 buildings for 52 of its user

departments. Maintenance is prioritised based on health and safety compliance requirements, and is carried out in line with available funding. As a result, over time, a maintenance backlog has developed, and the entity has not been able to plan adequately for preventative maintenance. This has resulted in significant disrepair, entailing costly capital works. Accordingly, a comprehensive maintenance programme has been devised to address the backlog at an estimated cost of R7 billion over the MTEF period.

The entity intends developing 2 government precincts in rural areas (Howick in KwaZulu-Natal and Carolina in Mpumalanga) and 2 in urban areas (Polokwane in Limpopo and Salvokop in Pretoria) over the medium term. These precincts are expected to contribute to efficient and integrated planning; local economic growth; and the establishment of partnerships with the Department of Rural Development and Land Reform, and the Department of Cooperative Governance, which is expected to improve collaboration among different sectors of government. For the acquisition of land, the installation of water and sanitation bulk services and the construction of shared services (parking, security and ablutions) for identified client departments, including these 4 precincts, R282 million over the MTEF period has been allocated in the *Construction Management Services* programme.

Over the medium term, in collaboration with other departments, the entity plans to finalise spatial and economic development frameworks for 12 proclaimed fishing harbours in Western Cape. It will invest an estimated R90.5 million over the MTEF period in critical capital and maintenance programmes to modernise the harbours. The entity will also aim to develop priority small harbours for commercial and communal use in Northern Cape, Eastern Cape and KwaZulu-Natal at a projected cost of R60 million over the period ahead. The harbours will be used as a case study for the development of maritime infrastructure.

To ensure its financial sustainability, the entity will, over the medium term, conduct a detailed technical analysis to update and correct information on properties in its immovable asset portfolio. This is expected to improve the entity's ability to calculate user charges according to facility type. Accordingly, R100 million over the MTEF period has been allocated in the *Real Estate Registry Services* programme for resolving immovable asset or land ownership disputes in government, updating and correcting the immovable asset register, and ratifying title deed records. A further R10 million in this programme will enable the development of a financial sustainability model to accurately project funding deficits or surpluses over multiple years, and optimise immovable assets to generate revenue. The model is expected to be fully implemented by March 2019.

The entity generates revenue mainly through management fees charged for the payment of municipal services, rental fees charged to user departments for accommodation and client infrastructure projects, and transfers from the department. Transfers account for an estimated 18.9 per cent (R13.3 billion) of total projected revenue of R71.3 billion over the medium term, and management and accommodation charges and client infrastructure projects account for 57.8 per cent (R41.5 billion). Revenue is expected to increase at an average annual rate of 7.2 per cent, from R20.5 billion in 2018/19 to R25.2 billion in 2021/22.

### Programmes/Objectives/Activities

**Table 11.15 Property Management Trading Entity expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
Administration	5 371.0	3 758.2	4 593.7	1 303.5	-37.6%	25.4%	887.7	940.3	990.7	-8.7%	6.1%
Real estate investment services	–	106.8	145.7	130.8	–	0.6%	212.4	224.8	239.1	22.3%	1.2%
Construction management services	256.3	494.4	611.6	252.8	-0.5%	2.7%	457.4	484.3	514.8	26.8%	2.5%
Real estate management services	6 013.3	5 702.7	6 239.8	10 165.7	19.1%	47.2%	11 373.1	12 173.0	13 032.6	8.6%	68.0%
Real estate registry services	–	44.2	26.1	95.0	–	0.3%	104.6	107.7	61.6	-13.5%	0.5%
Facilities management services	3 200.1	4 482.6	3 260.5	3 208.6	0.1%	23.8%	3 705.0	3 914.0	4 142.1	8.9%	21.8%
<b>Total</b>	<b>14 840.6</b>	<b>14 589.0</b>	<b>14 877.3</b>	<b>15 156.4</b>	<b>0.7%</b>	<b>100.0%</b>	<b>16 740.1</b>	<b>17 844.1</b>	<b>18 980.9</b>	<b>7.8%</b>	<b>100.0%</b>



## Statements of historical financial performance and position

**Table 11.16 Property Management Trading Entity statements of historical financial performance and position**

Statement of financial performance								Average: Outcome/ Budget (%)	
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>10 576.5</b>	<b>11 718.9</b>	<b>11 341.6</b>	<b>12 312.7</b>	<b>16 038.9</b>	<b>11 042.3</b>	<b>15 900.9</b>	<b>16 472.9</b>	<b>95.7%</b>
Sale of goods and services other than capital assets	10 529.4	10 898.7	11 297.5	11 492.8	11 650.7	10 550.4	12 199.1	16 409.8	108.0%
<i>of which:</i>									
<i>Sales by market establishment</i>	6 644.1	4 404.0	7 147.2	4 201.3	7 181.9	4 683.9	7 364.8	11 629.5	87.9%
<i>Other sales</i>	3 885.3	6 494.7	4 150.3	7 291.5	4 468.8	5 866.4	4 834.3	4 780.3	140.9%
Other non-tax revenue	47.0	820.1	44.0	819.9	4 388.2	491.9	3 701.7	63.1	26.8%
<b>Transfers received</b>	<b>3 524.7</b>	<b>3 524.7</b>	<b>3 389.4</b>	<b>3 389.4</b>	<b>3 682.3</b>	<b>3 682.3</b>	<b>4 009.5</b>	<b>4 009.5</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>14 101.1</b>	<b>15 243.5</b>	<b>14 731.0</b>	<b>15 702.1</b>	<b>19 721.2</b>	<b>14 724.5</b>	<b>19 910.4</b>	<b>20 482.4</b>	<b>96.6%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>8 902.1</b>	<b>13 715.2</b>	<b>11 920.7</b>	<b>13 521.5</b>	<b>13 912.3</b>	<b>13 835.0</b>	<b>14 030.7</b>	<b>13 770.2</b>	<b>112.5%</b>
Compensation of employees	1 288.8	1 310.1	1 469.8	1 500.9	1 674.3	1 602.7	1 593.1	1 593.1	99.7%
Goods and services	7 474.5	9 555.3	7 677.8	9 442.3	12 237.0	9 530.9	12 437.6	12 177.2	102.2%
Depreciation	120.0	2 604.4	2 750.0	2 488.2	-	2 616.3	-	-	268.6%
Interest, dividends and rent on land	18.8	245.4	23.1	90.2	1.0	85.1	-	-	981.1%
<b>Transfers and subsidies</b>	<b>981.2</b>	<b>1 125.4</b>	<b>1 141.8</b>	<b>1 067.5</b>	<b>-</b>	<b>1 042.2</b>	<b>1 405.6</b>	<b>1 386.1</b>	<b>131.0%</b>
<b>Total expenses</b>	<b>9 883.3</b>	<b>14 840.6</b>	<b>13 062.5</b>	<b>14 589.0</b>	<b>13 912.3</b>	<b>14 877.3</b>	<b>15 436.2</b>	<b>15 156.4</b>	<b>113.7%</b>
<b>Surplus/(Deficit)</b>	<b>4 218.0</b>	<b>403.0</b>	<b>1 669.0</b>	<b>1 113.0</b>	<b>5 809.0</b>	<b>(153.0)</b>	<b>4 474.0</b>	<b>5 326.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	87 674.2	137 415.8	95 016.0	125 705.1	112 862.5	126 570.4	136 170.0	133 784.9	121.3%
<i>of which:</i>									
<i>Acquisition of assets</i>	(4 507.7)	(4 000.8)	(4 408.3)	(3 631.6)	(4 543.7)	(3 170.7)	(4 474.1)	(5 326.0)	89.9%
Investments	1 214.0	899.7	1 214.5	713.3	1 000.0	582.2	700.0	615.3	68.1%
Receivables and prepayments	2 700.0	3 785.6	2 700.0	4 712.6	3 501.5	4 805.8	5 000.1	5 079.7	132.2%
Cash and cash equivalents	7.0	4.0	7.0	2.9	4.0	6.0	3.0	6.3	91.4%
<b>Total assets</b>	<b>91 595.2</b>	<b>142 105.2</b>	<b>98 937.5</b>	<b>131 133.9</b>	<b>117 368.0</b>	<b>131 964.3</b>	<b>141 873.1</b>	<b>139 486.3</b>	<b>121.1%</b>
Accumulated surplus/(deficit)	83 256.2	129 233.3	90 598.5	116 401.0	104 581.0	116 248.3	104 581.0	122 874.4	126.6%
Borrowings	650.0	1 468.9	650.0	1 932.6	-	2 338.5	-	2 471.8	631.7%
Finance lease	4.0	11.6	4.0	16.0	12.0	9.9	20.0	10.5	120.2%
Deferred income	-	6 227.6	-	6 138.0	7 000.0	6 696.9	6 500.0	7 078.6	193.6%
Trade and other payables	6 000.0	2 827.2	6 000.0	4 038.5	2 700.0	4 000.9	3 500.0	4 229.0	82.9%
Provisions	150.0	1 181.8	150.0	2 285.9	250.0	2 267.6	1 690.0	2 396.9	363.0%
Derivatives financial instruments	1 535.0	1 154.8	1 535.0	322.0	1 325.0	402.2	1 040.0	425.1	42.4%
<b>Total equity and liabilities</b>	<b>91 595.2</b>	<b>142 105.2</b>	<b>98 937.5</b>	<b>131 133.9</b>	<b>115 868.0</b>	<b>131 964.3</b>	<b>117 331.0</b>	<b>139 486.3</b>	<b>128.5%</b>

## Statements of estimates of financial performance and position

**Table 11.17 Property Management Trading Entity statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
R million	Revised estimate			2019/20	2020/21	2021/22	2018/19 - 2021/22	
	2018/19	2015/16 - 2018/19						
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>16 472.9</b>	<b>12.0%</b>	<b>77.7%</b>	<b>18 132.0</b>	<b>19 315.6</b>	<b>20 597.8</b>	<b>7.7%</b>	<b>81.1%</b>
Sale of goods and services other than capital assets	16 409.8	14.6%	74.1%	18 064.1	19 242.5	20 519.1	7.7%	80.8%
<i>of which:</i>								
<i>Sales by market establishment</i>	11 629.5	38.2%	36.1%	12 971.6	13 811.7	14 708.2	8.1%	57.8%
<i>Other sales</i>	4 780.3	-9.7%	38.1%	5 092.5	5 430.8	5 811.0	6.7%	23.0%
Other non-tax revenue	63.1	-57.5%	3.6%	67.9	73.1	78.7	7.7%	0.3%
<b>Transfers received</b>	<b>4 009.5</b>	<b>4.4%</b>	<b>22.3%</b>	<b>4 215.7</b>	<b>4 444.8</b>	<b>4 625.3</b>	<b>4.9%</b>	<b>18.9%</b>
<b>Total revenue</b>	<b>20 482.4</b>	<b>10.3%</b>	<b>100.0%</b>	<b>22 347.8</b>	<b>23 760.5</b>	<b>25 223.1</b>	<b>7.2%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>13 770.2</b>	<b>0.1%</b>	<b>92.2%</b>	<b>15 331.5</b>	<b>16 322.8</b>	<b>17 337.9</b>	<b>8.0%</b>	<b>91.3%</b>
Compensation of employees	1 593.1	6.7%	10.1%	2 051.0	2 173.2	2 321.8	13.4%	11.8%
Goods and services	12 177.2	8.4%	68.4%	13 280.5	14 149.6	15 016.1	7.2%	79.5%
<b>Transfers and subsidies</b>	<b>1 386.1</b>	<b>7.2%</b>	<b>7.8%</b>	<b>1 408.6</b>	<b>1 521.3</b>	<b>1 643.0</b>	<b>5.8%</b>	<b>8.7%</b>
<b>Total expenses</b>	<b>15 156.4</b>	<b>0.7%</b>	<b>100.0%</b>	<b>16 740.1</b>	<b>17 844.1</b>	<b>18 980.9</b>	<b>7.8%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>5 326.0</b>			<b>5 608.0</b>	<b>5 916.0</b>	<b>6 242.0</b>		

**Table 11.17 Property Management Trading Entity statements of estimates of financial performance and position**

Statement of financial position		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
R million	2018/19							
Carrying value of assets	133 784.9	-0.9%	96.1%	140 875.5	148 623.7	156 798.0	5.4%	95.9%
of which:								
Acquisition of assets	(5 326.0)	10.0%	-3.0%	(5 607.6)	(5 916.4)	(6 242.2)	5.4%	-3.8%
Investments	615.3	-11.9%	0.5%	647.9	683.6	721.2	5.4%	0.4%
Receivables and prepayments	5 079.7	10.3%	3.4%	5 348.9	5 643.1	5 953.5	5.4%	3.6%
Cash and cash equivalents	6.3	16.6%	0.0%	6.6	7.0	7.4	5.4%	0.0%
<b>Total assets</b>	<b>139 486.3</b>	<b>-0.6%</b>	<b>100.0%</b>	<b>146 879.1</b>	<b>154 957.4</b>	<b>163 480.1</b>	<b>5.4%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	122 874.4	-1.7%	89.0%	129 386.8	136 503.0	144 010.7	5.4%	88.1%
Borrowings	2 471.8	18.9%	1.5%	2 602.8	2 745.9	2 897.0	5.4%	1.8%
Finance lease	10.5	-3.3%	0.0%	11.1	11.7	12.3	5.4%	0.0%
Deferred income	7 078.6	4.4%	4.8%	7 453.8	7 863.7	8 296.2	5.4%	5.1%
Trade and other payables	4 229.0	14.4%	2.8%	4 453.1	4 698.1	4 956.4	5.4%	3.0%
Provisions	2 396.9	26.6%	1.5%	2 523.9	2 662.7	2 809.2	5.4%	1.7%
Derivatives financial instruments	425.1	-28.3%	0.4%	447.6	472.3	498.2	5.4%	0.3%
<b>Total equity and liabilities</b>	<b>139 486.3</b>	<b>-0.6%</b>	<b>100.0%</b>	<b>146 879.1</b>	<b>154 957.4</b>	<b>163 480.1</b>	<b>5.4%</b>	<b>100.0%</b>

### Personnel information

**Table 11.18 Property Management Trading Entity personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
Property Management Trading Entity		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	5 090	5 094	4 784	1 602.7	0.3	4 789	1 593.1	0.3	4 789	2 051.0	0.4	4 789	2 173.2	0.5	4 789	2 321.8	0.5	13.4%	100.0%
1 - 6	2 785	2 789	2 743	489.0	0.2	2 747	440.8	0.2	2 747	575.0	0.2	2 747	611.7	0.2	2 747	657.2	0.2	14.2%	57.4%
7 - 10	1 661	1 661	1 484	624.7	0.4	1 484	630.2	0.4	1 484	820.2	0.6	1 484	868.4	0.6	1 484	929.8	0.6	13.8%	31.0%
11 - 12	363	363	331	260.4	0.8	331	258.3	0.8	331	327.1	1.0	331	345.8	1.0	331	367.4	1.1	12.5%	6.9%
13 - 16	281	281	226	228.7	1.0	227	263.8	1.2	227	328.8	1.4	227	347.3	1.5	227	367.5	1.6	11.7%	4.7%

1. Rand million.

### Other entities

Comprehensive coverage of the following public entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- **Agrément South Africa** is mandated to certify non-standardised or unconventional built environment construction products, materials and systems through technical assessments that verify whether such products, materials and systems are fit for purpose. The board's total budget for 2019/20 is R35 million.
- The **Construction Industry Development Board** provides leadership to stakeholders; stimulates the growth, reform and improvement of the construction sector; and enhances the industry's role in the South African economy. The board's total budget for 2019/20 is R184.2 million.
- The **Council for the Built Environment** oversees and regulates the 6 professional councils responsible for regulating built environment professionals such as architects, engineers, quantity surveyors, landscape architects, property valuers, and project and construction managers. The council's total budget for 2019/20 is R56.1 million.
- The **Independent Development Trust** has evolved from a grant-making organisation into a responsive development agency with a well-established footprint across South Africa. The trust's total budget for 2019/20 is R386.6 million.

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Infrastructure transfers to other spheres, agencies and departments</b>										
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Transfer of infrastructure projects to the Property Management Trading Entity	Upgrading, developing and managing various projects	On-going	10 645.4	628.4	633.0	701.0	804.6	849.7	896.4	945.7
<b>Total</b>			<b>10 645.4</b>	<b>628.4</b>	<b>633.0</b>	<b>701.0</b>	<b>804.6</b>	<b>849.7</b>	<b>896.4</b>	<b>945.7</b>



# Vote 12

## Statistics South Africa

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	682.1	424.1	0.4	257.5	728.2	763.7
Economic Statistics	277.8	277.7	0.0	0.1	287.5	309.9
Population and Social Statistics	176.8	176.3	0.0	0.5	137.2	251.7
Methodology, Standards and Research	83.5	83.4	–	0.1	104.2	110.8
Statistical Support and Informatics	283.9	260.3	–	23.6	302.9	322.2
Statistical Collection and Outreach	700.2	695.3	0.0	4.9	712.1	762.5
Survey Operations	310.0	225.4	1.2	83.5	1 032.0	2 392.0
<b>Total expenditure estimates</b>	<b>2 514.4</b>	<b>2 142.5</b>	<b>1.6</b>	<b>370.2</b>	<b>3 304.1</b>	<b>4 912.8</b>

Executive authority Minister in the Presidency: Planning, Monitoring and Evaluation

Accounting officer Statistician-General of Statistics South Africa

Website address [www.statssa.gov.za](http://www.statssa.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Lead and partner in the production of statistics, in line with internationally recognised principles and standards, to inform users about socioeconomic dynamics for evidence-based decisions.*

### Mandate

Statistics South Africa is a national department accountable to the Minister in the Presidency: Planning, Monitoring and Evaluation. The department's activities are regulated by the Statistics Act (1999), which mandates the department to advance the production, dissemination, use and coordination of official and other statistics to assist organs of state, businesses, other organisations and the public in planning, monitoring and decision-making. The act also requires that the department coordinates statistical production among organs of state in line with the purpose of official statistics and statistical principles.

### Selected performance indicators

**Table 12.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of GDP estimates releases per year	Economic Statistics	Outcome 4: Decent employment through inclusive growth	4	4	4	4	4	4	4
Number of releases on industry and trade statistics per year	Economic Statistics		150	150	150	150	150	150	150
Number of releases on financial statistics per year	Economic Statistics		17	17	17	17	17	17	17
Number of price index releases per year <sup>1</sup>	Economic Statistics		24	48	48	48	48	48	48
Number of releases on labour market dynamics per year	Population and Social Statistics		8	7	8	8	8	8	8

**Table 12.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of releases on living circumstances, service delivery and poverty per year	Population and Social Statistics	Outcome 8: Sustainable human settlements and improved quality of household life	4	4	3	4	4	4	4
Number of releases on the changing profile of the population per year	Population and Social Statistics		17	17	15 <sup>2</sup>	17	17	17	17

1. Indicators for consumer price index and producer price index were combined in 2016/17.

2. The annual report on documented immigrants was not published because of changes to the format of recorded data at the Department of Home Affairs, and the annual release on marriages and divorces was not published because of systemic challenges.

## Expenditure analysis

Statistics South Africa is responsible for the production and coordination of official and other statistics on changing dynamics in the economy, society and the environment as the country moves towards the realisation of the National Development Plan's vision of a state that plays a developmental and transformative role in the lives of its people. The department supports outcome 4 (decent employment through inclusive growth) and outcome 8 (sustainable human settlements and improved quality of household life) of government's 2014-2019 medium-term strategic framework by contributing to enhanced planning, policy responsiveness and effectiveness, and promoting evidence-based decision-making. It publishes more than 200 statistical releases each year, and compiles statistical research that measures development against the National Development Plan and government's 2014-2019 medium-term strategic framework, in conjunction with global and continental agendas for sustainable development. Over the medium term, the department plans to continue focusing on modernising its operations; implementing statistical reform, particularly in statistical coordination; and maintaining an adequate supply of statistical information in preparation for and following the national census in 2021/22.

The department has a total budget of R10.7 billion over the MTEF period, of which R7.5 billion is earmarked for operational expenditure and R3.2 billion for spending related to Census 2021. Conducting the census is expected to drive an increase in spending at an average annual rate of 29.3 per cent, from R2.3 billion in 2018/19 to R4.9 billion in 2021/22. Spending on compensation of employees is expected to increase at an average annual rate of 5.6 per cent, from R1.4 billion in 2018/19 to R1.7 billion in 2021/22.

### Modernising operations

The department will continue to focus on modernising its operations by migrating from manual to automated processes. This is expected to improve the quality of statistics through optimised collection, classification, analysis and interpretation; reduce costs; and bring about faster turnaround times for releasing official statistics. Accordingly, in 2019/20, the department plans to compile its quarterly labour force surveys using data from computer-assisted personal interviews. Over the MTEF period, the department also plans to explore multiple modes of digital data collection to improve fieldworkers' access to gated communities and high-walled areas during surveys, thereby improving response rates to questionnaires. Expenditure related to modernising operations over the medium term is in all programmes except *Administration*.

### Statistical reform

The coordination of statistics between organs of state is crucial in achieving consistency and efficiency in the production of official statistics. In recognising this need, the department began the process of revising statistical legislation by holding stakeholder consultations between 2015/16 and 2018/19, with the aim of driving statistical reform. Particular attention was given to coordination and institutional arrangements between organs of state, statistical geography, the data revolution, and a state-wide statistical service. Based on the outcomes of stakeholder consultations, a draft Statistics Amendment Bill is expected to be tabled in Parliament in 2019/20. In addition, the department has compiled an integrated statistical indicator framework to guide and coordinate the production of official and other statistical data in the national statistics system, which is set to be rolled out over the MTEF period.

For statistical coordination, including legislative reform, R85.7 million has been allocated over the medium term in the *National Statistics System* subprogramme in the *Administration* programme, with spending on compensation of employees accounting for a projected 64 per cent (R54.9 million) of the allocation. The remaining funds will be used for goods and services, mainly consultants and travel and subsistence required to coordinate a state-wide statistical service. This allocation will also assist in the development of a national statistics strategy, the provision of statistical support and the coordination of surveys on behalf of organs of state.

### **Towards Census 2021 and beyond**

To maintain an adequate supply of statistical information over the MTEF period, the department will continue to focus on planning for South Africa's next census, which is scheduled for 2021. As part of the planning process, the design of statistical tools and instruments, as well as the development of a georeferenced spatial information frame, is scheduled for 2019/20. Also intended for adoption in Census 2021, and as part of the department's broader focus on modernisation, is the use of digital data collection methods such as computer-assisted telephone and personal interviews, and online interviews. Activities associated with Census 2021 include a trial run and spatial planning in 2019/20, piloting in 2020/21, and data collection in 2021/22. For these and other activities related to the census, the department has allocated R145.3 million in 2019/20, R855 million in 2020/21 and R2.2 billion in 2021/22 in the *Census and Community Survey Operations* subprogramme in the *Survey Operations* programme.

To conduct a continuous population survey to measure poverty, the wealth gap and service delivery in South Africa, additional funding of R105.8 million is allocated in 2021/22 in the *Poverty and Inequality Statistics* subprogramme in the *Population and Social Statistics* programme.

## **Expenditure trends**

**Table 12.2 Vote expenditure trends by programme and economic classification**

<b>Programmes</b>																								
1. Administration																								
2. Economic Statistics																								
3. Population and Social Statistics																								
4. Methodology, Standards and Research																								
5. Statistical Support and Informatics																								
6. Statistical Collection and Outreach																								
7. Survey Operations																								
<b>Programme</b>	<b>Annual budget</b>			<b>Adjusted appropriation</b>			<b>Audited outcome</b>			<b>Annual budget</b>			<b>Adjusted appropriation</b>			<b>Audited outcome</b>			<b>Annual budget</b>	<b>Adjusted appropriation</b>	<b>Revised estimate</b>	<b>Average: Outcome/Annual budget (%)</b>	<b>Average: Outcome/Adjusted appropriation (%)</b>	
R million	<b>2015/16</b>			<b>2016/17</b>			<b>2017/18</b>			<b>2018/19</b>			<b>2015/16 - 2018/19</b>			<b>2015/16 - 2018/19</b>			<b>2015/16 - 2018/19</b>			<b>2015/16 - 2018/19</b>		
Programme 1	791.3	853.8	800.1	709.2	744.7	671.2	687.5	718.8	700.8	695.3	678.6	678.6	98.9%	95.2%										
Programme 2	214.4	215.9	218.7	224.7	228.8	233.3	228.8	228.8	240.7	236.9	248.9	248.9	104.0%	102.1%										
Programme 3	133.7	144.9	161.2	127.0	129.5	114.5	128.2	128.2	116.9	202.3	183.9	183.9	97.5%	98.3%										
Programme 4	66.3	64.6	58.1	69.6	73.4	70.2	66.8	66.8	72.4	67.4	75.0	75.0	102.1%	98.5%										
Programme 5	250.0	246.1	220.2	255.4	257.0	247.9	258.4	258.4	237.0	267.1	279.4	279.4	95.5%	94.6%										
Programme 6	553.6	556.8	575.8	569.9	571.4	630.1	585.1	585.1	641.9	608.0	616.0	616.0	106.4%	105.8%										
Programme 7	236.0	241.2	239.5	533.3	533.3	494.0	191.4	191.4	185.7	194.7	189.8	189.8	96.0%	96.0%										
<b>Total</b>	<b>2 245.2</b>	<b>2 323.3</b>	<b>2 273.5</b>	<b>2 489.1</b>	<b>2 538.1</b>	<b>2 461.2</b>	<b>2 146.3</b>	<b>2 177.6</b>	<b>2 195.5</b>	<b>2 271.7</b>	<b>2 271.7</b>	<b>2 271.7</b>	<b>100.5%</b>	<b>98.8%</b>										
Change to 2018 Budget estimate														-										
<b>Economic classification</b>																								
<b>Current payments</b>	<b>1 960.4</b>	<b>1 946.1</b>	<b>1 951.4</b>	<b>2 241.3</b>	<b>2 235.7</b>	<b>2 229.2</b>	<b>1 858.3</b>	<b>1 857.9</b>	<b>1 901.2</b>	<b>1 994.4</b>	<b>1 971.6</b>	<b>1 971.6</b>	<b>100.0%</b>	<b>100.5%</b>										
Compensation of employees	1 286.6	1 288.8	1 288.4	1 470.7	1 408.4	1 371.8	1 352.2	1 352.2	1 409.5	1 442.7	1 442.7	1 442.7	99.3%	100.4%										
Goods and services	673.8	657.3	663.0	770.7	827.3	857.4	506.1	505.7	491.3	551.7	528.9	528.9	101.5%	100.9%										
Interest and rent on land	-	-	0.0	-	-	-	-	-	0.5	-	0.0	0.0	-	16 100.0%										

**Table 12.2 Vote expenditure trends by programme and economic classification**

Economic classification	2015/16			2016/17			2017/18			2018/19			Average: Outcome/Annual budget (%)		Average: Outcome/Adjusted appropriation (%)	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	2015/16 - 2018/19	2015/16 - 2018/19		
R million																
<b>Transfers and subsidies</b>	<b>15.5</b>	<b>15.9</b>	<b>7.5</b>	<b>16.6</b>	<b>16.7</b>	<b>5.6</b>	<b>13.2</b>	<b>13.6</b>	<b>5.0</b>	<b>4.1</b>	<b>5.9</b>	<b>5.9</b>	<b>48.6%</b>	<b>46.1%</b>		
Higher education institutions	8.2	8.3	0.1	8.2	8.2	-	7.5	7.5	-	-	-	-	0.4%	0.4%		
Public corporations and private enterprises	-	-	0.1	-	-	0.2	-	-	0.1	-	-	-	-	-		
Non-profit institutions	0.3	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.2	0.3	0.3	0.3	100.3%	91.6%		
Households	7.0	7.2	6.9	8.1	8.1	5.1	5.4	5.7	4.7	3.7	5.6	5.6	92.1%	83.4%		
<b>Payments for capital assets</b>	<b>269.3</b>	<b>361.2</b>	<b>313.4</b>	<b>231.1</b>	<b>285.7</b>	<b>220.2</b>	<b>274.8</b>	<b>306.1</b>	<b>289.3</b>	<b>273.2</b>	<b>294.2</b>	<b>294.2</b>	<b>106.5%</b>	<b>89.6%</b>		
Buildings and other fixed structures	234.9	304.3	255.3	181.4	230.4	155.9	229.6	260.8	247.5	242.2	242.2	242.2	101.5%	86.8%		
Machinery and equipment	34.3	49.8	54.6	47.1	52.3	61.6	44.6	44.6	29.9	28.4	38.5	38.5	119.6%	99.7%		
Software and other intangible assets	0.1	7.2	3.5	2.7	3.0	2.7	0.6	0.6	11.8	2.6	13.4	13.4	519.7%	129.5%		
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>1.2</b>	<b>-</b>	<b>-</b>	<b>6.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Total</b>	<b>2 245.2</b>	<b>2 323.3</b>	<b>2 273.5</b>	<b>2 489.1</b>	<b>2 538.1</b>	<b>2 461.2</b>	<b>2 146.3</b>	<b>2 177.6</b>	<b>2 195.5</b>	<b>2 271.7</b>	<b>2 271.7</b>	<b>2 271.7</b>	<b>100.5%</b>	<b>98.8%</b>		

## Expenditure estimates

**Table 12.3 Vote expenditure estimates by programme and economic classification**

Programmes								
1. Administration								
2. Economic Statistics								
3. Population and Social Statistics								
4. Methodology, Standards and Research								
5. Statistical Support and Informatics								
6. Statistical Collection and Outreach								
7. Survey Operations								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
Programme 1	678.6	-7.4%	31.0%	682.1	728.2	763.7	4.0%	21.9%
Programme 2	248.9	4.9%	10.2%	277.8	287.5	309.9	7.6%	8.6%
Programme 3	183.9	8.3%	6.3%	176.8	137.2	251.7	11.0%	5.8%
Programme 4	75.0	5.1%	3.0%	83.5	104.2	110.8	13.9%	2.9%
Programme 5	279.4	4.3%	10.7%	283.9	302.9	322.2	4.9%	9.1%
Programme 6	616.0	3.4%	26.8%	700.2	712.1	762.5	7.4%	21.5%
Programme 7	189.8	-7.7%	12.1%	310.0	1 032.0	2 392.0	132.7%	30.2%
<b>Total</b>	<b>2 271.7</b>	<b>-0.7%</b>	<b>100.0%</b>	<b>2 514.4</b>	<b>3 304.1</b>	<b>4 912.8</b>	<b>29.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				75.0	-	1 405.8		
Economic classification								
<b>Current payments</b>	<b>1 971.6</b>	<b>0.4%</b>	<b>87.5%</b>	<b>2 142.5</b>	<b>2 989.4</b>	<b>4 579.9</b>	<b>32.4%</b>	<b>89.9%</b>
Compensation of employees	1 442.7	3.8%	59.9%	1 460.1	1 575.9	1 700.4	5.6%	47.5%
Goods and services	528.9	-7.0%	27.6%	682.4	1 413.5	2 879.4	75.9%	42.3%
Interest and rent on land	0.0	-	0.0%	-	-	-	-100.0%	0.0%
<b>Transfers and subsidies</b>	<b>5.9</b>	<b>-28.1%</b>	<b>0.3%</b>	<b>1.6</b>	<b>1.9</b>	<b>7.9</b>	<b>10.3%</b>	<b>0.1%</b>
Departmental agencies and accounts	0.0	18.6%	0.0%	0.0	0.0	0.0	-41.5%	0.0%
Non-profit institutions	0.3	-9.0%	0.0%	0.1	0.1	0.1	-24.9%	0.0%
Households	5.6	-8.1%	0.2%	1.5	1.7	7.8	11.8%	0.1%
<b>Payments for capital assets</b>	<b>294.2</b>	<b>-6.6%</b>	<b>12.1%</b>	<b>370.2</b>	<b>312.8</b>	<b>325.0</b>	<b>3.4%</b>	<b>10.0%</b>
Buildings and other fixed structures	242.2	-7.3%	9.8%	255.8	269.9	290.1	6.2%	8.1%
Machinery and equipment	38.5	-8.2%	2.0%	80.9	28.6	28.7	-9.4%	1.4%
Software and other intangible assets	13.4	23.3%	0.3%	33.6	14.4	6.2	-22.6%	0.5%
<b>Total</b>	<b>2 271.7</b>	<b>-0.7%</b>	<b>100.0%</b>	<b>2 514.4</b>	<b>3 304.1</b>	<b>4 912.8</b>	<b>29.3%</b>	<b>100.0%</b>



## Expenditure trends and estimates for significant spending items

**Table 12.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16	2018/19	2019/20	2020/21	2021/22	2018/19
Office Accommodation	494 298	355 101	389 285	377 880	-8.6%	17.6%	394 856	416 568	444 888	5.6%	12.6%
Provincial and District Offices	525 369	578 706	591 366	564 299	2.4%	24.6%	641 348	649 003	694 698	7.2%	19.6%
Census and Community Survey Operations	111 112	368 378	56 513	63 303	-17.1%	6.5%	170 795	882 627	2 233 131	228.0%	25.8%
Data Management and Technology	115 614	135 095	118 786	149 874	9.0%	5.6%	142 554	151 548	160 843	2.4%	4.7%
<b>Total</b>	<b>1 246 393</b>	<b>1 437 280</b>	<b>1 155 950</b>	<b>1 155 356</b>	<b>-2.5%</b>	<b>54.3%</b>	<b>1 349 553</b>	<b>2 099 746</b>	<b>3 533 560</b>	<b>45.2%</b>	<b>62.6%</b>

## Goods and services expenditure trends and estimates

**Table 12.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16	2018/19	2019/20	2020/21	2021/22	2018/19
Administrative fees	589	768	1 149	665	4.1%	0.1%	720	666	712	2.3%	0.1%
Advertising	6 870	10 294	867	1 971	-34.0%	0.8%	2 873	70 879	220 977	382.2%	5.4%
Minor assets	2 178	32 535	435	1 647	-8.9%	1.4%	13 674	648 946	3 848	32.7%	12.1%
Audit costs: External	7 168	5 614	6 986	6 603	-2.7%	1.0%	8 438	9 262	9 927	14.6%	0.6%
Bursaries: Employees	2 109	2 533	1 610	2 678	8.3%	0.4%	3 169	3 496	4 436	18.3%	0.3%
Catering: Departmental activities	13 344	4 440	2 733	5 077	-27.5%	1.0%	6 755	10 033	117 599	185.1%	2.5%
Communication	25 831	34 647	40 290	26 628	1.0%	5.0%	28 341	32 830	70 787	38.5%	2.9%
Computer services	72 869	87 292	75 048	103 327	12.3%	13.3%	114 632	124 259	128 515	7.5%	8.6%
Consultants: Business and advisory services	18 673	22 711	8 685	14 852	-7.3%	2.6%	19 078	14 673	20 758	11.8%	1.3%
Legal services	2 818	13 551	5 335	2 455	-4.5%	1.0%	2 652	2 767	2 922	6.0%	0.2%
Contractors	8 424	9 187	6 766	10 085	6.2%	1.4%	7 360	13 304	16 951	18.9%	0.9%
Agency and support/outsourced services	17 207	138 410	7 897	8 961	-19.5%	6.8%	89 425	29 816	1 250 390	418.7%	25.0%
Entertainment	62	28	23	243	57.7%	-	89	119	119	-21.2%	-
Fleet services (including government motor transport)	30 007	24 300	17 718	25 810	-4.9%	3.9%	30 135	25 282	75 811	43.2%	2.9%
Consumable supplies	3 604	3 526	4 338	4 564	8.2%	0.6%	5 472	21 612	22 889	71.2%	1.0%
Consumables: Stationery, printing and office supplies	10 134	4 305	5 043	5 684	-17.5%	1.0%	8 868	19 147	16 201	41.8%	0.9%
Operating leases	211 229	183 139	165 688	160 239	-8.8%	28.4%	175 135	190 580	227 322	12.4%	13.7%
Rental and hiring	875	1 523	357	219	-37.0%	0.1%	223	3 302	36 581	450.7%	0.7%
Property payments	69 443	59 371	37 151	40 879	-16.2%	8.1%	39 753	43 579	102 923	36.0%	4.1%
Travel and subsistence	131 783	186 383	61 557	76 573	-16.6%	18.0%	83 952	109 339	459 152	81.7%	13.2%
Training and development	2 795	5 082	5 888	6 401	31.8%	0.8%	17 656	14 542	14 473	31.3%	1.0%
Operating payments	16 693	19 904	26 736	22 354	10.2%	3.4%	23 245	24 005	59 930	38.9%	2.4%
Venues and facilities	8 330	7 892	8 985	1 011	-50.5%	1.0%	787	1 061	16 222	152.2%	0.3%
<b>Total</b>	<b>663 035</b>	<b>857 435</b>	<b>491 285</b>	<b>528 926</b>	<b>-7.3%</b>	<b>100.0%</b>	<b>682 432</b>	<b>1 413 499</b>	<b>2 879 445</b>	<b>75.9%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 12.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16	2018/19	2019/20	2020/21	2021/22	2018/19
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>4 444</b>	<b>3 803</b>	<b>3 428</b>	<b>3 354</b>	<b>-9.0%</b>	<b>62.5%</b>	<b>1 162</b>	<b>1 397</b>	<b>7 789</b>	<b>32.4%</b>	<b>79.0%</b>
Employee social benefits	4 444	3 803	3 428	3 354	-9.0%	62.5%	1 162	1 397	7 789	32.4%	79.0%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>15</b>	<b>9</b>	<b>4</b>	<b>10</b>	<b>-12.6%</b>	<b>0.2%</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>-41.5%</b>	<b>0.1%</b>
Departmental agencies and accounts	1	-	-	-	-100.0%	-	-	-	-	-	-
Communication	14	9	4	10	-10.6%	0.2%	2	2	2	-41.5%	0.1%

Table 12.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22	
<b>Households</b>												
<b>Other transfers to households</b>												
<b>Current</b>	<b>2 421</b>	<b>1 304</b>	<b>1 264</b>	<b>2 232</b>	<b>-2.7%</b>	<b>30.0%</b>	<b>300</b>	<b>318</b>	<b>17</b>	<b>-80.3%</b>	<b>16.5%</b>	
Employee social benefits	38	–	522	–	-100.0%	2.3%	–	–	–	–	–	
Bursaries for non-employees	2 253	1 248	665	2 070	-2.8%	25.9%	300	318	–	-100.0%	15.5%	
Claims against the state	67	46	7	–	-100.0%	0.5%	–	–	–	–	–	
Employee ex-gratia payment	63	10	70	162	37.0%	1.3%	–	–	17	-52.8%	1.0%	
<b>Non-profit institutions</b>												
<b>Current</b>	<b>438</b>	<b>290</b>	<b>244</b>	<b>330</b>	<b>-9.0%</b>	<b>5.4%</b>	<b>140</b>	<b>140</b>	<b>140</b>	<b>-24.9%</b>	<b>4.3%</b>	
South African Statistical Association	238	90	44	130	-18.3%	2.1%	130	130	130	–	3.0%	
Population Association of Southern Africa	200	200	200	200	–	3.3%	10	10	10	-63.2%	1.3%	
<b>Public corporations and private enterprises</b>												
<b>Other transfers to private enterprises</b>												
<b>Current</b>	<b>77</b>	<b>165</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>1.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	
Claims against the state	54	–	–	–	-100.0%	0.2%	–	–	–	–	–	
Motion Boikanyo	–	–	–	–	–	–	–	–	–	–	–	
Other transfers	23	30	–	–	-100.0%	0.2%	–	–	–	–	–	
Public corporations and private enterprises	–	135	–	–	–	0.6%	–	–	–	–	–	
<b>Higher education institutions</b>												
<b>Current</b>	<b>100</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.4%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	
University of Pretoria	100	–	–	–	-100.0%	0.4%	–	–	–	–	–	
<b>Public corporations and private enterprises</b>												
<b>Other transfers to public corporations</b>												
<b>Current</b>	<b>–</b>	<b>20</b>	<b>85</b>	<b>–</b>	<b>–</b>	<b>0.4%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	
Claims against the state	–	20	–	–	–	0.1%	–	–	–	–	–	
Public corporations and private enterprises	–	–	85	–	–	0.4%	–	–	–	–	–	
<b>Total</b>	<b>7 495</b>	<b>5 591</b>	<b>5 025</b>	<b>5 926</b>	<b>-7.5%</b>	<b>100.0%</b>	<b>1 604</b>	<b>1 857</b>	<b>7 948</b>	<b>10.3%</b>	<b>100.0%</b>	

## Personnel information

Table 12.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes																			
1. Administration																			
2. Economic Statistics																			
3. Population and Social Statistics																			
4. Methodology, Standards and Research																			
5. Statistical Support and Informatics																			
6. Statistical Collection and Outreach																			
7. Survey Operations																			
Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual		Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)					
		2017/18	2018/19	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22										
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>Statistics South Africa</b>																			
1 – 6	1 519	–	1 313	369.9	0.3	1 251	376.4	0.3	1 195	390.4	0.3	1 184	418.2	0.4	1 182	451.3	0.4	-1.9%	41.8%
7 – 10	1 258	–	1 029	492.9	0.5	938	483.6	0.5	903	500.1	0.6	903	538.7	0.6	886	569.3	0.6	-1.9%	31.5%
11 – 12	469	–	374	304.0	0.8	350	305.7	0.9	336	313.7	0.9	336	336.1	1.0	336	359.4	1.1	-1.4%	11.8%
13 – 16	265	–	211	242.7	1.2	194	238.2	1.2	184	240.5	1.3	184	257.7	1.4	184	275.6	1.5	-1.7%	6.5%
Other	–	–	–	–	–	274	38.8	0.1	149	15.4	0.1	229	25.3	0.1	324	44.9	0.1	5.7%	8.5%
<b>Programme</b>	<b>3 511</b>	<b>–</b>	<b>2 927</b>	<b>1 409.5</b>	<b>0.5</b>	<b>3 007</b>	<b>1 442.7</b>	<b>0.5</b>	<b>2 767</b>	<b>1 460.1</b>	<b>0.5</b>	<b>2 836</b>	<b>1 575.9</b>	<b>0.6</b>	<b>2 912</b>	<b>1 700.4</b>	<b>0.6</b>	<b>-1.1%</b>	<b>100.0%</b>
Programme 1	622	–	454	236.2	0.5	415	218.8	0.5	340	195.1	0.6	343	210.7	0.6	312	212.3	0.7	-9.1%	12.2%
Programme 2	583	–	507	219.9	0.4	479	226.6	0.5	478	243.4	0.5	477	261.7	0.5	478	281.6	0.6	-0.1%	16.6%
Programme 3	204	–	163	100.3	0.6	437	144.6	0.3	160	109.8	0.7	157	116.7	0.7	278	146.4	0.5	-14.0%	9.0%
Programme 4	131	–	106	68.6	0.6	101	71.6	0.7	100	76.6	0.8	100	82.3	0.8	100	88.2	0.9	-0.3%	3.5%
Programme 5	264	–	208	131.2	0.6	204	138.3	0.7	203	147.8	0.7	203	158.8	0.8	203	170.2	0.8	-0.2%	7.1%
Programme 6	1 361	–	1 200	511.9	0.4	1 084	490.6	0.5	1 079	526.3	0.5	1 076	566.0	0.5	1 079	608.9	0.6	-0.2%	37.5%
Programme 7	346	–	289	141.4	0.5	287	152.1	0.5	407	161.1	0.4	480	179.8	0.4	462	193.0	0.4	17.2%	14.2%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 12.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>10 055</b>	<b>8 580</b>	<b>2 046</b>	<b>3 149</b>	<b>3 150</b>	<b>-32.1%</b>	<b>100.0%</b>	<b>1 683</b>	<b>1 680</b>	<b>1 697</b>	<b>-18.6%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>938</b>	<b>826</b>	<b>1 118</b>	<b>790</b>	<b>791</b>	<b>-5.5%</b>	<b>15.4%</b>	<b>776</b>	<b>778</b>	<b>780</b>	<b>-0.5%</b>	<b>38.1%</b>
Sales by market establishments of which:	277	142	43	43	43	-46.3%	2.1%	42	42	42	-0.8%	2.1%
Parking	277	142	43	43	43	-46.3%	2.1%	42	42	42	-0.8%	2.1%
Other sales of which:	661	684	1 075	747	748	4.2%	13.3%	734	736	738	-0.4%	36.0%
Replacement of security cards	6	1	1	2	2	-30.7%	-	2	2	2	-	0.1%
Commission on insurance	619	646	707	736	736	5.9%	11.4%	730	732	734	-0.1%	35.7%
Departmental publications	36	37	21	9	9	-37.0%	0.4%	1	1	1	-51.9%	0.1%
Cruise conference entrance fees	-	-	346	-	-	-	1.5%	-	-	-	-	-
Sales of assets less than R5 000	-	-	-	-	1	-	-	1	1	1	-	-
<b>Sales of scrap, waste, arms and other used current goods of which:</b>	<b>177</b>	<b>737</b>	<b>6</b>	<b>2</b>	<b>2</b>	<b>-77.6%</b>	<b>3.9%</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>0.1%</b>
Sale of wastepaper	177	737	6	2	2	-77.6%	3.9%	2	2	2	-	0.1%
<b>Interest, dividends and rent on land</b>	<b>124</b>	<b>110</b>	<b>100</b>	<b>96</b>	<b>96</b>	<b>-8.2%</b>	<b>1.8%</b>	<b>85</b>	<b>90</b>	<b>95</b>	<b>-0.3%</b>	<b>4.5%</b>
Interest	124	110	100	96	96	-8.2%	1.8%	85	90	95	-0.3%	4.5%
Sales of capital assets	-	1 039	15	50	50	-	4.6%	20	-	-	-100.0%	0.9%
<b>Transactions in financial assets and liabilities</b>	<b>8 816</b>	<b>5 868</b>	<b>807</b>	<b>2 211</b>	<b>2 211</b>	<b>-36.9%</b>	<b>74.3%</b>	<b>800</b>	<b>810</b>	<b>820</b>	<b>-28.2%</b>	<b>56.5%</b>
<b>Total</b>	<b>10 055</b>	<b>8 580</b>	<b>2 046</b>	<b>3 149</b>	<b>3 150</b>	<b>-32.1%</b>	<b>100.0%</b>	<b>1 683</b>	<b>1 680</b>	<b>1 697</b>	<b>-18.6%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department. Drive statistical coordination among organs of state.

### Objective

Lead the development and coordination of the statistical production system among organs of state, in line with the purpose of official statistics and statistical principles, on an ongoing basis.

### Subprogrammes

- Departmental Management provides strategic direction and leadership to the organisation.
- Corporate Services provides human resources, facilities management and capacity-building services, and promotes good governance.
- Financial Administration provides financial, asset and procurement support services to the department.
- Internal Audit provides an independent audit service to the department.
- National Statistics System coordinates the statistical production system among organs of state.
- Office Accommodation provides a secure and healthy working environment for employees and stakeholders.

## Expenditure trends and estimates

Table 12.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Departmental Management	38.7	35.2	44.1	32.5	-5.6%	5.3%	35.4	37.8	40.2	7.3%	5.1%
Corporate Services	165.7	163.8	155.8	154.3	-2.3%	22.4%	146.5	154.6	151.7	-0.6%	21.3%
Financial Administration	68.7	74.4	76.4	77.6	4.2%	10.4%	64.9	77.4	82.5	2.1%	10.6%
Internal Audit	11.1	12.8	14.3	12.0	2.7%	1.8%	12.7	13.6	14.5	6.4%	1.9%
National Statistics System	21.7	29.8	21.0	24.2	3.8%	3.4%	27.8	28.1	29.9	7.2%	3.9%
Office Accommodation	494.3	355.1	389.3	377.9	-8.6%	56.7%	394.9	416.6	444.9	5.6%	57.3%
<b>Total</b>	<b>800.1</b>	<b>671.2</b>	<b>700.8</b>	<b>678.6</b>	<b>-5.3%</b>	<b>100.0%</b>	<b>682.1</b>	<b>728.2</b>	<b>763.7</b>	<b>4.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(16.7)			(55.6)	(54.8)	(70.3)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>533.2</b>	<b>495.8</b>	<b>441.8</b>	<b>431.0</b>	<b>-6.8%</b>	<b>66.7%</b>	<b>424.1</b>	<b>457.3</b>	<b>472.8</b>	<b>3.1%</b>	<b>62.6%</b>
Compensation of employees	224.7	228.7	236.2	218.8	-0.9%	31.9%	195.1	210.7	212.3	-1.0%	29.3%
Goods and services <sup>1</sup>	308.5	267.1	205.2	212.2	-11.7%	34.8%	229.0	246.6	260.5	7.1%	33.2%
of which:											
Audit costs: External	7.2	5.6	7.0	6.6	-2.7%	0.9%	8.4	9.3	9.9	14.6%	1.2%
Operating leases	167.0	128.0	101.3	100.0	-15.7%	17.4%	105.4	116.5	123.0	7.1%	15.6%
Property payments	69.3	58.6	36.9	40.3	-16.5%	7.2%	39.3	43.3	46.1	4.6%	5.9%
Travel and subsistence	25.0	21.5	16.1	17.2	-11.7%	2.8%	20.4	22.1	23.4	10.7%	2.9%
Training and development	1.2	2.3	4.2	3.8	45.5%	0.4%	8.6	9.1	9.9	37.6%	1.1%
Operating payments	2.1	5.0	7.3	5.2	34.2%	0.7%	7.3	7.4	7.6	13.9%	1.0%
Interest and rent on land	-	-	0.5	0.0	-	-	-	-	-	-100.0%	-
<b>Transfers and subsidies<sup>1</sup></b>	<b>3.9</b>	<b>1.8</b>	<b>1.7</b>	<b>3.2</b>	<b>-6.2%</b>	<b>0.4%</b>	<b>0.4</b>	<b>0.4</b>	<b>0.1</b>	<b>-65.7%</b>	<b>0.1%</b>
Public corporations and private enterprises	-	0.1	0.1	-	-	-	-	-	-	-	-
Non-profit institutions	0.2	0.1	0.0	0.1	-18.3%	-	0.1	0.1	0.1	-	-
Households	3.7	1.5	1.5	3.1	-5.5%	0.3%	0.3	0.3	-	-100.0%	0.1%
<b>Payments for capital assets</b>	<b>263.0</b>	<b>167.4</b>	<b>257.3</b>	<b>244.4</b>	<b>-2.4%</b>	<b>32.7%</b>	<b>257.5</b>	<b>270.5</b>	<b>290.8</b>	<b>6.0%</b>	<b>37.3%</b>
Buildings and other fixed structures	255.3	155.9	247.5	242.2	-1.7%	31.6%	255.8	269.9	290.1	6.2%	37.1%
Machinery and equipment	7.6	11.5	9.4	2.1	-34.4%	1.1%	1.7	0.6	0.7	-31.9%	0.2%
Software and other intangible assets	0.2	-	0.4	0.0	-66.2%	-	-	-	-	-100.0%	-
<b>Payments for financial assets</b>	<b>-</b>	<b>6.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>800.1</b>	<b>671.2</b>	<b>700.8</b>	<b>678.6</b>	<b>-5.3%</b>	<b>100.0%</b>	<b>682.1</b>	<b>728.2</b>	<b>763.7</b>	<b>4.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>35.2%</b>	<b>27.3%</b>	<b>31.9%</b>	<b>29.9%</b>	<b>-</b>	<b>-</b>	<b>27.1%</b>	<b>22.0%</b>	<b>15.5%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Economic Statistics

## Programme purpose

Produce economic statistics to inform evidence-based economic development and transformation in line with internationally recognised practices.

## Objectives

- Expand the economic statistics information base by increasing the depth, breadth and geographic spread for evidence-based planning, monitoring and decision-making for use by the public and private sectors by:
  - publishing monthly, quarterly, annual and periodic statistical releases on industry, trade and financial statistics in the private and public sectors
  - publishing monthly statistical releases on the consumer price index and the producer price indexes
  - publishing quarterly and annual GDP estimates to provide information on 10 industries
  - developing new and innovative products to respond to user demands over the medium term
  - improving the measurement of economic indicators through the application of internationally recognised standards and practices on an ongoing basis.

## Subprogrammes

- *Programme Management for Economic Statistics* provides strategic direction and leadership to the programme.
- *Short-term Indicators* provides information on turnover and volumes in various industries in the economy through the publication of monthly, quarterly and annual statistical releases.
- *Structural Industry Statistics* provides and publishes periodic statistical information on the income and expenditure structure of industries.
- *Price Statistics* provides information on inflation by producing the consumer price index and various producer price indexes.
- *Private Sector Finance Statistics* tracks the financial performance of private sector organisations.
- *Government Finance Statistics* tracks public sector spending.
- *National Accounts* produces GDP data and other integrative statistical products.
- *Economic Analysis* integrates and analyses information from various internal and external data sources.

## Expenditure trends and estimates

**Table 12.10 Economic Statistics expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22		
R million											
Programme Management for Economic Statistics	3.9	4.6	4.4	4.8	6.4%	1.9%	4.9	5.5	6.9	13.0%	2.0%
Short-term indicators	28.9	30.9	33.3	34.9	6.4%	13.6%	45.0	40.1	42.8	7.1%	14.5%
Structural Industry Statistics	39.4	40.8	42.1	43.3	3.2%	17.6%	47.4	50.9	54.7	8.1%	17.5%
Price Statistics	68.8	73.5	77.2	79.0	4.7%	31.7%	86.9	90.6	97.4	7.2%	31.5%
Private Sector Finance Statistics	29.6	32.7	35.3	35.3	6.0%	14.1%	37.8	40.6	43.6	7.3%	14.0%
Government Finance Statistics	17.3	18.2	19.2	19.6	4.1%	7.9%	20.5	22.1	23.7	6.7%	7.6%
National Accounts	10.8	20.1	17.7	20.2	23.3%	7.3%	22.2	23.7	25.3	7.7%	8.1%
Economic Analysis	19.9	12.7	11.5	11.9	-15.7%	5.9%	13.1	14.0	15.4	9.1%	4.8%
<b>Total</b>	<b>218.7</b>	<b>233.3</b>	<b>240.7</b>	<b>248.9</b>	<b>4.4%</b>	<b>100.0%</b>	<b>277.8</b>	<b>287.5</b>	<b>309.9</b>	<b>7.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				12.0			23.5	14.7	19.7		
<b>Economic classification</b>											
<b>Current payments</b>	<b>217.1</b>	<b>231.6</b>	<b>240.3</b>	<b>248.4</b>	<b>4.6%</b>	<b>99.6%</b>	<b>277.7</b>	<b>287.5</b>	<b>309.8</b>	<b>7.6%</b>	<b>99.9%</b>
Compensation of employees	194.5	210.4	219.9	226.6	5.2%	90.4%	243.4	261.7	281.6	7.5%	90.1%
Goods and services <sup>1</sup>	22.5	21.2	20.4	21.8	-1.1%	9.1%	34.3	25.8	28.2	9.1%	9.8%
<i>of which:</i>											
Communication	2.9	1.7	3.2	2.4	-5.9%	1.1%	3.1	4.2	4.4	22.2%	1.3%
Consultants: Business and advisory services	8.5	8.1	4.0	5.4	-14.0%	2.8%	6.0	6.3	6.9	8.4%	2.2%
Agency and support/outsourced services	0.1	0.1	0.1	0.1	9.1%	-	9.1	0.1	0.0	-32.8%	0.8%
Consumables: Stationery, printing and office supplies	1.9	0.3	0.9	0.8	-25.3%	0.4%	1.2	1.2	1.6	27.1%	0.4%
Travel and subsistence	7.6	7.2	6.9	7.7	0.5%	3.1%	9.4	9.6	9.8	8.2%	3.2%
Operating payments	0.5	2.5	4.1	3.5	97.4%	1.1%	3.1	2.2	2.1	-15.6%	1.0%
Transfers and subsidies <sup>1</sup>	0.1	0.4	0.2	0.2	20.2%	0.1%	0.0	0.0	0.0	-83.7%	-
Households	0.1	0.4	0.2	0.2	20.7%	0.1%	-	-	-	-100.0%	-
Payments for capital assets	1.5	1.3	0.1	0.3	-41.2%	0.3%	0.1	0.0	0.1	-42.5%	-
Machinery and equipment	1.5	1.3	0.1	0.3	-41.2%	0.3%	0.1	0.0	0.1	-42.5%	-
<b>Total</b>	<b>218.7</b>	<b>233.3</b>	<b>240.7</b>	<b>248.9</b>	<b>4.4%</b>	<b>100.0%</b>	<b>277.8</b>	<b>287.5</b>	<b>309.9</b>	<b>7.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>9.6%</b>	<b>9.5%</b>	<b>11.0%</b>	<b>11.0%</b>	<b>-</b>	<b>-</b>	<b>11.0%</b>	<b>8.7%</b>	<b>6.3%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Population and Social Statistics

### Programme purpose

Produce population and social statistics to inform evidence-based socioeconomic development and transformation in line with internationally recognised practices.

## Objectives

- Expand the population and social statistics information base by increasing the depth, breadth and geographic spread for evidence-based planning, monitoring and decision-making for use by both the public and private sectors by:
  - publishing quarterly and annual statistical information on the labour market, and on employment and earnings in the formal and informal sectors
  - publishing monthly and annual statistical information on vital registrations based on administrative sources
  - publishing annual and periodic statistical information on poverty levels, living conditions and service delivery, as well as population dynamics and demographic trends
  - developing new and innovative products to respond to user demands over the medium term
  - improving the measurement of social indicators through the application of internationally recognised standards and practices on an ongoing basis.

## Subprogrammes

- *Programme Management for Population and Social Statistics* provides strategic direction and leadership to the programme.
- *Population Statistics* publishes population statistics collected through population censuses and surveys.
- *Health and Vital Statistics* publishes statistics on births, deaths, marriages, divorces, tourism and migration based on administrative records.
- *Social Statistics* provides information on living conditions, domestic tourism and crime collected through household surveys.
- *Demographic Analysis* collates and analyses data, including administrative data, from censuses and other surveys to compile midyear population estimates and generate a knowledge base on social and population themes.
- *Labour Statistics* provides information on employment levels in the formal, non-agricultural sector, and labour market trends in South Africa.
- *Poverty and Inequality Statistics* provides information on poverty levels, and income and expenditure trends in South Africa.

## Expenditure trends and estimates

**Table 12.11 Population and Social Statistics expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme Management for Population and Social Statistics	4.8	3.3	1.2	1.8	-27.7%	1.9%	2.0	2.1	2.3	8.2%	1.1%
Population Statistics	7.1	12.0	13.3	12.3	20.1%	7.7%	13.3	14.2	15.2	7.2%	7.3%
Health and Vital Statistics	10.8	10.9	10.1	10.5	-0.8%	7.3%	13.1	12.8	13.7	9.2%	6.7%
Social Statistics	15.8	17.6	16.7	18.2	4.8%	11.8%	18.9	19.2	20.4	3.9%	10.2%
Demographic Analysis	13.7	12.3	13.8	15.5	4.2%	9.6%	16.5	17.6	18.8	6.8%	9.1%
Labour Statistics	36.6	37.3	39.4	98.5	39.1%	36.7%	88.4	45.0	47.5	-21.6%	37.3%
Poverty and Inequality Statistics	72.5	21.1	22.4	27.1	-27.9%	24.8%	24.8	26.3	133.8	70.2%	28.3%
<b>Total</b>	<b>161.2</b>	<b>114.5</b>	<b>116.9</b>	<b>183.9</b>	<b>4.5%</b>	<b>100.0%</b>	<b>176.8</b>	<b>137.2</b>	<b>251.7</b>	<b>11.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(18.4)			35.0	(14.6)	90.2		

**Table 12.11 Population and Social Statistics expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Current payments</b>	<b>158.0</b>	<b>113.1</b>	<b>116.1</b>	<b>181.0</b>	<b>4.6%</b>	<b>98.5%</b>	<b>176.3</b>	<b>136.9</b>	<b>251.2</b>	<b>11.5%</b>	<b>99.4%</b>
Compensation of employees	114.2	101.5	100.3	144.6	8.2%	79.9%	109.8	116.7	146.4	0.4%	69.0%
Goods and services <sup>1</sup>	43.7	11.6	15.7	36.4	-5.9%	18.6%	66.5	20.2	104.8	42.3%	30.4%
<i>of which:</i>											
<i>Communication</i>	0.5	0.8	1.3	1.9	50.3%	0.8%	4.1	2.6	4.0	29.5%	1.7%
<i>Agency and support/outsourced services</i>	0.1	0.1	0.0	–	-100.0%	–	37.1	–	–	–	5.0%
<i>Fleet services (including government motor transport)</i>	6.5	0.1	0.1	4.1	-14.5%	1.9%	8.0	–	32.5	99.8%	5.9%
<i>Consumables: Stationery, printing and office supplies</i>	1.7	0.5	0.7	0.5	-34.9%	0.6%	1.0	1.2	5.7	128.5%	1.1%
<i>Travel and subsistence</i>	27.0	3.5	5.4	23.0	-5.3%	10.2%	9.3	10.0	51.4	30.8%	12.5%
<i>Operating payments</i>	4.3	5.7	7.0	4.4	0.4%	3.7%	4.4	3.7	4.1	-2.7%	2.2%
<i>Interest and rent on land</i>	0.0	–	–	–	-100.0%	–	–	–	–	–	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>2.0</b>	<b>0.5</b>	<b>0.5</b>	<b>0.3</b>	<b>-45.9%</b>	<b>0.6%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-68.2%</b>	<b>–</b>
Non-profit institutions	0.2	0.2	0.2	0.2	–	0.1%	0.0	0.0	0.0	-63.2%	–
Households	1.8	0.3	0.3	0.1	-60.2%	0.4%	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>1.2</b>	<b>0.9</b>	<b>0.4</b>	<b>2.6</b>	<b>27.5%</b>	<b>0.9%</b>	<b>0.5</b>	<b>0.4</b>	<b>0.5</b>	<b>-42.7%</b>	<b>0.5%</b>
Machinery and equipment	1.2	0.8	0.4	2.3	24.2%	0.8%	0.5	0.4	0.5	-40.2%	0.5%
Software and other intangible assets	0.1	0.1	–	0.3	70.3%	0.1%	–	–	–	-100.0%	–
<b>Total</b>	<b>161.2</b>	<b>114.5</b>	<b>116.9</b>	<b>183.9</b>	<b>4.5%</b>	<b>100.0%</b>	<b>176.8</b>	<b>137.2</b>	<b>251.7</b>	<b>11.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>7.1%</b>	<b>4.7%</b>	<b>5.3%</b>	<b>8.1%</b>	<b>–</b>	<b>–</b>	<b>7.0%</b>	<b>4.2%</b>	<b>5.1%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Methodology, Standards and Research

### Programme purpose

Provide expertise on quality, methodology, statistical standards and practices for official statistics in line with international best practice. Build and maintain a business sampling frame. Conduct policy research and analysis on emerging policy matters.

### Objectives

- Improve the comparability and accuracy of statistical information by annually reviewing and evaluating methodological compliance in survey areas, and applying appropriate quality criteria, standards, classifications and procedures to the statistical value chain.
- Ensure a complete and accurate business sampling frame to enhance the quality of economic statistics by drawing samples for economic surveys annually.
- Provide statistical support and advice to policy-makers by conducting policy research and analysis on emerging policy matters annually, and producing annual research papers on the economy and society.

### Subprogrammes

- *Programme Management for Methodology, Standards and Research* provides strategic direction and leadership to the programme.
- *Policy Research and Analysis* provides integrated statistical advice and support for policy planners and development practitioners, and participates in knowledge research and innovation on key development themes.
- *Methodology and Evaluation* provides technical expertise on methodologies for producing official statistics and reviewing surveys.
- *Survey Standards* develops standards, classifications and definitions for surveys undertaken by the department.

- *Business Register* maintains and improves the sampling frame for economic statistics.

## Expenditure trends and estimates

**Table 12.12 Methodology, Standards and Research expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme Management for Methodology, Standards and Research	2.2	4.3	4.4	4.7	29.8%	5.7%	5.0	5.2	5.2	3.1%	5.4%
Policy Research and Analysis	5.5	6.2	6.5	7.1	9.0%	9.2%	7.2	8.4	9.3	9.3%	8.6%
Methodology and Evaluation	13.8	18.7	20.2	20.6	14.1%	26.6%	23.5	21.8	23.0	3.9%	23.8%
Survey Standards	5.4	7.4	8.1	8.6	16.6%	10.7%	9.7	9.1	10.4	6.7%	10.1%
Business Register	31.3	33.7	33.1	34.1	2.9%	47.9%	38.2	59.8	62.9	22.7%	52.2%
<b>Total</b>	<b>58.1</b>	<b>70.2</b>	<b>72.4</b>	<b>75.0</b>	<b>8.9%</b>	<b>100.0%</b>	<b>83.5</b>	<b>104.2</b>	<b>110.8</b>	<b>13.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				7.6			11.1	26.4	28.1		
<b>Economic classification</b>											
<b>Current payments</b>	<b>56.4</b>	<b>69.4</b>	<b>72.3</b>	<b>74.9</b>	<b>9.9%</b>	<b>99.0%</b>	<b>83.4</b>	<b>103.4</b>	<b>110.7</b>	<b>13.9%</b>	<b>99.7%</b>
Compensation of employees	54.9	67.2	68.6	71.6	9.3%	95.1%	76.6	82.3	88.2	7.2%	85.3%
Goods and services <sup>1</sup>	1.5	2.3	3.7	3.3	28.9%	3.9%	6.8	21.2	22.5	90.1%	14.4%
<i>of which:</i>											
<i>Communication</i>	0.4	0.2	0.7	0.6	16.7%	0.7%	0.8	1.3	1.2	30.5%	1.0%
<i>Consultants: Business and advisory services</i>	–	–	–	0.3	–	0.1%	0.2	1.8	1.9	89.9%	1.1%
<i>Agency and support/outsourced services</i>	–	–	–	–	–	–	2.6	14.1	14.9	–	8.5%
<i>Consumables: Stationery, printing and office supplies</i>	0.2	0.0	0.1	0.2	-4.0%	0.2%	0.3	0.4	0.4	32.9%	0.4%
<i>Travel and subsistence</i>	0.7	1.2	1.9	1.2	16.5%	1.8%	1.7	1.9	2.3	26.1%	1.9%
<i>Operating payments</i>	0.0	0.4	0.6	0.6	243.1%	0.6%	0.4	0.5	0.6	-1.7%	0.6%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.0</b>	<b>0.3</b>	<b>0.0</b>	<b>0.0</b>	<b>-19.1%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Households	0.0	0.3	0.0	0.0	-18.3%	0.1%	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>0.5</b>	<b>0.5</b>	<b>0.1</b>	<b>0.1</b>	<b>-35.9%</b>	<b>0.5%</b>	<b>0.1</b>	<b>0.8</b>	<b>0.2</b>	<b>13.8%</b>	<b>0.3%</b>
Machinery and equipment	0.5	0.5	0.1	0.1	-35.0%	0.5%	0.1	0.8	0.2	13.8%	0.3%
Software and other intangible assets	0.0	–	–	–	-100.0%	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>1.2</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.4%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>58.1</b>	<b>70.2</b>	<b>72.4</b>	<b>75.0</b>	<b>8.9%</b>	<b>100.0%</b>	<b>83.5</b>	<b>104.2</b>	<b>110.8</b>	<b>13.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>2.6%</b>	<b>2.9%</b>	<b>3.3%</b>	<b>3.3%</b>	<b>–</b>	<b>–</b>	<b>3.3%</b>	<b>3.2%</b>	<b>2.3%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Statistical Support and Informatics

### Programme purpose

Enable service delivery programmes by using technology in the production and use of official statistics. Inform policy through the use of statistical geography. Build and maintain a spatial information frame.

### Objectives

- Enhance and update the spatial information frame, which consists of georeferenced structures as the base reference for the operations and dissemination of censuses and surveys, annually.
- Modernise business processes by applying emerging technologies for data collection, processing and statistics dissemination over the medium term.
- Enable the department's production of official statistics by providing a technology infrastructure that is reliable, sustainable and cost effective over the medium term.

### Subprogrammes

- *Programme Management for Statistical Support and Informatics* provides strategic direction and leadership to the programme.



- *Geography Services* provides geospatial information and analysis, and spatial tools.
- *Geography Frames* provides a sampling frame for household surveys and censuses.
- *Publication Services* provides editing, publishing and distribution services to survey areas.
- *Data Management and Technology* provides technology infrastructure to the department and supports data management across statistical series.
- *Business Modernisation* improves data and information management across the department by modernising the way business is conducted and supported by technology.

## Expenditure trends and estimates

**Table 12.13 Statistical Support and Informatics expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
Programme Management for Statistical Support and Informatics	3.6	4.1	3.7	4.2	4.7%	1.6%	4.9	5.2	5.5	10.0%	1.7%
Geography Services	15.6	18.5	18.0	23.3	14.4%	7.7%	22.4	23.9	25.3	2.8%	8.0%
Geography Frames	19.5	22.2	23.7	24.4	7.7%	9.1%	28.2	30.1	32.0	9.4%	9.6%
Publication Services	22.2	20.2	23.2	26.8	6.4%	9.4%	30.8	32.9	34.7	9.1%	10.5%
Data Management and Technology	115.6	135.1	118.8	149.9	9.0%	52.8%	142.6	151.5	160.8	2.4%	50.9%
Business Modernisation	43.6	47.7	49.7	50.9	5.3%	19.5%	55.1	59.3	63.8	7.8%	19.3%
<b>Total</b>	<b>220.2</b>	<b>247.9</b>	<b>237.0</b>	<b>279.4</b>	<b>8.3%</b>	<b>100.0%</b>	<b>283.9</b>	<b>302.9</b>	<b>322.2</b>	<b>4.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				12.3			(0.9)	(0.4)	0.7		
<b>Economic classification</b>											
<b>Current payments</b>	<b>199.4</b>	<b>220.3</b>	<b>217.0</b>	<b>249.1</b>	<b>7.7%</b>	<b>90.0%</b>	<b>260.3</b>	<b>286.4</b>	<b>304.5</b>	<b>6.9%</b>	<b>92.6%</b>
Compensation of employees	115.3	126.2	131.2	138.3	6.2%	51.9%	147.8	158.8	170.2	7.2%	51.8%
Goods and services <sup>1</sup>	84.0	94.1	85.8	110.8	9.7%	38.1%	112.5	127.7	134.4	6.6%	40.8%
<i>of which:</i>											
<i>Communication</i>	4.4	3.8	4.8	2.4	-18.0%	1.6%	2.5	2.3	2.6	2.8%	0.8%
<i>Computer services</i>	68.2	80.8	70.7	93.7	11.2%	31.8%	93.8	103.6	108.9	5.1%	33.7%
<i>Contractors</i>	5.2	3.6	4.0	7.4	12.8%	2.1%	5.1	9.4	10.6	12.5%	2.7%
<i>Consumable supplies</i>	0.3	0.1	0.3	0.5	18.6%	0.1%	0.5	1.1	1.1	27.0%	0.3%
<i>Travel and subsistence</i>	1.3	2.8	2.5	2.8	30.0%	1.0%	6.2	6.5	6.6	32.9%	1.9%
<i>Operating payments</i>	3.1	1.5	2.6	2.5	-6.3%	1.0%	2.6	2.9	2.6	1.1%	0.9%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.3</b>	<b>0.2</b>	<b>0.2</b>	<b>0.0</b>	<b>-71.1%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Higher education institutions	0.1	-	-	-	-100.0%	-	-	-	-	-	-
Households	0.2	0.2	0.2	0.0	-67.5%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>20.4</b>	<b>27.4</b>	<b>19.8</b>	<b>30.3</b>	<b>14.0%</b>	<b>9.9%</b>	<b>23.6</b>	<b>16.5</b>	<b>17.7</b>	<b>-16.4%</b>	<b>7.4%</b>
Machinery and equipment	17.2	25.1	14.3	22.4	9.3%	8.0%	18.0	10.7	11.5	-20.0%	5.3%
Software and other intangible assets	3.2	2.3	5.5	7.8	34.3%	1.9%	5.6	5.8	6.2	-7.4%	2.1%
<b>Total</b>	<b>220.2</b>	<b>247.9</b>	<b>237.0</b>	<b>279.4</b>	<b>8.3%</b>	<b>100.0%</b>	<b>283.9</b>	<b>302.9</b>	<b>322.2</b>	<b>4.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>9.7%</b>	<b>10.1%</b>	<b>10.8%</b>	<b>12.3%</b>	<b>-</b>	<b>-</b>	<b>11.3%</b>	<b>9.2%</b>	<b>6.6%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 6: Statistical Collection and Outreach

### Programme purpose

Provide data collection and dissemination services to inform policy processes and decision-making. Engage stakeholders and provide effective communication services. Promote statistical development and cooperation in South Africa, Africa and the world.

### Objectives

- Increase awareness and the use of official statistics by government and the public on an ongoing basis by:
  - reaching out to stakeholders and responding to user enquiries
  - educating users

- improving the accessibility and ease of use of statistical information
- conducting publicity campaigns.
- Manage external and internal communications on statistical matters by issuing daily, weekly and monthly information updates through the media on an ongoing basis.
- Provide integrated data collection services, and disseminate quality statistics to provincial and local stakeholders and the public by ensuring an average annual response rate of 85 per cent.
- Ensure alignment with international standards, best practice and statistical skills development by increasing participation, sharing and learning in international statistical initiatives on an ongoing basis.

## Subprogrammes

- *Programme Management for Statistical Collection and Outreach* provides strategic direction and leadership to the programme.
- *International Statistical Development and Cooperation* manages relations with international statistical agencies, promotes statistical development in Africa and builds partnerships.
- *Provincial and District Offices* provides integrated data collection and dissemination services, and promotes the use and coordination of official statistics to provincial and local stakeholders.
- *Stakeholder Relations and Marketing* maintains relations with stakeholders across the country and increases use through the dissemination of official statistics.
- *Corporate Communications* manages external and internal communications in the department.

## Expenditure trends and estimates

**Table 12.14 Statistical Collection and Outreach expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 -	2018/19				2018/19 -	2021/22
Programme Management for Statistical Collection and Outreach	8.3	8.4	6.5	4.7	-17.2%	1.1%	9.3	9.9	10.0	28.8%	1.2%
International Statistical Development and Cooperation	8.6	7.0	6.2	8.1	-1.9%	1.2%	10.5	11.5	13.6	18.7%	1.6%
Provincial and District Offices	525.4	578.7	591.4	564.3	2.4%	91.7%	641.3	649.0	694.7	7.2%	91.3%
Stakeholder Relations and Marketing	19.2	20.2	21.7	21.7	4.2%	3.4%	22.8	24.5	26.0	6.2%	3.4%
Corporate Communications	14.4	15.8	16.2	17.2	6.2%	2.6%	16.3	17.2	18.1	1.8%	2.5%
<b>Total</b>	<b>575.8</b>	<b>630.1</b>	<b>641.9</b>	<b>616.0</b>	<b>2.3%</b>	<b>100.0%</b>	<b>700.2</b>	<b>712.1</b>	<b>762.5</b>	<b>7.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				8.0			48.3	13.8	20.1		
<b>Economic classification</b>											
<b>Current payments</b>	<b>555.6</b>	<b>612.9</b>	<b>634.5</b>	<b>605.4</b>	<b>2.9%</b>	<b>97.8%</b>	<b>695.3</b>	<b>707.1</b>	<b>756.9</b>	<b>7.7%</b>	<b>99.1%</b>
Compensation of employees	447.7	493.9	511.9	490.6	3.1%	78.9%	526.3	566.0	608.9	7.5%	78.5%
Goods and services <sup>1</sup>	107.9	119.0	122.6	114.8	2.1%	18.8%	169.1	141.1	148.0	8.8%	20.5%
of which:											
Communication	13.1	15.2	18.6	11.5	-4.1%	2.4%	12.1	12.7	13.0	4.2%	1.8%
Agency and support/outsourced services	0.3	0.6	0.8	0.9	40.6%	0.1%	32.6	0.6	0.7	-8.5%	1.2%
Fleet services (including government motor transport)	19.5	19.2	15.2	16.4	-5.5%	2.9%	16.1	17.5	17.7	2.5%	2.4%
Operating leases	44.3	55.2	64.4	60.2	10.8%	9.1%	69.8	74.1	79.3	9.6%	10.2%
Travel and subsistence	21.4	19.6	16.8	14.1	-12.9%	2.9%	20.6	21.4	22.7	17.1%	2.8%
Training and development	0.2	0.3	0.1	0.6	58.7%	-	5.3	1.5	1.6	36.0%	0.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.8</b>	<b>1.2</b>	<b>2.3</b>	<b>0.5</b>	<b>-11.9%</b>	<b>0.2%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-67.4%</b>	<b>-</b>
Households	0.7	1.1	2.3	0.5	-11.2%	0.2%	-	-	0.0	-67.8%	-
<b>Payments for capital assets</b>	<b>19.4</b>	<b>16.0</b>	<b>5.1</b>	<b>10.1</b>	<b>-19.5%</b>	<b>2.1%</b>	<b>4.9</b>	<b>5.0</b>	<b>5.5</b>	<b>-18.2%</b>	<b>0.9%</b>
Machinery and equipment	19.4	16.0	5.1	10.1	-19.5%	2.1%	4.9	5.0	5.5	-18.2%	0.9%
<b>Total</b>	<b>575.8</b>	<b>630.1</b>	<b>641.9</b>	<b>616.0</b>	<b>2.3%</b>	<b>100.0%</b>	<b>700.2</b>	<b>712.1</b>	<b>762.5</b>	<b>7.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>25.3%</b>	<b>25.6%</b>	<b>29.2%</b>	<b>27.1%</b>	<b>-</b>	<b>-</b>	<b>27.8%</b>	<b>21.6%</b>	<b>15.5%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 7: Survey Operations

### Programme purpose

Coordinate survey operations for household surveys and provide processing services to produce official statistics. Conduct independent household survey monitoring and evaluation activities.

### Objectives

- Expand the statistical information base for use by government, the private sector and the public by conducting a population census every 10 years, and large-scale population surveys between censuses.
- Ensure the efficiency and effectiveness of survey operations conducted by the department by coordinating household survey operations, with an average response rate of 85 per cent, on an annual basis.
- Improve the quality and timeliness of the editing and processing of statistical data by administering a common data processing platform for censuses, household surveys, administrative records and ad hoc survey data over the medium term.

### Subprogrammes

- *Programme Management for Survey Operations* provides strategic direction and leadership to the programme.
- *Census and Community Survey Operations* conducts periodic population censuses or large-scale population surveys.
- *Household Survey Operations* coordinates and integrates collection activities across surveys.
- *Corporate Data Processing* manages the editing and processing of data.
- *Survey Coordination, Monitoring and Evaluation* monitors the quality of field operations of household surveys and censuses, and conducts independent evaluations.

### Expenditure trends and estimates

**Table 12.15 Survey Operations expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Programme Management for Survey Operations	12.9	10.1	9.3	10.9	-5.4%	3.9%	12.2	13.2	14.0	8.8%	1.3%
Census and Community Survey Operations	111.1	368.4	56.5	63.3	-17.1%	54.0%	170.8	882.6	2 233.1	228.0%	85.4%
Household Survey Operations	28.6	24.0	21.8	23.6	-6.1%	8.8%	27.2	29.1	30.9	9.4%	2.8%
Corporate Data Processing	69.6	74.9	81.0	72.8	1.5%	26.9%	78.9	84.6	90.1	7.4%	8.3%
Survey Coordination, Monitoring and Evaluation	17.3	16.7	17.1	19.2	3.6%	6.3%	20.9	22.4	23.9	7.5%	2.2%
<b>Total</b>	<b>239.5</b>	<b>494.0</b>	<b>185.7</b>	<b>189.8</b>	<b>-7.5%</b>	<b>100.0%</b>	<b>310.0</b>	<b>1 032.0</b>	<b>2 392.0</b>	<b>132.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(4.9)			13.6	14.9	1 317.4		
<b>Economic classification</b>											
<b>Current payments</b>	<b>231.7</b>	<b>486.1</b>	<b>179.2</b>	<b>181.8</b>	<b>-7.8%</b>	<b>97.3%</b>	<b>225.4</b>	<b>1 010.8</b>	<b>2 374.0</b>	<b>135.5%</b>	<b>96.6%</b>
Compensation of employees	137.0	143.9	141.4	152.1	3.6%	51.8%	161.1	179.8	193.0	8.3%	17.5%
Goods and services <sup>1</sup>	94.8	342.2	37.8	29.7	-32.1%	45.5%	64.3	831.0	2 181.0	318.9%	79.2%
of which:											
Advertising	2.4	6.1	0.2	0.3	-51.3%	0.8%	1.1	69.1	219.5	818.7%	7.4%
Minor assets	1.6	31.9	0.0	0.1	-68.2%	3.0%	11.7	647.6	0.7	138.1%	16.8%
Catering: Departmental activities	11.2	2.1	0.5	0.6	-63.2%	1.3%	0.6	2.5	108.3	478.3%	2.9%
Agency and support/outsourced services	9.1	129.9	0.0	0.5	-63.3%	12.6%	1.0	7.9	1 227.8	1297.3%	31.5%
Travel and subsistence	48.7	130.6	11.9	10.5	-40.0%	18.2%	16.5	37.8	342.9	219.5%	10.4%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.4</b>	<b>1.4</b>	<b>0.1</b>	<b>1.6</b>	<b>63.6%</b>	<b>0.3%</b>	<b>1.2</b>	<b>1.4</b>	<b>7.8</b>	<b>68.8%</b>	<b>0.3%</b>
Public corporations and private enterprises	0.1	-	-	-	-100.0%	-	-	-	-	-	-
Households	0.3	1.4	0.1	1.6	72.4%	0.3%	1.2	1.4	7.8	68.8%	0.3%

**Table 12.15 Survey Operations expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 -	2018/19	2019/20	2020/21	2021/22	2018/19 -	2021/22
<b>Payments for capital assets</b>	<b>7.4</b>	<b>6.6</b>	<b>6.4</b>	<b>6.4</b>	<b>-4.5%</b>	<b>2.4%</b>	<b>83.5</b>	<b>19.7</b>	<b>10.3</b>	<b>17.1%</b>	<b>3.1%</b>
Machinery and equipment	7.4	6.4	0.5	1.1	-46.1%	1.4%	55.5	11.1	10.3	107.6%	2.0%
Software and other intangible assets	–	0.2	5.9	5.2	–	1.0%	28.0	8.6	–	-100.0%	1.1%
<b>Total</b>	<b>239.5</b>	<b>494.0</b>	<b>185.7</b>	<b>189.8</b>	<b>-7.5%</b>	<b>100.0%</b>	<b>310.0</b>	<b>1 032.0</b>	<b>2 392.0</b>	<b>132.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>10.5%</b>	<b>20.1%</b>	<b>8.5%</b>	<b>8.4%</b>	<b>–</b>	<b>–</b>	<b>12.3%</b>	<b>31.2%</b>	<b>48.7%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>0.2</b>	<b>1.3</b>	<b>0.1</b>	<b>1.6</b>	<b>87.2%</b>	<b>0.3%</b>	<b>1.2</b>	<b>1.4</b>	<b>7.8</b>	<b>68.7%</b>	<b>0.3%</b>
Employee social benefits	0.2	1.3	0.1	1.6	87.2%	0.3%	1.2	1.4	7.8	68.7%	0.3%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

# Vote 13

## Women

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	84.4	82.4	0.0	2.0	91.5	96.9
Social Transformation and Economic Empowerment	109.2	23.6	85.2	0.4	116.1	122.7
Policy, Stakeholder Coordination and Knowledge Management	50.9	50.1	–	0.8	52.1	55.3
<b>Total expenditure estimates</b>	<b>244.4</b>	<b>156.0</b>	<b>85.2</b>	<b>3.2</b>	<b>259.7</b>	<b>274.9</b>
Executive authority	Minister of Women in the Presidency					
Accounting officer	Director-General of Women					
Website address	www.women.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

### Vote purpose

Lead, coordinate and oversee the transformation agenda on women's socioeconomic empowerment, rights and equality.

### Mandate

The Department of Women derives its mandate from the Constitution and the 2014 presidential proclamation that mandates the department to champion gender equality, and the achievement of women's empowerment and rights.

### Selected performance indicators

**Table 13.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of reports produced per year on the implementation of the presidential directive on women's economic empowerment in the nine-point plan	Social Transformation and Economic Empowerment	Outcome 4: Decent employment through inclusive growth	– <sup>1</sup>	1	1	1	4	4	4
Number of public participation and outreach initiatives on women's empowerment, including girls and young women, conducted per year	Policy, Stakeholder Coordination and Knowledge Management		– <sup>1</sup>	10	10	10	10	10	10
Number of campaigns rolled out for 365 Days for No Violence against Women and Children campaign per year	Policy, Stakeholder Coordination and Knowledge Management	Outcome 14: Nation building and social cohesion	1	1	1	3	3	3	3
Number of reports on the implementation of government commitments on international instruments produced per year	Policy, Stakeholder Coordination and Knowledge Management		– <sup>1</sup>	4	4	4	4	4	4

1. No historical data available.

## Expenditure analysis

Chapter 15 of the National Development Plan envisages the broad economic participation of, and education and skills development for, women and other vulnerable groups, and the elimination of violence against women and children. Accordingly, over the medium term, the department will focus on: initiatives in support of gender responsive planning, budgeting, and monitoring and evaluation; mainstreaming women's socioeconomic empowerment; international engagements on gender equality; and stakeholder relations to raise awareness and advance gender equality and women's rights.

Of the department's total budget over the MTEF period, spending on compensation of employees accounts for a projected 37.6 per cent (R294.4 million); transfers and subsidies to the Commission for Gender Equality account for 34.8 per cent (R270.2 million); and spending on goods and services, mainly for property payments and travel and subsistence, accounts for 26.2 per cent (R204.2 million).

### ***Gender responsive planning, budgeting, monitoring and evaluation***

In 2019/20, the department plans to develop guidelines to improve the gender responsiveness of government's planning and budgeting. These guidelines will help relevant stakeholders in government collect and analyse data that is gender disaggregated (data presented separately for the different genders). The department plans to monitor government departments' implementation of these guidelines from 2020/21. This work will be carried out in the *Monitoring and Evaluation* subprogramme, which is allocated R28.6 million over the medium term in the *Policy, Stakeholder Coordination and Knowledge Management* programme.

In 2018/19, the department conducted a performance review for the period 2014-2019 to assess the country's progress in advancing the quality of life for women. This review will inform recommendations on gender policy priorities for the next five-year period (2019-2024), which will be reviewed and updated by the department annually. This work will be carried out in the *Research, Policy Analysis and Knowledge Management* subprogramme, which is allocated R25.6 million over the medium term in the *Policy, Stakeholder Coordination and Knowledge Management* programme.

### ***Mainstreaming women's socioeconomic empowerment***

Over the medium term, the department plans to ensure that disadvantaged women, particularly but not limited to those in low-income segments of society, are empowered through inclusive economic development. This entails continual engagement with other departments in the economic sectors and employment cluster, and the infrastructure development cluster to encourage the development of interventions to improve the economic inclusion of women. Accordingly, 4 progress reports on the implementation of a framework to ensure the inclusion of women in the mainstream economy will be produced in each year over the medium term. This work is to be carried out in the *Economic Empowerment and Participation* subprogramme in the *Social Transformation and Economic Empowerment* programme, which is allocated a total budget of R13 million over the medium term.

The department will aim to revitalise and strengthen interventions that focus on gender issues, and facilitate the implementation of a strategic framework by relevant stakeholders in government, the private sector and civil society to combat gender-based violence. To ensure a wide reach, accountability and sustainability, the implementation of the framework will include 4 national dialogues in each year over the medium term on violence against women and children. This work is to be carried out in the *Governance Transformation, Justice and Security* subprogramme, which is allocated a total budget of R20.8 million in the *Social Transformation and Economic Empowerment* programme over the medium term.

The department leads a task team of officials from the Department of Social Development, the Department of Basic Education, the Department of Trade and Industry, the Department of Health and the Department of Small Business Development, among others, to develop a framework for the provision of free sanitary products to indigent girls and women. The framework on sanitary dignity will be finalised in 2018/19 for implementation in quintiles 1-3 schools across South Africa from 2019/20. The department will work closely with provincial governments, the private sector, civil society and development partners to create an enabling environment for

the implementation of the programme, and monitor its implementation. This work will be carried out in the *Social Empowerment and Transformation* subprogramme, which is allocated a total budget of R20.6 million in the *Social Transformation and Economic Empowerment* programme over the medium term.

### **International engagements on gender equality**

The department plays a key role in global, continental and regional forums that drive the global agenda on gender equality, and women's rights and empowerment. It is mandated to ensure that agreements arising from these forums are mainstreamed in government policies and legislation, and are effectively and efficiently implemented at the national level. The department is required to participate in international engagements to present South Africa's progress reports on the implementation of treaty obligations, share best practices and exchange knowledge. This work involves annual participation in ministerial meetings, high-level panels, and specialised technical committees such as those of the United Nations, the African Union, the Southern African Development Community, the Brazil-Russia-India-China-South Africa (BRICS) group of countries and the Commonwealth, where member states are expected to account for progress in relation to the advancement of women's welfare.

In an effort to strengthen international relations and ensure South Africa's compliance with international agreements on issues affecting women and girls, over the MTEF period, the department plans to develop 1 international relations strategy on gender equality and women's empowerment. The department also plans to produce 4 reports per year over the period ahead on the implementation of government's commitments on international instruments. To carry out all activities related to international engagements, R40.1 million is allocated to the *International Relations* subprogramme in the *Policy, Stakeholder Coordination and Knowledge Management* programme.

### **Building stakeholder relations and raising awareness**

Over the medium term, the department will continue to conduct campaigns and outreach initiatives on the socioeconomic empowerment of women and young women, gender equality, women's rights, violence against women and children, and gender-based violence. As such, the department plans to conduct 10 public participation initiatives in each year over the medium term. These activities will be carried out at an estimated cost of R49.1 million, allocated in the *Stakeholder Coordination and Outreach* subprogramme in the *Policy, Stakeholder Coordination and Knowledge Management* programme.

## **Expenditure trends**

**Table 13.2 Vote expenditure trends by programme and economic classification**

Programmes																				
1. Administration																				
2. Social Transformation and Economic Empowerment																				
3. Policy, Stakeholder Coordination and Knowledge Management																				
Programme																				
R million	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19															
Programme 1	80.5	78.9	84.9	89.4	88.3	88.5	83.0	84.7	82.6	78.7	79.4	79.4	101.2%	101.2%						
Programme 2	87.2	86.9	83.2	84.4	84.4	79.5	94.9	99.8	94.2	106.7	109.5	109.5	98.2%	96.3%						
Programme 3	19.3	23.3	20.3	23.1	24.2	26.7	28.2	21.7	27.9	44.9	41.3	41.3	100.6%	105.3%						
<b>Total</b>	<b>187.0</b>	<b>189.1</b>	<b>188.4</b>	<b>196.9</b>	<b>196.9</b>	<b>194.7</b>	<b>206.2</b>	<b>206.2</b>	<b>204.7</b>	<b>230.2</b>	<b>230.2</b>	<b>230.2</b>	<b>99.7%</b>	<b>99.5%</b>						
Change to 2018 Budget estimate																				
Economic classification																				
<b>Current payments</b>	<b>115.8</b>	<b>117.9</b>	<b>117.4</b>	<b>123.3</b>	<b>123.3</b>	<b>121.1</b>	<b>124.1</b>	<b>123.9</b>	<b>123.8</b>	<b>146.4</b>	<b>145.9</b>	<b>145.9</b>	<b>99.8%</b>	<b>99.5%</b>						
Compensation of employees	66.5	65.1	63.6	72.6	72.6	70.6	71.9	71.7	72.6	85.5	85.5	85.4	98.6%	99.1%						
Goods and services	49.3	52.8	53.8	50.7	50.7	50.5	52.2	52.2	51.3	61.0	60.5	60.6	101.4%	100.0%						

**Table 13.2 Vote expenditure trends by programme and economic classification**

Economic classification	2015/16			2016/17			2017/18			2018/19			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted Appropriation (%)
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate		
R million														
<b>Transfers and subsidies</b>	<b>67.7</b>	<b>67.8</b>	<b>68.2</b>	<b>69.9</b>	<b>69.9</b>	<b>70.2</b>	<b>78.3</b>	<b>78.4</b>	<b>78.5</b>	<b>80.7</b>	<b>80.7</b>	<b>80.7</b>	<b>100.4%</b>	<b>100.3%</b>
Departmental agencies and accounts	67.7	67.7	67.7	69.9	69.9	69.9	78.3	78.3	78.3	80.7	80.7	80.7	100.0%	100.0%
Households	–	0.1	0.5	0.0	0.0	0.3	0.0	0.2	0.2	0.0	0.0	0.0	33 933.3%	418.9%
<b>Payments for capital assets</b>	<b>3.5</b>	<b>3.5</b>	<b>2.8</b>	<b>3.7</b>	<b>3.7</b>	<b>3.3</b>	<b>3.8</b>	<b>3.8</b>	<b>2.4</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>81.7%</b>	<b>81.7%</b>
Buildings and other fixed structures	–	–	0.0	0.1	0.1	–	–	–	–	–	–	–	9.2%	9.2%
Machinery and equipment	3.5	3.5	2.8	3.6	3.6	3.3	2.9	2.9	2.4	2.1	2.1	2.1	86.9%	86.9%
Software and other intangible assets	–	–	–	–	–	–	0.9	0.9	–	0.9	0.9	0.9	50.5%	50.5%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>0.5</b>	<b>0.5</b>	<b>–</b>	<b>111.8%</b>
<b>Total</b>	<b>187.0</b>	<b>189.1</b>	<b>188.4</b>	<b>196.9</b>	<b>196.9</b>	<b>194.7</b>	<b>206.2</b>	<b>206.2</b>	<b>204.7</b>	<b>230.2</b>	<b>230.2</b>	<b>230.2</b>	<b>99.7%</b>	<b>99.5%</b>

## Expenditure estimates

**Table 13.3 Vote expenditure estimates by programme and economic classification**

Programmes								
1. Administration								
2. Social Transformation and Economic Empowerment								
3. Policy, Stakeholder Coordination and Knowledge Management								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
Programme 1	79.4	0.2%	41.0%	84.4	91.5	96.9	6.8%	34.9%
Programme 2	109.5	8.0%	44.8%	109.2	116.1	122.7	3.9%	45.3%
Programme 3	41.3	21.0%	14.2%	50.9	52.1	55.3	10.3%	19.8%
<b>Total</b>	<b>230.2</b>	<b>6.8%</b>	<b>100.0%</b>	<b>244.4</b>	<b>259.7</b>	<b>274.9</b>	<b>6.1%</b>	<b>100.0%</b>
Change to 2018 Budget estimate			(0.1)	(0.1)	(0.1)			
<b>Economic classification</b>								
<b>Current payments</b>	<b>145.9</b>	<b>7.4%</b>	<b>62.1%</b>	<b>156.0</b>	<b>166.4</b>	<b>176.2</b>	<b>6.5%</b>	<b>63.9%</b>
Compensation of employees	85.4	9.5%	35.7%	91.4	98.3	104.7	7.0%	37.6%
Goods and services	60.6	4.7%	26.4%	64.6	68.1	71.5	5.7%	26.2%
<b>Transfers and subsidies</b>	<b>80.7</b>	<b>6.0%</b>	<b>36.4%</b>	<b>85.2</b>	<b>89.9</b>	<b>95.2</b>	<b>5.6%</b>	<b>34.8%</b>
Departmental agencies and accounts	80.7	6.1%	36.3%	85.2	89.9	95.1	5.6%	34.8%
<b>Payments for capital assets</b>	<b>3.0</b>	<b>-4.5%</b>	<b>1.4%</b>	<b>3.2</b>	<b>3.4</b>	<b>3.6</b>	<b>5.5%</b>	<b>1.3%</b>
Machinery and equipment	2.1	-15.0%	1.3%	2.3	2.4	2.5	5.5%	0.9%
Software and other intangible assets	0.9	–	0.1%	0.9	1.0	1.0	5.4%	0.4%
<b>Payments for financial assets</b>	<b>0.5</b>	<b>–</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.0%</b>
<b>Total</b>	<b>230.2</b>	<b>6.8%</b>	<b>100.0%</b>	<b>244.4</b>	<b>259.7</b>	<b>274.9</b>	<b>6.1%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 13.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R thousand											
Commission for Gender Equality	67 689	69 891	78 266	80 735	6.1%	36.3%	85 177	89 861	95 144	5.6%	34.8%
Compensation of employees	63 643	70 621	72 570	85 451	10.3%	35.7%	91 435	98 292	104 681	7.0%	37.6%
Property payments	11 454	11 678	11 535	14 587	8.4%	6.0%	17 813	19 293	21 176	13.2%	7.2%
Travel and subsistence	13 952	17 145	13 004	17 109	7.0%	7.5%	19 738	20 479	20 440	6.1%	7.7%
<b>Total</b>	<b>156 738</b>	<b>169 335</b>	<b>175 375</b>	<b>197 882</b>	<b>8.1%</b>	<b>85.5%</b>	<b>214 163</b>	<b>227 925</b>	<b>241 441</b>	<b>6.9%</b>	<b>87.3%</b>



## Goods and services expenditure trends and estimates

Table 13.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Administrative fees	394	595	726	496	8.0%	1.0%	447	472	497	0.1%	0.7%
Advertising	4 477	1 615	1 319	1 292	-33.9%	4.0%	1 310	1 380	1 456	4.1%	2.1%
Minor assets	324	572	365	201	-14.7%	0.7%	116	127	132	-13.1%	0.2%
Audit costs: External	4 127	3 917	3 820	3 149	-8.6%	6.9%	3 600	4 380	4 523	12.8%	5.9%
Bursaries: Employees	45	7	62	238	74.2%	0.2%	252	266	281	5.7%	0.4%
Catering: Departmental activities	3 907	456	2 985	1 422	-28.6%	4.1%	2 228	2 464	2 600	22.3%	3.3%
Communication	3 103	2 978	3 384	2 771	-3.7%	5.7%	2 628	2 692	3 415	7.2%	4.3%
Computer services	1 370	3 656	2 522	3 026	30.2%	4.9%	1 912	2 298	1 849	-15.1%	3.4%
Consultants: Business and advisory services	1 424	1 039	5 342	2 812	25.5%	4.9%	4 829	4 373	4 689	18.6%	6.3%
Legal services	203	1 077	968	2 488	130.6%	2.2%	304	321	339	-48.5%	1.3%
Contractors	480	476	707	555	5.0%	1.0%	622	654	690	7.5%	1.0%
Agency and support/outsourced services	840	-	-	-	-100.0%	0.4%	-	-	-	-	-
Entertainment	77	-	-	4	-62.7%	-	2	2	2	-20.6%	-
Fleet services (including government motor transport)	469	558	636	152	-31.3%	0.8%	159	168	177	5.2%	0.2%
Consumable supplies	297	566	189	404	10.8%	0.7%	306	318	339	-5.7%	0.5%
Consumables: Stationery, printing and office supplies	767	1 429	545	993	9.0%	1.7%	628	888	936	-2.0%	1.3%
Operating leases	42	-	-	-	-100.0%	-	-	-	-	-	-
Rental and hiring	2 671	132	101	597	-39.3%	1.6%	800	815	832	11.7%	1.2%
Property payments	11 454	11 678	11 535	14 587	8.4%	22.8%	17 813	19 293	21 176	13.2%	27.5%
Transport provided: Departmental activity	-	-	873	286	-	0.5%	2 855	1 919	2 101	94.4%	2.7%
Travel and subsistence	13 952	17 145	13 004	17 109	7.0%	28.3%	19 738	20 479	20 440	6.1%	29.4%
Training and development	147	357	421	802	76.0%	0.8%	861	922	972	6.6%	1.3%
Operating payments	1 404	1 134	994	1 108	-7.6%	2.1%	1 066	1 171	1 236	3.7%	1.7%
Venues and facilities	1 808	1 140	767	5 978	49.0%	4.5%	2 095	2 715	2 839	-22.0%	5.1%
<b>Total</b>	<b>53 782</b>	<b>50 527</b>	<b>51 265</b>	<b>60 470</b>	<b>4.0%</b>	<b>100.0%</b>	<b>64 571</b>	<b>68 117</b>	<b>71 521</b>	<b>5.8%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 13.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>125</b>	<b>345</b>	<b>3</b>	<b>1</b>	<b>-80.0%</b>	<b>0.2%</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>
Employee social benefits	125	345	3	1	-80.0%	0.2%	1	1	1	-	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>67 689</b>	<b>69 891</b>	<b>78 266</b>	<b>80 735</b>	<b>6.1%</b>	<b>99.6%</b>	<b>85 177</b>	<b>89 861</b>	<b>95 144</b>	<b>5.6%</b>	<b>100.0%</b>
Commission for Gender Equality	67 689	69 891	78 266	80 735	6.1%	99.6%	85 177	89 861	95 144	5.6%	100.0%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>344</b>	<b>-</b>	<b>200</b>	<b>-</b>	<b>-100.0%</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Employee social benefits	344	-	100	-	-100.0%	0.1%	-	-	-	-	-
CEO SleepOut Trust	-	-	100	-	-	-	-	-	-	-	-
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>12</b>	<b>6</b>	<b>6</b>	<b>8</b>	<b>-12.6%</b>	<b>-</b>	<b>10</b>	<b>16</b>	<b>17</b>	<b>28.6%</b>	<b>-</b>
Municipal bank account	12	6	6	8	-12.6%	-	10	16	17	28.6%	-
<b>Total</b>	<b>68 170</b>	<b>70 242</b>	<b>78 475</b>	<b>80 744</b>	<b>5.8%</b>	<b>100.0%</b>	<b>85 188</b>	<b>89 878</b>	<b>95 162</b>	<b>5.6%</b>	<b>100.0%</b>

## Personnel information

**Table 13.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
<b>Women</b>	<b>104</b>	<b>8</b>	<b>109</b>	<b>72.6</b>	<b>0.7</b>	<b>120</b>	<b>85.4</b>	<b>0.7</b>	<b>120</b>	<b>91.4</b>	<b>0.8</b>	<b>120</b>	<b>98.1</b>	<b>0.8</b>	<b>120</b>	<b>105.1</b>	<b>0.9</b>	–	<b>100.0%</b>
Salary level	104	8	109	72.6	0.7	120	85.4	0.7	120	91.4	0.8	120	98.1	0.8	120	105.1	0.9	–	100.0%
1 – 6	23	2	23	5.9	0.3	23	6.2	0.3	23	6.7	0.3	23	7.2	0.3	23	7.8	0.3	–	19.2%
7 – 10	30	3	34	13.2	0.4	36	15.2	0.4	36	16.3	0.5	36	17.6	0.5	36	19.0	0.5	–	30.0%
11 – 12	17	2	15	10.9	0.7	21	16.1	0.8	21	17.2	0.8	21	18.5	0.9	21	19.7	0.9	–	17.5%
13 – 16	32	1	35	38.1	1.1	38	43.7	1.1	38	46.7	1.2	38	50.0	1.3	38	53.5	1.4	–	31.7%
Other	2	–	2	4.5	2.2	2	4.2	2.1	2	4.4	2.2	2	4.8	2.4	2	5.1	2.5	–	1.7%
<b>Programme</b>	<b>104</b>	<b>8</b>	<b>109</b>	<b>72.6</b>	<b>0.7</b>	<b>120</b>	<b>85.4</b>	<b>0.7</b>	<b>120</b>	<b>91.4</b>	<b>0.8</b>	<b>120</b>	<b>98.1</b>	<b>0.8</b>	<b>120</b>	<b>105.1</b>	<b>0.9</b>	–	<b>100.0%</b>
Programme 1	65	5	74	48.1	0.7	72	48.5	0.7	72	52.0	0.7	72	55.8	0.8	72	59.8	0.8	–	60.0%
Programme 2	19	–	14	9.0	0.6	19	14.1	0.7	19	15.1	0.8	19	16.2	0.9	19	17.4	0.9	–	15.8%
Programme 3	20	3	21	15.4	0.7	29	22.7	0.8	29	24.3	0.8	29	26.1	0.9	29	27.9	1.0	–	24.2%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 13.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/Total (%)	
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21			2021/22
	2015/16 - 2018/19	2019/20	2020/21					2021/22	2018/19 - 2021/22				
<b>Departmental receipts</b>	<b>42</b>	<b>576</b>	<b>31</b>	<b>55</b>	<b>55</b>	<b>9.4%</b>	<b>100.0%</b>	<b>59</b>	<b>63</b>	<b>65</b>	<b>5.7%</b>	<b>100.0%</b>	
Sales of goods and services produced by department	42	576	31	46	46	3.1%	98.7%	49	52	53	4.8%	82.6%	
Sales by market establishments	42	576	31	46	46	3.1%	98.7%	49	52	53	4.8%	82.6%	
of which:													
Sales market establishments	42	576	31	46	46	3.1%	98.7%	49	52	53	4.8%	82.6%	
Transactions in financial assets and liabilities	–	–	–	9	9	–	1.3%	10	11	12	10.1%	17.4%	
<b>Total</b>	<b>42</b>	<b>576</b>	<b>31</b>	<b>55</b>	<b>55</b>	<b>9.4%</b>	<b>100.0%</b>	<b>59</b>	<b>63</b>	<b>65</b>	<b>5.7%</b>	<b>100.0%</b>	

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 13.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21			2021/22
	2015/16 - 2018/19	2019/20	2020/21				2021/22	2018/19 - 2021/22				
<b>Ministry</b>	<b>21.5</b>	<b>21.3</b>	<b>20.2</b>	<b>16.8</b>	<b>-7.8%</b>	<b>23.8%</b>	<b>16.6</b>	<b>17.7</b>	<b>18.6</b>	<b>3.4%</b>	<b>19.8%</b>	
Departmental Management	14.0	22.5	16.2	11.0	-7.8%	19.0%	12.1	14.7	15.6	12.5%	15.1%	
Corporate Services	28.0	20.5	21.3	24.4	-4.5%	28.1%	23.5	24.8	26.3	2.5%	28.1%	
Financial Management	10.0	12.6	13.3	12.6	8.0%	14.5%	14.6	15.8	16.8	10.0%	17.0%	
Office Accommodation	11.4	11.6	11.5	14.6	8.6%	14.6%	17.6	18.6	19.6	10.4%	20.0%	
<b>Total</b>	<b>84.9</b>	<b>88.5</b>	<b>82.6</b>	<b>79.4</b>	<b>-2.2%</b>	<b>100.0%</b>	<b>84.4</b>	<b>91.5</b>	<b>96.9</b>	<b>6.8%</b>	<b>100.0%</b>	
Change to 2018				0.7			(1.0)	(1.0)	(1.3)			
Budget estimate												

**Table 13.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
<b>Current payments</b>	<b>82.0</b>	<b>85.1</b>	<b>80.1</b>	<b>77.0</b>	<b>-2.1%</b>	<b>96.7%</b>	<b>82.4</b>	<b>89.4</b>	<b>94.6</b>	<b>7.1%</b>	<b>97.5%</b>
Compensation of employees	48.5	49.0	48.1	47.3	-0.8%	57.5%	52.0	56.0	59.4	7.9%	61.0%
Goods and services <sup>1</sup>	33.5	36.0	32.0	29.7	-3.9%	39.1%	30.4	33.4	35.2	5.8%	36.5%
of which:											
Audit costs: External	4.1	3.9	3.8	3.1	-8.6%	4.5%	3.6	4.4	4.5	12.8%	4.4%
Communication	2.3	2.1	2.5	1.5	-13.1%	2.5%	1.9	1.9	2.6	19.3%	2.3%
Computer services	1.3	3.7	2.5	1.7	8.9%	2.8%	1.0	1.2	0.7	-27.2%	1.3%
Property payments	11.5	11.7	11.5	14.6	8.4%	14.7%	17.8	18.8	19.8	10.8%	20.2%
Travel and subsistence	9.2	7.1	6.0	2.1	-39.0%	7.3%	1.7	2.1	2.2	1.8%	2.3%
Training and development	0.1	0.4	0.4	0.8	90.0%	0.5%	0.9	0.9	1.0	6.6%	1.0%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.5</b>	<b>0.2</b>	<b>0.1</b>	<b>0.0</b>	<b>-72.9%</b>	<b>0.2%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>26.0%</b>	<b>-</b>
Households	0.4	0.2	0.1	0.0	-86.9%	0.2%	0.0	0.0	0.0	-	-
<b>Payments for capital assets</b>	<b>2.5</b>	<b>3.1</b>	<b>2.4</b>	<b>1.9</b>	<b>-8.4%</b>	<b>2.9%</b>	<b>2.0</b>	<b>2.1</b>	<b>2.2</b>	<b>5.4%</b>	<b>2.3%</b>
Machinery and equipment	2.5	3.1	2.4	1.0	-25.9%	2.6%	1.0	1.1	1.2	5.4%	1.2%
Software and other intangible assets	-	-	-	0.9	-	0.3%	0.9	1.0	1.0	5.4%	1.1%
<b>Payments for financial assets</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>0.5</b>	<b>-</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>
<b>Total</b>	<b>84.9</b>	<b>88.5</b>	<b>82.6</b>	<b>79.4</b>	<b>-2.2%</b>	<b>100.0%</b>	<b>84.4</b>	<b>91.5</b>	<b>96.9</b>	<b>6.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>45.1%</b>	<b>45.4%</b>	<b>40.3%</b>	<b>34.5%</b>	<b>-</b>	<b>-</b>	<b>34.5%</b>	<b>35.2%</b>	<b>35.2%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Social Transformation and Economic Empowerment

### Programme purpose

Facilitate and promote the attainment of women's socioeconomic empowerment and gender equality.

### Objectives

- Advance women's socioeconomic empowerment on an ongoing basis by:
  - promoting women's social empowerment and participation through conducting national dialogues on violence against women and children, and social upliftment programmes for women
  - proposing and developing interventions for women's socioeconomic empowerment and participation
  - developing interventions to advance gender equality, and establishing a just and safe society.

### Subprogrammes

- *Management: Social Transformation and Economic Empowerment* provides overall strategic leadership and management to the programme.
- *Social Empowerment and Transformation* provides intervention mechanisms on policies and programme implementation for mainstreaming the social empowerment and participation of women towards social transformation.
- *Governance Transformation, Justice and Security* provides guidance for enhancing existing systems and procedures, addresses barriers to the equal participation of women in the public and private sectors, and contributes to the elimination of gender-based violence.
- *Economic Empowerment and Participation* provides intervention mechanisms on policies and programme implementation for mainstreaming the economic empowerment and participation of women towards economic transformation and development.
- *Commission for Gender Equality* facilitates transfer payments to the Commission for Gender Equality, which promotes gender equality and respect for women's rights.

## Expenditure trends and estimates

Table 13.10 Social Transformation and Economic Empowerment expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Management: Social Transformation and Economic Empowerment	3.3	3.8	3.5	5.6	19.6%	4.4%	7.3	8.0	8.1	13.1%	6.3%
Social Empowerment and Transformation	11.9	2.8	3.8	9.6	-7.0%	7.7%	6.3	6.9	7.4	-8.4%	6.6%
Governance Transformation, Justice and Security	0.2	1.7	6.5	8.9	234.4%	4.7%	6.4	7.0	7.5	-5.6%	6.5%
Economic Empowerment and Participation	–	1.3	2.1	4.7	–	2.2%	4.0	4.3	4.7	-0.5%	3.9%
Commission for Gender Equality	67.7	69.9	78.3	80.7	6.1%	80.9%	85.2	89.9	95.1	5.6%	76.7%
<b>Total</b>	<b>83.2</b>	<b>79.5</b>	<b>94.2</b>	<b>109.5</b>	<b>9.6%</b>	<b>100.0%</b>	<b>109.2</b>	<b>116.1</b>	<b>122.7</b>	<b>3.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				2.9			(2.2)	(2.6)	(2.7)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>15.4</b>	<b>9.5</b>	<b>15.9</b>	<b>28.4</b>	<b>22.6%</b>	<b>18.9%</b>	<b>23.6</b>	<b>25.8</b>	<b>27.1</b>	<b>-1.5%</b>	<b>22.9%</b>
Compensation of employees	4.7	7.3	9.0	14.9	47.2%	9.8%	15.1	16.2	17.4	5.2%	13.9%
Goods and services <sup>1</sup>	10.7	2.2	6.9	13.5	8.0%	9.1%	8.4	9.6	9.8	-10.2%	9.0%
of which:											
Minor assets	0.0	0.0	0.0	0.2	156.6%	0.1%	0.1	0.1	0.1	-19.9%	0.1%
Communication	0.3	0.3	0.3	0.7	33.7%	0.4%	0.3	0.4	0.4	-16.1%	0.4%
Consultants: Business and advisory services	–	–	3.0	0.3	–	0.9%	2.3	2.8	2.9	102.4%	1.8%
Consumables: Stationery, printing and office supplies	0.1	0.0	0.0	0.2	54.4%	0.1%	0.1	0.1	0.1	-17.6%	0.1%
Travel and subsistence	1.2	1.1	3.2	7.7	83.7%	3.6%	5.3	5.8	5.8	-9.0%	5.4%
Venues and facilities	0.1	0.6	0.2	2.8	230.3%	1.0%	0.3	0.4	0.4	-48.0%	0.8%
<b>Transfers and subsidies<sup>1</sup></b>	<b>67.7</b>	<b>70.0</b>	<b>78.3</b>	<b>80.7</b>	<b>6.1%</b>	<b>81.0%</b>	<b>85.2</b>	<b>89.9</b>	<b>95.1</b>	<b>5.6%</b>	<b>76.7%</b>
Departmental agencies and accounts	67.7	69.9	78.3	80.7	6.1%	80.9%	85.2	89.9	95.1	5.6%	76.7%
Households	–	0.1	–	–	–	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.1</b>	<b>0.1</b>	<b>–</b>	<b>0.4</b>	<b>80.1%</b>	<b>0.2%</b>	<b>0.4</b>	<b>0.4</b>	<b>0.5</b>	<b>5.6%</b>	<b>0.4%</b>
Machinery and equipment	0.1	0.1	–	0.4	80.1%	0.2%	0.4	0.4	0.5	5.6%	0.4%
<b>Total</b>	<b>83.2</b>	<b>79.5</b>	<b>94.2</b>	<b>109.5</b>	<b>9.6%</b>	<b>100.0%</b>	<b>109.2</b>	<b>116.1</b>	<b>122.7</b>	<b>3.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>44.1%</b>	<b>40.8%</b>	<b>46.0%</b>	<b>47.6%</b>	<b>–</b>	<b>–</b>	<b>44.7%</b>	<b>44.7%</b>	<b>44.6%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>67.7</b>	<b>69.9</b>	<b>78.3</b>	<b>80.7</b>	<b>6.1%</b>	<b>80.9%</b>	<b>85.2</b>	<b>89.9</b>	<b>95.1</b>	<b>5.6%</b>	<b>76.7%</b>
Commission for Gender Equality	67.7	69.9	78.3	80.7	6.1%	80.9%	85.2	89.9	95.1	5.6%	76.7%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Policy, Stakeholder Coordination and Knowledge Management

### Programme purpose

Coordinate the socioeconomic empowerment of women and gender equality through policy analysis and knowledge management.

### Objectives

- Inform decision-making, policy development and implementation on the socioeconomic empowerment of women in South Africa in line with national, regional, continental and global development goals by generating, accessing and analysing available knowledge, research and information databases on the implementation of policy and international commitments on an ongoing basis.
- Ensure that government departments better contribute to the socioeconomic empowerment of women by improving the mainstreaming of gender equality within government's planning, monitoring and evaluation systems on an ongoing basis.

- Improve gender sensitive planning, monitoring and evaluation systems on the socioeconomic empowerment of women annually by analysing departments' plans and performance against priority gender development indicators and targets, facilitating the evaluation of key gender policies and programmes, and making recommendations for improvement.
- Position the department as an effective information and knowledge hub on the socioeconomic empowerment of women and gender equality by developing a centralised national gender knowledge and information system to enable stakeholders to contribute to and access gender knowledge and information over the medium term.
- Enhance public participation on the socioeconomic empowerment of women through annual outreach initiatives to promote social cohesion and nation building.
- Enable the fulfilment of commitments to and effective participation in international multilateral forums on women's empowerment and gender equality through instituting timeous reporting and convening consultative workshops with relevant stakeholders annually.

### Subprogrammes

- *Management: Policy Coordination and Knowledge Management* provides overall strategic leadership and management to the programme.
- *Research, Policy Analysis and Knowledge Management* promotes the development of gender sensitive research and knowledge, and conducts policy analysis to effect transformation for the empowerment of women and gender equality.
- *International Relations* promotes international relations and engagements on women, and ensures South Africa's compliance with international treaties on women.
- *Stakeholder Coordination and Outreach* conducts public participation and outreach initiatives to promote the empowerment of women and gender equality.
- *Monitoring and Evaluation* monitors and evaluates progress on the socioeconomic empowerment of women in line with national laws and regional, continental and international treaties and commitments.

### Expenditure trends and estimates

**Table 13.11 Policy, Stakeholder Coordination and Knowledge Management expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average Expenditure/ Total (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19 - 2021/22	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
Management: Policy Coordination and Knowledge Management	4.3	5.4	3.9	5.6	9.2%	16.4%	5.0	4.7	5.1	-3.1%	10.2%
Research, Policy Analysis and Knowledge Management	4.3	4.1	5.5	8.3	24.8%	19.0%	9.2	8.0	8.5	0.9%	17.0%
International Relations	–	–	–	5.5	–	4.7%	12.9	13.2	14.0	36.7%	22.8%
Stakeholder Coordination and Outreach	8.6	13.3	14.5	14.2	18.1%	43.6%	15.5	16.3	17.3	6.8%	31.8%
Monitoring and Evaluation	3.2	4.0	4.0	7.7	34.8%	16.3%	8.3	9.9	10.4	10.5%	18.2%
<b>Total</b>	<b>20.3</b>	<b>26.7</b>	<b>27.9</b>	<b>41.3</b>	<b>26.7%</b>	<b>100.0%</b>	<b>50.9</b>	<b>52.1</b>	<b>55.3</b>	<b>10.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(3.6)			3.2	3.6	3.9		
<b>Economic classification</b>											
<b>Current payments</b>	<b>20.0</b>	<b>26.6</b>	<b>27.8</b>	<b>40.5</b>	<b>26.4%</b>	<b>98.9%</b>	<b>50.1</b>	<b>51.2</b>	<b>54.4</b>	<b>10.3%</b>	<b>98.4%</b>
Compensation of employees	10.5	14.3	15.4	23.3	30.5%	54.6%	24.3	26.1	27.9	6.2%	50.9%
Goods and services <sup>1</sup>	9.6	12.3	12.3	17.3	21.7%	44.3%	25.7	25.2	26.6	15.5%	47.5%
of which:											
Advertising	1.6	0.4	1.1	0.6	-27.8%	3.2%	1.0	1.1	1.2	23.6%	2.0%
Catering: Departmental activities	0.3	0.4	2.8	0.8	30.1%	3.7%	2.1	2.3	2.4	47.9%	3.8%
Consultants: Business and advisory services	0.1	0.0	1.7	1.8	147.8%	3.1%	2.0	1.0	1.0	-17.4%	3.0%
Transport provided: Departmental activity	–	–	0.9	0.3	–	1.0%	2.9	1.9	2.1	94.4%	3.6%

**Table 13.11 Policy, Stakeholder Coordination and Knowledge Management expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Travel and subsistence	3.6	8.9	3.8	7.3	27.1%	20.2%	12.8	12.6	12.4	19.4%	22.6%
Venues and facilities	1.6	0.5	0.3	3.1	24.5%	4.7%	1.8	2.3	2.5	-7.7%	4.8%
Transfers and subsidies <sup>1</sup>	0.0	0.0	0.1	–	-100.0%	0.1%	–	–	–	–	–
Households	0.0	0.0	0.1	–	-100.0%	0.1%	–	–	–	–	–
Payments for capital assets	0.2	0.1	0.0	0.8	46.1%	1.0%	0.8	0.8	0.9	5.6%	1.6%
Machinery and equipment	0.2	0.1	0.0	0.8	46.1%	1.0%	0.8	0.8	0.9	5.6%	1.6%
<b>Total</b>	<b>20.3</b>	<b>26.7</b>	<b>27.9</b>	<b>41.3</b>	<b>26.7%</b>	<b>100.0%</b>	<b>50.9</b>	<b>52.1</b>	<b>55.3</b>	<b>10.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>10.8%</b>	<b>13.7%</b>	<b>13.6%</b>	<b>17.9%</b>	–	–	<b>20.8%</b>	<b>20.1%</b>	<b>20.1%</b>	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entity

Comprehensive coverage of the following entity is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Commission for Gender Equality** promotes respect for gender equality, and engages in advocacy and education initiatives to raise awareness and challenge patriarchal stereotypes. It seeks to protect and enforce gender rights by investigating complaints made by members of the public and sanctioning appropriate remedies in line with legislation. The commission's total budget for 2019/20 is R85.2 million.

# Vote 14

## Basic Education

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	496.3	481.5	0.4	14.4	527.2	558.5
Curriculum Policy, Support and Monitoring	1 989.0	1 375.7	612.3	1.0	2 103.3	2 217.7
Teachers, Education Human Resources and Institutional Development	1 366.2	105.1	1 260.7	0.4	1 442.6	1 523.2
Planning, Information and Assessment	13 144.3	509.7	10 764.5	1 870.1	13 876.7	15 364.2
Educational Enrichment Services	7 508.8	65.6	7 442.7	0.4	8 037.9	8 525.8
<b>Total expenditure estimates</b>	<b>24 504.5</b>	<b>2 537.6</b>	<b>20 080.7</b>	<b>1 886.2</b>	<b>25 987.6</b>	<b>28 189.4</b>

Executive authority Minister of Basic Education  
 Accounting officer Director-General of Basic Education  
 Website address [www.education.gov.za](http://www.education.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Develop, maintain and support a South African school education system for the 21st century.*

### Mandate

The Department of Basic Education derives its mandate from the following legislation:

- the National Education Policy Act (1996), which inscribed into law the policies, legislative and monitoring responsibilities of the Minister of Basic Education, and the formal relations between national and provincial authorities
- the South African Schools Act (1996), which promotes access to education, promotes quality and democratic governance in the schooling system, and makes schooling compulsory for children aged 7 to 15 to ensure that all learners have access to quality education without discrimination
- the Employment of Educators Act (1998), which regulates the professional, moral and ethical responsibilities of educators, as well as the competency requirements for teachers.

### Selected performance indicators

**Table 14.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of learners obtaining subject passes towards a national senior certificate through the Second Chance programme per year	Curriculum Policy, Support and Monitoring	Outcome 1: Quality basic education	- <sup>1</sup>	5 635 <sup>2</sup>	73 780 <sup>3</sup>	25 000	40 000	45 000	50 000
Number of underperforming schools monitored on the implementation of the early grade reading assessment per year	Curriculum Policy, Support and Monitoring		- <sup>1</sup>	20	50	75	100	125	150

**Table 14.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of public schools with home language workbooks for learners in grades 1 to 6 per year	Curriculum Policy, Support and Monitoring	Outcome 1: Quality basic education	100% (17 930)	100% (17 778)	100% (17 048)	100%	100%	100%	100%
Percentage of public schools with mathematics workbooks for learners in grades 1 to 9	Curriculum Policy, Support and Monitoring		100% (23 680)	100% (23 542)	100% (22 777)	100%	100%	100%	100%
Number of Funza Lushaka bursaries awarded to students enrolled for initial teacher education per year	Teachers, Education Human Resources and Institutional Development		13 980	14 343	15 134	13 500	13 000	12 500	12 500
Number of new schools built and completed through the accelerated school infrastructure delivery initiative per year	Planning, Information and Assessment		51	16	12 <sup>4</sup>	50	59	59	29
Number of schools provided with sanitation facilities through the accelerated school infrastructure delivery initiative per year	Planning, Information and Assessment		412	9	29	286	717	691	995
Number of schools provided with water through the accelerated school infrastructure delivery initiative per year	Planning, Information and Assessment		605	10	43	325	227	125	– <sup>5</sup>
Number of schools provided with nutritious meals on each school day per year	Educational Enrichment Services		20 029	20 300	19 841	19 800	20 302	20 708	21 122

1. No historical data available.

2. The project was piloted in 2016/17. As a result, the number of learners is much lower in this year than the following year, when the scope of the project was increased.

3. Target of 20 000 exceeded in this year because of the inclusion of learners supported at community colleges and NGO support centres in the reported total. Learners supported by these centres are not included in the targets for subsequent years as the centres are not funded through the Second Chance programme.

4. Low achievement due to delays in finalising the merging and rationalisation of schools before finalising plans to rebuild the remaining inappropriate ones.

5. Project completed.

## Expenditure analysis

Schooling 2025, the overarching plan for the basic education sector, encapsulates the long-term vision of education priorities, targets and programmes articulated for the sector in the National Development Plan. Over the medium term, the department will continue to focus on: accelerating the delivery of and improving school infrastructure; enhancing teaching and learning by ensuring access to high-quality learner and teacher support materials; increasing the supply of quality teachers; improving matric completion rates; providing educational opportunities to learners with severe to profound intellectual disabilities; monitoring performance; and providing nutritious meals for learners in schools through the national school nutrition programme.

### Providing school infrastructure

The department is committed to providing appropriate and adequate basic education infrastructure. This commitment is reflected in the department's anticipated spending of 51.4 per cent (R40.4 billion) of its total budget over the MTEF period on various activities related to school infrastructure. These activities are mainly carried out in the *Planning, Information and Assessment* programme through 2 infrastructure grants: the *education infrastructure grant* and the *school infrastructure backlogs grant*.

The *education infrastructure grant* is allocated R34.3 billion over the medium term to provide co-funding for the department's ongoing infrastructure programme, which includes maintaining existing and building new infrastructure. An additional R200.3 million in 2019/20 has also been earmarked in KwaZulu-Natal and Western Cape for the reconstruction and rehabilitation of school infrastructure affected by natural disasters.

Funds from the *school infrastructure backlogs grant* are intended to eradicate and replace inappropriate school infrastructure and provide basic services, such as water and sanitation, to schools. This grant is allocated R6.1 billion over the medium term in the *Planning, Information and Assessment* programme, including an additional R2.8 billion to provide safe and appropriate sanitation at schools. R2 billion is allocated in 2019/20 to



replace 59 inappropriate and unsafe schools with newly built schools, provide water to 227 schools and provide sanitation to 717 schools.

### **Enhancing teaching and learning**

Central to providing quality basic education is ensuring the delivery of an improved curriculum and access to learning and teaching support material of high quality, and ensuring this material is used effectively. Accordingly, the department expects to print and deliver an estimated 61 million workbooks for grades R to 9 in each year over the medium term in life skills, languages and mathematics. These workbooks are expected to be distributed to more than 24 000 public schools across South Africa. To this end, R3.7 billion over the MTEF period is allocated in the *Curriculum and Quality Enhancement Programmes* subprogramme in the *Curriculum Policy, Support and Monitoring* programme. An estimated R3 million of this allocation over the MTEF period will be shifted for the introduction and maintenance of a planning and monitoring system to ensure that the correct number and type of workbooks and learner-teacher support materials are delivered to the correct schools.

Over the medium term, the department intends to promote teaching and learning in, and improving the learner pass rates of, mathematics, science and technology. To achieve this, the department plans to: support 50 000 learners in co-curricular services related to mathematics, science and technology; support 1 500 teachers and subject advisers in curriculum assessment policy statement training; support 1 000 teachers in structured teacher development programmes specific to these subjects; and train 1 000 mathematics subject advisers on the mathematics framework. To provide appropriate teaching and learning facilities at schools, the department plans to: support 300 teachers in ICT integration training; supply 300 schools with subject-specific computer hardware and software; repair, maintain or replace workshop equipment and machinery at 200 technical schools; and provide 1 000 schools with laboratory equipment, apparatus and consumables. Funding for this is made available in the *maths, science and technology grant*, which is allocated R1.2 billion over the MTEF period in the *Curriculum and Quality Enhancement Programmes* subprogramme in the *Curriculum Policy, Support and Monitoring* programme.

### **Increasing the supply of quality teachers**

The department aims to increase the supply of newly qualified teachers in mathematics, science and technology in different phases by providing 38 000 Funza Lushaka bursaries to prospective teachers over the medium term. The number of bursary awards is set to decrease from 13 500 in 2018/19 to 13 000 in 2019/20 and 12 500 thereafter as the general increase in university costs exceeds this allocation's average annual growth of 5.5 per cent over the MTEF period. While some Funza Lushaka bursary recipients qualify for fee-free funding at universities, the department expects the demand for Funza Lushaka bursaries to remain unchanged as students prefer this bursary because they are guaranteed a work placement offer after qualifying. For the National Student Financial Aid Scheme to administer these bursaries, R3.9 billion over the MTEF period is allocated in the *Education Human Resources Development* subprogramme in the *Teachers, Education Human Resources and Institutional Development* programme.

### **Improving matric completion rates**

The Second Chance programme, which is in its third year of implementation, aims to increase the number of young people obtaining a matric qualification. Over the medium term, the department expects 135 000 learners to gain subject passes through the programme, and will provide support to these learners by means of face-to-face classes, broadcast media, online and offline facilities, and printed materials. The development and distribution of online psychosocial programmes to support learners in their preparations for the matric examinations, including tutoring, access to resources, one-on-one career guidance, life orientation and telephonic counselling, is expected to cost R5 million in 2019/20.

R260.2 million over the MTEF period is allocated in the *Curriculum Implementation and Monitoring* subprogramme in the *Curriculum Policy, Support and Monitoring* programme for activities related to the Second Chance programme. However, due to a Cabinet-approved budget reduction of R25 million over the medium term, the Second Chance programme will not expand as rapidly as initially projected.

### ***Providing educational opportunities to learners with intellectual disabilities***

In its second year of implementation, the *learners with profound intellectual disabilities grant* aims to improve the provision of quality education to learners with severe to profound intellectual disabilities. Over the MTEF period, funds from the grant are intended to provide access to quality, publicly funded education to more than 10 000 such learners by recruiting 9 provincial coordinators for the grant and 230 outreach team members. While the provincial coordinators will ensure the effective management of the grant, the outreach team members will strengthen the capacity of district-based support teams and provide support to caregivers and learners. The 9 provincial coordinators, 230 outreach team members, 900 caregivers from 500 care centres, and 919 teachers in 104 selected schools that have enrolled learners will be provided with training on the learners with severe to profound intellectual disability policy and learning programme. R719.9 million over the MTEF period is allocated in the *Curriculum Policy, Support and Monitoring* programme for the grant.

### ***Monitoring performance***

The department aims to ensure that the education sector assesses the quality of teaching and learning, and provides remedial action in identified areas to improve learning outcomes in numeracy and literacy. As such, the national assessment programme is being redesigned to enable the implementation of a three-tier model that involves systemic evaluation, diagnostic assessment and summative examination. As part of the redesign, over the medium term, the department intends to focus on conducting the first cycle of systemic evaluation by providing all schools with a series of diagnostic instruments for teachers to use in their classroom teaching, and setting up national and provincial systems for the phasing in of a universal external examination at the end of grade 9. R205 million is allocated for these activities over the MTEF period in the *Planning, Information and Assessment* programme.

To assist teachers in measuring the reading progress of learners at different intervals in grades 1 to 3, the department will continue to print, distribute and implement the early grade reading assessment toolkit. The use of the toolkit has been incorporated in the teacher training programme in the primary school reading intervention programme, and teacher training workshops on how to use the toolkits are expected to be held in all provinces over the MTEF period. In 2019, the programme is expected to be implemented in 4 700 schools, to be expanded incrementally to 20 000 schools over the medium term. An estimated 700 000 learners in grades 1 to 3 are expected to benefit from the programme over the same period. R44 million has been allocated over the medium term to expand the use of the assessment toolkit in the *Curriculum Implementation and Monitoring* subprogramme in the *Curriculum Policy, Support and Monitoring* programme.

### ***Providing meals for learners***

The department contributes to the National Development Plan's priority of eliminating poverty and supporting food security through the national school nutrition programme. As part of the programme, the department plans to provide meals to more than 9 million learners each year over the medium term in over 20 000 quintile 1 to 3 schools. To this end, R23 billion is allocated over the MTEF period in the *Educational Enrichment Services* programme for the *national school nutrition programme grant*.

## Expenditure trends

Table 14.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Curriculum Policy, Support and Monitoring														
3. Teachers, Education Human Resources and Institutional Development														
4. Planning, Information and Assessment														
5. Educational Enrichment Services														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	357.7	360.3	386.5	377.9	388.4	418.3	416.3	426.6	435.1	450.5	472.1	472.1	106.8%	103.9%
Programme 2	1 877.8	1 844.9	1 797.7	1 936.1	1 902.2	1 826.7	1 802.0	1 783.0	1 731.1	1 905.0	1 867.1	1 854.3	95.9%	97.5%
Programme 3	1 171.5	1 163.4	1 163.5	1 163.7	1 160.0	1 177.4	1 215.1	1 252.1	1 243.8	1 290.5	1 313.0	1 313.0	101.2%	100.2%
Programme 4	12 129.7	11 974.0	11 511.9	12 500.2	12 621.4	11 720.0	13 248.3	12 801.9	12 785.8	11 971.3	12 938.3	12 938.3	98.2%	97.3%
Programme 5	5 974.5	5 943.8	5 936.5	6 291.7	6 341.4	6 333.7	6 727.0	6 730.0	6 736.2	7 105.1	7 109.0	7 109.0	100.1%	100.0%
<b>Total</b>	<b>21 511.1</b>	<b>21 286.4</b>	<b>20 796.1</b>	<b>22 269.6</b>	<b>22 413.5</b>	<b>21 476.1</b>	<b>23 408.6</b>	<b>22 993.6</b>	<b>22 932.0</b>	<b>22 722.4</b>	<b>23 699.6</b>	<b>23 686.8</b>	<b>98.9%</b>	<b>98.3%</b>
Change to 2018 Budget estimate											977.1			
Economic classification														
<b>Current payments</b>	<b>2 431.9</b>	<b>2 528.7</b>	<b>2 589.3</b>	<b>2 548.5</b>	<b>2 580.7</b>	<b>2 561.4</b>	<b>2 446.6</b>	<b>2 451.5</b>	<b>2 303.9</b>	<b>2 431.2</b>	<b>2 433.5</b>	<b>2 427.8</b>	<b>100.2%</b>	<b>98.9%</b>
Compensation of employees	440.9	439.9	439.5	472.1	471.2	454.4	476.7	477.1	472.5	504.6	510.6	510.6	99.1%	98.8%
Goods and services	1 943.4	2 041.2	2 102.3	2 030.0	2 063.2	2 060.7	1 921.3	1 925.8	1 785.9	1 875.1	1 871.5	1 865.8	100.6%	98.9%
Interest and rent on land	47.5	47.5	47.5	46.3	46.3	46.3	48.6	48.6	45.5	51.5	51.5	51.5	98.4%	98.4%
<b>Transfers and subsidies</b>	<b>17 033.9</b>	<b>16 810.1</b>	<b>16 818.6</b>	<b>17 465.0</b>	<b>17 839.1</b>	<b>17 845.8</b>	<b>18 502.8</b>	<b>18 503.8</b>	<b>18 930.4</b>	<b>18 953.4</b>	<b>19 128.0</b>	<b>19 120.8</b>	<b>101.1%</b>	<b>100.6%</b>
Provinces and municipalities	15 856.5	15 631.8	15 631.8	16 213.0	16 586.2	16 579.6	17 154.3	17 154.3	17 570.1	17 519.0	17 696.1	17 689.0	101.1%	100.6%
Departmental agencies and accounts	1 104.0	1 104.0	113.3	118.9	118.9	123.8	134.8	134.8	134.8	145.0	145.0	145.0	34.4%	34.4%
Foreign governments and international organisations	13.3	13.3	21.0	17.3	17.3	19.2	18.5	18.5	18.2	19.1	19.1	19.1	113.6%	113.6%
Non-profit institutions	60.1	60.1	60.1	72.2	72.2	76.2	99.5	99.5	106.0	111.0	106.0	106.0	101.6%	103.1%
Households	–	1.0	992.4	1 043.6	1 044.5	1 047.0	1 095.8	1 096.8	1 101.3	1 159.3	1 161.7	1 161.7	130.4%	130.2%
<b>Payments for capital assets</b>	<b>2 045.4</b>	<b>1 947.6</b>	<b>1 387.7</b>	<b>2 256.1</b>	<b>1 993.6</b>	<b>1 063.5</b>	<b>2 459.2</b>	<b>2 038.3</b>	<b>1 635.4</b>	<b>1 337.9</b>	<b>2 137.9</b>	<b>2 137.9</b>	<b>76.9%</b>	<b>76.7%</b>
Buildings and other fixed structures	2 038.5	1 940.5	1 382.5	2 249.4	1 987.0	1 056.8	2 444.0	2 029.0	1 625.8	1 329.1	2 129.1	2 129.1	76.8%	76.6%
Machinery and equipment	6.7	7.0	5.2	6.6	6.6	6.7	12.9	7.0	5.2	5.3	5.3	5.3	71.1%	86.8%
Software and other intangible assets	0.1	0.1	–	0.1	0.0	–	2.3	2.3	4.4	3.5	3.5	3.5	131.4%	134.7%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>0.5</b>	<b>–</b>	<b>–</b>	<b>5.4</b>	<b>–</b>	<b>–</b>	<b>62.3</b>	<b>–</b>	<b>0.3</b>	<b>0.3</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>21 511.1</b>	<b>21 286.4</b>	<b>20 796.1</b>	<b>22 269.6</b>	<b>22 413.5</b>	<b>21 476.1</b>	<b>23 408.6</b>	<b>22 993.6</b>	<b>22 932.0</b>	<b>22 722.4</b>	<b>23 699.6</b>	<b>23 686.8</b>	<b>98.9%</b>	<b>98.3%</b>

## Expenditure estimates

Table 14.3 Vote expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Curriculum Policy, Support and Monitoring									
3. Teachers, Education Human Resources and Institutional Development									
4. Planning, Information and Assessment									
5. Educational Enrichment Services									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
				2018/19	2015/16 - 2018/19	2019/20			2020/21
R million									
Programme 1	472.1	9.4%	1.9%	496.3	527.2	558.5	5.8%	2.0%	
Programme 2	1 854.3	0.2%	8.1%	1 989.0	2 103.3	2 217.7	6.1%	8.0%	
Programme 3	1 313.0	4.1%	5.5%	1 366.2	1 442.6	1 523.2	5.1%	5.5%	
Programme 4	12 938.3	2.6%	55.1%	13 144.3	13 876.7	15 364.2	5.9%	54.0%	
Programme 5	7 109.0	6.1%	29.4%	7 508.8	8 037.9	8 525.8	6.2%	30.5%	
<b>Total</b>	<b>23 686.8</b>	<b>3.6%</b>	<b>100.0%</b>	<b>24 504.5</b>	<b>25 987.6</b>	<b>28 189.4</b>	<b>6.0%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				889.2	783.8	1 298.7			
Economic classification									
<b>Current payments</b>	<b>2 427.8</b>	<b>-1.3%</b>	<b>11.1%</b>	<b>2 537.6</b>	<b>2 657.0</b>	<b>2 826.5</b>	<b>5.2%</b>	<b>10.2%</b>	
Compensation of employees	510.6	5.1%	2.1%	546.8	587.8	625.9	7.0%	2.2%	
Goods and services	1 865.8	-3.0%	8.8%	1 947.3	2 026.8	2 159.4	5.0%	7.8%	
Interest and rent on land	51.5	2.7%	0.2%	43.6	42.4	41.1	-7.2%	0.2%	
<b>Transfers and subsidies</b>	<b>19 120.8</b>	<b>4.4%</b>	<b>81.8%</b>	<b>20 080.7</b>	<b>21 683.8</b>	<b>23 151.9</b>	<b>6.6%</b>	<b>82.1%</b>	
Provinces and municipalities	17 689.0	4.2%	75.9%	18 569.2	20 089.3	21 469.7	6.7%	76.0%	
Departmental agencies and accounts	145.0	-49.2%	0.6%	155.1	163.6	172.6	6.0%	0.6%	
Foreign governments and international organisations	19.1	12.6%	0.1%	20.1	21.1	22.3	5.4%	0.1%	
Non-profit institutions	106.0	20.9%	0.4%	112.0	118.2	124.7	5.5%	0.5%	
Households	1 161.7	952.3%	4.8%	1 224.3	1 291.6	1 362.6	5.5%	4.9%	
<b>Payments for capital assets</b>	<b>2 137.9</b>	<b>3.2%</b>	<b>7.0%</b>	<b>1 886.2</b>	<b>1 646.9</b>	<b>2 211.0</b>	<b>1.1%</b>	<b>7.7%</b>	
Buildings and other fixed structures	2 129.1	3.1%	7.0%	1 879.5	1 639.7	2 203.1	1.1%	7.7%	
Machinery and equipment	5.3	-8.8%	0.0%	6.4	6.8	7.5	12.3%	0.0%	
Software and other intangible assets	3.5	217.1%	0.0%	0.3	0.4	0.4	-52.5%	0.0%	
<b>Payments for financial assets</b>	<b>0.3</b>	<b>-</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.0%</b>	
<b>Total</b>	<b>23 686.8</b>	<b>3.6%</b>	<b>100.0%</b>	<b>24 504.5</b>	<b>25 987.6</b>	<b>28 189.4</b>	<b>6.0%</b>	<b>100.0%</b>	

## Expenditure trends and estimates for significant spending items

Table 14.4 Expenditure trends and estimates for significant spending items

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
National school nutrition programme	5 685 381	6 059 655	6 426 313	6 802 079	6.2%	28.1%	7 185 715	7 695 901	8 165 351	6.3%	29.2%
Education infrastructure grant	9 354 443	9 933 282	10 467 276	10 093 563	2.6%	44.8%	10 514 478	11 466 632	12 326 629	6.9%	43.4%
School Infrastructure Backlogs grant	1 622 420	1 315 835	1 786 396	2 272 726	11.9%	7.9%	2 027 048	1 769 036	2 338 937	1.0%	8.2%
National Student Financial Aid Scheme	991 084	1 043 611	1 095 792	1 159 348	5.4%	4.8%	1 224 271	1 291 606	1 362 644	5.5%	4.9%
<b>Total</b>	<b>17 653 328</b>	<b>18 352 383</b>	<b>19 775 777</b>	<b>20 327 716</b>	<b>4.8%</b>	<b>85.6%</b>	<b>20 951 512</b>	<b>22 223 175</b>	<b>24 193 561</b>	<b>6.0%</b>	<b>85.7%</b>

## Goods and services expenditure trends and estimates

Table 14.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average Expenditure/ Total (%)	2019/20	2020/21	2021/22		
Administrative fees	33 525	24 576	15 732	6 493	-42.1%	1.0%	6 009	5 378	6 740	1.3%	0.3%
Advertising	2 032	18 280	14 360	12 553	83.5%	0.6%	39 287	40 858	48 292	56.7%	1.8%
Minor assets	426	801	336	2 310	75.7%	-	3 461	3 720	3 988	20.0%	0.2%
Audit costs: External	17 062	20 513	21 835	26 052	15.2%	1.1%	26 335	27 841	29 392	4.1%	1.4%
Bursaries: Employees	392	364	394	458	5.3%	-	460	479	507	3.4%	-
Catering: Departmental activities	18 839	27 743	20 519	30 618	17.6%	1.2%	22 210	23 468	25 831	-5.5%	1.3%
Communication	4 755	9 334	4 729	12 488	38.0%	0.4%	6 225	6 692	7 066	-17.3%	0.4%
Computer services	65 653	74 785	69 434	94 626	13.0%	3.9%	82 927	96 370	97 846	1.1%	4.6%
Consultants: Business and advisory services	123 576	171 664	167 274	140 468	4.4%	7.7%	130 978	110 849	118 309	-5.6%	6.3%
Legal services	1 964	2 475	3 969	1 669	-5.3%	0.1%	1 842	1 943	2 050	7.1%	0.1%
Contractors	348	1 858	1 706	4 712	138.3%	0.1%	6 043	4 207	2 574	-18.3%	0.2%
Agency and support/outsourced services	60 478	31 764	45 158	44 372	-9.8%	2.3%	38 252	40 800	60 988	11.2%	2.3%
Entertainment	-	-	-	227	-	-	240	253	267	5.6%	-
Fleet services (including government motor transport)	1 778	2 335	2 563	1 091	-15.0%	0.1%	998	1 054	1 112	0.6%	0.1%
Inventory: Clothing material and accessories	-	34	45	17	-	-	45	47	50	43.3%	-
Inventory: Farming supplies	-	-	-	48	-	-	51	54	57	5.9%	-
Inventory: Fuel, oil and gas	-	-	-	4	-	-	-	-	-	-100.0%	-
Inventory: Learner and teacher support material	968 726	981 781	1 018 474	1 088 919	4.0%	51.9%	1 152 730	1 215 813	1 282 405	5.6%	59.2%
Inventory: Materials and supplies	-	-	-	89	-	-	46	49	52	-16.4%	-
Inventory: Other supplies	107 260	73 032	20 761	6 346	-61.0%	2.7%	412	435	459	-58.3%	0.1%
Consumable supplies	1 953	1 254	3 985	985	-20.4%	0.1%	1 604	1 695	1 789	22.0%	0.1%
Consumables: Stationery, printing and office supplies	48 308	58 767	11 067	49 714	1.0%	2.1%	51 092	53 800	54 231	2.9%	2.6%
Operating leases	11 950	1 203	922	4 569	-27.4%	0.2%	5 139	5 291	5 768	8.1%	0.3%
Rental and hiring	3 485	6 146	3 171	8 326	33.7%	0.3%	2 519	2 557	2 704	-31.3%	0.2%
Property payments	102 277	119 012	129 775	135 470	9.8%	6.2%	151 781	162 624	175 015	8.9%	7.8%
Travel and subsistence	93 089	117 634	124 264	162 587	20.4%	6.4%	176 755	181 274	191 561	5.6%	8.9%
Training and development	1 883	938	2 265	3 091	18.0%	0.1%	7 075	8 226	7 486	34.3%	0.3%
Operating payments	416 481	304 414	89 136	15 245	-66.8%	10.6%	10 946	12 086	12 816	-5.6%	0.6%
Venues and facilities	16 076	10 004	14 006	17 919	3.7%	0.7%	21 829	18 951	20 070	3.9%	1.0%
<b>Total</b>	<b>2 102 316</b>	<b>2 060 711</b>	<b>1 785 880</b>	<b>1 871 466</b>	<b>-3.8%</b>	<b>100.0%</b>	<b>1 947 291</b>	<b>2 026 814</b>	<b>2 159 425</b>	<b>4.9%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 14.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average Expenditure/ Total (%)	2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>1 304</b>	<b>3 355</b>	<b>5 492</b>	<b>2 399</b>	<b>22.5%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	1 304	1 482	3 959	2 399	22.5%	-	-	-	-	-100.0%	-
Claims against the state	-	1 873	1 533	-	-	-	-	-	-	-	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>113 307</b>	<b>123 848</b>	<b>134 760</b>	<b>144 960</b>	<b>8.6%</b>	<b>0.7%</b>	<b>155 063</b>	<b>163 565</b>	<b>172 561</b>	<b>6.0%</b>	<b>0.8%</b>
Education, Training and Development Practices Sector	602	170	405	417	-11.5%	-	429	453	478	4.7%	-
Education and Training Authority	-	5 000	9 743	16 000	-	-	20 000	21 100	22 261	11.6%	0.1%
South African Council for Educators	112 705	118 678	124 612	128 543	4.5%	0.7%	134 634	142 012	149 822	5.2%	0.7%
Umalusi Council for Quality Assurance in General and Further Education and Training											

Table 14.6 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19	2021/22	
R thousand												
<b>Households</b>												
<b>Other transfers to households</b>												
<b>Current</b>	<b>991 084</b>	<b>1 043 611</b>	<b>1 095 792</b>	<b>1 159 348</b>	<b>5.4%</b>	<b>5.9%</b>	<b>1 224 271</b>	<b>1 291 606</b>	<b>1 362 644</b>	<b>5.5%</b>	<b>6.0%</b>	
National Student Financial Aid Scheme	991 084	1 043 611	1 095 792	1 159 348	5.4%	5.9%	1 224 271	1 291 606	1 362 644	5.5%	6.0%	
<b>Non-profit institutions</b>												
<b>Current</b>	<b>60 055</b>	<b>76 178</b>	<b>106 020</b>	<b>106 049</b>	<b>20.9%</b>	<b>0.5%</b>	<b>112 014</b>	<b>118 175</b>	<b>124 676</b>	<b>5.5%</b>	<b>0.5%</b>	
National Education Collaboration Trust	60 000	76 120	99 959	105 984	20.9%	0.5%	111 945	118 102	124 598	5.5%	0.5%	
Childline South Africa	55	58	61	65	5.7%	–	69	73	78	6.3%	–	
Historic school restoration	–	–	6 000	–	–	–	–	–	–	–	–	
<b>Foreign governments and international organisations</b>												
<b>Current</b>	<b>20 998</b>	<b>19 196</b>	<b>18 212</b>	<b>19 052</b>	<b>-3.2%</b>	<b>0.1%</b>	<b>20 111</b>	<b>21 116</b>	<b>22 278</b>	<b>5.4%</b>	<b>0.1%</b>	
Association for the Development of Education in Africa	153	130	119	148	-1.1%	–	150	158	167	4.1%	–	
Southern and Eastern Africa Consortium for Monitoring Educational Quality	3 135	3 348	3 335	3 295	1.7%	–	3 480	3 671	3 873	5.5%	–	
Guidance, Counselling and Youth Development Centre for Africa	157	131	120	178	4.3%	–	186	196	207	5.2%	–	
UNESCO (United Nations Educational, Scientific and Cultural Organisation)	17 553	15 587	14 638	15 431	-4.2%	0.1%	16 295	17 091	18 031	5.3%	0.1%	
<b>Provinces and municipalities</b>												
<b>Provincial revenue funds</b>												
<b>Current</b>	<b>5 960 386</b>	<b>6 283 842</b>	<b>6 737 644</b>	<b>7 232 102</b>	<b>6.7%</b>	<b>36.0%</b>	<b>7 663 451</b>	<b>8 209 409</b>	<b>8 707 102</b>	<b>6.4%</b>	<b>37.9%</b>	
Learners with profound intellectual disabilities grant	–	–	66 023	186 788	–	0.3%	220 785	242 864	256 222	11.1%	1.1%	
Occupational specific dispensation for education sector therapists grant	66 275	–	–	–	-100.0%	0.1%	–	–	–	–	–	
National school nutrition programme grant	5 685 381	6 059 655	6 426 313	6 802 079	6.2%	34.3%	7 185 715	7 695 901	8 165 351	6.3%	35.5%	
HIV and AIDS (life skills education) grant	208 730	224 187	245 308	243 235	5.2%	1.3%	256 951	270 644	285 529	5.5%	1.3%	
<b>Capital</b>	<b>9 671 385</b>	<b>10 295 726</b>	<b>10 832 421</b>	<b>10 464 046</b>	<b>2.7%</b>	<b>56.7%</b>	<b>10 905 780</b>	<b>11 879 891</b>	<b>12 762 617</b>	<b>6.8%</b>	<b>54.7%</b>	
Maths, science and technology grant	316 942	362 444	365 145	370 483	5.3%	1.9%	391 302	413 259	435 988	5.6%	1.9%	
Education infrastructure grant	9 354 443	9 933 282	10 467 276	10 093 563	2.6%	54.8%	10 514 478	11 466 632	12 326 629	6.9%	52.8%	
<b>Total</b>	<b>16 818 519</b>	<b>17 845 756</b>	<b>18 930 341</b>	<b>19 127 956</b>	<b>4.4%</b>	<b>100.0%</b>	<b>20 080 690</b>	<b>21 683 762</b>	<b>23 151 878</b>	<b>6.6%</b>	<b>100.0%</b>	

## Personnel information

Table 14.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes																			
1. Administration																			
2. Curriculum Policy, Support and Monitoring																			
3. Teachers, Education Human Resources and Institutional Development																			
4. Planning, Information and Assessment																			
5. Educational Enrichment Services																			
Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment										Number							
Number of funded posts	Number of posts additional to the establishment	Actual		Revised estimate			Medium-term expenditure estimate					Average growth rate (%)	Average Salary level/Total (%)						
		2017/18	Unit cost	2018/19	Unit cost	2019/20	Unit cost	2020/21	Unit cost	2021/22	Unit cost			2018/19 - 2021/22					
<b>Basic Education</b>	<b>825</b>	–	<b>715</b>	<b>472.5</b>	<b>0.7</b>	<b>699</b>	<b>510.6</b>	<b>0.7</b>	<b>697</b>	<b>546.8</b>	<b>0.8</b>	<b>693</b>	<b>587.8</b>	<b>0.8</b>	<b>688</b>	<b>625.9</b>	<b>0.9</b>	<b>-0.5%</b>	<b>100.0%</b>
Salary level																			
1 – 6	212	–	199	54.0	0.3	198	57.9	0.3	198	62.5	0.3	198	67.5	0.3	198	72.9	0.4	–	28.5%
7 – 10	296	–	236	118.7	0.5	230	123.1	0.5	228	132.1	0.6	227	141.6	0.6	226	151.1	0.7	-0.6%	32.8%
11 – 12	221	–	198	167.9	0.8	187	175.0	0.9	179	180.5	1.0	177	191.3	1.1	172	199.3	1.2	-2.7%	25.7%
13 – 16	94	–	80	92.8	1.2	82	102.7	1.3	90	121.6	1.4	89	129.2	1.5	90	139.6	1.6	3.2%	12.6%
Other	2	–	2	39.1	19.6	2	51.9	26.0	2	50.1	25.0	2	58.1	29.1	2	63.0	31.5	–	0.3%
<b>Programme</b>	<b>825</b>	–	<b>715</b>	<b>472.5</b>	<b>0.7</b>	<b>699</b>	<b>510.6</b>	<b>0.7</b>	<b>697</b>	<b>546.8</b>	<b>0.8</b>	<b>693</b>	<b>587.8</b>	<b>0.8</b>	<b>688</b>	<b>625.9</b>	<b>0.9</b>	<b>-0.5%</b>	<b>100.0%</b>
Programme 1	310	–	297	165.1	0.6	287	169.4	0.6	295	193.0	0.7	294	207.0	0.7	291	219.8	0.8	0.5%	42.0%
Programme 2	114	–	108	89.1	0.8	102	98.1	1.0	92	98.9	1.1	90	103.6	1.2	90	110.6	1.2	-4.1%	13.5%
Programme 3	152	–	100	65.2	0.7	99	70.2	0.7	99	75.2	0.8	98	80.6	0.8	98	86.3	0.9	-0.3%	14.2%
Programme 4	181	–	152	116.8	0.8	152	131.7	0.9	150	133.6	0.9	149	147.1	1.0	147	157.2	1.1	-1.1%	21.5%
Programme 5	68	–	58	36.3	0.6	59	41.2	0.7	61	46.0	0.8	62	49.4	0.8	62	52.0	0.8	1.7%	8.8%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 14.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2015/16 - 2018/19	2019/20		
<b>Departmental receipts</b>	<b>18 254</b>	<b>15 521</b>	<b>25 653</b>	<b>14 933</b>	<b>14 933</b>	<b>-6.5%</b>	<b>100.0%</b>	<b>10 882</b>	<b>9 997</b>	<b>9 212</b>	<b>-14.9%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>2 686</b>	<b>2 339</b>	<b>2 480</b>	<b>3 018</b>	<b>3 018</b>	<b>4.0%</b>	<b>14.2%</b>	<b>2 667</b>	<b>2 782</b>	<b>2 997</b>	<b>-0.2%</b>	<b>25.5%</b>
Sales by market establishments	107	105	100	108	108	0.3%	0.6%	135	140	150	11.6%	1.2%
<i>of which:</i>												
Market establishment: Rental parking: Covered and open	107	105	100	108	108	0.3%	0.6%	135	140	150	11.6%	1.2%
Administrative fees	–	2 120	2 380	2 300	2 300	–	9.1%	2 400	2 500	2 700	5.5%	22.0%
<i>of which:</i>												
Services rendered: Exam certificates	–	2 119	2 380	2 300	2 300	–	9.1%	2 400	2 500	2 700	5.5%	22.0%
Sales: Entrance fees	–	1	–	–	–	–	–	–	–	–	–	–
Other sales	2 579	114	–	610	610	-38.2%	4.4%	132	142	147	-37.8%	2.3%
<i>of which:</i>												
Services rendered: Commission on insurance and garnishees	2 579	112	–	108	108	-65.3%	3.8%	130	140	145	10.3%	1.2%
Replacement of security cards	–	2	–	2	2	–	–	2	2	2	–	–
Sale of assets less than R5 000	–	–	–	500	500	–	0.7%	–	–	–	-100.0%	1.1%
Sales of scrap, waste, arms and other used current goods	–	150	–	200	200	–	0.5%	200	200	200	–	1.8%
<i>of which:</i>												
Wastepaper	–	150	–	200	200	–	0.5%	200	200	200	–	1.8%
<b>Interest, dividends and rent on land</b>	<b>10 121</b>	<b>10 397</b>	<b>20 020</b>	<b>11 000</b>	<b>11 000</b>	<b>2.8%</b>	<b>69.3%</b>	<b>8 000</b>	<b>7 000</b>	<b>6 000</b>	<b>-18.3%</b>	<b>71.1%</b>
Interest	10 121	10 397	20 020	11 000	11 000	2.8%	69.3%	8 000	7 000	6 000	-18.3%	71.1%
Sales of capital assets	22	–	–	15	15	-12.0%	–	15	15	15	–	0.1%
Transactions in financial assets and liabilities	5 425	2 635	3 153	700	700	-49.5%	16.0%	–	–	–	-100.0%	1.6%
<b>Total</b>	<b>18 254</b>	<b>15 521</b>	<b>25 653</b>	<b>14 933</b>	<b>14 933</b>	<b>-6.5%</b>	<b>100.0%</b>	<b>10 882</b>	<b>9 997</b>	<b>9 212</b>	<b>-14.9%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 14.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20			2020/21
R million												
Ministry	28.2	31.4	32.7	30.8	3.1%	7.2%	31.1	33.2	35.1	4.4%	6.3%	
Department Management	65.1	79.9	81.7	88.4	10.8%	18.4%	88.3	94.5	100.2	4.2%	18.1%	
Corporate Services	55.7	63.9	64.9	74.8	10.3%	15.1%	72.1	76.7	81.2	2.8%	14.8%	
Office of the Chief Financial Officer	64.2	62.7	63.4	73.2	4.5%	15.4%	87.5	93.5	99.1	10.6%	17.2%	
Internal Audit	8.1	5.8	6.7	7.4	-2.9%	1.6%	8.0	8.6	9.1	7.3%	1.6%	
Office Accommodation	165.2	174.6	185.7	197.5	6.1%	42.2%	209.2	220.7	233.8	5.8%	41.9%	
<b>Total</b>	<b>386.5</b>	<b>418.3</b>	<b>435.1</b>	<b>472.1</b>	<b>6.9%</b>	<b>100.0%</b>	<b>496.3</b>	<b>527.2</b>	<b>558.5</b>	<b>5.8%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				21.7			12.5	13.1	13.9			

**Table 14.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
<b>Current payments</b>	<b>367.3</b>	<b>404.3</b>	<b>422.1</b>	<b>459.8</b>	<b>7.8%</b>	<b>96.6%</b>	<b>481.5</b>	<b>510.7</b>	<b>540.1</b>	<b>5.5%</b>	<b>97.0%</b>
Compensation of employees	143.8	151.2	165.1	169.4	5.6%	36.8%	193.0	207.0	219.8	9.1%	38.4%
Goods and services <sup>1</sup>	176.1	206.7	211.5	239.0	10.7%	48.7%	244.9	261.2	279.2	5.3%	49.9%
<i>of which:</i>											
<i>Audit costs: External</i>	<i>17.1</i>	<i>16.0</i>	<i>14.6</i>	<i>22.1</i>	<i>8.9%</i>	<i>4.1%</i>	<i>22.8</i>	<i>24.3</i>	<i>25.6</i>	<i>5.1%</i>	<i>4.6%</i>
<i>Communication</i>	<i>2.7</i>	<i>3.0</i>	<i>2.9</i>	<i>2.8</i>	<i>0.6%</i>	<i>0.7%</i>	<i>2.8</i>	<i>3.0</i>	<i>3.2</i>	<i>4.3%</i>	<i>0.6%</i>
<i>Computer services</i>	<i>17.4</i>	<i>21.6</i>	<i>20.5</i>	<i>29.0</i>	<i>18.5%</i>	<i>5.2%</i>	<i>24.4</i>	<i>25.7</i>	<i>27.1</i>	<i>-2.2%</i>	<i>5.2%</i>
<i>Consumables: Stationery, printing and office supplies</i>	<i>2.3</i>	<i>2.5</i>	<i>3.6</i>	<i>3.1</i>	<i>9.9%</i>	<i>0.7%</i>	<i>3.4</i>	<i>3.6</i>	<i>3.8</i>	<i>7.1%</i>	<i>0.7%</i>
<i>Property payments</i>	<i>102.2</i>	<i>119.0</i>	<i>129.8</i>	<i>135.5</i>	<i>9.8%</i>	<i>28.4%</i>	<i>151.8</i>	<i>162.6</i>	<i>175.0</i>	<i>8.9%</i>	<i>30.4%</i>
<i>Travel and subsistence</i>	<i>14.5</i>	<i>15.1</i>	<i>15.9</i>	<i>21.2</i>	<i>13.5%</i>	<i>3.9%</i>	<i>20.3</i>	<i>21.4</i>	<i>22.6</i>	<i>2.1%</i>	<i>4.2%</i>
<i>Interest and rent on land</i>	<i>47.5</i>	<i>46.3</i>	<i>45.5</i>	<i>51.5</i>	<i>2.7%</i>	<i>11.1%</i>	<i>43.6</i>	<i>42.4</i>	<i>41.1</i>	<i>-7.2%</i>	<i>8.7%</i>
<b>Transfers and subsidies<sup>1</sup></b>	<b>1.0</b>	<b>2.4</b>	<b>2.2</b>	<b>0.7</b>	<b>-11.6%</b>	<b>0.4%</b>	<b>0.4</b>	<b>0.5</b>	<b>0.5</b>	<b>-12.0%</b>	<b>0.1%</b>
Departmental agencies and accounts	0.6	0.2	0.4	0.4	-11.5%	0.1%	0.4	0.5	0.5	4.7%	0.1%
Households	0.4	2.2	1.8	0.3	-11.7%	0.3%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>18.0</b>	<b>11.6</b>	<b>10.6</b>	<b>11.4</b>	<b>-14.1%</b>	<b>3.0%</b>	<b>14.4</b>	<b>16.1</b>	<b>17.9</b>	<b>16.2%</b>	<b>2.9%</b>
Buildings and other fixed structures	14.2	7.2	8.0	8.0	-17.4%	2.2%	10.0	11.1	12.4	15.6%	2.0%
Machinery and equipment	3.8	4.4	2.6	3.1	-6.5%	0.8%	4.0	4.6	5.1	18.4%	0.8%
Software and other intangible assets	-	-	-	0.3	-	-	0.3	0.4	0.4	7.0%	0.1%
<b>Payments for financial assets</b>	<b>0.1</b>	<b>0.1</b>	<b>0.2</b>	<b>0.2</b>	<b>14.5%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
<b>Total</b>	<b>386.5</b>	<b>418.3</b>	<b>435.1</b>	<b>472.1</b>	<b>6.9%</b>	<b>100.0%</b>	<b>496.3</b>	<b>527.2</b>	<b>558.5</b>	<b>5.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.9%</b>	<b>1.9%</b>	<b>1.9%</b>	<b>2.0%</b>	<b>-</b>	<b>-</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Curriculum Policy, Support and Monitoring

### Programme purpose

Develop curriculum and assessment policies, and monitor and support their implementation.

### Objectives

- Increase the number of learners who complete grade 12 by providing the Second Chance programme to learners who failed to meet the national senior certificate requirements annually.
- Improve the learning and teaching of critical foundational skills by developing, printing and distributing 2 volumes of grades 1 to 6 literacy/languages, grades 1 to 3 life skills (quintiles 1 to 3), grades 1 to 9 numeracy/mathematics, grades 1 to 6 English first additional language, and grade R workbooks to all learners in public schools annually.
- Improve learners' reading proficiency levels in the foundation phase in all underperforming rural and township schools by using the early grade reading assessment toolkit to assess learners' reading levels annually. This includes learners' phonic knowledge, word recognition, and fluency and comprehension skills in the early grades.
- Fast-track the rollout and implementation of ICT in schools by providing teacher training, ICT devices, digital content, software, connectivity, IT support to schools, and online learner and teacher support material annually.
- Increase learner participation and success rates in mathematics, science and technology by providing ICT equipment, machinery, subject-specific resources and teacher development to schools each year over the medium term by:
  - supporting 300 teachers in ICT integration training
  - supplying 300 schools with subject-specific computer hardware
  - supplying 300 schools with subject-related software in accordance with minimum specifications



- repairing, maintaining or replacing workshop equipment and machinery for technology subjects at 200 technical schools
- providing 200 schools with funds for the maintenance of equipment and machinery
- providing 1 000 schools with laboratory equipment, apparatus and consumables, including manipulatives for mathematics
- supporting 50 000 learners in co-curricular services related to mathematics, science and technology
- supporting 1 500 teachers and subject advisers in curriculum assessment policy statement training
- supporting 1 000 teachers in structured teacher development programmes specific to mathematics, science and technology.

## Subprogrammes

- *Programme Management: Curriculum Policy, Support and Monitoring* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions in the programme.
- *Curriculum Implementation and Monitoring* supports and monitors the implementation of the national strategy for learner attainment framework to monitor the quality of teaching and improve the quality of mathematics, science, technology and languages in all public schools from grades R to 12.
- *Curriculum and Quality Enhancement Programmes* supports programmes that enhance curriculum outcomes in the basic education system, and increases participation and success in mathematics, science and technology through structured programmes.

## Expenditure trends and estimates

**Table 14.10 Curriculum Policy, Support and Monitoring expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Programme Management: Curriculum Policy, Support and Monitoring	2.4	3.4	2.5	4.2	20.1%	0.2%	2.8	2.9	3.1	-9.9%	0.2%
Curriculum Implementation and Monitoring	507.6	440.3	269.4	328.5	-13.5%	21.4%	384.9	411.9	432.4	9.6%	19.0%
Curriculum and Quality Enhancement Programmes	1 287.7	1 383.0	1 459.2	1 534.4	6.0%	78.4%	1 601.3	1 688.6	1 782.2	5.1%	80.8%
<b>Total</b>	<b>1 797.7</b>	<b>1 826.7</b>	<b>1 731.1</b>	<b>1 867.1</b>	<b>1.3%</b>	<b>100.0%</b>	<b>1 989.0</b>	<b>2 103.3</b>	<b>2 217.7</b>	<b>5.9%</b>	<b>100.0%</b>
Change to 2018				(37.9)			(21.1)	(34.6)	(38.9)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>1 479.8</b>	<b>1 463.4</b>	<b>1 298.0</b>	<b>1 304.9</b>	<b>-4.1%</b>	<b>76.8%</b>	<b>1 375.7</b>	<b>1 446.2</b>	<b>1 524.4</b>	<b>5.3%</b>	<b>69.1%</b>
Compensation of employees	76.1	72.0	89.1	98.1	8.8%	4.6%	98.9	103.6	110.6	4.1%	5.0%
Goods and services <sup>1</sup>	1 403.7	1 391.4	1 208.9	1 206.9	-4.9%	72.1%	1 276.8	1 342.6	1 413.8	5.4%	64.1%
<i>of which:</i>											
Advertising	0.4	10.6	13.1	6.3	149.5%	0.4%	32.2	33.2	40.2	85.9%	1.4%
Agency and support/outsourced services	5.5	8.5	11.2	27.1	70.2%	0.7%	10.4	13.4	10.4	-27.4%	0.7%
Inventory: Learner and teacher support material	968.7	981.5	1 018.5	1 087.9	3.9%	56.2%	1 151.4	1 214.3	1 280.8	5.6%	57.9%
Consumables: Stationery, printing and office supplies	23.1	52.5	3.2	18.1	-7.9%	1.3%	27.1	29.8	29.0	17.1%	1.3%
Travel and subsistence	10.3	10.6	30.1	20.5	25.9%	1.0%	17.9	17.7	19.2	-2.1%	0.9%
Venues and facilities	10.9	1.2	8.9	7.2	-12.9%	0.4%	15.3	12.1	12.8	21.1%	0.6%
<b>Transfers and subsidies<sup>1</sup></b>	<b>317.2</b>	<b>362.8</b>	<b>431.8</b>	<b>558.3</b>	<b>20.7%</b>	<b>23.1%</b>	<b>612.3</b>	<b>656.3</b>	<b>692.4</b>	<b>7.4%</b>	<b>30.8%</b>
Provinces and municipalities	316.9	362.4	431.2	557.3	20.7%	23.1%	612.1	656.1	692.2	7.5%	30.8%
Foreign governments and international organisations	0.2	0.1	0.1	0.2	4.3%	–	0.2	0.2	0.2	5.2%	–
Households	0.1	0.2	0.5	0.9	97.1%	–	–	–	–	-100.0%	–

**Table 14.10 Curriculum Policy, Support and Monitoring expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19 - 2021/22	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
<b>Payments for capital assets</b>	<b>0.7</b>	<b>0.4</b>	<b>1.2</b>	<b>3.9</b>	<b>73.0%</b>	<b>0.1%</b>	<b>1.0</b>	<b>0.8</b>	<b>0.9</b>	<b>-39.4%</b>	<b>0.1%</b>
Machinery and equipment	0.7	0.4	0.7	0.7	-4.2%	-	1.0	0.8	0.9	9.4%	-
Software and other intangible assets	-	-	0.5	3.2	-	0.1%	-	-	-	-100.0%	-
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>-21.4%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
<b>Total</b>	<b>1 797.7</b>	<b>1 826.7</b>	<b>1 731.1</b>	<b>1 867.1</b>	<b>1.3%</b>	<b>100.0%</b>	<b>1 989.0</b>	<b>2 103.3</b>	<b>2 217.7</b>	<b>5.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>8.6%</b>	<b>8.5%</b>	<b>7.5%</b>	<b>7.9%</b>	<b>-</b>	<b>-</b>	<b>8.1%</b>	<b>8.1%</b>	<b>7.9%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>-</b>	<b>-</b>	<b>66.0</b>	<b>186.8</b>	<b>-</b>	<b>-</b>	<b>220.8</b>	<b>242.9</b>	<b>256.2</b>	<b>11.1%</b>	<b>-</b>
Learners with profound intellectual disabilities grant	-	-	66.0	186.8	-	-	220.8	242.9	256.2	11.1%	-
<b>Capital</b>	<b>316.9</b>	<b>362.4</b>	<b>365.1</b>	<b>370.5</b>	<b>5.3%</b>	<b>-</b>	<b>391.3</b>	<b>413.3</b>	<b>436.0</b>	<b>5.6%</b>	<b>-</b>
Maths, science and technology grant	316.9	362.4	365.1	370.5	5.3%	-	391.3	413.3	436.0	5.6%	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Teachers, Education Human Resources and Institutional Development

### Programme purpose

Promote quality teaching and institutional performance through the effective supply, development and utilisation of human resources.

### Objectives

- Ensure the adequate supply of qualified recruits in the system by securing posts for Funza Lushaka bursary holders, by June of the year after qualifying, in each year over the medium term.
- Improve the quality of teaching and learning by ensuring an adequate supply of young and qualified teachers through awarding 13 000 Funza Lushaka bursaries to prospective teachers in 2019/20.
- Improve the quality of teaching and learning by monitoring and supporting the implementation of the policy on educator post provisioning in all provincial education departments annually.
- Enhance accountability by monitoring and supporting the implementation of educator performance management systems and school evaluations annually.

### Subprogrammes

- *Programme Management: Teachers, Education Human Resources and Institutional Development* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions in the programme.
- *Education Human Resources Management* is responsible for the planning, provisioning and monitoring of education human resources; the oversight and strengthening of educator performance management systems and school evaluations; and education labour relations and conditions of service.
- *Education Human Resources Development* oversees and translates the integrated strategic planning framework for teacher education and development into a wide range of teacher training programmes, collaborative professional development activities, and agreements with partners and relevant service providers. The subprogramme also coordinates activities with the national institute for curriculum and professional development to promote best practice in classroom teaching and teacher development.

- *Curriculum and Professional Development Unit* manages and develops an innovative and effective system for teacher development and curriculum implementation. This entails the creation of teacher development platforms, and the evaluation and impact assessment of teacher knowledge testing tools for determining teacher needs in content and pedagogical knowledge.

## Expenditure trends and estimates

**Table 14.11 Teachers, Education Human Resources and Institutional Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Programme Management: Teachers, Education Human Resources and Institutional Development	2.5	2.4	1.6	3.1	7.7%	0.2%	2.0	2.1	2.2	-10.5%	0.2%
Education Human Resources Management	137.2	75.8	61.1	64.8	-22.2%	6.9%	68.6	72.9	77.5	6.2%	5.0%
Education Human Resources Development	1 012.1	1 089.9	1 170.2	1 230.2	6.7%	91.9%	1 279.4	1 350.4	1 425.1	5.0%	93.6%
Curriculum and Professional Development Unit	11.7	9.2	11.0	15.0	8.6%	1.0%	16.2	17.2	18.3	6.9%	1.2%
<b>Total</b>	<b>1 163.5</b>	<b>1 177.4</b>	<b>1 243.8</b>	<b>1 313.0</b>	<b>4.1%</b>	<b>100.0%</b>	<b>1 366.2</b>	<b>1 442.6</b>	<b>1 523.2</b>	<b>5.1%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				22.6			(0.0)	(0.3)	0.2		
<b>Economic classification</b>											
<b>Current payments</b>	<b>87.9</b>	<b>112.3</b>	<b>121.2</b>	<b>121.1</b>	<b>11.3%</b>	<b>9.0%</b>	<b>105.1</b>	<b>112.2</b>	<b>119.6</b>	<b>-0.4%</b>	<b>8.1%</b>
Compensation of employees	69.0	71.4	65.2	70.2	0.6%	5.6%	75.2	80.6	86.3	7.1%	5.5%
Goods and services <sup>1</sup>	18.9	40.9	56.0	50.9	39.3%	3.4%	29.8	31.6	33.3	-13.2%	2.6%
<i>of which:</i>											
<i>Catering: Departmental activities</i>	4.0	1.0	1.7	5.1	8.3%	0.2%	2.2	2.3	2.4	-22.0%	0.2%
<i>Computer services</i>	0.3	0.3	3.3	2.9	115.5%	0.1%	1.6	1.7	1.8	-14.6%	0.1%
<i>Agency and support/outsourced services</i>	2.6	3.9	28.4	13.4	71.8%	1.0%	1.3	1.4	1.5	-51.9%	0.3%
<i>Consumables: Stationery, printing and office supplies</i>	0.8	0.6	0.9	0.9	4.7%	0.1%	1.0	1.1	1.2	7.3%	0.1%
<i>Travel and subsistence</i>	8.9	19.8	14.8	20.0	30.9%	1.3%	19.8	20.9	22.0	3.2%	1.5%
<i>Venues and facilities</i>	0.2	3.5	1.7	3.7	160.6%	0.2%	1.8	1.8	2.0	-19.1%	0.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 075.3</b>	<b>1 064.7</b>	<b>1 122.1</b>	<b>1 191.5</b>	<b>3.5%</b>	<b>90.9%</b>	<b>1 260.7</b>	<b>1 330.0</b>	<b>1 403.1</b>	<b>5.6%</b>	<b>91.9%</b>
Provinces and municipalities	66.3	–	–	–	-100.0%	1.4%	–	–	–	–	–
Departmental agencies and accounts	–	5.0	9.7	16.0	–	0.6%	20.0	21.1	22.3	11.6%	1.4%
Foreign governments and international organisations	17.7	15.7	14.8	15.6	-4.2%	1.3%	16.4	17.2	18.2	5.3%	1.2%
Households	991.3	1 044.0	1 097.6	1 159.9	5.4%	87.6%	1 224.3	1 291.6	1 362.6	5.5%	89.3%
<b>Payments for capital assets</b>	<b>0.3</b>	<b>0.2</b>	<b>0.4</b>	<b>0.4</b>	<b>15.1%</b>	<b>–</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>1.4%</b>	<b>–</b>
Machinery and equipment	0.3	0.2	0.4	0.4	15.1%	–	0.4	0.4	0.4	1.4%	–
<b>Payments for financial assets</b>	<b>0.1</b>	<b>0.2</b>	<b>0.1</b>	<b>0.0</b>	<b>-47.4%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
<b>Total</b>	<b>1 163.5</b>	<b>1 177.4</b>	<b>1 243.8</b>	<b>1 313.0</b>	<b>4.1%</b>	<b>100.0%</b>	<b>1 366.2</b>	<b>1 442.6</b>	<b>1 523.2</b>	<b>5.1%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>5.6%</b>	<b>5.5%</b>	<b>5.4%</b>	<b>5.5%</b>	<b>–</b>	<b>–</b>	<b>5.6%</b>	<b>5.6%</b>	<b>5.4%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>–</b>	<b>5.0</b>	<b>9.7</b>	<b>16.0</b>	<b>–</b>	<b>–</b>	<b>20.0</b>	<b>21.1</b>	<b>22.3</b>	<b>11.6%</b>	<b>–</b>
South African Council for Educators	–	5.0	9.7	16.0	–	–	20.0	21.1	22.3	11.6%	–
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>991.1</b>	<b>1 043.6</b>	<b>1 095.8</b>	<b>1 159.3</b>	<b>5.4%</b>	<b>0.1%</b>	<b>1 224.3</b>	<b>1 291.6</b>	<b>1 362.6</b>	<b>5.5%</b>	<b>0.1%</b>
National Student Financial Aid Scheme	991.1	1 043.6	1 095.8	1 159.3	5.4%	0.1%	1 224.3	1 291.6	1 362.6	5.5%	0.1%

**Table 14.11 Teachers, Education Human Resources and Institutional Development expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>17.7</b>	<b>15.7</b>	<b>14.8</b>	<b>15.6</b>	<b>-4.2%</b>	<b>–</b>	<b>16.4</b>	<b>17.2</b>	<b>18.2</b>	<b>5.3%</b>	<b>–</b>
Association for the Development of Education in Africa	0.2	0.1	0.1	0.1	-1.1%	–	0.2	0.2	0.2	4.1%	–
UNESCO (United Nations Educational, Scientific and Cultural Organisation)	17.6	15.6	14.6	15.4	-4.2%	–	16.3	17.1	18.0	5.3%	–
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>66.3</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Occupational specific dispensation for education sector therapists grant	66.3	–	–	–	-100.0%	–	–	–	–	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Planning, Information and Assessment

### Programme purpose

Promote quality and effective service delivery in the basic education system through planning, implementation and assessment.

### Objectives

- Improve the delivery of school infrastructure over the medium term by providing oversight and support to provinces through quarterly reporting on schools' furniture needs and deliveries, the national education infrastructure management system, and the *education infrastructure grant*.
- Contribute to improved teaching and learning through improving and upgrading infrastructure by 2019/20, by:
  - building 59 schools to replace unsafe structures
  - providing water to 227 schools
  - providing sanitation to 717 schools.
- Track improvements in the quality of teaching and learning by providing standardised national assessments for grade 3, 6 and 9 learners, and the administration of a credible public examination in grade 12 each year.
- Strengthen the capacity of district offices to support schools through quarterly provincial visits that monitor, evaluate and make recommendations on curriculum oversight, institutional management and governance support provided and human resources management operations.

### Subprogrammes

- *Programme Management: Planning, Information and Assessment* delegates administrative and financial responsibilities, and coordinates all monitoring and evaluation functions in the programme.
- *Financial Planning, Information and Management Systems* develops systems and procedures to support and maintain integrated education management systems based on learner record information. This is done to monitor and report on the implementation of education information policy in the basic education sector. This subprogramme also focuses on cross-cutting aspects such as resource planning, financial support, and the development and monitoring of national funding norms and standards with provincial education departments.
- *School Infrastructure* uses funding from the *school infrastructure backlogs grant* to eradicate infrastructure backlogs. This includes replacing school buildings constructed from inappropriate materials such as mud, and providing water and sanitation to schools that do not have these facilities. The *education infrastructure grant*

provides co-funding for the ongoing infrastructure programme in provinces to allow for the provision of infrastructure requirements. This includes the maintenance of existing infrastructure and the construction of new infrastructure, where required, to progressively meet the minimum norms and standards for school infrastructure.

- *National Assessments and Public Examinations* provides standardised national assessments for grade 3, 6 and 9 learners, and the regulation and standardisation of assessments through the implementation of an integrated assessment framework for grades 4 to 11; and administers credible public examinations in grade 12. This provides reliable data on learner performance to support the improvement of the quality of basic education.
- *National Education Evaluation and Development Unit* facilitates school improvement through systematic evaluation. The unit evaluates how district offices, provincial departments and the national department monitor and support schools, school governing bodies and teachers. This entails identifying critical factors that inhibit or advance the attainment of sector goals and school improvement, and making focused recommendations for addressing problem areas that undermine school improvement and the attainment of sector goals.
- *Planning and Delivery Oversight Unit* assists the department in meeting objectives by monitoring the planning and delivery of selected priorities, and assisting provinces with this. The unit works with provinces to ensure that provincial initiatives are aligned with national priorities, and provides institutional support for their effective delivery.

## Expenditure trends and estimates

**Table 14.12 Planning, Information and Assessment expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Programme Management:	3.1	3.0	3.5	3.4	2.8%	–	3.6	3.8	4.0	5.8%	–
Planning, Information and Assessment											
Financial Planning, Information and Management Systems	39.7	47.1	96.2	47.0	5.8%	0.5%	44.8	57.5	58.0	7.3%	0.4%
School Infrastructure	10 985.3	11 258.0	12 262.3	12 379.0	4.1%	95.8%	12 545.9	13 236.6	14 667.9	5.8%	95.5%
National Assessments and Public Examinations	377.1	289.2	282.4	356.4	-1.9%	2.7%	392.2	412.0	458.6	8.8%	2.9%
National Education Evaluation and Development Unit	25.6	26.2	20.7	20.2	-7.6%	0.2%	19.2	20.3	21.2	1.8%	0.1%
Planning and Delivery Oversight Unit	81.1	96.6	120.8	132.4	17.7%	0.9%	138.8	146.5	154.4	5.3%	1.0%
<b>Total</b>	<b>11 511.9</b>	<b>11 720.0</b>	<b>12 785.8</b>	<b>12 938.3</b>	<b>4.0%</b>	<b>100.0%</b>	<b>13 144.3</b>	<b>13 876.7</b>	<b>15 364.2</b>	<b>5.9%</b>	<b>100.0%</b>
Change to 2018				967.0			897.7	804.9	1 323.5		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>612.4</b>	<b>531.9</b>	<b>410.7</b>	<b>484.8</b>	<b>-7.5%</b>	<b>4.2%</b>	<b>509.7</b>	<b>517.1</b>	<b>567.9</b>	<b>5.4%</b>	<b>3.8%</b>
Compensation of employees	119.8	126.1	116.8	131.7	3.2%	1.0%	133.6	147.1	157.2	6.1%	1.0%
Goods and services <sup>1</sup>	492.7	405.8	293.9	353.0	-10.5%	3.2%	376.1	369.9	410.8	5.2%	2.7%
of which:											
Catering: Departmental activities	7.7	12.8	6.6	11.7	14.8%	0.1%	15.0	15.7	16.5	12.1%	0.1%
Computer services	47.9	50.7	44.4	58.5	6.9%	0.4%	53.0	64.0	64.9	3.5%	0.4%
Consultants: Business and advisory services	120.3	167.7	162.1	131.4	3.0%	1.2%	129.9	109.8	117.2	-3.8%	0.9%
Agency and support/outsourced services	48.3	16.9	4.1	3.4	-58.7%	0.1%	25.5	24.9	47.9	141.8%	0.2%
Consumables: Stationery, printing and office supplies	21.5	2.5	2.9	26.3	6.9%	0.1%	18.5	18.1	19.0	-10.2%	0.1%
Travel and subsistence	53.2	64.4	56.4	88.3	18.4%	0.5%	107.8	109.2	115.2	9.3%	0.8%
<b>Transfers and subsidies<sup>1</sup></b>	<b>9 530.8</b>	<b>10 131.9</b>	<b>10 696.5</b>	<b>10 331.8</b>	<b>2.7%</b>	<b>83.1%</b>	<b>10 764.5</b>	<b>11 730.4</b>	<b>12 604.9</b>	<b>6.9%</b>	<b>82.1%</b>
Provinces and municipalities	9 354.4	9 933.3	10 467.3	10 093.6	2.6%	81.4%	10 514.5	11 466.6	12 326.6	6.9%	80.3%
Departmental agencies and accounts	112.7	118.7	124.6	128.5	4.5%	1.0%	134.6	142.0	149.8	5.2%	1.0%
Foreign governments and international organisations	3.1	3.3	3.3	3.3	1.7%	–	3.5	3.7	3.9	5.5%	–
Non-profit institutions	60.0	76.1	100.0	106.0	20.9%	0.7%	111.9	118.1	124.6	5.5%	0.8%
Households	0.5	0.5	1.3	0.4	-11.8%	–	–	–	–	-100.0%	–

**Table 14.12 Planning, Information and Assessment expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Payments for capital assets</b>	<b>1 368.6</b>	<b>1 051.1</b>	<b>1 622.7</b>	<b>2 121.8</b>	<b>15.7%</b>	<b>12.6%</b>	<b>1 870.1</b>	<b>1 629.2</b>	<b>2 191.4</b>	<b>1.1%</b>	<b>14.1%</b>
Buildings and other fixed structures	1 368.3	1 049.5	1 617.7	2 121.0	15.7%	12.6%	1 869.5	1 628.6	2 190.7	1.1%	14.1%
Machinery and equipment	0.3	1.5	1.1	0.7	29.9%	–	0.6	0.6	0.6	-3.0%	–
Software and other intangible assets	–	–	3.9	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>0.0</b>	<b>5.1</b>	<b>55.9</b>	<b>0.0</b>	<b>-1.7%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
<b>Total</b>	<b>11 511.9</b>	<b>11 720.0</b>	<b>12 785.8</b>	<b>12 938.3</b>	<b>4.0%</b>	<b>100.0%</b>	<b>13 144.3</b>	<b>13 876.7</b>	<b>15 364.2</b>	<b>5.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>55.4%</b>	<b>54.6%</b>	<b>55.8%</b>	<b>54.6%</b>	<b>–</b>	<b>–</b>	<b>53.6%</b>	<b>53.4%</b>	<b>54.5%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>112.7</b>	<b>118.7</b>	<b>124.6</b>	<b>128.5</b>	<b>4.5%</b>	<b>–</b>	<b>134.6</b>	<b>142.0</b>	<b>149.8</b>	<b>5.2%</b>	<b>–</b>
Umalusi Council for Quality Assurance in General and Further Education and Training	112.7	118.7	124.6	128.5	4.5%	–	134.6	142.0	149.8	5.2%	–
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>3.1</b>	<b>3.3</b>	<b>3.3</b>	<b>3.3</b>	<b>1.7%</b>	<b>–</b>	<b>3.5</b>	<b>3.7</b>	<b>3.9</b>	<b>5.5%</b>	<b>–</b>
Southern and Eastern Africa Consortium for Monitoring Educational Quality	3.1	3.3	3.3	3.3	1.7%	–	3.5	3.7	3.9	5.5%	–
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Capital</b>	<b>9 354.4</b>	<b>9 933.3</b>	<b>10 467.3</b>	<b>10 093.6</b>	<b>2.6%</b>	<b>0.1%</b>	<b>10 514.5</b>	<b>11 466.6</b>	<b>12 326.6</b>	<b>6.9%</b>	<b>0.1%</b>
Education infrastructure grant	9 354.4	9 933.3	10 467.3	10 093.6	2.6%	0.1%	10 514.5	11 466.6	12 326.6	6.9%	0.1%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>60.0</b>	<b>76.1</b>	<b>100.0</b>	<b>106.0</b>	<b>20.9%</b>	<b>–</b>	<b>111.9</b>	<b>118.1</b>	<b>124.6</b>	<b>5.5%</b>	<b>–</b>
National Education Collaboration Trust	60.0	76.1	100.0	106.0	20.9%	–	111.9	118.1	124.6	5.5%	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Educational Enrichment Services

### Programme purpose

Monitor and support provinces to implement care and support programmes for learning and teaching.

### Objectives

- Reduce barriers to learning by implementing school sport, safety and social cohesion programmes each year over the medium term to ensure the holistic development of learners, enhance their learning experience, and maximise their school performance.
- Improve learner health and wellness by implementing school health programmes, including the provision of nutritious meals, to all learners in quintiles 1 to 3 primary, secondary and identified special schools annually.

### Subprogrammes

- *Programme Management: Educational Enrichment Services* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions in the programme.
- *Partnerships in Education* partners with stakeholders in support of education in an attempt to make education a societal issue; and manages policy, programmes and systems aimed at creating a safe and cohesive learning environment. The goal is to promote holistic learner development through facilitating sports and enrichment programmes in schools; and promote social cohesion, an understanding of human

rights, gender equity, non-racism, non-sexism, and democratic and constitutional values in education in public schools and school communities.

- *Care and Support in Schools* manages policies, the provision of meals and the promotion of learner access to public services. This includes interventions aimed at encouraging healthy habits and alleviating poverty.

## Expenditure trends and estimates

**Table 14.13 Educational Enrichment Services expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Programme Management:	2.2	3.1	15.3	3.7	19.2%	0.1%	3.9	4.3	4.5	6.4%	0.1%
Educational Enrichment Services											
Partnerships in Education	17.7	22.0	24.1	30.6	20.1%	0.4%	31.2	33.9	35.7	5.3%	0.4%
Care and Support in Schools	5 916.6	6 308.6	6 696.8	7 074.6	6.1%	99.5%	7 473.7	7 999.7	8 485.6	6.2%	99.5%
<b>Total</b>	<b>5 936.5</b>	<b>6 333.7</b>	<b>6 736.2</b>	<b>7 109.0</b>	<b>6.2%</b>	<b>100.0%</b>	<b>7 508.8</b>	<b>8 037.9</b>	<b>8 525.8</b>	<b>6.2%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				3.8			0.1	0.7	0.0		
<b>Economic classification</b>											
<b>Current payments</b>	<b>41.9</b>	<b>49.5</b>	<b>51.9</b>	<b>62.8</b>	<b>14.5%</b>	<b>0.8%</b>	<b>65.6</b>	<b>70.8</b>	<b>74.5</b>	<b>5.8%</b>	<b>0.9%</b>
Compensation of employees	30.8	33.6	36.3	41.2	10.1%	0.5%	46.0	49.4	52.0	8.1%	0.6%
Goods and services <sup>1</sup>	11.1	15.9	15.6	21.7	25.1%	0.2%	19.6	21.5	22.5	1.2%	0.3%
of which:											
<i>Catering: Departmental activities</i>	0.6	2.5	2.4	2.6	66.4%	–	1.4	1.4	1.6	-15.5%	–
<i>Contractors</i>	–	0.1	0.1	0.3	–	–	0.9	1.0	1.1	56.0%	–
<i>Inventory: Learner and teacher support material</i>	–	0.3	–	1.0	–	–	1.3	1.5	1.6	16.6%	–
<i>Consumables: Stationery, printing and office supplies</i>	0.5	0.8	0.5	1.4	37.0%	–	1.1	1.3	1.2	-3.2%	–
<i>Travel and subsistence</i>	6.2	7.7	7.1	12.5	26.5%	0.1%	11.0	12.1	12.5	-0.2%	0.2%
<i>Operating payments</i>	0.8	0.8	0.6	1.3	15.9%	–	2.2	2.3	2.5	24.6%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>5 894.2</b>	<b>6 284.0</b>	<b>6 677.8</b>	<b>7 045.7</b>	<b>6.1%</b>	<b>99.2%</b>	<b>7 442.7</b>	<b>7 966.6</b>	<b>8 451.0</b>	<b>6.2%</b>	<b>99.1%</b>
Provinces and municipalities	5 894.1	6 283.8	6 671.6	7 045.3	6.1%	99.2%	7 442.7	7 966.5	8 450.9	6.3%	99.1%
Non-profit institutions	0.1	0.1	6.1	0.1	5.7%	–	0.1	0.1	0.1	6.3%	–
Households	0.1	0.1	0.1	0.3	70.2%	–	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>0.1</b>	<b>0.2</b>	<b>0.4</b>	<b>0.4</b>	<b>59.0%</b>	<b>–</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>1.1%</b>	<b>–</b>
Machinery and equipment	0.1	0.2	0.4	0.4	59.0%	–	0.4	0.4	0.4	1.1%	–
<b>Payments for financial assets</b>	<b>0.2</b>	<b>0.0</b>	<b>6.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>5 936.5</b>	<b>6 333.7</b>	<b>6 736.2</b>	<b>7 109.0</b>	<b>-100.0%</b>	<b>–</b>	<b>7 508.8</b>	<b>8 037.9</b>	<b>8 525.8</b>	<b>–</b>	<b>–</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>28.5%</b>	<b>29.5%</b>	<b>29.4%</b>	<b>30.0%</b>	<b>6.2%</b>	<b>100.0%</b>	<b>30.6%</b>	<b>30.9%</b>	<b>30.2%</b>	<b>6.2%</b>	<b>100.0%</b>
<b>Details of selected transfers and subsidies</b>											
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>5 894.1</b>	<b>6 283.8</b>	<b>6 671.6</b>	<b>7 045.3</b>	<b>6.1%</b>	<b>0.1%</b>	<b>7 442.7</b>	<b>7 966.5</b>	<b>8 450.9</b>	<b>6.3%</b>	<b>0.1%</b>
National school nutrition programme grant	5 685.4	6 059.7	6 426.3	6 802.1	6.2%	0.1%	7 185.7	7 695.9	8 165.4	6.3%	0.1%
HIV and AIDS (life skills education) grant	208.7	224.2	245.3	243.2	5.2%	–	257.0	270.6	285.5	5.5%	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

Comprehensive coverage of the following entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **South African Council for Educators** aims to enhance the status of the teaching profession through registering educators appropriately, managing professional development and promoting a code of ethics for all educators. The council's total budget for 2019/20 is R108.7 million.
- The **Umalusi Council for Quality Assurance in General and Further Education and Training** sets and maintains standards in general and further education and training through the development and

management of the general and further education and training qualifications sub-framework. The council's total budget for 2019/20 is R184.2 million.



# Vote 15

## Higher Education and Training

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	460.4	455.0	–	5.5	491.6	519.8
Planning, Policy and Strategy	90.8	86.6	3.9	0.3	98.1	103.1
University Education	73 409.9	102.2	73 307.2	0.5	80 660.1	85 097.1
Technical and Vocational Education and Training	12 721.8	7 134.8	5 584.7	2.3	14 475.2	15 451.3
Skills Development	282.4	142.3	138.4	1.8	299.6	318.8
Community Education and Training	2 532.8	2 379.3	151.7	1.8	2 714.7	2 888.9
<b>Subtotal</b>	<b>89 498.2</b>	<b>10 300.2</b>	<b>79 185.9</b>	<b>12.0</b>	<b>98 739.3</b>	<b>104 378.9</b>
<b>Direct charge against the National Revenue Fund</b>						
Sector education and training authorities	15 006.8	–	15 006.8	–	16 349.9	17 845.8
National Skills Fund	3 751.7	–	3 751.7	–	4 087.5	4 461.5
<b>Total expenditure estimates</b>	<b>108 256.7</b>	<b>10 300.2</b>	<b>97 944.4</b>	<b>12.0</b>	<b>119 176.8</b>	<b>126 686.2</b>

Executive authority Minister of Higher Education and Training  
 Accounting officer Director-General of Higher Education and Training  
 Website address [www.dhet.gov.za](http://www.dhet.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Develop and support a quality higher and vocational education sector. Promote access to higher education, vocational education, and skills development training opportunities.*

### Mandate

The Department of Higher Education and Training derives its mandate from:

- the Higher Education Act (1997), which provides for a unified national system of higher education
- the National Student Financial Aid Scheme Act (1999), which provides for the granting of loans and bursaries to eligible students attending public higher education and training institutions, and the subsequent administration of such loans and bursaries
- the Continuing Education and Training Act (2006), which provides for the regulation of continuing education and training, the establishment of governance structures for and the funding of public technical and vocational education and training (TVET) colleges and community education and training colleges, the registration of private colleges, and the promotion of quality in continuing education and training
- the Skills Development Levies Act (1999), which provides for the imposition of skills development levies
- the Skills Development Act (2008), which enables the creation of the National Skills Authority; sector education and training authorities; the establishment of the Quality Council for Trades and Occupations; and the regulation of apprenticeships, learnerships and other matters relating to skills development

- the National Qualifications Framework Act (2008), which provides for the establishment of the national qualifications framework, the South African Qualifications Authority and quality councils, their functions as well as their sub-frameworks.

## Selected performance indicators

**Table 15.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of students enrolled in higher education institutions per year	University Education	Outcome 5: A skilled and capable workforce to support an inclusive growth path	969 154	985 212	975 837 <sup>1</sup>	1 039 500 <sup>2</sup>	1 070 000	1 080 000	1 094 000
Number of first-year students in foundation programmes per year	University Education		19 212	17 977	20 685	22 200 <sup>2</sup>	36 000	24 500	25 750
Number of graduates in initial teacher education from universities per year	University Education		19 124	20 698	22 123	25 212 <sup>2</sup>	26 600	23 300	27 550
Total number of doctoral graduates from universities per year	University Education		2 258	2 530	2 797	2 965 <sup>2</sup>	3 400	2 960	3 260
Number of postgraduate graduates per year	University Education		49 863	51 050	53 663	56 384 <sup>2</sup>	57 000	58 600	59 750
Number of headcount enrolments in TVET colleges per year	Technical and Vocational Education and Training		710 535	741 542	703 705 <sup>3</sup>	710 535	710 535	710 535	710 535
Number of qualifying students in TVET colleges receiving financial assistance per year	Technical and Vocational Education and Training		298 457	225 557	225 257	449 697	484 111	513 614	569 380
Percentage of public TVET college examination centres conducting national examinations and assessments evaluated per year	Technical and Vocational Education and Training		87.5% (210/240)	100% (240)	100% (240)	100% (240)	100%	100%	100%
Number of monitoring and evaluation reports on TVET colleges approved per year	Technical and Vocational Education and Training		2	2	16	16	13	11	11
Number of new artisans registered for training each year	Skills Development		28 640	30 814	32 330	28 750	30 000	30 500	31 000
Number of artisan learners qualified each year	Skills Development		16 114	21 188	21 151	22 188	24 000	24 500	25 000
Number of work-based learning opportunities created per year	Skills Development		118 582	148 517	162 659 <sup>4</sup>	135 000	140 000	140 000	140 000
Number of headcount enrolments in community education and training colleges per year	Community Education and Training		283 602	273 431	273 431	320 000	340 000	375 035	413 681
Percentage of certification rate per year in the general education and training certificate	Community Education and Training	39.8%	35.9%	35.9%	40%	45%	47%	49%	

- The main reason for the system not growing as originally targeted is the decline in enrolments at the University of South Africa due to the implementation of more stringent admissions criteria and the online registration system.
- Targets related to the 2018 academic year are expected to be verified by October 2019.
- Decrease due to fewer enrolments than anticipated in occupationally directed programmes in TVET colleges.
- Increase due to the department encouraging and emphasising the need for sector education and training authorities to increase investing in workplace-based learning.

## Expenditure analysis

Chapter 9 of the National Development Plan (NDP) sets out a vision for improving education, training and innovation in South Africa. This vision is expressed in terms of outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's 2014-2019 medium-term strategic framework. The work of the department is directly aligned with this outcome as it aims to provide access to education and training of the highest quality, leading to significant improvements in what learners know and are able to do once they complete their higher education or training. Over the medium term, the department will continue to focus on: transforming universities and increasing student financial aid, improving the performance of TVET colleges, developing artisans, and improving the community education and training sector.

Cabinet has approved budget reductions amounting to R384.4 million over the MTEF period, to be effected on transfers and subsidies in the *University Education*, the *Technical and Vocational Education and Training*, and the *Skills Development* programmes. The following reductions are mainly in the *Technical and Vocational Education and Training* programme: R50 million in 2019/20 for pension payouts that were concluded in 2018/19 and R200 million in 2019/20 and R100 million in 2020/21 for the operationalisation of new TVET campuses as fewer will be operationalised in these years than projected. Over the same period, Cabinet has approved a freeze on salary increases for senior management staff in public entities earning more than R1.5 million per year and a 2.8 per cent increase for senior managers in public entities earning between R1 million and R1.49 million per year; and reductions to spending on goods and services. These reductions are effected on transfers to the following public entities: the Council on Higher Education (R1 million), the National Student Financial Aid Scheme (R22.3 million), the Quality Council for Trades and Occupations (R9.3 million), and the South African Qualifications Authority (R1.8 million).

### ***Transforming universities and increasing student financial aid***

Over the medium term, the department will continue to focus on creating a transformed higher education sector that is of high quality, is demographically representative, and provides students and staff with opportunities through the implementation of the university capacity development programme. Accordingly, the department plans to continue funding 26 universities through transfers in the *University Education* programme. These transfers constitute the department's largest spending area, and increase at an average annual rate of 7.1 per cent, from R38.7 billion in 2018/19 to R47.5 billion in 2021/22. These funds will support enrolments and ensure financial sustainability, an improved quality of higher education and affordable university fees. Included in these transfers to universities is an additional allocation of R120 million in 2019/20, made through the budget facility for infrastructure, for the student housing infrastructure programmes at Nelson Mandela University, Sefako Makgatho Health Sciences University and Vaal University of Technology.

Transfers to the National Student Financial Aid Scheme are expected to increase at an average annual rate of 22.4 per cent, from R20.3 billion in 2018/19 to R37.3 billion in 2021/22. This increase is due to an additional allocation of R43.4 billion in the 2018 budget for the phasing in of the new departmental bursary scheme for students from poor and working class families.

### ***Improving the performance of TVET colleges***

The department is mandated to provide quality skills programmes that address the need in the labour market for intermediate skills accompanied by practical training. In this regard, over the MTEF period, the department will focus on monitoring students' performance and TVET colleges' adherence to governance standards, and implementing teaching and learning support plans in TVET colleges. To enhance the quality of these improvements in the TVET sector, part of the R1.9 billion allocated over the medium term in the *National Examination and Assessment* subprogramme in the *Technical and Vocational Education and Training* programme will be used to ensure that national examinations and assessments are appropriately conducted to eradicate certification backlogs; and to implement an IT examination services system.

As such, transfers to TVET colleges through the programme are expected to increase at an average annual rate of 18.9 per cent, from R4.3 billion in 2018/19 to R7.2 billion in 2021/22. These transfers include: R967.2 million over the medium term for the operationalisation of 3 new TVET college campuses (Waterberg TVET College in

Thabazimbi, Umfolozi TVET College in Nkandla, and Umfolozi TVET College in Bhambanana); and R4.9 billion over the same period for infrastructure-related spending at TVET colleges. As 70 per cent (more than 16 000) of the department's personnel are paid through the *Technical and Vocational Education and Training* programme, spending on compensation of employees accounts for the bulk of the programme's budget, and increases at an average annual rate of 7.2 per cent, from R6.3 billion in 2018/19 to R7.7 billion in 2021/22.

### Developing artisans

Over the MTEF period, the department will focus on providing extended access to programmes in which artisanal skills are developed. These programmes are funded through income generated from the skills development levy, which contributes significantly to the key performance areas of the public skills development system, including artisan development. Income from the levy is transferred directly to sector education and training authorities, and the National Skills Fund, which, in turn, make transfers to relevant trade and quality assurance institutions for occupational qualifications, as these institutions play a pivotal role in ensuring the requisite standards for qualified artisans and the creation of work-based learning opportunities. 91 500 artisans are expected to be trained and 73 500 are expected to qualify over the medium term. Transfers from the skills development levy are expected to increase at an average annual rate of 8.8 per cent, from R17.3 billion in 2018/19 to R22.3 billion in 2021/22.

### Improving the community education and training sector

The department recognises that improving the community education and training sector is crucial for development, as the sector has the potential to provide necessary skills opportunities. As such, the department plans to re-establish the sector for it to contribute more meaningfully to the post-school education and training sector. This entails strengthening the sector's governance by developing steering mechanisms pertaining to the Continuing Education and Training Act (2006), and developing and approving monitoring and evaluation reports by March 2022 to ensure effective oversight of the sector. Spending in the *Community Education and Training* programme increases at an average annual rate of 7 per cent, from R2.4 billion in 2018/19 to R2.9 billion in 2021/22, mainly on compensation of employees. The number of personnel in this programme account for approximately 35 per cent (9 425) of the department's total headcount, the majority of whom are educators in the 3 276 community education and training colleges across South Africa.

## Expenditure trends

**Table 15.2 Vote expenditure trends by programme and economic classification**

Programmes																																											
1. Administration																																											
2. Planning, Policy and Strategy																																											
3. University Education																																											
4. Technical and Vocational Education and Training																																											
5. Skills Development																																											
6. Community Education and Training																																											
Programme	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Revised estimate			Average: Outcome/Annual budget (%)		Average: Outcome/Adjusted appropriation (%)	
R million	2015/16			2016/17			2017/18			2018/19			2015/16			2016/17			2017/18			2018/19			2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19						
Programme 1	318.3	359.5	346.8	373.7	372.7	372.7	403.4	400.4	393.1	432.3	446.6	445.9	102.0%			93.0%			100.1%			100.6%			97.1%			96.9%			100.0%			100.0%			98.7%						
Programme 2	54.8	58.3	52.0	71.5	71.6	56.8	73.3	68.3	67.0	80.2	79.9	84.3	93.0%			93.6%			100.1%			100.6%			97.1%			96.9%			100.0%			100.0%			98.7%						
Programme 3	32 844.3	32 847.4	32 898.6	39 531.6	39 532.5	39 515.7	41 943.5	41 931.7	41 929.1	59 147.1	59 250.2	59 254.0	100.1%			100.0%			100.1%			100.6%			97.1%			96.9%			100.0%			100.0%			98.7%						
Programme 4	6 604.2	6 642.4	6 604.8	6 917.2	6 960.2	7 030.0	7 408.2	7 460.2	7 521.0	10 739.7	10 727.3	10 710.2	100.6%			100.2%			100.6%			100.6%			97.1%			96.9%			100.0%			100.0%			98.7%						
Programme 5	204.5	112.6	216.7	224.5	181.4	180.6	244.3	249.4	242.5	262.6	264.5	268.8	97.1%			112.5%			97.1%			100.6%			97.1%			96.9%			100.0%			100.0%			98.7%						
Programme 6	1 911.5	1 859.9	1 824.4	2 069.7	2 069.8	1 981.7	2 234.9	2 197.7	2 143.2	2 358.8	2 355.6	2 360.8	96.9%			98.0%			96.9%			100.6%			97.1%			96.9%			100.0%			100.0%			98.7%						
<b>Subtotal</b>	<b>41 937.8</b>	<b>41 880.1</b>	<b>41 943.4</b>	<b>49 188.3</b>	<b>49 188.3</b>	<b>49 137.6</b>	<b>52 307.6</b>	<b>52 307.6</b>	<b>52 295.9</b>	<b>73 020.6</b>	<b>73 124.1</b>	<b>73 124.1</b>	<b>100.0%</b>			<b>100.0%</b>			<b>100.0%</b>			<b>100.6%</b>			<b>97.1%</b>			<b>96.9%</b>			<b>100.0%</b>			<b>100.0%</b>			<b>98.7%</b>						

Table 15.2 Vote expenditure trends by programme and economic classification

	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million														
<b>Direct charge against the National Revenue Fund</b>	<b>14 690.0</b>	<b>15 156.4</b>	<b>15 156.4</b>	<b>17 639.6</b>	<b>15 462.2</b>	<b>15 233.0</b>	<b>16 641.5</b>	<b>15 770.6</b>	<b>16 293.6</b>	<b>16 929.4</b>	<b>17 312.2</b>	<b>17 312.2</b>	<b>97.1%</b>	<b>100.5%</b>
Sector Education and Training Authorities	11 752.7	12 125.9	12 125.9	14 112.5	12 370.5	12 199.9	13 313.2	12 616.4	13 094.6	13 543.5	13 849.7	13 849.7	97.2%	100.6%
National Skills Fund	2 937.3	3 030.5	3 030.5	3 527.1	3 091.7	3 033.1	3 328.3	3 154.1	3 199.0	3 385.9	3 462.4	3 462.4	96.6%	99.9%
<b>Total</b>	<b>56 627.8</b>	<b>57 036.6</b>	<b>57 099.8</b>	<b>66 827.9</b>	<b>64 650.4</b>	<b>64 370.6</b>	<b>68 949.1</b>	<b>68 078.2</b>	<b>68 589.4</b>	<b>89 950.0</b>	<b>90 436.2</b>	<b>90 436.2</b>	<b>99.3%</b>	<b>100.1%</b>
Change to 2018 Budget estimate										486.2				
<b>Economic classification</b>														
<b>Current payments</b>	<b>7 801.2</b>	<b>7 696.2</b>	<b>7 531.3</b>	<b>8 215.2</b>	<b>7 948.3</b>	<b>7 883.2</b>	<b>8 845.8</b>	<b>8 669.6</b>	<b>8 651.9</b>	<b>9 391.5</b>	<b>9 380.2</b>	<b>9 380.2</b>	<b>97.6%</b>	<b>99.3%</b>
Compensation of employees	7 308.2	7 317.2	7 166.4	7 839.9	7 573.7	7 516.6	8 425.4	8 282.3	8 268.0	8 957.0	8 952.3	8 952.3	98.1%	99.3%
Goods and services	493.0	379.0	364.9	375.3	374.6	366.6	420.4	387.3	383.9	434.5	427.9	427.9	89.6%	98.4%
<b>Transfers and subsidies</b>	<b>48 814.3</b>	<b>49 330.0</b>	<b>49 506.4</b>	<b>58 605.0</b>	<b>56 694.5</b>	<b>56 477.4</b>	<b>60 094.2</b>	<b>59 399.0</b>	<b>59 930.3</b>	<b>80 549.9</b>	<b>81 040.8</b>	<b>81 040.8</b>	<b>99.6%</b>	<b>100.2%</b>
Departmental agencies and accounts	21 363.8	21 768.3	21 839.4	29 255.7	27 077.9	26 819.2	27 043.3	26 172.4	26 695.5	37 533.0	37 915.8	37 915.8	98.3%	100.3%
Higher education institutions	26 243.2	26 243.2	26 297.1	27 964.8	27 964.8	27 964.6	31 606.8	31 580.5	31 580.3	38 559.0	38 662.5	38 662.5	100.1%	100.0%
Foreign governments and international organisations	3.2	3.2	2.6	3.3	2.9	2.6	3.5	3.5	3.3	3.7	3.7	3.7	89.6%	92.5%
Non-profit institutions	1 204.1	1 315.0	1 362.0	1 381.2	1 641.2	1 673.0	1 440.6	1 634.6	1 634.6	4 454.2	4 454.2	4 454.2	107.6%	100.9%
Households	–	0.4	5.3	–	7.6	18.0	–	8.1	16.6	–	4.7	4.7	–	214.4%
<b>Payments for capital assets</b>	<b>12.3</b>	<b>10.4</b>	<b>10.2</b>	<b>7.7</b>	<b>7.7</b>	<b>9.9</b>	<b>9.1</b>	<b>9.6</b>	<b>7.1</b>	<b>8.6</b>	<b>13.9</b>	<b>13.9</b>	<b>108.6%</b>	<b>99.0%</b>
Buildings and other fixed structures	0.0	–	–	–	–	–	–	–	–	–	1.4	1.4	14 000.0%	100.0%
Machinery and equipment	12.3	10.4	10.1	7.7	7.7	9.9	9.1	7.8	7.1	8.5	12.3	12.3	104.4%	102.9%
Software and other intangible assets	–	–	0.1	–	–	0.1	–	1.7	0.0	0.2	0.2	0.2	233.8%	19.6%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>51.9</b>	<b>–</b>	<b>–</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>0.1</b>	<b>–</b>	<b>1.4</b>	<b>1.4</b>	<b>–</b>	<b>3 931.8%</b>
<b>Total</b>	<b>56 627.8</b>	<b>57 036.6</b>	<b>57 099.8</b>	<b>66 827.9</b>	<b>64 650.4</b>	<b>64 370.6</b>	<b>68 949.1</b>	<b>68 078.2</b>	<b>68 589.4</b>	<b>89 950.0</b>	<b>90 436.2</b>	<b>90 436.2</b>	<b>99.3%</b>	<b>100.1%</b>

## Expenditure estimates

Table 15.3 Vote expenditure estimates by programme and economic classification

<b>Programmes</b>								
1. Administration								
2. Planning, Policy and Strategy								
3. University Education								
4. Technical and Vocational Education and Training								
5. Skills Development								
6. Community Education and Training								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
Programme 1	445.9	7.4%	0.6%	460.4	491.6	519.8	5.3%	0.4%
Programme 2	84.3	13.1%	0.1%	90.8	98.1	103.1	6.9%	0.1%
Programme 3	59 254.0	21.7%	61.9%	73 409.9	80 660.1	85 097.1	12.8%	67.1%
Programme 4	10 710.2	17.3%	11.4%	12 721.8	14 475.2	15 451.3	13.0%	12.0%
Programme 5	268.8	33.6%	0.3%	282.4	299.6	318.8	5.8%	0.3%
Programme 6	2 360.8	8.3%	3.0%	2 532.8	2 714.7	2 888.9	7.0%	2.4%
<b>Subtotal</b>	<b>73 124.1</b>	<b>20.4%</b>	<b>77.2%</b>	<b>89 498.2</b>	<b>98 739.3</b>	<b>104 378.9</b>	<b>12.6%</b>	<b>82.3%</b>

**Table 15.3 Vote expenditure estimates by programme and economic classification**

	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
		2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
R million	2018/19							
<b>Direct charge against the National Revenue Fund</b>	<b>17 312.2</b>	<b>4.5%</b>	<b>22.8%</b>	<b>18 758.5</b>	<b>20 437.4</b>	<b>22 307.3</b>	<b>8.8%</b>	<b>17.7%</b>
Sector Education and Training Authorities	13 849.7	4.5%	18.3%	15 006.8	16 349.9	17 845.8	8.8%	14.2%
National Skills Fund	3 462.4	4.5%	4.5%	3 751.7	4 087.5	4 461.5	8.8%	3.5%
<b>Total</b>	<b>90 436.2</b>	<b>16.6%</b>	<b>100.0%</b>	<b>108 256.7</b>	<b>119 176.8</b>	<b>126 686.2</b>	<b>11.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(140.9)	(111.4)	(12.2)		
<b>Economic classification</b>								
<b>Current payments</b>	<b>9 380.2</b>	<b>6.8%</b>	<b>11.9%</b>	<b>10 300.2</b>	<b>11 097.6</b>	<b>11 811.6</b>	<b>8.0%</b>	<b>9.6%</b>
Compensation of employees	8 952.3	7.0%	11.4%	9 637.7	10 360.5	11 034.0	7.2%	9.0%
Goods and services	427.9	4.1%	0.6%	662.5	737.1	777.6	22.0%	0.6%
<b>Transfers and subsidies</b>	<b>81 040.8</b>	<b>18.0%</b>	<b>88.0%</b>	<b>97 944.4</b>	<b>108 067.5</b>	<b>114 862.2</b>	<b>12.3%</b>	<b>90.4%</b>
Departmental agencies and accounts	37 915.8	20.3%	40.4%	49 861.4	56 047.4	59 875.6	16.5%	45.8%
Higher education institutions	38 662.5	13.8%	44.4%	42 306.7	45 064.0	47 542.6	7.1%	39.0%
Foreign governments and international organisations	3.7	5.4%	0.0%	3.9	4.1	4.3	5.5%	0.0%
Non-profit institutions	4 454.2	50.2%	3.3%	5 772.4	6 951.9	7 439.8	18.6%	5.5%
Households	4.7	127.9%	0.0%	–	–	–	-100.0%	0.0%
<b>Payments for capital assets</b>	<b>13.9</b>	<b>10.2%</b>	<b>0.0%</b>	<b>12.0</b>	<b>11.7</b>	<b>12.4</b>	<b>-3.8%</b>	<b>0.0%</b>
Buildings and other fixed structures	1.4	–	0.0%	–	–	–	-100.0%	0.0%
Machinery and equipment	12.3	5.8%	0.0%	12.0	11.6	12.3	0.1%	0.0%
Software and other intangible assets	0.2	–	0.0%	0.0	0.0	0.0	-48.6%	0.0%
<b>Payments for financial assets</b>	<b>1.4</b>	<b>–</b>	<b>0.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.0%</b>
<b>Total</b>	<b>90 436.2</b>	<b>16.6%</b>	<b>100.0%</b>	<b>108 256.7</b>	<b>119 176.8</b>	<b>126 686.2</b>	<b>11.9%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 15.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total Vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
Subsidies: Community education and training colleges	91 758	98 053	103 897	109 924	6.2%	0.2%	148 792	156 812	165 437	14.6%	0.2%
Subsidies: Technical and vocational education and training colleges	1 262 521	1 566 747	1 495 749	4 287 538	50.3%	4.0%	5 568 665	6 737 111	7 213 152	18.9%	6.5%
Subsidies: Higher education institutions	26 297 074	27 964 560	31 580 302	38 662 452	13.7%	57.5%	42 306 695	45 064 038	47 542 560	7.1%	47.5%
National Student Financial Aid Scheme	6 448 551	11 392 674	10 143 091	20 334 391	46.6%	22.3%	30 822 466	35 314 085	37 256 162	22.4%	33.8%
Compensation of employees: Community education and training colleges	1 712 348	1 850 581	1 992 758	2 178 323	8.4%	3.6%	2 347 452	2 519 480	2 682 922	7.2%	2.7%
Compensation of employees: Technical and vocational education and training	5 119 809	5 289 339	5 858 992	6 274 697	7.0%	10.4%	6 743 229	7 253 178	7 726 513	7.2%	7.7%
Sector Education and Training Authorities	12 125 894	12 199 864	13 094 581	13 849 729	4.5%	23.7%	15 006 808	16 349 947	17 845 805	8.8%	17.2%
National Skills Fund	3 030 539	3 033 145	3 198 980	3 462 432	4.5%	5.9%	3 751 702	4 087 486	4 461 451	8.8%	4.3%
<b>Total</b>	<b>56 088 494</b>	<b>63 394 963</b>	<b>67 468 350</b>	<b>89 159 486</b>	<b>16.7%</b>	<b>127.5%</b>	<b>106 695 809</b>	<b>117 482 137</b>	<b>124 894 002</b>	<b>11.9%</b>	<b>119.8%</b>

## Goods and services expenditure trends and estimates

Table 15.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
Administrative fees	1 024	1 084	1 094	1 087	2.0%	0.3%	1 396	1 477	1 561	12.8%	0.2%
Advertising	3 175	5 105	2 813	2 155	-12.1%	0.9%	2 988	2 917	3 104	12.9%	0.4%
Minor assets	2 725	1 867	2 065	2 698	-0.3%	0.6%	3 393	3 328	3 416	8.2%	0.5%
Audit costs: External	9 525	11 181	12 384	16 804	20.8%	3.2%	16 288	17 184	18 129	2.6%	2.6%
Bursaries: Employees	2 529	272	288	864	-30.1%	0.3%	843	875	924	2.3%	0.1%
Catering: Departmental activities	2 138	3 551	5 137	6 427	44.3%	1.1%	6 537	6 823	7 058	3.2%	1.0%
Communication	8 264	8 761	8 686	12 495	14.8%	2.5%	11 439	11 989	12 689	0.5%	1.9%
Computer services	65 030	85 136	54 365	47 934	-9.7%	16.4%	135 451	195 079	199 765	60.9%	22.2%
Consultants: Business and advisory services	4 026	3 284	11 598	21 882	75.8%	2.6%	24 147	9 631	10 163	-22.6%	2.5%
Legal services	1 972	9 405	7 642	5 555	41.2%	1.6%	5 333	5 614	5 878	1.9%	0.9%
Contractors	12 075	2 167	57	149	-76.9%	0.9%	600	607	613	60.2%	0.1%
Agency and support/outsourced services	17 061	14 597	2 607	3 147	-43.1%	2.4%	2 055	2 127	2 169	-11.7%	0.4%
Entertainment	52	38	35	113	29.5%	-	119	126	133	5.6%	-
Fleet services (including government motor transport)	1 286	1 111	1 726	2 005	16.0%	0.4%	2 442	2 657	2 740	11.0%	0.4%
Inventory: Clothing material and accessories	-	-	-	510	-	-	560	563	567	3.6%	0.1%
Inventory: Food and food supplies	-	74	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	44	-	150	210	68.4%	-	720	721	722	50.9%	0.1%
Inventory: Materials and supplies	1 371	2 080	2 706	3 749	39.8%	0.6%	3 793	4 149	4 735	8.1%	0.6%
Consumable supplies	4 930	3 032	2 641	5 049	0.8%	1.0%	2 870	2 853	2 979	-16.1%	0.5%
Consumables: Stationery, printing and office supplies	35 931	30 391	46 032	49 402	11.2%	10.5%	84 048	85 028	87 720	21.1%	11.8%
Operating leases	3 348	5 256	55 948	59 516	161.0%	8.0%	57 870	60 863	63 893	2.4%	9.3%
Rental and hiring	1 220	101	210	2 568	28.2%	0.3%	147	148	618	-37.8%	0.1%
Property payments	70 070	59 100	24 449	26 532	-27.7%	11.7%	22 576	23 777	24 915	-2.1%	3.8%
Transport provided: Departmental activity	1 273	5 329	7 004	4 615	53.6%	1.2%	3 053	3 404	3 680	-7.3%	0.6%
Travel and subsistence	88 580	84 373	80 492	90 743	0.8%	22.3%	177 552	194 957	213 747	33.1%	26.0%
Training and development	2 446	2 536	2 710	4 112	18.9%	0.8%	46 110	48 070	50 653	130.9%	5.7%
Operating payments	14 651	15 636	13 323	15 674	2.3%	3.8%	16 152	16 757	18 149	5.0%	2.6%
Venues and facilities	10 157	11 100	37 740	41 940	60.4%	6.5%	34 047	35 395	36 896	-4.2%	5.7%
<b>Total</b>	<b>364 903</b>	<b>366 567</b>	<b>383 902</b>	<b>427 935</b>	<b>5.5%</b>	<b>100.0%</b>	<b>662 529</b>	<b>737 119</b>	<b>777 616</b>	<b>22.0%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 15.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
<b>Households</b>											
<b>Social benefits</b>											
Current	5 315	17 968	16 605	4 700	-4.0%	-	-	-	-	-100.0%	-
Employee social benefits	5 315	17 968	16 605	4 700	-4.0%	-	-	-	-	-100.0%	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
Current	21 839 390	26 819 212	26 695 546	37 915 752	20.2%	45.9%	49 861 396	56 047 391	59 875 564	16.5%	50.7%
Employee social benefits	358	593	162	-	-100.0%	-	-	-	-	-	-
Education, Training and Development Practices Sector	22 781	16 238	15 158	17 949	-7.6%	-	18 957	19 991	21 091	5.5%	-
Education and Training Authority											
National Student Financial Aid Scheme	6 448 551	11 392 674	10 143 091	20 334 391	46.6%	19.6%	30 822 466	35 314 085	37 256 162	22.4%	30.8%
Council on Higher Education	40 819	40 928	47 946	50 727	7.5%	0.1%	53 210	56 194	59 285	5.3%	0.1%
South African Qualifications Authority	54 757	56 895	64 940	66 719	6.8%	0.1%	69 893	73 737	77 793	5.3%	0.1%
Quality Council for Trades and Occupations	21 848	23 138	26 920	27 380	7.8%	-	26 056	27 435	28 943	1.9%	-
Public Service Sector Education and Training Authority	93 843	55 737	103 768	106 425	4.3%	0.1%	112 304	118 516	125 034	5.5%	0.1%
Sector Education and Training Authorities	12 125 894	12 199 864	13 094 581	13 849 729	4.5%	20.8%	15 006 808	16 349 947	17 845 805	8.8%	15.7%
National Skills Fund	3 030 539	3 033 145	3 198 980	3 462 432	4.5%	5.2%	3 751 702	4 087 486	4 461 451	8.8%	3.9%

**Table 15.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/Total (%)	
<b>Non-profit institutions</b>												
<b>Current</b>	<b>1 362 040</b>	<b>1 672 972</b>	<b>1 634 550</b>	<b>3 154 218</b>	<b>32.3%</b>	<b>3.2%</b>	<b>4 288 434</b>	<b>5 304 923</b>	<b>5 702 194</b>	<b>21.8%</b>	<b>4.6%</b>	
Universities South Africa	7 761	8 172	8 581	17 919	32.2%	–	18 781	19 813	20 903	5.3%	–	
National Institute for the Humanities and Social Sciences	–	–	26 323	38 837	–	–	36 196	38 187	40 287	1.2%	–	
Technical and Vocational Education and Training colleges	1 262 521	1 566 747	1 495 749	2 987 538	33.3%	3.0%	3 884 665	4 768 111	5 030 357	19.0%	4.1%	
Operationalization of new campuses	–	–	–	–	–	–	200 000	322 000	445 210	–	0.2%	
Community Education and Training colleges	91 758	98 053	103 897	109 924	6.2%	0.2%	148 792	156 812	165 437	14.6%	0.1%	
<b>Capital</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 300 000</b>	<b>–</b>	<b>0.5%</b>	<b>1 484 000</b>	<b>1 647 000</b>	<b>1 737 585</b>	<b>10.2%</b>	<b>1.5%</b>	
Infrastructure efficiency grant	–	–	–	1 300 000	–	0.5%	1 484 000	1 647 000	1 737 585	10.2%	1.5%	
<b>Foreign governments and international organisations</b>												
<b>Current</b>	<b>2 588</b>	<b>2 648</b>	<b>3 306</b>	<b>3 691</b>	<b>12.6%</b>	<b>–</b>	<b>3 898</b>	<b>4 112</b>	<b>4 338</b>	<b>5.5%</b>	<b>–</b>	
India-Brazil-South Africa Trilateral Ministerial Commission	–	–	553	585	–	–	618	652	688	5.6%	–	
Commonwealth of Learning	2 588	2 648	2 753	3 106	6.3%	–	3 280	3 460	3 650	5.5%	–	
<b>Higher education institutions</b>												
<b>Current</b>	<b>22 991 096</b>	<b>24 563 055</b>	<b>28 092 221</b>	<b>34 866 933</b>	<b>14.9%</b>	<b>44.8%</b>	<b>38 314 951</b>	<b>40 963 983</b>	<b>43 235 230</b>	<b>7.4%</b>	<b>39.2%</b>	
University subsidies	22 360 447	23 820 220	27 256 459	33 737 006	14.7%	43.4%	36 984 104	39 460 838	41 649 413	7.3%	37.8%	
Academic clinical training grant	429 635	452 406	475 026	574 334	10.2%	0.8%	650 722	709 512	748 535	9.2%	0.7%	
University of Mpumalanga	58 111	186 585	212 611	324 398	77.4%	0.3%	375 841	440 498	464 725	12.7%	0.4%	
Sol Plaatje University	142 903	103 844	148 125	231 195	17.4%	0.3%	304 284	353 135	372 557	17.2%	0.3%	
<b>Capital</b>	<b>3 305 978</b>	<b>3 401 505</b>	<b>3 488 081</b>	<b>3 795 519</b>	<b>4.7%</b>	<b>5.7%</b>	<b>3 991 744</b>	<b>4 100 055</b>	<b>4 307 330</b>	<b>4.3%</b>	<b>4.0%</b>	
University government and interest/redemption	4 778	4 756	4 746	3 484	-10.0%	–	3 785	3 533	3 450	-0.3%	–	
Universities infrastructure and efficiency fund	1 981 200	2 343 749	2 504 853	2 688 063	10.7%	3.9%	2 838 594	2 994 717	3 141 476	5.3%	2.9%	
University of the Witwatersrand: University of Mpumalanga and Sol Plaatje University	1 320 000	–	–	–	-100.0%	0.5%	–	–	–	–	–	
University of Mpumalanga	–	673 920	624 552	638 508	–	0.8%	665 948	700 570	739 101	5.0%	0.7%	
Sol Plaatje University	–	379 080	353 930	362 034	–	0.4%	378 417	401 235	423 303	5.3%	0.4%	
Sefako Makgatho Health Sciences University	–	–	–	31 250	–	–	31 200	–	–	-100.0%	–	
Nelson Mandela University	–	–	–	33 500	–	–	33 500	–	–	-100.0%	–	
Vaal University of Technology	–	–	–	38 680	–	–	40 300	–	–	-100.0%	–	
<b>Total</b>	<b>49 506 407</b>	<b>56 477 360</b>	<b>59 930 309</b>	<b>81 040 813</b>	<b>17.9%</b>	<b>100.0%</b>	<b>97 944 423</b>	<b>108 067 464</b>	<b>114 862 241</b>	<b>12.3%</b>	<b>100.0%</b>	

## Personnel information

**Table 15.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes																			
1. Administration																			
2. Planning, Policy and Strategy																			
3. University Education																			
4. Technical and Vocational Education and Training																			
5. Skills Development																			
6. Community Education and Training																			
Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment										Number							
Number of funded posts	Number of posts additional to the establishment	Actual		Revised estimate		Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)						
		2017/18	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22												
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
<b>Higher Education and Training</b>																			
<b>Salary level</b>	<b>32 730</b>	<b>176</b>	<b>27 152</b>	<b>8 268.0</b>	<b>0.3</b>	<b>26 821</b>	<b>8 952.3</b>	<b>0.3</b>	<b>26 839</b>	<b>9 637.7</b>	<b>0.4</b>	<b>26 830</b>	<b>10 360.5</b>	<b>0.4</b>	<b>26 526</b>	<b>11 034.0</b>	<b>0.4</b>	<b>-0.4%</b>	<b>100.0%</b>
1 – 6	8 901	169	9 336	1 963.2	0.2	8 961	2 196.3	0.2	8 970	2 372.0	0.3	8 961	2 562.6	0.3	8 657	2 689.4	0.3	-1.1%	33.2%
7 – 10	9 377	5	9 303	4 079.9	0.4	9 335	4 200.9	0.5	9 333	4 522.9	0.5	9 333	4 879.9	0.5	9 333	5 255.2	0.6	-0.0%	34.9%
11 – 12	611	–	581	291.3	0.5	587	511.3	0.9	587	546.8	0.9	587	585.9	1.0	587	626.6	1.1	–	2.2%
13 – 16	181	2	157	176.9	1.1	163	215.9	1.3	174	246.6	1.4	174	264.3	1.5	174	282.6	1.6	2.2%	0.6%
Other	13 660	–	7 775	1 756.8	0.2	7 775	1 827.9	0.2	7 775	1 949.4	0.3	7 775	2 067.9	0.3	7 775	2 180.1	0.3	–	29.1%
<b>Programme</b>	<b>32 730</b>	<b>176</b>	<b>27 152</b>	<b>8 268.0</b>	<b>0.3</b>	<b>26 821</b>	<b>8 952.3</b>	<b>0.3</b>	<b>26 839</b>	<b>9 637.7</b>	<b>0.4</b>	<b>26 830</b>	<b>10 360.5</b>	<b>0.4</b>	<b>26 526</b>	<b>11 034.0</b>	<b>0.4</b>	<b>-0.4%</b>	<b>100.0%</b>
Programme 1	537	114	595	212.9	0.4	606	247.0	0.4	607	265.7	0.4	600	285.5	0.5	545	302.3	0.6	-3.5%	2.2%
Programme 2	103	25	128	52.1	0.4	120	70.3	0.6	118	75.2	0.6	117	80.7	0.7	95	84.7	0.9	-7.5%	0.4%
Programme 3	116	5	94	52.1	0.6	113	75.8	0.7	110	80.1	0.7	109	86.0	0.8	102	91.6	0.9	-3.4%	0.4%
Programme 4	16 322	14	16 369	5 859.0	0.4	16 262	6 257.6	0.4	16 297	6 743.2	0.4	16 297	7 253.2	0.4	16 079	7 726.5	0.5	-0.4%	60.7%
Programme 5	300	18	570	99.2	0.2	295	118.1	0.4	282	126.0	0.4	282	135.7	0.5	282	145.9	0.5	-1.5%	1.1%
Programme 6	15 352	–	9 396	1 992.8	0.2	9 425	2 183.5	0.2	9 425	2 347.5	0.2	9 425	2 519.5	0.3	9 423	2 682.9	0.3	-0.0%	35.2%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.



## Departmental receipts

Table 15.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate 2018/19	Revised estimate	Average growth rate (%) 2015/16 - 2018/19	Average: Receipt item/ Total (%) 2018/19	Medium-term receipts estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Receipt item/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18					2019/20	2020/21	2021/22		
<b>Departmental receipts</b>	<b>15 444</b>	<b>25 549</b>	<b>29 663</b>	<b>29 877</b>	<b>29 877</b>	<b>24.6%</b>	<b>100.0%</b>	<b>30 416</b>	<b>31 317</b>	<b>35 957</b>	<b>6.4%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>8 983</b>	<b>10 218</b>	<b>11 707</b>	<b>10 799</b>	<b>10 799</b>	<b>6.3%</b>	<b>41.5%</b>	<b>11 851</b>	<b>12 138</b>	<b>12 806</b>	<b>5.8%</b>	<b>37.3%</b>
Sales by market establishments	3 534	4 459	5 182	4 249	4 249	6.3%	17.3%	5 019	5 270	5 560	9.4%	15.8%
of which:												
Academic services:	218	212	202	225	225	1.1%	0.9%	322	338	357	16.6%	1.0%
Temporary accommodation	-	-	-	-	-	-	-	15	16	17	-	-
Sale of assets less than R5 000	-	-	-	-	-	-	-	-	-	-	-	-
Commission	3 316	4 247	4 980	4 024	4 024	6.7%	16.5%	4 682	4 916	5 186	8.8%	14.7%
Administrative fees	4 657	4 989	5 728	5 677	5 677	6.8%	20.9%	5 846	5 838	6 159	2.8%	18.4%
of which:												
Exams	2 338	2 438	2 383	1 440	1 440	-14.9%	8.6%	2 688	2 522	2 661	22.7%	7.3%
Trade test fee	2 270	2 119	2 262	2 903	2 903	8.5%	9.5%	2 881	3 025	3 191	3.2%	9.4%
Universities	49	48	434	503	503	117.3%	1.0%	53	56	59	-51.0%	0.5%
Further education and training	-	12	649	831	831	-	1.5%	224	235	248	-33.2%	1.2%
Sports and club facilities/ Sale of tender documents	-	372	-	-	-	-	0.4%	-	-	-	-	-
Other sales	792	770	797	873	873	3.3%	3.2%	986	1 030	1 087	7.6%	3.1%
of which:												
Boarding fees	122	67	128	131	131	2.4%	0.4%	159	167	176	10.3%	0.5%
Parking	67	100	103	103	103	15.4%	0.4%	100	100	106	1.0%	0.3%
Sale of meals and refreshments	195	183	195	196	196	0.2%	0.8%	202	212	224	4.6%	0.7%
Rental	408	420	371	443	443	2.8%	1.6%	525	551	581	9.5%	1.6%
Sales of scrap, waste, arms and other used current goods	15	44	3	158	158	119.2%	0.2%	39	41	43	-35.2%	0.2%
of which:												
Wastepaper	15	44	3	158	158	119.2%	0.2%	39	41	43	-35.2%	0.2%
Interest, dividends and rent on land	3 791	3 433	3 706	3 908	3 908	1.0%	14.8%	2 843	2 587	5 729	13.6%	11.8%
Interest	3 791	3 433	3 706	3 908	3 908	1.0%	14.8%	2 843	2 587	5 729	13.6%	11.8%
Sales of capital assets	172	-	500	-	-	-100.0%	0.7%	-	-	-	-	-
Transactions in financial assets and liabilities	2 483	11 854	13 747	15 012	15 012	82.2%	42.9%	15 683	16 551	17 379	5.0%	50.7%
<b>Total</b>	<b>15 444</b>	<b>25 549</b>	<b>29 663</b>	<b>29 877</b>	<b>29 877</b>	<b>24.6%</b>	<b>100.0%</b>	<b>30 416</b>	<b>31 317</b>	<b>35 957</b>	<b>6.4%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

Table 15.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Ministry	39.7	39.6	39.1	55.1	11.5%	11.1%	43.7	48.2	51.5	-2.3%	10.3%
Department Management	51.2	56.3	44.7	53.3	1.4%	13.2%	51.1	54.7	58.7	3.2%	11.4%
Corporate Services	126.4	143.1	153.5	164.6	9.2%	37.7%	184.8	197.0	205.7	7.7%	39.2%
Office of the Chief Financial Officer	55.7	66.4	75.4	88.5	16.7%	18.3%	98.1	104.7	112.1	8.2%	21.0%
Internal Audit	6.7	9.0	9.1	11.2	18.7%	2.3%	11.1	11.8	12.5	3.9%	2.4%
Office Accommodation	67.2	58.3	71.4	73.9	3.2%	17.4%	71.7	75.3	79.4	2.4%	15.6%
<b>Total</b>	<b>346.8</b>	<b>372.7</b>	<b>393.1</b>	<b>446.6</b>	<b>8.8%</b>	<b>100.0%</b>	<b>460.4</b>	<b>491.6</b>	<b>519.8</b>	<b>5.2%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				14.3			(1.7)	(2.1)	(3.9)		

**Table 15.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome				Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18	2018/19		2015/16 - 2018/19	2018/19 - 2021/22	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million												
<b>Current payments</b>	<b>338.1</b>	<b>366.8</b>	<b>390.1</b>	<b>440.4</b>	<b>9.2%</b>	<b>98.5%</b>	<b>455.0</b>	<b>486.1</b>	<b>513.9</b>	<b>5.3%</b>	<b>98.8%</b>	
Compensation of employees	161.7	196.8	212.9	247.7	15.3%	52.5%	265.7	285.5	302.3	6.9%	57.4%	
Goods and services <sup>1</sup>	176.5	170.0	177.1	192.7	3.0%	45.9%	189.3	200.6	211.6	3.2%	41.4%	
<i>of which:</i>												
<i>Audit costs: External</i>	9.5	11.2	12.4	13.6	12.6%	3.0%	16.3	17.2	18.1	10.0%	3.4%	
<i>Computer services</i>	30.6	25.4	31.3	22.4	-9.9%	7.0%	37.0	38.8	41.0	22.3%	7.3%	
<i>Consultants: Business and advisory services</i>	1.2	0.7	8.1	19.2	154.8%	1.9%	7.9	8.3	8.8	-22.8%	2.3%	
<i>Operating leases</i>	2.1	1.9	52.5	54.2	197.6%	7.1%	52.7	55.4	58.1	2.4%	11.5%	
<i>Property payments</i>	67.7	58.8	22.1	22.9	-30.4%	11.0%	22.3	23.4	24.6	2.5%	4.9%	
<i>Travel and subsistence</i>	18.0	20.5	17.9	17.0	-2.1%	4.7%	19.1	21.6	22.8	10.3%	4.2%	
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.2</b>	<b>0.9</b>	<b>1.0</b>	<b>0.3</b>	<b>6.8%</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	
Departmental agencies and accounts	0.2	0.4	0.1	-	-100.0%	-	-	-	-	-	-	
Households	0.1	0.5	0.9	0.3	58.0%	0.1%	-	-	-	-100.0%	-	
<b>Payments for capital assets</b>	<b>8.2</b>	<b>5.0</b>	<b>2.0</b>	<b>5.9</b>	<b>-10.4%</b>	<b>1.3%</b>	<b>5.5</b>	<b>5.6</b>	<b>5.9</b>	<b>0.3%</b>	<b>1.2%</b>	
Machinery and equipment	8.1	5.0	2.0	5.7	-10.9%	1.3%	5.5	5.6	5.9	1.3%	1.2%	
Software and other intangible assets	0.1	0.1	-	0.2	22.1%	-	-	-	-	-100.0%	-	
<b>Payments for financial assets</b>	<b>0.3</b>	<b>-</b>	<b>0.1</b>	<b>0.0</b>	<b>-73.7%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	
<b>Total</b>	<b>346.8</b>	<b>372.7</b>	<b>393.1</b>	<b>446.6</b>	<b>8.8%</b>	<b>100.0%</b>	<b>460.4</b>	<b>491.6</b>	<b>519.8</b>	<b>5.2%</b>	<b>100.0%</b>	
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.8%</b>	<b>0.8%</b>	<b>0.8%</b>	<b>0.6%</b>	<b>-</b>	<b>-</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.5%</b>	<b>-</b>	<b>-</b>	

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Planning, Policy and Strategy

### Programme purpose

Provide strategic direction in the development, implementation and monitoring of departmental policies and in the human resource development strategy for South Africa.

### Objectives

- Ensure a sound post-school education and training system through the development of a new piece of legislation, policy and regulation, and the revision of existing pieces of legislation by March 2022.
- Ensure effective oversight of the implementation of the post-school education and training system by producing 4 oversight reports on articulation, open learning, international relations, and macro trends on post-school education and training over the medium term.
- Improve access to quality teaching and learning in the post-school education and training system by implementing approved appropriate teaching and learning support plans over the medium term.
- Promote the success of students within the post-school education and training system by developing a student support plan by March 2020 and ensuring its implementation over the medium term.
- Ensure effective policy development and planning by providing management information and statistics on the performance of post-school education and training annually.

### Subprogrammes

- *Programme Management: Planning, Policy and Strategy* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions in the programme.
- *Human Resource Development, Strategic Planning and Coordination* provides strategic direction in the development, implementation and monitoring of departmental policies; and coordinates activities in relation to the national human resource development strategy.
- *Planning, Information, Monitoring and Evaluation Coordination* monitors and evaluates the policy outputs of the department; coordinates research in the fields of higher education and training; and ensures that

education policies, plans and legislation are developed into systems through monitoring their implementation on an ongoing basis.

- *International Relations* develops and promotes international relations; supports UNESCO (the United Nations Educational, Scientific and Cultural Organisation) in the higher education subsystem; and manages, monitors and reports on international donor grant funding.
- *Legal and Legislative Services* manages the legal and legislative services of the department, universities, colleges, sector education and training authorities, and the National Skills Fund.
- *Social Inclusion in Education* promotes access to higher education and participation by all learners in training programmes; manages the development, evaluation and maintenance of policy, programmes and systems for learners with special needs; and monitors the implementation of those policies.

## Expenditure trends and estimates

**Table 15.10 Planning, Policy and Strategy expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
Programme Management: Planning, Policy and Strategy	3.2	2.2	2.7	2.6	-7.1%	4.2%	3.2	3.4	3.6	12.0%	3.4%
Human Resource Development, Strategic Planning and Coordination	14.8	15.8	17.1	20.7	11.8%	26.8%	23.1	24.8	25.9	7.7%	25.4%
Planning, Information, Monitoring and Evaluation Coordination	10.7	9.9	12.8	16.5	15.5%	19.5%	22.6	24.2	25.7	15.9%	23.9%
International Relations	11.2	12.0	13.3	14.7	9.5%	20.0%	15.2	17.3	18.2	7.2%	17.6%
Legal and Legislative Services	7.5	11.9	15.2	17.7	33.4%	20.4%	19.3	20.5	21.3	6.4%	21.2%
Social Inclusion in Education	4.6	5.1	6.0	7.7	18.8%	9.1%	7.5	8.0	8.4	3.3%	8.5%
<b>Total</b>	<b>52.0</b>	<b>56.8</b>	<b>67.0</b>	<b>79.9</b>	<b>15.4%</b>	<b>100.0%</b>	<b>90.8</b>	<b>98.1</b>	<b>103.1</b>	<b>8.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(0.3)			4.7	4.2	3.3		
<b>Economic classification</b>											
<b>Current payments</b>	<b>49.1</b>	<b>53.7</b>	<b>63.2</b>	<b>75.7</b>	<b>15.5%</b>	<b>94.5%</b>	<b>86.6</b>	<b>93.7</b>	<b>98.4</b>	<b>9.1%</b>	<b>95.3%</b>
Compensation of employees	42.5	44.4	52.1	65.9	15.7%	80.1%	75.2	80.7	84.7	8.8%	82.4%
Goods and services <sup>1</sup>	6.7	9.3	11.2	9.9	13.9%	14.5%	11.4	13.0	13.7	11.6%	12.9%
of which:											
Communication	0.8	0.7	0.5	0.6	-11.6%	1.0%	0.7	0.8	0.8	13.4%	0.8%
Computer services	0.1	0.0	0.3	0.4	44.7%	0.4%	0.4	0.5	0.6	12.5%	0.5%
Legal services	1.0	3.7	5.7	4.8	70.2%	5.9%	4.8	5.1	5.3	3.7%	5.4%
Consumables: Stationery, printing and office supplies	0.9	0.7	0.6	0.7	-6.4%	1.1%	0.9	0.8	0.9	8.7%	0.9%
Travel and subsistence	2.8	3.0	3.0	2.5	-3.3%	4.4%	3.5	4.7	4.9	24.5%	4.2%
Operating payments	0.2	0.4	0.4	0.2	3.7%	0.5%	0.3	0.3	0.4	17.4%	0.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>2.6</b>	<b>2.7</b>	<b>3.4</b>	<b>3.7</b>	<b>12.3%</b>	<b>4.9%</b>	<b>3.9</b>	<b>4.1</b>	<b>4.3</b>	<b>5.5%</b>	<b>4.3%</b>
Departmental agencies and accounts	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Foreign governments and international organisations	2.6	2.6	3.3	3.7	12.6%	4.8%	3.9	4.1	4.3	5.5%	4.3%
Households	0.0	0.1	0.1	-	-100.0%	0.1%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>0.3</b>	<b>0.4</b>	<b>0.3</b>	<b>0.5</b>	<b>23.6%</b>	<b>0.6%</b>	<b>0.3</b>	<b>0.3</b>	<b>0.4</b>	<b>-10.4%</b>	<b>0.4%</b>
Machinery and equipment	0.2	0.4	0.3	0.5	27.6%	0.6%	0.3	0.3	0.4	-10.4%	0.4%
Software and other intangible assets	0.0	-	-	-	-100.0%	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
<b>Total</b>	<b>52.0</b>	<b>56.8</b>	<b>67.0</b>	<b>79.9</b>	<b>15.4%</b>	<b>100.0%</b>	<b>90.8</b>	<b>98.1</b>	<b>103.1</b>	<b>8.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>2.6</b>	<b>2.6</b>	<b>3.3</b>	<b>3.7</b>	<b>12.6%</b>	<b>4.8%</b>	<b>3.9</b>	<b>4.1</b>	<b>4.3</b>	<b>5.5%</b>	<b>4.3%</b>
India-Brazil-South Africa	-	-	0.6	0.6	-	0.4%	0.6	0.7	0.7	5.6%	0.7%
Trilateral Ministerial Commission											
Commonwealth of Learning	2.6	2.6	2.8	3.1	6.3%	4.3%	3.3	3.5	3.7	5.5%	3.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: University Education

### Programme purpose

Develop and coordinate policy and regulatory frameworks for an effective and efficient university education system. Provide financial and other support to universities, the National Student Financial Aid Scheme and national institutes for higher education.

### Objectives

- Develop and implement policies, guidelines and plans to steer the development of the university education system by March 2022.
- Provide management, statistical and narrative information on higher education through oversight, monitoring and implementation reports annually.
- Build capacity within the university sector by implementing higher education teaching, learning, research and leadership capacity development programmes by March 2022.
- Promote international partnerships within the higher education system through strengthening the Brazil-Russia-India-China-South Africa (BRICS) group of countries and the United States-South Africa higher education networks, and developing the United Kingdom-South Africa network by March 2020.

### Subprogrammes

- *Programme Management: University Education* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions for the programme.
- *University Planning and Institutional Funding* manages planning and funding for the public higher education sector.
- *Institutional Governance and Management Support* monitors and supports institutional governance management, and provides sector liaison services.
- *Higher Education Policy Development and Research* develops higher education policy, supports research and regulates the private higher education system.
- *Teaching and Learning Development* promotes, develops, monitors and evaluates the implementation of qualification policies, programmes and systems for the development of high-quality teaching across all education sectors, including pre-schooling, schooling and post-schooling; and ensures effective teaching and learning development in universities.
- *University Subsidies* transfers payments to universities annually.

### Expenditure trends and estimates

**Table 15.11 University Education expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Programme Management: University Education	3.9	4.3	4.9	5.7	13.2%	–	5.9	6.5	7.0	7.0%	–
University Planning and Institutional Funding	14.5	14.3	13.9	17.1	5.7%	–	38.5	24.3	23.8	11.7%	–
Institutional Governance and Management Support	6 555.3	11 503.5	10 269.1	20 470.7	46.2%	28.1%	31 001.7	35 503.5	37 456.9	22.3%	41.7%
Higher Education Policy Development and Research	17.6	19.0	20.9	32.9	23.2%	0.1%	33.8	36.4	38.7	5.5%	–
Teaching and Learning Development	10.2	10.0	13.7	22.5	30.2%	–	23.4	25.3	28.1	7.7%	–
University Subsidies	26 297.1	27 964.6	31 606.6	38 701.3	13.7%	71.8%	42 306.7	45 064.0	47 542.6	7.1%	58.2%
<b>Total</b>	<b>32 898.6</b>	<b>39 515.7</b>	<b>41 929.1</b>	<b>59 250.2</b>	<b>21.7%</b>	<b>100.0%</b>	<b>73 409.9</b>	<b>80 660.1</b>	<b>85 097.1</b>	<b>12.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				103.1			114.3	(6.2)	(6.6)		

**Table 15.11 University Education expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
<b>Current payments</b>	<b>49.4</b>	<b>52.1</b>	<b>57.7</b>	<b>78.4</b>	<b>16.7%</b>	<b>0.1%</b>	<b>102.2</b>	<b>93.5</b>	<b>99.5</b>	<b>8.3%</b>	<b>0.1%</b>
Compensation of employees	43.5	45.9	52.1	71.9	18.3%	0.1%	80.1	86.0	91.6	8.4%	0.1%
Goods and services <sup>1</sup>	5.9	6.2	5.6	6.4	2.9%	-	22.1	7.5	8.0	7.4%	-
<i>of which:</i>											
Communication	0.6	0.6	0.4	0.4	-13.0%	-	0.6	0.7	0.7	21.3%	-
Computer services	0.3	0.1	0.1	0.8	45.0%	-	0.8	0.9	0.9	5.2%	-
Consultants: Business and advisory services	0.0	-	0.0	0.0	148.4%	-	15.0	0.0	0.0	-5.4%	-
Consumables: Stationery, printing and office supplies	0.5	0.4	0.3	0.6	10.5%	-	0.6	0.6	0.7	0.6%	-
Travel and subsistence	3.7	4.2	3.4	3.2	-4.4%	-	3.7	4.0	4.3	10.7%	-
Venues and facilities	0.3	0.3	0.3	0.2	-6.3%	-	0.4	0.4	0.4	16.9%	-
<b>Transfers and subsidies<sup>1</sup></b>	<b>32 849.0</b>	<b>39 463.3</b>	<b>41 871.2</b>	<b>59 171.2</b>	<b>21.7%</b>	<b>99.9%</b>	<b>73 307.2</b>	<b>80 566.1</b>	<b>84 997.0</b>	<b>12.8%</b>	<b>99.9%</b>
Departmental agencies and accounts	6 544.2	11 490.5	10 256.0	20 451.8	46.2%	28.1%	30 945.6	35 444.0	37 393.2	22.3%	41.6%
Higher education institutions	26 297.1	27 964.6	31 580.3	38 662.5	13.7%	71.7%	42 306.7	45 064.0	47 542.6	7.1%	58.2%
Non-profit institutions	7.8	8.2	34.9	56.8	94.1%	0.1%	55.0	58.0	61.2	2.5%	0.1%
Households	0.0	0.1	0.0	0.2	205.7%	-	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>0.2</b>	<b>0.3</b>	<b>0.2</b>	<b>0.5</b>	<b>32.9%</b>	<b>-</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.4%</b>	<b>-</b>
Machinery and equipment	0.2	0.3	0.2	0.5	32.9%	-	0.5	0.5	0.5	0.4%	-
<b>Total</b>	<b>32 898.6</b>	<b>39 515.7</b>	<b>41 929.1</b>	<b>59 250.2</b>	<b>21.7%</b>	<b>100.0%</b>	<b>73 409.9</b>	<b>80 660.1</b>	<b>85 097.1</b>	<b>12.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>78.4%</b>	<b>80.4%</b>	<b>80.2%</b>	<b>81.0%</b>	<b>-</b>	<b>-</b>	<b>82.0%</b>	<b>81.7%</b>	<b>81.5%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>6 544.1</b>	<b>11 490.5</b>	<b>10 256.0</b>	<b>20 451.8</b>	<b>46.2%</b>	<b>28.1%</b>	<b>30 945.6</b>	<b>35 444.0</b>	<b>37 393.2</b>	<b>22.3%</b>	<b>41.6%</b>
National Student Financial Aid Scheme	6 448.6	11 392.7	10 143.1	20 334.4	46.6%	27.8%	30 822.5	35 314.1	37 256.2	22.4%	41.5%
Council on Higher Education	40.8	40.9	47.9	50.7	7.5%	0.1%	53.2	56.2	59.3	5.3%	0.1%
South African Qualifications Authority	54.8	56.9	64.9	66.7	6.8%	0.1%	69.9	73.7	77.8	5.3%	0.1%
<b>Higher education institutions</b>											
<b>Current</b>	<b>22 991.1</b>	<b>24 563.1</b>	<b>28 092.2</b>	<b>34 866.9</b>	<b>14.9%</b>	<b>63.7%</b>	<b>38 315.0</b>	<b>40 964.0</b>	<b>43 235.2</b>	<b>7.4%</b>	<b>52.7%</b>
University subsidies	22 360.4	23 820.2	27 256.5	33 737.0	14.7%	61.7%	36 984.1	39 460.8	41 649.4	7.3%	50.9%
Academic clinical training grant	429.6	452.4	475.0	574.3	10.2%	1.1%	650.7	709.5	748.5	9.2%	0.9%
University of Mpumalanga	58.1	186.6	212.6	324.4	77.4%	0.5%	375.8	440.5	464.7	12.7%	0.5%
Sol Plaatje University	142.9	103.8	148.1	231.2	17.4%	0.4%	304.3	353.1	372.6	17.2%	0.4%
<b>Capital</b>	<b>3 306.0</b>	<b>3 401.5</b>	<b>3 488.1</b>	<b>3 795.5</b>	<b>4.7%</b>	<b>8.1%</b>	<b>3 991.7</b>	<b>4 100.1</b>	<b>4 307.3</b>	<b>4.3%</b>	<b>5.4%</b>
University government and interest/redemption	4.8	4.8	4.7	3.5	-10.0%	-	3.8	3.5	3.5	-0.3%	-
Universities infrastructure and efficiency fund	1 981.2	2 343.7	2 504.9	2 688.1	10.7%	5.5%	2 838.6	2 994.7	3 141.5	5.3%	3.9%
University of the Witwatersrand: University of Mpumalanga and Sol Plaatje University	1 320.0	-	-	-	-100.0%	0.8%	-	-	-	-	-
University of Mpumalanga	-	673.9	624.6	638.5	-	1.1%	665.9	700.6	739.1	5.0%	0.9%
Sol Plaatje University	-	379.1	353.9	362.0	-	0.6%	378.4	401.2	423.3	5.3%	0.5%
Sefako Makgatho Health Sciences University	-	-	-	31.3	-	-	31.2	-	-	-100.0%	-
Nelson Mandela University	-	-	-	33.5	-	-	33.5	-	-	-100.0%	-
Vaal University of Technology	-	-	-	38.7	-	-	40.3	-	-	-100.0%	-
<b>Non-profit institutions</b>											
<b>Current</b>	<b>7.8</b>	<b>8.2</b>	<b>34.9</b>	<b>56.8</b>	<b>94.1%</b>	<b>0.1%</b>	<b>55.0</b>	<b>58.0</b>	<b>61.2</b>	<b>2.5%</b>	<b>0.1%</b>
Universities South Africa	7.8	8.2	8.6	17.9	32.2%	-	18.8	19.8	20.9	5.3%	-
National Institute for the Humanities and Social Sciences	-	-	26.3	38.8	-	-	36.2	38.2	40.3	1.2%	0.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Technical and Vocational Education and Training

### Programme purpose

Plan, develop, implement, monitor, maintain and evaluate national policy, programme assessment practices and systems for technical and vocational education and training.

### Objectives

- Ensure a sound post-school education and training system through the implementation of TVET steering mechanisms by March 2022.
- Ensure effectual monitoring and evaluation of the TVET sector by producing 16 annual oversight reports over the medium term on:
  - the conduct of public TVET college examination centres during national examinations and assessments
  - the eradication of certification backlogs
  - the implementation of the IT examination services system
  - the performance of students in colleges
  - the compliance of sampled TVET colleges to recommended governance standards
  - the implementation of teaching and learning support plans in TVET colleges, and of student support services plans.
- Provide TVET teaching and learning support plans aimed at improving access to quality teaching and learning in TVET colleges by implementing appropriate previously developed plans by March 2022.
- Provide student support services by implementing appropriate student support services plans in support of an improved post-school education and training system by March 2022.
- Develop infrastructure for TVET colleges by operationalising 3 new TVET campuses and implementing a rollout plan for the construction of 9 TVET college campuses to ensure optimal geographic spread by March 2022.
- Ensure a strong TVET stakeholder network by operationalising the South African Institute for Vocational and Continuing Education and Training in support of effective collaboration of stakeholders in the post-school education and training system by March 2022.

### Subprogrammes

- *Programme Management: Technical and Vocational Education and Training* manages the delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions.
- *Technical and Vocational Education and Training System Planning and Institutional Support* provides support to management and councils, monitors and evaluates the TVET system performance against set indicators, develops regulatory frameworks for the system, manages and monitors the procurement and distribution of learning and teaching support materials, provides leadership for TVET colleges to enter into partnerships for the use of infrastructure and funding resources, and maps out the institutional landscape for the rollout of the TVET college system.
- *Programmes and Qualifications* manages and coordinates curriculum development processes, ensures the development of quality learning and teaching materials, monitors and supports the implementation of curriculum statements and assessment regulations, monitors and supports the development of lecturers, and provides leadership for TVET colleges to diversify their programmes, qualifications and curriculums.
- *National Examination and Assessment* administers and manages the conduct of national assessment in the TVET and community education and training colleges.
- *Financial Planning* sets up financial management systems; develops the financial management capacity of TVET colleges; manages and determines the fair distribution of funding to TVET colleges in accordance with funding norms and standards; monitors compliance with supply chain management policy; and ensures the timely submission of audited performance information, annual financial statements, and quarterly and annual reports.

## Expenditure trends and estimates

Table 15.12 Technical and Vocational Education and Training expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Programme Management: Technical and Vocational Education and Training	6.2	4.6	5.0	4.3	-11.7%	0.1%	3.7	4.1	4.2	-0.3%	-
Technical and Vocational Education and Training System Planning and Institutional Support	6 144.2	6 572.1	7 083.5	10 222.9	18.5%	94.2%	12 127.3	13 795.2	14 718.6	12.9%	95.3%
Programmes and Qualifications	11.5	10.9	11.3	14.2	7.2%	0.1%	17.3	19.0	20.3	12.9%	0.1%
National Examination and Assessment	439.1	437.5	413.8	475.7	2.7%	5.5%	557.9	640.3	690.1	13.2%	4.4%
Financial Planning	3.8	4.9	7.4	10.3	38.9%	0.1%	15.6	16.7	18.0	20.5%	0.1%
<b>Total</b>	<b>6 604.8</b>	<b>7 030.0</b>	<b>7 521.0</b>	<b>10 727.3</b>	<b>17.5%</b>	<b>100.0%</b>	<b>12 721.8</b>	<b>14 475.2</b>	<b>15 451.3</b>	<b>12.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(12.4)			(260.6)	(109.9)	(8.7)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>5 263.2</b>	<b>5 434.7</b>	<b>6 000.8</b>	<b>6 420.2</b>	<b>6.8%</b>	<b>72.5%</b>	<b>7 134.8</b>	<b>7 718.7</b>	<b>8 217.7</b>	<b>8.6%</b>	<b>55.3%</b>
Compensation of employees	5 119.8	5 289.3	5 859.0	6 274.7	7.0%	70.7%	6 743.2	7 253.2	7 726.5	7.2%	52.5%
Goods and services <sup>1</sup>	143.4	145.4	141.8	145.5	0.5%	1.8%	391.6	465.5	491.1	50.0%	2.8%
of which:											
Computer services	34.0	59.6	22.6	24.3	-10.6%	0.4%	97.2	154.9	157.2	86.3%	0.8%
Consumables: Stationery, printing and office supplies	26.4	19.9	34.9	34.8	9.7%	0.4%	70.9	71.1	73.0	28.0%	0.5%
Travel and subsistence	53.9	41.5	35.6	35.1	-13.3%	0.5%	133.9	145.8	162.0	66.4%	0.9%
Training and development	0.0	-	0.0	0.1	129.5%	-	37.0	38.7	40.8	555.5%	0.2%
Operating payments	11.3	11.2	9.1	9.7	-5.2%	0.1%	9.8	10.3	11.3	5.4%	0.1%
Venues and facilities	7.9	6.9	29.9	30.5	57.0%	0.2%	31.1	32.3	33.7	3.3%	0.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 289.2</b>	<b>1 593.6</b>	<b>1 519.7</b>	<b>4 304.2</b>	<b>49.5%</b>	<b>27.3%</b>	<b>5 584.7</b>	<b>6 754.0</b>	<b>7 231.0</b>	<b>18.9%</b>	<b>44.7%</b>
Departmental agencies and accounts	22.8	13.8	14.4	15.2	-12.7%	0.2%	16.0	16.9	17.9	5.5%	0.1%
Non-profit institutions	1 262.5	1 566.7	1 495.7	4 287.5	50.3%	27.0%	5 568.7	6 737.1	7 213.2	18.9%	44.6%
Households	3.9	13.1	9.5	1.5	-27.1%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>1.1</b>	<b>1.5</b>	<b>0.5</b>	<b>2.0</b>	<b>22.0%</b>	<b>-</b>	<b>2.3</b>	<b>2.5</b>	<b>2.6</b>	<b>9.8%</b>	<b>-</b>
Machinery and equipment	1.1	1.5	0.5	1.9	21.5%	-	2.3	2.5	2.6	9.9%	-
Software and other intangible assets	-	-	0.0	0.0	-	-	0.0	0.0	0.0	1.4%	-
<b>Payments for financial assets</b>	<b>51.3</b>	<b>0.1</b>	<b>0.0</b>	<b>1.0</b>	<b>-73.4%</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
<b>Total</b>	<b>6 604.8</b>	<b>7 030.0</b>	<b>7 521.0</b>	<b>10 727.3</b>	<b>17.5%</b>	<b>100.0%</b>	<b>12 721.8</b>	<b>14 475.2</b>	<b>15 451.3</b>	<b>12.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>15.7%</b>	<b>14.3%</b>	<b>14.4%</b>	<b>14.7%</b>	<b>-</b>	<b>-</b>	<b>14.2%</b>	<b>14.7%</b>	<b>14.8%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>3.9</b>	<b>13.1</b>	<b>9.5</b>	<b>1.5</b>	<b>-27.1%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	3.9	13.1	9.5	1.5	-27.1%	0.1%	-	-	-	-100.0%	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>22.8</b>	<b>13.8</b>	<b>14.4</b>	<b>15.2</b>	<b>-12.7%</b>	<b>0.2%</b>	<b>16.0</b>	<b>16.9</b>	<b>17.9</b>	<b>5.5%</b>	<b>0.1%</b>
Employee social benefits	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Education, Training and Development Practices Sector	22.8	13.7	14.4	15.2	-12.6%	0.2%	16.0	16.9	17.9	5.5%	0.1%
Education and Training Authority											
<b>Non-profit institutions</b>											
<b>Current</b>	<b>1 262.5</b>	<b>1 566.7</b>	<b>1 495.7</b>	<b>2 987.5</b>	<b>33.3%</b>	<b>22.9%</b>	<b>4 084.7</b>	<b>5 090.1</b>	<b>5 475.6</b>	<b>22.4%</b>	<b>33.0%</b>
Technical and Vocational Education and Training colleges	1 262.5	1 566.7	1 495.7	2 987.5	33.3%	22.9%	3 884.7	4 768.1	5 030.4	19.0%	31.2%
Operationalization of new campuses	-	-	-	-	-	-	200.0	322.0	445.2	-	1.8%
<b>Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 300.0</b>	<b>-</b>	<b>4.1%</b>	<b>1 484.0</b>	<b>1 647.0</b>	<b>1 737.6</b>	<b>10.2%</b>	<b>11.6%</b>
Infrastructure efficiency grant	-	-	-	1 300.0	-	4.1%	1 484.0	1 647.0	1 737.6	10.2%	11.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Skills Development

### Programme purpose

Promote and monitor the national skills development strategy. Develop skills development policies and regulatory frameworks for an effective skills development system.

### Objectives

- Ensure a sound post-school education and training system through the revision of 4 existing pieces of legislation, regulations and policies for skills development by March 2020.
- Ensure the effectual monitoring and evaluation of artisan development by producing 5 annual oversight reports on the national skills development strategy and good governance standards by sector education and training authorities over the medium term.
- Ensure effectual artisan development assessment services in support of an improved post-school education and training system over the medium term by continuing to provide trade testing dates to all qualifying applications, and conducting trade testing within 60 days of application.

### Subprogrammes

- *Programme Management: Skills Development* manages delegated administrative and financial responsibilities for the programme, and coordinates all monitoring and evaluation functions.
- *SETA Coordination* supports, monitors and reports on the implementation of the national skills development strategy at the sectoral level by establishing and managing the performance of service level agreements with sector education and training authorities, and conducting trade tests at the Institute for the National Development of Learnerships, Employment Skills and Labour Assessments.
- *National Skills Development Services* manages projects identified in the national skills development strategy, and advises the minister on the national skills development policy and strategy.
- *Quality Development and Promotion* transfers funds to the Quality Council for Trades and Occupations as a contribution to its operations.

### Expenditure trends and estimates

**Table 15.13 Skills Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Programme Management: Skills Development	2.6	1.6	2.5	3.4	9.1%	1.1%	3.9	4.2	4.4	9.0%	1.4%
SETA Coordination	182.7	148.0	203.7	221.9	6.7%	83.6%	238.1	251.3	269.0	6.6%	84.1%
National Skills Development Services	9.0	7.9	9.4	11.7	9.5%	4.2%	14.4	16.7	16.4	11.9%	5.1%
Quality Development and Promotion	2.5	23.1	26.9	27.4	6.8%	11.0%	26.1	27.4	28.9	1.9%	9.4%
<b>Total</b>	<b>216.7</b>	<b>180.6</b>	<b>242.5</b>	<b>264.5</b>	<b>6.9%</b>	<b>100.0%</b>	<b>282.4</b>	<b>299.6</b>	<b>318.8</b>	<b>6.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				1.9			2.6	2.6	4.1		
<b>Economic classification</b>											
<b>Current payments</b>	<b>100.2</b>	<b>100.6</b>	<b>110.6</b>	<b>129.4</b>	<b>8.9%</b>	<b>48.7%</b>	<b>142.3</b>	<b>152.4</b>	<b>163.5</b>	<b>8.1%</b>	<b>50.4%</b>
Compensation of employees	86.6	89.6	99.2	113.7	9.5%	43.0%	126.0	135.7	145.9	8.7%	44.7%
Goods and services <sup>1</sup>	13.6	11.1	11.4	15.7	5.0%	5.7%	16.2	16.7	17.6	3.9%	5.7%
<i>of which:</i>											
Minor assets	0.1	0.1	0.1	0.2	31.1%	–	0.9	0.8	0.8	75.9%	0.2%
Communication	1.3	1.5	1.4	2.1	17.2%	0.7%	1.7	1.7	1.8	-5.3%	0.6%
Inventory: Materials and supplies	1.4	2.1	2.6	3.6	38.5%	1.1%	3.7	4.0	4.6	8.0%	1.4%
Consumable supplies	3.2	1.6	0.9	1.9	-15.6%	0.8%	0.9	0.9	0.9	-23.8%	0.4%
Consumables: Stationery, printing and office supplies	0.6	0.6	0.8	0.9	14.8%	0.3%	1.0	1.0	1.1	4.1%	0.3%
Travel and subsistence	2.3	1.9	2.0	2.3	0.3%	0.9%	3.3	3.4	3.6	16.2%	1.1%



**Table 15.13 Skills Development expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
<b>Transfers and subsidies<sup>1</sup></b>	<b>115.8</b>	<b>79.1</b>	<b>131.4</b>	<b>134.0</b>	<b>5.0%</b>	<b>50.9%</b>	<b>138.4</b>	<b>146.0</b>	<b>154.0</b>	<b>4.7%</b>	<b>49.1%</b>
Departmental agencies and accounts	115.8	78.9	130.7	133.8	4.9%	50.8%	138.4	146.0	154.0	4.8%	49.1%
Households	0.1	0.2	0.7	0.2	55.7%	0.1%	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>0.4</b>	<b>0.9</b>	<b>0.5</b>	<b>1.1</b>	<b>36.1%</b>	<b>0.3%</b>	<b>1.8</b>	<b>1.2</b>	<b>1.3</b>	<b>6.2%</b>	<b>0.5%</b>
Machinery and equipment	0.4	0.9	0.5	1.1	36.1%	0.3%	1.8	1.2	1.3	6.2%	0.5%
<b>Payments for financial assets</b>	<b>0.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-80.8%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
<b>Total</b>	<b>216.7</b>	<b>180.6</b>	<b>242.5</b>	<b>264.5</b>	<b>6.9%</b>	<b>100.0%</b>	<b>282.4</b>	<b>299.6</b>	<b>318.8</b>	<b>6.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.5%</b>	<b>0.4%</b>	<b>0.5%</b>	<b>0.4%</b>	<b>–</b>	<b>–</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
<b>Current</b>	<b>115.8</b>	<b>78.9</b>	<b>130.7</b>	<b>133.8</b>	<b>4.9%</b>	<b>50.8%</b>	<b>138.4</b>	<b>146.0</b>	<b>154.0</b>	<b>4.8%</b>	<b>49.1%</b>
Employee social benefits	0.1	–	–	–	-100.0%	–	–	–	–	–	–
Quality Council for Trades and Occupations	21.8	23.1	26.9	27.4	7.8%	11.0%	26.1	27.4	28.9	1.9%	9.4%
Public Service Sector Education and Training Authority	93.8	55.7	103.8	106.4	4.3%	39.8%	112.3	118.5	125.0	5.5%	39.7%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 6: Community Education and Training

### Programme purpose

Plan, develop, implement, monitor, maintain and evaluate national policy, programme assessment practices and systems for community education and training.

### Objectives

- Steer the community education and training sector in support of a sound post-school education and training system by developing 9 steering mechanisms and reviewing 1 mechanism by March 2022 on:
  - the staffing norms and standards for community education and training colleges
  - the examination conduct policy for the national senior certificate for adults
  - the community education and training service delivery model
  - the monitoring and evaluation policy for community education and training colleges
  - the national curriculum policy for community education and training colleges.
- Ensure effective monitoring and evaluation of the skills development sector by producing annual reports by March 2022 on the implementation of appropriate monitoring instruments and partnerships with stakeholders and producing a system performance report for the community education and training sector.
- Develop and approve 20 monitoring and evaluation reports by March 2022 to ensure effective oversight of the community education and training sector.
- Improve teaching and learning in community education and training colleges by developing and implementing a teaching and learning planning framework by March 2022.
- Ensure an optimal geographic spread of community education and training colleges by establishing and operationalising 9 colleges by March 2022.

### Subprogrammes

- Programme Management: Community Education and Training* manages the delegated administrative and financial responsibilities, and coordinates the monitoring and evaluation function of the programme.

- *Community Education and Training Colleges Systems Planning, Institutional Development and Support* provides support to management and councils, monitors and evaluates the community education and training system performance against set indicators, develops regulatory frameworks for the system, manages and monitors the procurement and distribution of learning and teaching support materials, provides leadership for community education and training colleges to enter into partnerships for the use of infrastructure for college site hosting centres and funding these partnerships, maps out an institutional landscape for the rollout of the community education and training system, and is responsible for community education and training infrastructure planning and development.
- *Financial Planning* sets up financial management systems; develops the financial management capacity of community education and training colleges; manages and determines the fair distribution of funding to community education and training colleges in accordance with funding norms and standards; monitors compliance by community education and training units in regional offices with supply chain management policy; and ensures the timely submission of audited performance information, annual financial statements, and quarterly and annual reports.
- *Education and Training and Development Support* manages and coordinates curriculum development processes; ensures the development of quality learning and teaching materials; monitors and supports the implementation of curriculum statements and assessment regulations; monitors and supports the development of lecturers; provides leadership for community education and training colleges to diversify their programmes, qualifications and curriculum; and provides leadership for colleges to form partnerships and linkages for programme diversification.

## Expenditure trends and estimates

**Table 15.14 Community Education and Training expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
Programme Management: Community Education and Training	–	1.5	1.5	2.8	–	0.1%	2.8	4.0	4.3	14.8%	0.1%
Community Education and Training Colleges Systems Planning, Institutional Development and Support	1 653.2	1 849.5	1 991.4	2 160.8	9.3%	92.2%	2 329.6	2 497.5	2 663.0	7.2%	92.0%
Financial Planning	157.2	129.0	148.8	175.9	3.8%	7.4%	186.9	197.0	207.9	5.7%	7.3%
Education and Training and Development Support	14.0	1.8	1.4	16.1	4.7%	0.4%	13.5	16.3	13.8	-5.1%	0.6%
<b>Total</b>	<b>1 824.4</b>	<b>1 981.7</b>	<b>2 143.2</b>	<b>2 355.6</b>	<b>8.9%</b>	<b>100.0%</b>	<b>2 532.8</b>	<b>2 714.7</b>	<b>2 888.9</b>	<b>7.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(3.2)			(0.0)	–	(0.3)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>1 731.3</b>	<b>1 875.2</b>	<b>2 029.6</b>	<b>2 236.1</b>	<b>8.9%</b>	<b>94.8%</b>	<b>2 379.3</b>	<b>2 553.3</b>	<b>2 718.5</b>	<b>6.7%</b>	<b>94.2%</b>
Compensation of employees	1 712.3	1 850.6	1 992.8	2 178.3	8.4%	93.1%	2 347.5	2 519.5	2 682.9	7.2%	92.7%
Goods and services <sup>1</sup>	18.9	24.7	36.8	57.8	45.0%	1.7%	31.9	33.8	35.6	-14.9%	1.5%
of which:											
Catering: Departmental activities	0.7	0.8	1.2	1.3	22.6%	–	2.2	2.2	2.3	22.2%	0.1%
Consumables: Stationery, printing and office supplies	1.8	3.0	3.9	5.9	49.1%	0.2%	4.5	5.1	5.4	-2.9%	0.2%
Operating leases	0.3	2.3	1.9	2.8	114.9%	0.1%	1.9	2.0	2.2	-8.0%	0.1%
Travel and subsistence	7.9	13.3	18.7	30.6	57.0%	0.8%	14.1	15.3	16.1	-19.2%	0.7%
Training and development	0.0	–	0.0	0.0	-35.8%	–	4.5	4.5	4.7	708.0%	0.1%
Venues and facilities	0.8	2.0	3.2	1.4	23.6%	0.1%	1.4	1.4	1.5	1.5%	0.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>93.1</b>	<b>104.7</b>	<b>110.1</b>	<b>115.2</b>	<b>7.4%</b>	<b>5.1%</b>	<b>151.7</b>	<b>159.9</b>	<b>168.7</b>	<b>13.6%</b>	<b>5.7%</b>
Departmental agencies and accounts	–	2.5	0.8	2.8	–	0.1%	2.9	3.1	3.2	5.5%	0.1%
Non-profit institutions	91.8	98.1	103.9	109.9	6.2%	4.9%	148.8	156.8	165.4	14.6%	5.5%
Households	1.3	4.1	5.4	2.5	24.2%	0.2%	–	–	–	-100.0%	–

**Table 15.14 Community Education and Training expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	
R million											
<b>Payments for capital assets</b>	<b>0.0</b>	<b>1.7</b>	<b>3.5</b>	<b>3.9</b>	<b>378.5%</b>	<b>0.1%</b>	<b>1.8</b>	<b>1.6</b>	<b>1.7</b>	<b>-25.0%</b>	<b>0.1%</b>
Buildings and other fixed structures	–	–	–	1.4	–	–	–	–	–	-100.0%	–
Machinery and equipment	0.0	1.7	3.5	2.5	313.4%	0.1%	1.8	1.6	1.7	-13.2%	0.1%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>0.4</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
<b>Total</b>	<b>1 824.4</b>	<b>1 981.7</b>	<b>2 143.2</b>	<b>2 355.6</b>	<b>8.9%</b>	<b>100.0%</b>	<b>2 532.8</b>	<b>2 714.7</b>	<b>2 888.9</b>	<b>7.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>4.3%</b>	<b>4.0%</b>	<b>4.1%</b>	<b>3.2%</b>	<b>–</b>	<b>–</b>	<b>2.8%</b>	<b>2.7%</b>	<b>2.8%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>–</b>	<b>2.5</b>	<b>0.8</b>	<b>2.8</b>	<b>–</b>	<b>0.1%</b>	<b>2.9</b>	<b>3.1</b>	<b>3.2</b>	<b>5.5%</b>	<b>0.1%</b>
Education, Training and Development Practices Sector Education and Training Authority	–	2.5	0.8	2.8	–	0.1%	2.9	3.1	3.2	5.5%	0.1%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>91.8</b>	<b>98.1</b>	<b>103.9</b>	<b>109.9</b>	<b>6.2%</b>	<b>4.9%</b>	<b>148.8</b>	<b>156.8</b>	<b>165.4</b>	<b>14.6%</b>	<b>5.5%</b>
Community Education and Training colleges	91.8	98.1	103.9	109.9	6.2%	4.9%	148.8	156.8	165.4	14.6%	5.5%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

### National Skills Fund

#### Mandate

The National Skills Fund was established in 1999 in terms of section 27 of the Skills Development Act (1998). The fund focuses on national priority projects identified in the national skills development strategy, projects related to the achievement of the purposes of the act as determined by the Director-General of the Department of Higher Education and Training, and activities prioritised by the Minister of Higher Education and Training to achieve a national standard of good practice in skills development.

#### Selected performance indicators

**Table 15.15 National Skills Fund performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16/	2016/17	2017/18		2018/19	2019/20	2020/21
Number of learners who completed their education and training towards priority occupations per year	Grant disbursement	Outcome 5: A skilled and capable workforce to support an inclusive growth path	– <sup>1</sup>	3 267	8 521 <sup>2</sup>	3 000	3 000	3 000	3 000
Number of learners from rural areas who completed their education and training per year	Grant disbursement		– <sup>1</sup>	3 418	6 856	3 000	3 000	3 000	3 000
Number of small, medium and micro enterprises and cooperatives that benefitted from the fund's skills development initiatives per year	Grant disbursement		– <sup>1</sup>	2 158	1 705 <sup>3</sup>	200	500	1 000	1 500
Number of learners who acquired skills through funded community-based skills development initiatives per year	Grant disbursement		– <sup>1</sup>	3 289	5 281 <sup>4</sup>	1 400	3 000	3 000	3 000
Number of workers to be educated through workers' education initiatives per year	Grant disbursement		– <sup>1</sup>	0 <sup>5</sup>	0 <sup>5</sup>	100	100	200	300

1. No historical data available.

2. Overachievement in this year is mainly due to skills development programmes delivered in partnership with the Small Enterprise Development Agency, skills development programmes linked to the expanded public works programme and specific skills development projects with TVET colleges.

3. Overachievement in this year is mainly due to the fund's collaboration with the Small Enterprise Development Agency aimed at skills development for small, medium and micro enterprises.

4. Overachievement in this year is mainly due to the fund's skills development partnership with the Small Enterprise Development Agency.

5. Targets not achieved in these years due to budget reprioritisations, resulting in funding for worker education projects being delayed.

### Expenditure analysis

Over the medium term, the National Skills Fund will focus on: investing in initiatives focused on developing priority skills to reduce the skills gap and create opportunities for out-of-school youth, expanding and enhancing the post-school education and training system, and implementing a new ICT system.

The fund anticipates that 92.3 per cent (R12.1 billion) of its total budget over the MTEF period will be spent on skills development initiatives, including: transfers to various skills development projects relating to education and training, capacity building in the post-school education and training system, and providing infrastructure for skills development and skills development research. Among these initiatives are the development of foundational learning programmes for the TVET sector, the South African Institute of Chartered Accountants chief financial officer and human resource management projects, and TVET curriculum development. Accordingly, over the period ahead, 3 000 small, medium and micro enterprises and cooperatives; 9 000 learners and 600 workers are expected to benefit from the fund's developmental initiatives.

Spending on skills development initiatives and administration is projected to decrease at an average annual rate of 6.2 per cent, from R4.3 billion in 2018/19 to R3.5 billion in 2021/22. This is mainly due to contractual agreements of the majority of funded projects, such as infrastructure development at TVET colleges, coming to an end in 2020/21.

With the implementation of a new ICT system over the medium term, the fund expects to improve its performance reporting mechanisms and processes. The system will allow the fund to measure the throughput of learners on an ongoing basis and make proactive improvements, while strategically focusing funding on priority occupations. The system is currently undergoing its final round of user acceptance testing and data migration. Training on the system is expected to have taken place in January 2019, with the system expected to go live in February 2019. R23.8 million over the medium term is allocated for operating and maintaining the system.

The fund's primary source of revenue is the skills development levy, which is collected by the South African Revenue Service and transferred to the fund as a direct charge against the National Revenue Fund. Transfers from the skills development levy are projected to increase at an average annual rate of 8.8 per cent, from R3.5 billion in 2018/19 to R4.5 billion in 2021/22.

### Programmes/Objectives/Activities

**Table 15.16 National Skills Fund expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
Administration	146.5	171.8	168.2	292.0	25.8%	4.1%	326.0	341.4	353.9	6.6%	7.7%	
Grant disbursement	4 357.2	4 322.0	6 970.1	3 992.7	-2.9%	95.9%	4 948.8	3 979.5	3 179.9	-7.3%	92.3%	
<b>Total</b>	<b>4 503.7</b>	<b>4 493.8</b>	<b>7 138.3</b>	<b>4 284.6</b>	<b>-1.6%</b>	<b>100.0%</b>	<b>5 274.8</b>	<b>4 320.9</b>	<b>3 533.8</b>	<b>-6.2%</b>	<b>100.0%</b>	

### Statements of historical financial performance and position

**Table 15.17 National Skills Fund statements of historical financial performance and position**

Statement of financial performance									
R million	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/Budget (%)
	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19		
<b>Revenue</b>									
Non-tax revenue	961.4	1 102.8	408.8	824.5	548.9	551.0	563.7	495.9	119.8%
Other non-tax revenue	961.4	1 102.8	408.8	824.5	548.9	551.0	563.7	495.9	119.8%
<b>Transfers received</b>	<b>3 159.3</b>	<b>3 033.1</b>	<b>3 179.4</b>	<b>3 051.0</b>	<b>3 154.1</b>	<b>3 204.7</b>	<b>3 385.9</b>	<b>3 462.4</b>	<b>99.0%</b>
<b>Total revenue</b>	<b>4 120.7</b>	<b>4 135.9</b>	<b>3 588.2</b>	<b>3 875.6</b>	<b>3 703.0</b>	<b>3 755.8</b>	<b>3 949.6</b>	<b>3 958.4</b>	<b>102.4%</b>

**Table 15.17 National Skills Fund statements of historical financial performance and position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
<b>Expenses</b>									
<b>Current expenses</b>	<b>170.3</b>	<b>97.9</b>	<b>235.5</b>	<b>123.3</b>	<b>142.7</b>	<b>119.8</b>	<b>279.3</b>	<b>238.0</b>	<b>69.9%</b>
Compensation of employees	57.7	40.5	131.0	46.2	61.0	59.7	103.4	72.7	62.0%
Goods and services	112.5	52.3	95.4	70.9	74.0	55.2	167.7	157.2	74.6%
Depreciation	–	5.1	9.1	6.2	7.7	5.0	8.2	8.1	97.8%
<b>Transfers and subsidies</b>	<b>4 538.9</b>	<b>4 405.8</b>	<b>5 279.8</b>	<b>4 370.5</b>	<b>9 424.3</b>	<b>7 018.5</b>	<b>6 170.2</b>	<b>4 046.7</b>	<b>78.1%</b>
<b>Total expenses</b>	<b>4 709.2</b>	<b>4 503.7</b>	<b>5 515.4</b>	<b>4 493.8</b>	<b>9 567.0</b>	<b>7 138.3</b>	<b>6 449.5</b>	<b>4 284.6</b>	<b>77.8%</b>
<b>Surplus/(Deficit)</b>	<b>(589.0)</b>	<b>(368.0)</b>	<b>(1 927.0)</b>	<b>(618.0)</b>	<b>(5 864.0)</b>	<b>(3 383.0)</b>	<b>(2 500.0)</b>	<b>(326.0)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	–	602.0	51.0	546.0	1 165.4	594.6	1 711.1	1 709.6	117.9%
<i>of which:</i>									
<i>Acquisition of assets</i>	–	(345.7)	(1 772.5)	(157.6)	(789.5)	(53.6)	(1 149.9)	(1 013.8)	42.3%
Investments	10 541.7	10 423.3	6 199.6	8 860.5	3 544.2	6 320.7	3 898.6	3 615.0	120.8%
Receivables and prepayments	–	715.2	–	1 436.1	788.3	1 438.5	833.2	1 520.4	315.2%
Cash and cash equivalents	–	186.1	–	610.2	610.2	9.6	610.2	9.6	66.8%
<b>Total assets</b>	<b>10 541.7</b>	<b>11 926.6</b>	<b>6 250.6</b>	<b>11 452.8</b>	<b>6 108.1</b>	<b>8 363.4</b>	<b>7 053.1</b>	<b>6 854.7</b>	<b>128.9%</b>
Accumulated surplus/(deficit)	10 541.7	6 272.3	3 742.1	5 861.5	2 639.8	4 459.8	2 627.5	5 277.2	111.9%
Capital and reserves	–	4 599.5	2 500.0	4 392.1	2 199.0	2 411.3	3 084.0	–	146.5%
Capital reserve fund	–	1 001.4	–	1 113.9	1 183.0	1 405.7	1 250.4	1 485.8	205.8%
Trade and other payables	–	45.4	–	65.3	68.0	46.4	71.9	53.1	150.2%
Provisions	–	3.0	3.2	4.9	2.1	5.2	2.3	1.4	192.1%
Derivatives financial instruments	–	5.1	5.4	15.1	16.1	35.1	17.0	37.1	240.6%
<b>Total equity and liabilities</b>	<b>10 541.7</b>	<b>11 926.6</b>	<b>6 250.6</b>	<b>11 452.8</b>	<b>6 108.1</b>	<b>8 363.4</b>	<b>7 053.1</b>	<b>6 854.7</b>	<b>128.9%</b>

**Statements of estimates of financial performance and position****Table 15.18 National Skills Fund statements of estimates of financial performance and position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>495.9</b>	<b>-23.4%</b>	<b>18.8%</b>	<b>513.2</b>	<b>531.2</b>	<b>549.9</b>	<b>3.5%</b>	<b>11.8%</b>	
Other non-tax revenue	495.9	-23.4%	18.8%	513.2	531.2	549.9	3.5%	11.8%	
<b>Transfers received</b>	<b>3 462.4</b>	<b>4.5%</b>	<b>81.2%</b>	<b>3 751.7</b>	<b>4 087.5</b>	<b>4 461.5</b>	<b>8.8%</b>	<b>88.2%</b>	
<b>Total revenue</b>	<b>3 958.4</b>	<b>-1.5%</b>	<b>100.0%</b>	<b>4 264.9</b>	<b>4 618.7</b>	<b>5 011.4</b>	<b>8.2%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>238.0</b>	<b>34.4%</b>	<b>3.0%</b>	<b>269.1</b>	<b>281.4</b>	<b>290.6</b>	<b>6.9%</b>	<b>6.3%</b>	
Compensation of employees	72.7	21.5%	1.1%	131.9	138.7	144.8	25.9%	2.9%	
Goods and services	157.2	44.3%	1.8%	124.7	129.4	131.8	-5.7%	3.2%	
Depreciation	8.1	16.9%	0.1%	12.6	13.3	14.0	19.8%	0.3%	
<b>Transfers and subsidies</b>	<b>4 046.7</b>	<b>-2.8%</b>	<b>97.0%</b>	<b>5 005.6</b>	<b>4 039.5</b>	<b>3 243.2</b>	<b>-7.1%</b>	<b>93.7%</b>	
<b>Total expenses</b>	<b>4 284.6</b>	<b>-1.6%</b>	<b>100.0%</b>	<b>5 274.8</b>	<b>4 320.9</b>	<b>3 533.8</b>	<b>-6.2%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>(326.0)</b>			<b>(1 010.0)</b>	<b>298.0</b>	<b>1 478.0</b>			
<b>Statement of financial position</b>									
Carrying value of assets	1 709.6	41.6%	10.5%	1 031.6	310.4	154.1	-55.2%	14.4%	
<i>of which:</i>									
<i>Acquisition of assets</i>	(1 013.8)	43.1%	-4.9%	(870.4)	(640.5)	(363.2)	-29.0%	-14.0%	
Investments	3 615.0	-29.7%	73.3%	2 066.4	2 243.5	2 677.0	-9.5%	51.8%	
Receivables and prepayments	1 520.4	28.6%	14.5%	1 605.6	1 693.9	1 787.1	5.5%	33.7%	
Cash and cash equivalents	9.6	-62.8%	1.8%	9.6	9.6	9.6	–	0.2%	
<b>Total assets</b>	<b>6 854.7</b>	<b>-16.9%</b>	<b>100.0%</b>	<b>4 713.2</b>	<b>4 257.4</b>	<b>4 627.8</b>	<b>-12.3%</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	5 277.2	-5.6%	58.5%	3 047.4	2 500.0	2 773.7	-19.3%	65.1%	
Capital reserve fund	1 485.8	14.1%	14.2%	1 569.0	1 655.3	1 746.4	5.5%	32.9%	
Trade and other payables	53.1	5.4%	0.6%	56.1	59.2	62.5	5.5%	1.2%	
Provisions	1.4	-22.9%	0.0%	1.5	1.5	1.6	5.5%	0.0%	
Derivatives financial instruments	37.1	93.8%	0.3%	39.2	41.3	43.6	5.5%	0.8%	
<b>Total equity and liabilities</b>	<b>6 854.7</b>	<b>-16.9%</b>	<b>100.0%</b>	<b>4 713.2</b>	<b>4 257.4</b>	<b>4 627.8</b>	<b>-12.3%</b>	<b>100.0%</b>	

**Personnel information**

**Table 15.19 National Skills Fund personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22			
National Skills Fund		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	280	304	222	59.7	0.3	213	72.7	0.3	287	131.9	0.5	287	138.7	0.5	287	144.8	0.5	25.9%	100.0%
1 – 6	133	133	133	4.0	0.0	124	4.7	0.0	134	8.3	0.1	134	8.0	0.1	134	6.7	0.0	12.5%	49.6%
7 – 10	81	91	45	19.2	0.4	46	21.2	0.5	84	45.6	0.5	84	48.3	0.6	84	51.3	0.6	34.1%	27.4%
13 – 16	66	80	44	36.4	0.8	43	46.7	1.1	69	78.1	1.1	69	82.4	1.2	69	86.9	1.3	23.0%	23.1%

1. Rand million.

**National Student Financial Aid Scheme**

**Mandate**

The National Student Financial Aid Scheme was established in terms of the National Student Financial Aid Scheme Act (1999). The scheme is responsible for: providing loans and bursaries; developing criteria and conditions for the granting of loans and bursaries to eligible students in consultation with the Minister of Higher Education and Training; raising funds; recovering past loans; maintaining and analysing a database of funded students; undertaking research for the better utilisation of financial resources; advising the minister on matters relating to student financial aid and undertaking other functions assigned to it by the act or the minister.

**Selected performance indicators**

**Table 15.20 National Student Financial Aid Scheme performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Amount of financial aid raised from new funders for qualifying students per year	Student-centred financial aid	Outcome 5: A skilled and capable workforce to support an inclusive growth path	R18.6m	R104m <sup>1</sup>	R56.6m <sup>1</sup>	R11m	R12.1m	R13.3m	R14.6m
Amount of funds recovered from national student financial aid scheme debtors per year	Student-centred financial aid		R227.8m	R392.4m	R512.8m	R640.9m	25% growth on 2018/19 actual	25% growth on 2019/20 actual	25% growth on 2020/21 actual
Number of students assisted in higher education institutions per year	Student-centred financial aid		178 961	225 950	260 002	290 184	377 050	469 978	501 937
Number of students assisted in technical and vocational education and training colleges per year	Student-centred financial aid		235 988	225 557	200 339	293 925	484 111	513 614	569 380
Percentage of students for which the first instalment of amounts due to the institution is paid to the institution within 30 days of acceptance date of bursary agreement/loan agreement form/schedule of particulars	Student-centred financial aid		98.5% (60 166/ 61 083)	100.2% (224 594/ 224 204)	73% (292 212/ 400 291)	73% (292 212/ 400 291)	80%	90%	98%
Percentage of students for which the first instalment of allowances due to them (where the scheme disburses directly to students) is paid within 10 days of acceptance date of bursary agreement/loan agreement form/schedule of particulars	Student-centred financial aid		94.1% (27 398/ 29 127)	40.8% <sup>2</sup> (29 127/ 71 390)	71% (22 204/ 31 273)	71% (22 204/ 31 273)	80%	90%	95%

1. Funding received from 3 new funders exceeded anticipated amounts raised.

2. Lower target due to delays in configuring the ICT system.

**Expenditure analysis**

Over the medium term, the National Student Financial Aid Scheme plans to continue providing financial aid to

students from poor and working class families to promote access to, and success in, higher education and training; and improve its administrative and management processes. The scheme expects to receive 90.2 per cent (R103.3 billion) of its revenue over the MTEF period from transfers from the department. The bulk of the remainder is derived from transfers from the Department of Basic Education (R3.6 billion), the National Skills Fund (R1.3 billion), sector education and training authorities (R800 million), and interest (R5.3 billion).

Transfers from the department for student bursaries are expected to increase at an average annual rate of 22.6 per cent, from R20.1 billion in 2018/19 to R36.9 billion in 2021/22. These increases will fund the new departmental bursary scheme for undergraduate university and TVET college students from households with a combined annual income of up to R350 000 per year. Bursaries from the scheme will cover costs related to tuition fees, prescribed study materials, meals, accommodation and/or transport. An estimated 1 348 965 undergraduate university and 1 567 105 TVET college students will be assisted through the bursary scheme over the medium term.

In response to a number of unresolved issues on the timely disbursement of funds to students, in 2018/19, the Minister of Higher Education and Training appointed an administrator to oversee and review the scheme's administrative and management processes. Senior managers have been deployed across the country to reduce administrative backlogs and enable efficient disbursements. This model of releasing funds will inform the scheme's organisational design going forward.

Expenditure is expected to increase at an average annual rate of 16.4 per cent, from R25.5 billion in 2018/19 to R40.2 billion in 2021/22. This is mainly driven by the increase in transfers, the bulk of which are disbursed to students as part of the new departmental bursary scheme. The scheme's second largest cost driver is compensation of employees, spending on which increases at an average annual rate of 4.8 per cent, from R204.3 million in 2018/19 to R235.4 million in 2021/22. This is due to an increase in the scheme's number of personnel, from 558 in 2018/19 to 580 in 2021/22, mainly to improve the scheme's ICT capacity and for additional call centre contractors after the introduction of a toll-free helpline for students in 2018/19. The relatively low average annual increase in spending on compensation of employees despite the increase in personnel is partly due to a freeze on salary increases approved by Cabinet for senior management staff earning more than R1.5 million per year and a 2.8 per cent increase for senior managers earning between R1 million and R1.49 million per year.

Spending on agency and outsourced services is expected to increase at an average annual rate of 6.3 per cent, from R39.9 million in 2018/19 to R47.9 million in 2021/22. The main contributors in this regard are costs relating to the debt collection commission, which have been increasing as a result of increased collection targets.

Transfers to the scheme from the department for the administration grant amount to R788 million over the period ahead, increasing from R262.1 million in 2018/19 to R274.4 million by 2021/22. Administration fees amounting to R163.1 million over the MTEF period from other funders will be used to supplement the administration grant.

### **Programmes/Objectives/Activities**

**Table 15.21 National Student Financial Aid Scheme expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Administration	128.6	156.2	197.3	262.1	26.8%	1.4%	249.9	263.6	274.4	1.5%	0.8%
Student-centered financial aid	8 420.6	10 882.9	12 469.7	25 228.8	44.2%	98.6%	33 667.6	38 046.6	39 883.7	16.5%	99.2%
<b>Total</b>	<b>8 549.2</b>	<b>11 039.1</b>	<b>12 666.9</b>	<b>25 490.9</b>	<b>43.9%</b>	<b>100.0%</b>	<b>33 917.6</b>	<b>38 310.2</b>	<b>40 158.2</b>	<b>16.4%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

### Table 15.22 National Student Financial Aid Scheme statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>890.7</b>	<b>720.3</b>	<b>783.2</b>	<b>1 174.5</b>	<b>1 203.3</b>	<b>1 512.1</b>	<b>1 557.7</b>	<b>2 832.0</b>	<b>140.7%</b>
Sale of goods and services other than capital assets	16.7	22.3	19.8	20.4	23.5	25.2	23.9	23.9	109.4%
<i>of which:</i>									
<i>Administrative fees</i>	16.7	22.3	19.8	20.4	23.5	25.2	23.9	23.9	109.4%
Other non-tax revenue	873.9	697.9	763.5	1 154.1	1 179.8	1 486.9	1 533.7	2 808.1	141.3%
<b>Transfers received</b>	<b>9 226.1</b>	<b>9 543.5</b>	<b>14 311.0</b>	<b>11 792.6</b>	<b>15 542.9</b>	<b>14 215.4</b>	<b>23 160.7</b>	<b>22 460.0</b>	<b>93.2%</b>
<b>Total revenue</b>	<b>10 116.7</b>	<b>10 263.8</b>	<b>15 094.2</b>	<b>12 967.1</b>	<b>16 746.2</b>	<b>15 727.5</b>	<b>24 718.4</b>	<b>25 292.0</b>	<b>96.4%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>197.2</b>	<b>2 129.2</b>	<b>267.5</b>	<b>3 713.9</b>	<b>3 503.4</b>	<b>5 278.9</b>	<b>621.9</b>	<b>1 352.3</b>	<b>271.8%</b>
Compensation of employees	101.6	95.9	138.7	123.3	156.7	149.1	181.4	204.3	99.0%
Goods and services	67.6	2 007.3	99.4	3 579.3	3 331.2	5 115.0	424.1	1 131.6	301.7%
Depreciation	28.1	26.0	29.3	11.2	15.5	14.8	16.4	16.4	76.6%
<b>Transfers and subsidies</b>	<b>7 242.4</b>	<b>6 420.0</b>	<b>9 452.9</b>	<b>7 325.3</b>	<b>10 107.6</b>	<b>7 388.0</b>	<b>22 891.6</b>	<b>24 138.6</b>	<b>91.1%</b>
<b>Total expenses</b>	<b>7 439.6</b>	<b>8 549.2</b>	<b>9 720.4</b>	<b>11 039.1</b>	<b>13 611.0</b>	<b>12 666.9</b>	<b>23 513.5</b>	<b>25 490.9</b>	<b>106.4%</b>
<b>Surplus/(Deficit)</b>	<b>2 677.0</b>	<b>1 715.0</b>	<b>5 374.0</b>	<b>1 928.0</b>	<b>3 135.0</b>	<b>3 061.0</b>	<b>1 205.0</b>	<b>(199.0)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	40.6	22.0	22.8	48.6	23.6	40.6	24.4	39.6	135.5%
<i>of which:</i>									
<i>Acquisition of assets</i>	(12.7)	(9.7)	(14.0)	(8.2)	(8.9)	(6.8)	(8.6)	(10.4)	79.7%
Loans	6 476.8	7 176.2	10 284.2	9 362.0	12 533.4	10 308.3	11 812.3	10 550.1	91.0%
Receivables and prepayments	1 373.4	2 036.5	2 029.4	1 921.5	2 079.9	4 129.8	2 131.5	7 438.5	203.9%
Cash and cash equivalents	1 628.0	912.9	1 004.2	3 897.3	4 287.0	3 671.3	4 715.7	4 293.4	109.8%
<b>Total assets</b>	<b>9 518.8</b>	<b>10 147.6</b>	<b>13 340.6</b>	<b>15 229.5</b>	<b>18 923.9</b>	<b>18 150.0</b>	<b>18 684.0</b>	<b>22 321.5</b>	<b>108.9%</b>
Accumulated surplus/(deficit)	445.8	1 714.6	1 741.2	1 927.9	2 113.7	3 060.5	3 318.6	3 406.0	132.7%
Capital and reserves	7 375.2	7 375.2	10 485.2	9 144.7	12 644.3	11 072.6	10 093.5	13 875.2	102.1%
Deferred income	1 340.9	825.9	867.2	3 568.5	3 603.1	3 639.3	4 684.1	4 672.8	121.1%
Trade and other payables	291.2	172.0	180.6	556.4	532.3	350.3	559.0	341.5	90.9%
Provisions	65.7	59.9	66.3	31.9	30.3	27.2	28.8	25.9	75.8%
<b>Total equity and liabilities</b>	<b>9 518.8</b>	<b>10 147.6</b>	<b>13 340.6</b>	<b>15 229.5</b>	<b>18 923.9</b>	<b>18 150.0</b>	<b>18 684.0</b>	<b>22 321.5</b>	<b>108.9%</b>

## Statements of estimates of financial performance and position

### Table 15.23 National Student Financial Aid Scheme statements of estimates of financial performance and position

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>2 832.0</b>	<b>57.8%</b>	<b>9.2%</b>	<b>1 769.7</b>	<b>1 815.7</b>	<b>1 905.8</b>	<b>-12.4%</b>	<b>6.4%</b>	
Sale of goods and services other than capital assets	23.9	2.3%	0.2%	53.7	54.4	55.0	31.9%	0.1%	
<i>of which:</i>									
<i>Administrative fees</i>	23.9	2.3%	0.2%	53.7	54.4	55.0	31.9%	0.1%	
Other non-tax revenue	2 808.1	59.0%	9.1%	1 716.0	1 761.3	1 850.8	-13.0%	6.3%	
<b>Transfers received</b>	<b>22 460.0</b>	<b>33.0%</b>	<b>90.8%</b>	<b>32 841.8</b>	<b>37 232.4</b>	<b>39 078.6</b>	<b>20.3%</b>	<b>93.6%</b>	
<b>Total revenue</b>	<b>25 292.0</b>	<b>35.1%</b>	<b>100.0%</b>	<b>34 611.5</b>	<b>39 048.1</b>	<b>40 984.4</b>	<b>17.5%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 352.3</b>	<b>-14.0%</b>	<b>26.4%</b>	<b>1 356.4</b>	<b>1 377.0</b>	<b>1 395.0</b>	<b>1.0%</b>	<b>4.1%</b>	
Compensation of employees	204.3	28.7%	1.1%	209.5	222.2	235.4	4.8%	0.6%	
Goods and services	1 131.6	-17.4%	25.2%	1 132.1	1 141.4	1 147.6	0.5%	3.4%	
Depreciation	16.4	-14.2%	0.1%	14.8	13.3	12.0	-10.0%	0.0%	
<b>Transfers and subsidies</b>	<b>24 138.6</b>	<b>55.5%</b>	<b>73.6%</b>	<b>32 561.2</b>	<b>36 933.2</b>	<b>38 763.1</b>	<b>17.1%</b>	<b>95.9%</b>	
<b>Total expenses</b>	<b>25 490.9</b>	<b>43.9%</b>	<b>100.0%</b>	<b>33 917.6</b>	<b>38 310.2</b>	<b>40 158.2</b>	<b>16.4%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>(199.0)</b>			<b>694.0</b>	<b>738.0</b>	<b>826.0</b>			



## Statements of estimates of financial performance and position

**Table 15.23 National Student Financial Aid Scheme statements of estimates of financial performance and position**

Statement of financial position	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
Carrying value of assets	39.6	21.6%	0.2%	38.6	37.6	35.7	-3.3%	0.2%
of which:								
Acquisition of assets	(10.4)	2.3%	-0.1%	(11.8)	(12.3)	(12.9)	7.3%	-0.1%
Loans	10 550.1	13.7%	59.1%	9 792.9	8 997.9	8 163.2	-8.2%	49.7%
Receivables and prepayments	7 438.5	54.0%	22.2%	4 550.5	4 776.4	5 013.5	-12.3%	28.5%
Cash and cash equivalents	4 293.4	67.5%	18.5%	3 886.0	3 985.7	4 087.5	-1.6%	21.6%
<b>Total assets</b>	<b>22 321.5</b>	<b>30.1%</b>	<b>100.0%</b>	<b>18 268.0</b>	<b>17 797.6</b>	<b>17 299.9</b>	<b>-8.1%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	3 406.0	25.7%	15.4%	2 706.8	2 046.0	1 500.1	-23.9%	12.6%
Capital and reserves	13 875.2	23.4%	64.0%	11 390.3	11 415.3	11 293.9	-6.6%	63.5%
Deferred income	4 672.8	78.2%	18.1%	3 821.8	4 012.9	4 213.6	-3.4%	22.2%
Trade and other payables	341.5	25.7%	2.2%	324.4	300.1	270.1	-7.5%	1.6%
Provisions	25.9	-24.4%	0.3%	24.6	23.4	22.2	-5.0%	0.1%
<b>Total equity and liabilities</b>	<b>22 321.5</b>	<b>30.1%</b>	<b>100.0%</b>	<b>18 268.0</b>	<b>17 797.6</b>	<b>17 299.9</b>	<b>-8.1%</b>	<b>100.0%</b>

## Personnel information

**Table 15.24 National Student Financial Aid Scheme personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment											Number						
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
National Student Financial Aid Scheme		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	500	530	448	149.1	0.3	558	204.3	0.4	526	209.5	0.4	537	222.2	0.4	580	235.4	0.4	4.8%	100.0%
1 – 6	336	366	315	60.4	0.2	389	78.3	0.2	349	71.8	0.2	359	79.9	0.2	400	84.6	0.2	2.6%	68.0%
7 – 10	89	89	80	37.3	0.5	89	43.4	0.5	92	48.4	0.5	94	52.8	0.6	94	56.3	0.6	9.1%	16.8%
11 – 12	32	32	26	22.0	0.8	32	26.2	0.8	42	39.3	0.9	43	42.2	1.0	45	47.0	1.0	21.6%	7.4%
13 – 16	43	43	27	29.4	1.1	48	56.4	1.2	43	50.0	1.2	41	47.4	1.2	41	47.4	1.2	-5.6%	7.9%

1. Rand million.

## Sector education and training authorities

### Mandate

As per the Skills Development Act (1998), sector education and training authorities are mandated to implement national, sector and workplace strategies to develop and improve skills in the South African workforce, provide learnerships that lead to a recognised occupational qualification, and fund skills development.

### Selected performance indicators

**Table 15.25 Sector education and training authorities performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Activity/ Objective	MTSF outcome	Past							Projections	
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2019/20	2020/21
Number of unemployed persons entering skills programmes per year	Discretionary grant	Outcome 5: A skilled and capable workforce to support an inclusive growth path	38 622	31 715	34 252	36 992	39 211	41 563	44 057		
Number of workers entering skills programmes per year	Mandatory grant		84 971	78 215	84 472	91 229	96 702	102 504	108 654		
Number of unemployed persons completing skills programmes per year	Discretionary grant		35 675	16 074	17 359	18 747	18 401	19 505	20 675		
Number of workers completing skills programmes per year	Mandatory grant		91 469	62 388	67 379	72 769	71 422	75 707	80 249		
Number of unemployed persons entering learnerships per year	Discretionary grant		67 029	47 554	51 358	55 466	54 439	57 705	61 167		
Number of workers entering learnerships per year	Mandatory grant		27 340	33 085	35 731	38 589	37 875	40 147	42 556		

**Table 15.25 Sector education and training authorities performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Activity/ Objective	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of unemployed persons completing learnerships per year	Discretionary grant	Outcome 5: A skilled and capable workforce to support an inclusive growth path	28 356	24 878	26 868	29 017	28 480	30 231	32 045
Number of workers completing learnerships per year	Mandatory grant		14 957	17 927	19 361	20 909	20 523	21 754	23 059
Number of unemployed persons receiving bursaries per year	Discretionary grant		19 044	11 630	12 560	13 564	13 314	14 113	14 960
Number of workers receiving bursaries per year	Mandatory grant		7 056	8 157	8 809	9 513	9 338	9 898	10 492
Number of university students placed in workplaces per year as part of qualification requirements	Discretionary grant		7 643	20 089	21 696	23 431	22 998	24 377	25 840
Number of TVET college students placed in workplaces per year as part of qualification requirements	Discretionary grant		13 213	11 633	12 563	13 568	13 317	14 116	14 963

### Expenditure analysis

Over the medium term, the 21 sector education and training authorities will focus on supporting skills development in various economic sectors by establishing strategic partnerships with key role players such as TVET colleges, universities and employers within the post-school education and training system. The authorities also intend to support the implementation of learning programmes such as artisan development, apprenticeships, learnerships, internships, skills programmes and bursaries.

The number of bursaries awarded by authorities to unemployed individuals to undertake higher education and training is projected to increase from 13 314 in 2019/20 to 14 960 in 2021/22, amounting to 42 887 over the MTEF period, while the number of bursaries awarded to workers is expected to increase from 9 338 in 2019/20 to 10 492 in 2021/22, amounting to 29 728 over the same period. An estimated 432 691 unemployed people and workers are expected to enter skills programmes run by sector education and training authorities. These programmes are funded through payments made to employers for training and developing the skills of their workers or of unemployed people, in line with the skills development levy.

Sector education and training authorities derive 91.4 per cent of their revenue over the MTEF period from the skills development levy, which is collected by the South African Revenue Service and transferred to the authorities as a direct charge against the National Revenue Fund. Revenue from the levy is expected to increase at an average annual rate of 8.8 per cent, from R16.3 billion in 2018/19 to R19.9 billion in 2021/22. The bulk of the remaining revenue is generated from interest income, which increases from R1 billion in 2018/19 to R1.1 billion in 2021/22.

### Programmes/Objectives/Activities

**Table 15.26 Sector education and training authorities expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
Administration	1 584.2	1 928.5	2 322.4	2 601.4	18.0%	14.8%	2 588.9	2 730.3	2 888.8	3.6%	15.7%	
Mandatory grants	2 548.2	2 076.5	2 196.7	466.1	-43.2%	13.5%	513.8	543.9	574.9	7.2%	3.0%	
Discretionary grants and projects	6 965.7	9 601.3	9 194.9	1 262.8	-43.4%	49.2%	1 275.9	1 306.9	1 372.6	2.8%	7.6%	
Skill planning	249.9	390.7	541.5	2 468.0	114.5%	6.1%	2 584.1	2 695.2	2 869.8	5.2%	15.4%	
Learning programmes and projects	648.3	-	594.2	8 209.0	133.1%	15.5%	8 869.6	9 921.0	11 033.6	10.4%	55.0%	
Quality assurance	3.0	-	-	625.9	490.7%	1.0%	502.5	523.5	553.9	-4.0%	3.2%	
<b>Total</b>	<b>11 999.4</b>	<b>13 996.9</b>	<b>14 849.6</b>	<b>15 633.3</b>	<b>9.2%</b>	<b>100.0%</b>	<b>16 334.8</b>	<b>17 720.7</b>	<b>19 293.6</b>	<b>7.3%</b>	<b>100.0%</b>	

## Statements of historical financial performance and position

### Table 15.27 Sector education and training authorities statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
<b>Revenue</b>									
Non-tax revenue	879.6	1 234.7	888.9	1 690.6	1 375.0	1 750.3	1 302.6	1 799.7	145.6%
Other non-tax revenue	879.6	1 234.7	888.9	1 690.6	1 375.0	1 750.3	1 302.6	1 799.7	145.6%
<b>Transfers received</b>	<b>12 075.6</b>	<b>12 848.6</b>	<b>12 666.9</b>	<b>13 711.4</b>	<b>13 696.9</b>	<b>13 458.1</b>	<b>14 119.9</b>	<b>14 479.5</b>	<b>103.7%</b>
<b>Total revenue</b>	<b>12 955.2</b>	<b>14 083.3</b>	<b>13 555.9</b>	<b>15 402.0</b>	<b>15 071.9</b>	<b>15 208.4</b>	<b>15 422.5</b>	<b>16 279.2</b>	<b>107.0%</b>
<b>Expenses</b>									
Current expenses	44.8	1 785.9	61.0	2 231.5	64.5	2 361.7	2 591.5	2 611.7	325.5%
Compensation of employees	17.3	905.7	17.8	965.8	27.6	1 241.5	1 406.9	1 405.3	307.4%
Goods and services	27.6	846.9	43.2	1 223.9	36.8	1 074.5	1 116.5	1 138.8	350.0%
Depreciation	-	32.8	-	41.8	-	45.8	68.2	67.6	275.7%
Interest, dividends and rent on land	-	0.5	-	0.0	-	0.0	-	-	-
<b>Transfers and subsidies</b>	<b>443.3</b>	<b>10 213.4</b>	<b>399.0</b>	<b>11 765.4</b>	<b>346.9</b>	<b>12 487.8</b>	<b>12 374.6</b>	<b>13 021.6</b>	<b>350.1%</b>
<b>Total expenses</b>	<b>488.2</b>	<b>11 999.4</b>	<b>460.0</b>	<b>13 996.9</b>	<b>411.4</b>	<b>14 849.6</b>	<b>14 966.1</b>	<b>15 633.3</b>	<b>346.0%</b>
<b>Surplus/(Deficit)</b>	<b>12 467.0</b>	<b>2 084.0</b>	<b>13 096.0</b>	<b>1 405.0</b>	<b>14 661.0</b>	<b>359.0</b>	<b>456.0</b>	<b>646.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	434.6	308.4	571.2	344.5	554.4	397.4	527.2	508.2	74.7%
of which:									
Acquisition of assets	(57.0)	(150.1)	(35.9)	(84.3)	(104.0)	(158.5)	(99.7)	(133.9)	177.7%
Investments	1 746.5	1 717.7	1 950.0	105.6	-	-	-	-	49.3%
Inventory	4.1	6.9	3.8	5.0	4.0	6.0	4.3	5.6	144.2%
Accrued investment interest	33.4	5.2	35.8	85.0	42.5	130.8	92.9	132.9	172.9%
Receivables and prepayments	171.4	326.7	164.4	958.8	210.0	629.5	247.3	274.0	276.0%
Cash and cash equivalents	8 331.2	13 945.7	8 658.2	17 389.6	12 305.5	18 850.3	12 963.9	14 560.0	153.2%
<b>Total assets</b>	<b>10 721.2</b>	<b>16 310.6</b>	<b>11 383.5</b>	<b>18 888.6</b>	<b>13 116.5</b>	<b>20 013.9</b>	<b>13 835.7</b>	<b>15 480.7</b>	<b>144.1%</b>
Accumulated surplus/(deficit)	4 766.5	5 461.5	4 346.3	6 109.0	5 440.9	6 684.1	6 257.2	6 891.8	120.8%
Capital and reserves	3 810.4	8 381.0	4 892.2	9 162.7	5 052.5	9 730.2	4 841.3	5 876.3	178.3%
Capital reserve fund	66.3	174.5	148.4	200.3	129.0	120.0	180.9	154.0	123.7%
Borrowings	1.0	-	1.1	-	1.2	-	1.2	1.2	27.2%
Finance lease	5.3	2.0	6.7	3.9	0.6	4.6	0.6	0.6	83.4%
Deferred income	5.1	20.2	5.3	11.8	14.0	11.5	14.9	14.9	148.4%
Trade and other payables	1 032.7	1 091.7	903.5	1 484.3	1 367.0	1 951.7	1 466.7	1 509.2	126.6%
Provisions	740.3	699.2	720.9	1 569.3	720.4	1 205.8	722.1	738.1	145.1%
Derivatives financial instruments	293.6	480.5	328.9	347.2	390.8	305.9	350.6	294.5	104.7%
<b>Total equity and liabilities</b>	<b>10 721.2</b>	<b>16 310.6</b>	<b>11 353.3</b>	<b>18 888.6</b>	<b>13 116.5</b>	<b>20 013.9</b>	<b>13 835.7</b>	<b>15 480.7</b>	<b>144.2%</b>

## Statements of estimates of financial performance and position

### Table 15.28 Sector education and training authorities statements of estimates of financial performance and position

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
<b>Revenue</b>									
Non-tax revenue	1 799.7	13.4%	10.6%	1 377.2	1 417.8	1 478.0	-6.4%	8.6%	
Other non-tax revenue	1 799.7	13.4%	10.6%	1 377.2	1 417.8	1 478.0	-6.4%	8.6%	
<b>Transfers received</b>	<b>14 479.5</b>	<b>4.1%</b>	<b>89.4%</b>	<b>15 619.0</b>	<b>16 989.1</b>	<b>18 521.9</b>	<b>8.6%</b>	<b>91.4%</b>	
<b>Total revenue</b>	<b>16 279.2</b>	<b>4.9%</b>	<b>100.0%</b>	<b>16 996.2</b>	<b>18 406.9</b>	<b>19 999.9</b>	<b>7.1%</b>	<b>100.0%</b>	
<b>Expenses</b>									
Current expenses	2 611.7	13.5%	15.9%	2 754.0	2 917.8	3 126.1	6.2%	16.6%	
Compensation of employees	1 405.3	15.8%	7.9%	1 509.5	1 611.3	1 726.0	7.1%	9.1%	
Goods and services	1 138.8	10.4%	7.6%	1 174.3	1 231.6	1 322.1	5.1%	7.1%	
Depreciation	67.6	27.2%	0.3%	70.2	75.0	78.0	4.9%	0.4%	
<b>Transfers and subsidies</b>	<b>13 021.6</b>	<b>8.4%</b>	<b>84.1%</b>	<b>13 580.7</b>	<b>14 802.9</b>	<b>16 167.4</b>	<b>7.5%</b>	<b>83.4%</b>	
<b>Total expenses</b>	<b>15 633.3</b>	<b>9.2%</b>	<b>100.0%</b>	<b>16 334.8</b>	<b>17 720.7</b>	<b>19 293.6</b>	<b>7.3%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>646.0</b>			<b>661.0</b>	<b>686.0</b>	<b>706.0</b>			
<b>Statement of financial position</b>									
Carrying value of assets	508.2	18.1%	2.2%	513.0	524.5	421.9	-6.0%	2.9%	
of which:									
Acquisition of assets	(133.9)	-3.7%	-0.8%	(101.4)	(108.2)	(117.5)	-4.3%	-0.7%	
Inventory	5.6	-6.6%	0.0%	5.8	6.0	6.7	6.1%	0.0%	
Accrued investment interest	132.9	194.6%	0.5%	134.9	137.9	142.9	2.4%	0.8%	
Receivables and prepayments	274.0	-5.7%	3.0%	284.1	292.9	277.8	0.5%	1.7%	
Cash and cash equivalents	14 560.0	1.4%	91.5%	15 597.0	16 014.8	17 507.9	6.3%	94.5%	
<b>Total assets</b>	<b>15 480.7</b>	<b>-1.7%</b>	<b>100.0%</b>	<b>16 534.9</b>	<b>16 976.3</b>	<b>18 357.3</b>	<b>5.8%</b>	<b>100.0%</b>	

**Table 15.28 Sector education and training authorities statements of estimates of financial performance and position**

Statement of financial position	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
Accumulated surplus/(deficit)	6 891.8	8.1%	35.9%	7 108.7	7 192.0	6 902.3	0.1%	41.9%
Capital and reserves	5 876.3	-11.2%	46.6%	6 700.2	7 015.0	8 734.1	14.1%	41.8%
Capital reserve fund	154.0	-4.1%	0.9%	153.0	152.1	102.3	-12.8%	0.8%
Borrowings	1.2	–	0.0%	1.3	1.4	1.5	5.4%	0.0%
Finance lease	0.6	-31.3%	0.0%	2.3	2.4	2.5	56.9%	0.0%
Deferred income	14.9	-9.5%	0.1%	15.7	16.5	18.2	6.7%	0.1%
Trade and other payables	1 509.2	11.4%	8.5%	1 620.2	1 623.8	1 545.4	0.8%	9.4%
Provisions	738.1	1.8%	5.8%	589.5	600.1	658.0	-3.8%	3.9%
Derivatives financial instruments	294.5	-15.1%	2.1%	344.0	372.9	393.1	10.1%	2.1%
<b>Total equity and liabilities</b>	<b>15 480.7</b>	<b>-1.7%</b>	<b>100.0%</b>	<b>16 534.9</b>	<b>16 976.3</b>	<b>18 357.3</b>	<b>5.8%</b>	<b>100.0%</b>

### Personnel information

**Table 15.29 Sector Education and Training Authority personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment										Number									
Number of funded posts	Number of posts on approved establishment	Actual		Revised estimate		Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)								
		2017/18		2018/19		2019/20		2020/21		2021/22				2018/19 - 2021/22							
Sector Education and Training Authority		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost								
Salary level	2 640		2 672		2 296	1 241.5	0.5	2 595	1 405.3	0.5	2 645	1 509.5	0.6	2 558	1 611.3	0.6	2 581	1 726.0	0.7	7.1%	100.0%
1 – 6	452		459		377	70.7	0.2	475	79.1	0.2	478	80.4	0.2	395	85.5	0.2	395	93.9	0.2	5.9%	16.8%
7 – 10	1 532		1 549		1 321	546.0	0.4	1 452	616.7	0.4	1 507	662.9	0.4	1 503	708.7	0.5	1 521	759.8	0.5	7.2%	57.7%
11 – 12	364		364		314	258.5	0.8	369	314.0	0.9	365	336.0	0.9	366	356.0	1.0	370	384.5	1.0	7.0%	14.2%
13 – 16	281		289		272	338.1	1.2	287	364.6	1.3	283	397.5	1.4	282	419.9	1.5	283	449.7	1.6	7.2%	10.9%
17 – 22	11		11		12	28.3	2.4	12	31.0	2.6	12	32.8	2.7	12	41.1	3.4	12	38.2	3.2	7.2%	0.5%

1. Rand million.

### Other entities

Comprehensive coverage of the following public entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Council on Higher Education** is tasked with developing and implementing a system of quality assurance for higher education, including programme accreditation, institutional audits, quality promotion and capacity development. The council's total budget for 2019/20 is R59.8 million.
- The **Quality Council for Trades and Occupations** oversees the development and maintenance of the occupational qualifications sub-framework in the national qualifications framework, and advises the Minister of Higher Education and Training on all matters of policy concerning occupational standards and qualifications. The council's total budget for 2019/20 is R116.4 million.
- The **South African Qualifications Authority** oversees the development of the national qualifications framework by formulating and publishing policies and criteria for the registration of organisations. It also oversees the implementation of the framework by ensuring the registration, accreditation and assignment of functions. The key spending focus over the medium term will be on the IT infrastructure for the national learners records database and the evaluation of foreign qualifications. The authority's total budget for 2019/20 is R146.4 million.

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Departmental infrastructure</b>										
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Community Education and Training	Mobile classrooms for community education and training learners	Completed	1.4	–	–	–	1.4	–	–	–
<b>Infrastructure transfers to other spheres, agencies and departments</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Tertiary institutions infrastructure	Construction of hostels, lecture halls and laboratories	Various	35 184.6	1 981.2	2 343.7	2 541.9	2 688.1	2 838.6	2 994.7	3 141.5
New universities in Mpumalanga and Northern Cape	Construction of hostels, lecture halls and laboratories	Various	12 917.1	1 320.0	–	–	–	–	–	–
University of Mpumalanga	Construction of hostels, lecture halls and laboratories	Various	7 442.6	–	673.9	624.6	638.5	665.9	700.6	739.1
Sol Plaatje University	Construction of hostels, lecture halls and laboratories	Various	4 154.6	–	379.1	353.9	362.0	378.4	401.2	423.3
Nelson Mandela University	Student housing infrastructure programme	Design	67.0	–	–	–	33.5	33.5	–	–
Sefako Makgatho Health Sciences University	Student housing infrastructure programme	Design	62.5	–	–	–	31.3	31.2	–	–
Vaal University of Technology	Student housing infrastructure programme	Design	79.0	–	–	–	38.7	40.3	–	–
<b>Total</b>			<b>59 908.8</b>	<b>3 301.2</b>	<b>3 396.7</b>	<b>3 520.4</b>	<b>3 793.4</b>	<b>3 988.0</b>	<b>4 096.5</b>	<b>4 303.9</b>



# Vote 16

## Health

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	661.3	650.4	2.7	8.2	703.2	746.2
National Health Insurance	2 111.7	1 419.6	605.7	86.3	2 793.4	3 023.7
Communicable and Non-communicable Diseases	23 007.3	563.6	22 443.3	0.4	25 529.1	28 985.9
Primary Health Care	221.8	221.5	–	0.2	238.0	255.7
Hospital Systems	20 381.1	125.4	19 192.5	1 063.2	22 082.8	23 325.1
Health System Governance and Human Resources	5 077.6	309.3	4 742.4	25.9	5 339.7	5 603.3
<b>Total expenditure estimates</b>	<b>51 460.7</b>	<b>3 289.8</b>	<b>46 986.6</b>	<b>1 184.3</b>	<b>56 686.3</b>	<b>61 939.9</b>
Executive authority	Minister of Health					
Accounting officer	Director-General of Health					
Website address	www.doh.gov.za					

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Provide leadership and coordination of health services to promote the health of all people in South Africa through an accessible, caring and high quality health system, based on the primary health care approach.*

### Mandate

The Department of Health derives its mandate from the National Health Act (2003), which requires that the department provides a framework for a structured and uniform health system for South Africa. The act sets out the responsibilities of the three levels of government in the provision of health services. The department contributes directly to the realisation of outcome 2 (a long and healthy life for all South Africans) of government's 2014-2019 medium-term strategic framework, and chapter 10 of the National Development Plan (NDP), which envisages improved access to health care services and quality of life.

### Selected performance indicators

**Table 16.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total number of primary health care facilities and hospitals implementing improved patient administration and web-based information systems	National Health Insurance	Outcome 2: A long and healthy life for all South Africans	657 facilities	1 854 facilities	2 968 facilities	3 470 facilities and 22 hospitals	3 220 facilities and 52 hospitals	3 470 facilities and 112 hospitals	3 470 facilities and 232 hospitals

**Table 16.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total number of individuals registered on the national health insurance patient beneficiary registry <sup>1</sup>	National Health Insurance	Outcome 2: A long and healthy life for all South Africans	- <sup>2</sup>	- <sup>2</sup>	20.7 million	35 million	40 million	45 million	50 million
Total number of health facilities reporting stock availability at national surveillance centre	National Health Insurance		1 901	3 349	3 492	3 625	3 725	3 775	3 850
Total number of patients enrolled in the centralised chronic medicine dispensing and distribution system	National Health Insurance		396 567	1 million	2 million	2.5 million	3 million	3.5 million	3.8 million
Total clients remaining on antiretroviral treatment at the end of the year	Communicable and Non-communicable Diseases		3.4 million	3.8 million	4.1 million	5 million	5.8 million	6.5 million	7 million
Infant polymerase chain reaction test positive around 10 weeks rate per year <sup>3</sup>	Communicable and Non-communicable Diseases		1.5% (2 495/ 169 656) <sup>4</sup>	1.3% (2 013/ 151 246)	0.9% (1 636/ 180 790)	1.25% <sup>5</sup>	0.9%	0.8%	0.6%
Number of primary health care facilities in the 52 districts that qualify as ideal clinics per year	Primary Health Care		322 <sup>6</sup>	786 <sup>6</sup>	1 507 <sup>6</sup>	1 400 <sup>5</sup>	1 800	1 950	2 100
Number of facilities maintained, repaired and/or refurbished funded by the national health insurance indirect grant per year	Hospital Systems		198	67	107	125	45 <sup>7</sup>	50 <sup>7</sup>	70 <sup>7</sup>
Number of municipalities assessed for adherence to environmental health norms and standards per year <sup>1</sup>	Primary Health Care		20	35	20	21	31	37	52
Number of points of entry where port health services comply with international health regulations per year	Primary Health Care		- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	15	20	25	30

1. Old indicator selected for publication in the 2019 Estimates of National Expenditure.

2. No historical data available.

3. Indicator for mother-to-child transmission of HIV showing infants who tested positive for HIV as a proportion of all live births by HIV-positive mothers.

4. Indicator changed from 6 weeks to 10 weeks, in line with the new guidelines on the prevention of mother-to-child transmission. The performance for this year is for a rate at 6 weeks after birth.

5. Target exceeded in 2017/18. However, the target for 2018/19 remains as published in the 2018 Estimates of National Expenditure.

6. Increase in achievement due to the provision of dedicated funding for the ideal clinic initiative.

7. This indicator previously also included projects in national health insurance pilot districts funded by the direct health facility revitalisation grant and provincial equitable share. Now it only includes projects from the national health insurance indirect grant.



## Expenditure analysis

The Department of Health is responsible for the achievement of outcome 2 (a long and healthy life for all South Africans) of government's 2014-2019 medium-term strategic framework. Its work contributes to the goals, indicators and key actions set out in chapter 10 of the NDP, such as reducing the burden of disease and strengthening the national health system. As such, over the medium term, the department will focus on developing and implementing national health insurance, preventing and treating communicable and non-communicable diseases, investing in public health infrastructure, and supporting equitable access to tertiary health care services.

Provincial health departments are mandated to provide health care services, whereas the national department's role is to formulate policy, and coordinate and support provincial departments in fulfilling their mandates. In this regard, an estimated 87.4 per cent (R148.3 billion) of the department's total budget over the medium term is expected to be transferred to provinces for specific purposes through conditional grants.

The department's budget structure has been changed to better align with the new organisational structure that was developed in consultation with the Department of Public Service and Administration. These structures reflect a new direction in the administration of the health sector, particularly in light of reforms for national health insurance.

### ***Developing and implementing national health insurance***

In the 2018 Budget, significant new allocations were made to accelerate progress towards national health insurance through the *national health insurance indirect grant* in the National Health Insurance programme. This was financed through limiting increases to the medical tax credit, which allows people to claim back taxes on their medical expenses.

Over the MTEF period, the non-personal services component of the *national health insurance indirect grant* is allocated R2.4 billion to continue to fund initiatives that strengthen health systems, including health information systems; the ideal clinics initiative, which aims to address deficiencies in the quality of primary health care; and the centralised dispensing and distribution of chronic medicines. This will enable the department to, by 2021/22, implement improved web-based health information systems in a targeted 3 702 health facilities, ensure that 50 million patients are registered on the national health insurance patient beneficiary registry, and ensure that 3 850 health facilities consistently report the availability of medicines stock to the national surveillance centre and distribute chronic medicines to 3.8 million people.

The personal services component of the grant funds priority services for national health insurance, such as school health services, mental health services, obstetric services and the contracting of private general practitioners. Due to slow spending in this component in 2018/19, R2.8 billion over the MTEF period has been reprioritised to the new *human resource capacitation grant*, which will enable provincial departments of health to fill critical posts in health facilities. This leaves the personal services component with allocations of R2.3 billion over the medium term to fund priority services for national health insurance.

As a result, spending in the *National Health Insurance* programme is set to increase at an average annual rate of 36.6 per cent, from R1.2 billion in 2018/19 to R3 billion in 2021/22. The allocations for national health insurance will be continually reviewed in tandem with policy and legislative developments, and expenditure trends.

### ***Preventing and treating communicable and non-communicable diseases***

Combating HIV and AIDS remains a priority of government. The department is committed to the 90/90/90 targets of the Joint United Nations Programme on HIV / AIDS: ensuring that 90 per cent of people living with HIV are diagnosed, 90 per cent of those diagnosed are initiated on antiretroviral treatment, and 90 per cent of those initiated on treatment have suppressed viral loads. Although HIV and AIDS require specific attention, it is important not to see this in isolation from other communicable diseases given their cumulative impact. For this reason, the *comprehensive HIV, AIDS and TB grant* has been renamed the *HIV, TB, malaria and community outreach grant*, and restructured to have four components.

The HIV and AIDS component will receive the bulk of the total grant allocation to continue the implementation of the universal test-and-treat policy for antiretroviral treatment, and to provide services intended to prevent HIV. An additional R1 billion is allocated to this component in 2021/22, resulting in an increase from R20 billion in 2019/20 to R24.5 billion in 2021/22. The total allocation in the HIV, AIDS and STIs subprogram in the *Communicable and Non-communicable Diseases* programme is R75.9 billion over the medium term. These allocations are expected to enable the department to increase the number of people receiving antiretroviral treatment from 4.3 million in October 2018 to 7 million in 2021/22, and to fund HIV-prevention interventions such as HIV counselling and testing, condom distribution and medical male circumcision.

Tuberculosis (TB) is the leading underlying cause of death in South Africa. To better coordinate national interventions against this disease and improve its detection, treatment coverage and treatment success rate, the new TB component in the *HIV, TB, malaria and community outreach grant* is allocated R1.5 billion over the medium term in the *HIV, AIDS and STIs* subprogramme.

The department aims to eliminate malaria in South Africa by 2023/24 by scaling up cost-effective interventions for malaria prevention, surveillance, diagnosis and treatment. To complement what provincial departments of health already allocate to malaria programmes, the malaria component of the grant has an allocation of R318.8 million over the MTEF period in the *HIV, AIDS and STIs* subprogramme. A further R30 million per year in 2020/21 and 2021/22 is allocated to support a regional co-financing project in Mozambique, where many of the malaria cases in South Africa originate.

In recognition of the pivotal role community health workers play in ensuring access to primary health care services in South Africa's most vulnerable communities, the community outreach services component of the *HIV, TB, malaria and community outreach grant* was created in 2018/19. The aims of this component include harmonising and standardising the training, performance monitoring and remuneration of community health workers, with an additional R1 billion allocated to the component from 2021/22 to support provinces in implementing a standard reimbursement rate for community health workers. The component is allocated R5.7 billion over the MTEF period in the *HIV, AIDS and STIs* subprogramme.

### ***Investing in public health infrastructure***

Many public health facilities in the country are in a dire state: in need of maintenance, refurbishment and, in some cases, replacement. The department's 10-year infrastructure plan has identified certain geographic areas where new facilities are needed. Accordingly, the department plans to invest R23.5 billion over the MTEF period in health infrastructure through its 2 infrastructure conditional grants in the Health Facilities Infrastructure Management subprogramme in the *Hospital Systems* programme. The *health facility revitalisation grant*, which is transferred to provincial departments of health, is allocated R19.2 billion over the MTEF period to fund an estimated 1 500 infrastructure projects, including new facilities, upgrades, refurbishments and maintenance. This will be supplemented by the health facility revitalisation component of the national health insurance indirect grant, which is managed by the department on behalf of provinces and has an allocation of R4.3 billion over the same period.

Cabinet has approved additional allocations to fund the planning and construction of the Limpopo academic hospital in Polokwane. This is intended to strengthen tertiary health care services in the province and train new health professionals. Over the MTEF period, R1.4 billion (R247 million in 2019/20, R653 million in 2020/21 and R498 million in 2021/22) is allocated to the health facility revitalisation component of the national health insurance indirect grant for this project, although a portion of this will be used to improve the nearby Pietersburg and Mankweng hospitals.

As a result of these initiatives, overall spending in the Health Facilities Infrastructure Management subprogramme is set to increase at an average annual rate of 6.9 per cent, from R6.9 billion in 2018/19 to R8.5 billion in 2021/22.

### ***Supporting equitable access to tertiary health care services***

Tertiary health care services are highly specialised, hospital-based services that require strong national

coordination due to their unequal distribution across South Africa. As a result, many patients receive care in neighbouring provinces if the services they require are not available in their home province. The department subsidises the country's 29 tertiary hospitals through the *national tertiary services grant* to ensure that provincial departments that treat patients from other provinces are adequately funded for this. To fund medical specialists, equipment, and advanced medical investigation and treatment according to approved service specifications, the grant is allocated R13.2 billion in 2019/20, R14.1 billion in 2021/22 and R14.8 billion in 2021/22 in the *Hospital Systems* programme.

## Expenditure trends

**Table 16.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. National Health Insurance														
3. Communicable and Non-communicable Diseases														
4. Primary Health Care														
5. Hospital Systems														
6. Health System Governance and Human Resource														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	457.1	456.6	526.0	463.5	462.0	515.4	571.1	573.1	527.8	619.2	605.6	605.6	103.0%	103.7%
Programme 2	587.8	596.6	396.5	559.8	588.6	508.3	491.9	692.1	641.5	1 506.5	1 687.1	1 187.1	86.9%	76.7%
Programme 3	14 442.1	14 378.9	14 389.5	16 018.6	16 009.6	16 029.9	18 379.9	18 532.2	18 351.0	20 865.8	20 860.4	20 860.4	99.9%	99.8%
Programme 4	225.0	224.9	158.7	257.8	256.5	182.9	210.9	210.8	208.1	210.9	209.3	209.3	83.9%	84.2%
Programme 5	19 159.1	18 970.0	16 485.7	19 573.5	19 574.0	16 834.4	18 313.3	18 113.1	18 043.1	19 158.1	19 344.6	19 344.6	92.8%	93.0%
Programme 6	1 596.9	1 626.9	4 028.6	1 690.2	1 706.7	4 425.3	4 658.6	4 524.3	4 653.2	4 782.4	4 801.3	4 801.3	140.7%	141.5%
<b>Total</b>	<b>36 468.0</b>	<b>36 253.9</b>	<b>35 984.9</b>	<b>38 563.3</b>	<b>38 597.4</b>	<b>38 496.2</b>	<b>42 625.7</b>	<b>42 645.6</b>	<b>42 424.7</b>	<b>47 142.9</b>	<b>47 508.4</b>	<b>47 008.4</b>	<b>99.5%</b>	<b>99.3%</b>
Change to 2018 Budget estimate										365.5				
Economic classification														
<b>Current payments</b>	<b>2 351.5</b>	<b>2 270.1</b>	<b>1 934.0</b>	<b>2 304.8</b>	<b>2 341.6</b>	<b>2 234.7</b>	<b>2 404.5</b>	<b>2 590.6</b>	<b>2 481.8</b>	<b>3 088.4</b>	<b>3 222.8</b>	<b>2 722.8</b>	<b>92.4%</b>	<b>89.9%</b>
Compensation of employees	772.1	774.3	750.1	873.4	857.4	837.3	760.0	873.4	856.3	828.8	828.8	828.8	101.2%	98.2%
Goods and services	1 579.5	1 495.8	1 183.9	1 431.4	1 484.2	1 397.5	1 644.5	1 717.3	1 625.6	2 259.6	2 394.0	1 894.0	88.2%	86.0%
<b>Transfers and subsidies</b>	<b>33 448.5</b>	<b>33 519.1</b>	<b>33 482.2</b>	<b>35 637.0</b>	<b>35 664.6</b>	<b>35 660.0</b>	<b>39 355.6</b>	<b>39 282.1</b>	<b>39 254.6</b>	<b>43 017.0</b>	<b>43 280.9</b>	<b>43 280.9</b>	<b>100.1%</b>	<b>100.0%</b>
Provinces and municipalities	31 857.9	31 904.7	31 904.7	33 972.0	33 981.0	33 981.0	37 520.4	37 570.2	37 570.2	41 122.6	41 364.1	41 364.1	100.2%	100.0%
Departmental agencies and accounts	1 416.4	1 417.1	1 419.4	1 494.5	1 494.7	1 497.3	1 649.8	1 516.1	1 518.5	1 698.5	1 720.0	1 720.0	98.3%	100.1%
Higher education institutions	3.1	26.1	-	3.3	3.3	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	14.4	16.0	-	-	-	-	-	-	-	111.6%
Non-profit institutions	171.1	171.1	155.1	167.2	167.2	161.7	185.2	193.7	155.4	195.9	195.9	195.9	92.8%	91.8%
Households	-	-	2.9	-	4.0	3.9	0.2	2.0	10.5	-	0.9	0.9	11 440.0%	266.8%
<b>Payments for capital assets</b>	<b>668.0</b>	<b>464.7</b>	<b>567.8</b>	<b>621.5</b>	<b>591.0</b>	<b>600.8</b>	<b>865.6</b>	<b>772.8</b>	<b>688.0</b>	<b>1 037.5</b>	<b>1 004.6</b>	<b>1 004.6</b>	<b>89.6%</b>	<b>101.0%</b>
Buildings and other fixed structures	562.5	354.6	470.6	471.9	471.9	574.0	714.6	644.0	577.1	748.1	544.1	544.1	86.7%	107.5%
Machinery and equipment	105.5	110.1	93.0	149.6	119.1	24.6	146.0	123.8	110.9	289.4	460.5	460.5	99.8%	84.7%
Software and other intangible assets	-	-	4.2	-	-	2.2	5.0	5.0	-	-	0.0	0.0	128.5%	127.5%
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.9</b>	<b>-</b>	<b>0.3</b>	<b>0.7</b>	<b>-</b>	<b>0.1</b>	<b>0.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>473.9%</b>
<b>Total</b>	<b>36 468.0</b>	<b>36 253.9</b>	<b>35 984.9</b>	<b>38 563.3</b>	<b>38 597.4</b>	<b>38 496.2</b>	<b>42 625.7</b>	<b>42 645.6</b>	<b>42 424.7</b>	<b>47 142.9</b>	<b>47 508.4</b>	<b>47 008.4</b>	<b>99.5%</b>	<b>99.3%</b>

## Expenditure estimates

Table 16.3 Vote expenditure estimates by programme and economic classification

Programmes								
1. Administration								
2. National Health Insurance								
3. Communicable and Non-communicable Diseases								
4. Primary Health Care								
5. Hospital Systems								
6. Health System Governance and Human Resources								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	605.6	9.9%	1.3%	661.3	703.2	746.2	7.2%	1.3%
Programme 2	1 187.1	25.8%	1.7%	2 111.7	2 793.4	3 023.7	36.6%	4.2%
Programme 3	20 860.4	13.2%	42.5%	23 007.3	25 529.1	28 985.9	11.6%	45.3%
Programme 4	209.3	-2.4%	0.5%	221.8	238.0	255.7	6.9%	0.4%
Programme 5	19 344.6	0.7%	43.1%	20 381.1	22 082.8	23 325.1	6.4%	39.2%
Programme 6	4 801.3	43.4%	10.9%	5 077.6	5 339.7	5 603.3	5.3%	9.6%
<b>Total</b>	<b>47 008.4</b>	<b>9.0%</b>	<b>100.0%</b>	<b>51 460.7</b>	<b>56 686.3</b>	<b>61 939.9</b>	<b>9.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				7.3	416.9	1 413.4		
Economic classification								
<b>Current payments</b>	<b>2 722.8</b>	<b>6.2%</b>	<b>5.7%</b>	<b>3 289.8</b>	<b>3 719.5</b>	<b>4 048.6</b>	<b>14.1%</b>	<b>6.3%</b>
Compensation of employees	828.8	2.3%	2.0%	880.5	946.5	1 008.2	6.7%	1.7%
Goods and services	1 894.0	8.2%	3.7%	2 409.3	2 773.0	3 040.4	17.1%	4.7%
<b>Transfers and subsidies</b>	<b>43 280.9</b>	<b>8.9%</b>	<b>92.5%</b>	<b>46 986.6</b>	<b>51 304.0</b>	<b>56 258.5</b>	<b>9.1%</b>	<b>91.1%</b>
Provinces and municipalities	41 364.1	9.0%	88.4%	44 988.8	49 224.9	54 088.3	9.4%	87.4%
Departmental agencies and accounts	1 720.0	6.7%	3.8%	1 822.7	1 894.3	1 971.6	4.7%	3.4%
Non-profit institutions	195.9	4.6%	0.4%	175.1	184.7	198.6	0.4%	0.3%
Households	0.9	-	0.0%	-	-	-	-100.0%	0.0%
<b>Payments for capital assets</b>	<b>1 004.6</b>	<b>29.3%</b>	<b>1.7%</b>	<b>1 184.3</b>	<b>1 662.8</b>	<b>1 632.8</b>	<b>17.6%</b>	<b>2.5%</b>
Buildings and other fixed structures	544.1	15.3%	1.3%	984.1	1 402.3	1 157.7	28.6%	1.9%
Machinery and equipment	460.5	61.1%	0.4%	200.2	260.5	475.0	1.0%	0.6%
Software and other intangible assets	0.0	-	0.0%	-	-	-	-100.0%	0.0%
<b>Total</b>	<b>47 008.4</b>	<b>9.0%</b>	<b>100.0%</b>	<b>51 460.7</b>	<b>56 686.3</b>	<b>61 939.9</b>	<b>9.6%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

Table 16.4 Expenditure trends and estimates for significant spending items

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
National tertiary services grant	10 381 174	10 846 778	11 676 145	12 400 703	6.1%	27.6%	13 185 528	14 068 863	14 842 650	6.2%	25.1%
Health facility revitalisation grant (direct)	5 417 045	5 272 680	5 684 495	6 057 202	3.8%	13.7%	6 006 973	6 359 557	6 858 024	4.2%	11.6%
Human resources capitation grant	-	-	-	-	-	-	605 696	1 063 083	1 127 227	-	1.3%
National health insurance indirect grant health facility revitalisation component	612 623	686 984	657 099	836 359	10.9%	1.7%	1 136 411	1 595 816	1 562 088	23.2%	2.4%
HIV, TB, malaria and community outreach grant: HIV and AIDS component	-	-	-	-	-	-	19 963 270	22 195 284	24 518 748	-	30.7%
HIV, TB, malaria and community outreach grant: Community outreach services component	-	-	-	-	-	-	1 500 000	1 584 000	2 582 500	-	2.6%
National health insurance indirect grant personal services component	-	-	-	391 500	-	0.2%	639 288	783 000	915 066	32.7%	1.3%
National health insurance indirect grant non-personal services component	-	-	-	700 000	-	0.4%	758 000	832 000	858 860	7.1%	1.5%
<b>Total</b>	<b>16 410 842</b>	<b>16 806 442</b>	<b>18 017 739</b>	<b>20 385 764</b>	<b>7.5%</b>	<b>43.7%</b>	<b>43 795 166</b>	<b>48 481 603</b>	<b>53 265 163</b>	<b>37.7%</b>	<b>76.4%</b>

## Goods and services expenditure trends and estimates

**Table 16.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administrative fees	689	704	213	2 206	47.4%	0.1%	2 256	2 794	2 846	8.9%	0.1%
Advertising	10 402	6 982	13 299	14 400	11.5%	0.7%	14 633	17 795	18 694	9.1%	0.6%
Minor assets	7 055	9 378	11 301	17 504	35.4%	0.7%	21 932	25 296	26 736	15.2%	0.9%
Audit costs: External	20 132	24 458	25 549	36 459	21.9%	1.6%	34 445	36 978	39 004	2.3%	1.4%
Bursaries: Employees	1 553	902	692	621	-26.3%	0.1%	228	51	54	-55.7%	-
Catering: Departmental activities	3 150	2 334	2 941	3 659	5.1%	0.2%	3 371	4 014	4 682	8.6%	0.1%
Communication	19 550	17 063	13 660	25 705	9.6%	1.2%	22 272	25 374	29 028	4.1%	1.0%
Computer services	11 915	12 521	45 001	41 186	51.2%	1.7%	29 194	29 257	33 118	-7.0%	1.3%
Consultants: Business and advisory services	64 192	142 692	272 817	357 279	77.2%	12.7%	668 807	881 089	1 552 110	63.2%	32.6%
Laboratory services	-	4 499	73	1 259	-	0.1%	-	-	-	-100.0%	-
Legal services	6 990	6 451	6 713	10 386	14.1%	0.5%	8 464	9 726	10 426	0.1%	0.4%
Science and technological services	-	-	-	-	-	-	-	2 082	2 197	-	-
Contractors	286 243	363 819	561 904	856 546	44.1%	31.3%	774 588	834 562	319 192	-28.0%	26.2%
Agency and support/outsourced services	154 287	135 561	34 870	351 755	31.6%	10.2%	140 524	184 099	246 197	-11.2%	8.7%
Entertainment	2	3	12	200	364.2%	-	167	207	217	2.8%	-
Fleet services (including government motor transport)	60 757	54 917	81 908	32 421	-18.9%	3.5%	36 444	39 402	41 546	8.6%	1.4%
Housing	24	-	-	-	-100.0%	-	-	-	-	-	-
Inventory: Clothing material and accessories	494	209	802	-	-100.0%	-	300	300	317	-	-
Inventory: Farming supplies	-	-	2 016	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	114	147	159	534	67.3%	-	733	737	769	12.9%	-
Inventory: Fuel, oil and gas	2 040	943	2 068	2 598	8.4%	0.1%	3 835	3 982	4 201	17.4%	0.1%
Inventory: Learner and teacher support material	-	2	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	131	756	-	53 231	640.7%	0.8%	2 865	1 749	1 846	-67.4%	0.6%
Inventory: Medical supplies	77 538	132 453	83 160	148 788	24.3%	6.7%	152 727	157 788	169 622	4.5%	5.9%
Inventory: Medicine supplies	98 338	119 822	86 407	32 273	-31.0%	5.1%	2 454	2 593	2 789	-55.8%	0.4%
Inventory: Other supplies	11 994	9 238	9 433	13 655	4.4%	0.7%	10 172	13 983	14 752	2.6%	0.5%
Consumable supplies	3 007	840	2 208	1 675	-17.7%	0.1%	2 242	2 760	2 914	20.3%	0.1%
Consumables: Stationery, printing and office supplies	20 196	17 408	15 164	30 933	15.3%	1.3%	32 442	35 634	37 778	6.9%	1.3%
Operating leases	131 666	134 885	134 095	139 529	2.0%	8.2%	181 373	191 268	201 716	13.1%	6.7%
Rental and hiring	98	298	176	600	82.9%	-	767	893	942	16.2%	-
Property payments	23 661	17 076	28 965	25 432	2.4%	1.4%	18 464	19 317	20 231	-7.3%	0.8%
Travel and subsistence	92 748	92 668	90 385	84 677	-3.0%	5.5%	117 956	123 857	128 322	14.9%	4.3%
Training and development	4 546	5 082	5 487	18 538	59.8%	0.5%	26 266	26 003	27 043	13.4%	0.9%
Operating payments	50 972	66 825	83 573	75 288	13.9%	4.2%	74 279	74 542	78 852	1.6%	2.9%
Venues and facilities	19 410	16 534	10 527	14 677	-8.9%	0.9%	25 079	24 858	22 251	14.9%	0.8%
<b>Total</b>	<b>1 183 894</b>	<b>1 397 470</b>	<b>1 625 578</b>	<b>2 394 014</b>	<b>26.5%</b>	<b>100.0%</b>	<b>2 409 279</b>	<b>2 772 990</b>	<b>3 040 392</b>	<b>8.3%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 16.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	2 858	3 669	3 539	927	-31.3%	-	-	-	-	-100.0%	-
Employee social benefits	2 858	3 669	3 539	927	-31.3%	-	-	-	-	-100.0%	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	1 416 059	1 493 807	1 514 754	1 716 144	6.6%	4.0%	1 818 644	1 890 028	1 967 128	4.7%	3.7%
Health and Welfare Sector Education and Training Authority	2 439	2 808	2 259	2 911	6.1%	-	2 683	2 884	3 072	1.8%	-
South African Broadcasting Corporation	-	-	66	-	-	-	-	-	-	-	-
South African National AIDS Council	19 340	16 711	17 547	17 108	-4.0%	-	18 066	19 059	20 107	5.5%	-
South African Medical Research Council	623 892	660 270	617 211	624 829	0.1%	1.7%	686 666	722 281	758 652	6.7%	1.4%
National Health Laboratory Service	678 926	711 871	746 464	810 759	6.1%	1.9%	785 497	827 989	871 120	2.4%	1.7%
Office of Health Standards Compliance	88 906	100 535	125 711	129 678	13.4%	0.3%	136 471	143 970	151 889	5.4%	0.3%
Council for Medical Schemes	2 556	1 612	5 496	5 670	30.4%	-	5 987	6 317	6 664	5.5%	-
South African Health Products Regulatory Authority	-	-	-	125 189	-	0.1%	183 274	167 528	155 624	7.5%	0.3%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	52	260	6 999	-	-100.0%	-	-	-	-	-	-
Employee social benefits	-	260	-	-	-	-	-	-	-	-	-
Other transfers to households	52	-	-	-	-100.0%	-	-	-	-	-	-
University of the Witwatersrand	-	-	6 999	-	-	-	-	-	-	-	-
<b>Non-profit institutions</b>											
<b>Current</b>	155 073	161 670	155 374	195 909	8.1%	0.4%	175 080	184 711	198 564	0.4%	0.4%
Non-governmental organisations: Lifeline	19 898	20 953	22 000	23 276	5.4%	0.1%	24 579	25 931	27 876	6.2%	0.1%
Non-governmental organisations: loveLife	54 396	57 808	61 200	64 750	6.0%	0.2%	68 376	72 137	77 547	6.2%	0.1%
Non-governmental organisations: Soul City	16 277	14 465	19 226	20 270	7.6%	-	21 336	22 509	24 197	6.1%	-
Non-governmental organisations: HIV and AIDS	38 131	41 439	41 530	54 434	12.6%	0.1%	57 482	60 644	65 192	6.2%	0.1%
National Kidney Foundation of South Africa	350	-	350	370	1.9%	-	391	413	444	6.3%	-
Mental health and substance abuse	190	-	-	-	-100.0%	-	-	-	-	-	-
Public universities in South Africa	-	-	8 500	-	-	-	-	-	-	-	-
South African Federation for Mental Health	335	353	371	393	5.5%	-	415	438	471	6.2%	-
South African National Council for the Blind	752	792	832	880	5.4%	-	929	980	1 054	6.2%	-
South African Medical Research Council	471	496	520	550	5.3%	-	581	613	659	6.2%	-
National Council Against Smoking	803	-	845	938	5.3%	-	991	1 046	1 124	6.2%	-
Wits University Foundation	-	650	-	-	-	-	-	-	-	-	-
Health information systems programme	12 103	12 745	-	14 158	5.4%	-	-	-	-	-100.0%	-
Health Systems Trust	11 367	11 969	-	15 890	11.8%	-	-	-	-	-100.0%	-
<b>Foreign governments and international organisations</b>											
<b>Current</b>	-	16 031	-	-	-	-	-	-	-	-	-
International AIDS Society	-	14 370	-	-	-	-	-	-	-	-	-
International Hospital Federation	-	1 661	-	-	-	-	-	-	-	-	-
<b>Provinces and municipalities</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	26 487 703	28 708 332	31 885 731	35 306 896	10.1%	80.7%	38 981 847	42 865 385	47 230 305	10.2%	83.1%
Human papillomavirus vaccine grant	-	-	-	200 000	-	0.1%	211 200	222 816	235 071	5.5%	0.4%
National tertiary services grant	10 381 174	10 846 778	11 676 145	12 400 703	6.1%	29.9%	13 185 528	14 068 863	14 842 650	6.2%	27.5%
Health professions training and development grant	2 374 722	2 476 724	2 631 849	2 784 496	5.4%	6.8%	2 940 428	3 102 152	3 272 770	5.5%	6.1%
Human resources capacitation grant	-	-	-	-	-	-	605 696	1 063 083	1 127 227	-	1.4%
HIV, TB, malaria and community outreach grant: Community outreach services component	-	-	-	-	-	-	1 500 000	1 584 000	2 582 500	-	2.9%
HIV, TB, malaria and community outreach grant: Tuberculosis component	-	-	-	-	-	-	485 300	511 989	540 151	-	0.8%
National health insurance grant	61 077	94 227	-	-	-100.0%	0.1%	-	-	-	-	-
Comprehensive HIV and AIDS grant	13 670 730	-	-	-	-100.0%	9.0%	-	-	-	-	-
HIV, TB, malaria and community outreach grant: HIV and AIDS component	-	-	-	-	-	-	19 963 270	22 195 284	24 518 748	-	33.7%
HIV, TB, malaria and community outreach grant: Malaria elimination component	-	-	-	-	-	-	90 425	117 198	111 188	-	0.2%
Comprehensive HIV, AIDS and TB grant	-	15 290 603	17 577 737	19 921 697	-	34.8%	-	-	-	-100.0%	10.1%
<b>Capital</b>	5 417 045	5 272 680	5 684 495	6 057 202	3.8%	14.8%	6 006 973	6 359 557	6 858 024	4.2%	12.8%
Health facility revitalisation grant	5 417 045	5 272 680	5 684 495	6 057 202	3.8%	14.8%	6 006 973	6 359 557	6 858 024	4.2%	12.8%
<b>Departmental agencies and accounts</b>											
<b>Social security funds</b>											
<b>Current</b>	3 363	3 541	3 718	3 836	4.5%	-	4 050	4 272	4 507	5.5%	-
Compensation Commissioner for Occupational Diseases	3 363	3 541	3 718	3 836	4.5%	-	4 050	4 272	4 507	5.5%	-
<b>Total</b>	<b>33 482 153</b>	<b>35 659 990</b>	<b>39 254 610</b>	<b>43 280 914</b>	<b>8.9%</b>	<b>100.0%</b>	<b>46 986 594</b>	<b>51 303 953</b>	<b>56 258 528</b>	<b>9.1%</b>	<b>100.0%</b>

## Personnel information

**Table 16.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)	
		2017/18			2018/19			2019/20			2020/21			2021/22					2018/19 - 2021/22
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>Health</b>	<b>1 512</b>	<b>–</b>	<b>1 509</b>	<b>856.3</b>	<b>0.6</b>	<b>1 532</b>	<b>828.8</b>	<b>0.5</b>	<b>1 513</b>	<b>880.5</b>	<b>0.6</b>	<b>1 507</b>	<b>946.5</b>	<b>0.6</b>	<b>1 503</b>	<b>1 008.2</b>	<b>0.7</b>	<b>-0.6%</b>	<b>100.0%</b>
Salary level	1 512	–	1 509	856.3	0.6	1 532	828.8	0.5	1 513	880.5	0.6	1 507	946.5	0.6	1 503	1 008.2	0.7	-0.6%	100.0%
1 – 6	472	–	476	107.4	0.2	467	100.4	0.2	460	106.3	0.2	457	114.1	0.2	458	123.2	0.3	-0.6%	30.4%
7 – 10	757	–	744	363.2	0.5	784	367.7	0.5	774	388.6	0.5	770	416.8	0.5	768	446.7	0.6	-0.7%	51.1%
11 – 12	178	–	178	214.6	1.2	154	167.4	1.1	149	172.2	1.2	149	184.5	1.2	149	197.3	1.3	-1.1%	9.9%
13 – 16	103	–	109	166.0	1.5	125	187.8	1.5	128	207.6	1.6	129	224.9	1.7	126	234.3	1.9	0.3%	8.4%
Other	2	–	2	5.1	2.6	2	5.5	2.8	2	5.9	2.9	2	6.3	3.2	2	6.7	3.4	–	0.1%
<b>Programme</b>	<b>1 512</b>	<b>–</b>	<b>1 509</b>	<b>856.3</b>	<b>0.6</b>	<b>1 532</b>	<b>828.8</b>	<b>0.5</b>	<b>1 513</b>	<b>880.5</b>	<b>0.6</b>	<b>1 507</b>	<b>946.5</b>	<b>0.6</b>	<b>1 503</b>	<b>1 008.2</b>	<b>0.7</b>	<b>-0.6%</b>	<b>100.0%</b>
Programme 1	423	–	427	195.4	0.5	477	231.5	0.5	475	247.1	0.5	473	265.0	0.6	473	284.4	0.6	-0.3%	31.3%
Programme 2	60	–	60	41.3	0.7	69	50.1	0.7	67	52.0	0.8	65	55.2	0.8	65	59.1	0.9	-2.0%	4.4%
Programme 3	198	–	198	130.3	0.7	226	156.6	0.7	226	167.9	0.7	223	178.1	0.8	223	191.0	0.9	-0.4%	14.8%
Programme 4	369	–	359	160.2	0.4	410	184.2	0.4	407	195.1	0.5	406	209.3	0.5	406	224.8	0.6	-0.3%	26.9%
Programme 5	34	–	37	20.0	0.5	44	28.9	0.7	42	29.8	0.7	42	32.0	0.8	42	34.2	0.8	-1.5%	2.8%
Programme 6	428	–	428	309.0	0.7	306	177.5	0.6	296	188.6	0.6	298	207.0	0.7	294	214.7	0.7	-1.3%	19.7%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 16.8 Departmental receipts by economic classification**

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
	R thousand					2015/16 - 2018/19				2018/19 - 2021/22		
<b>Departmental receipts</b>	<b>53 885</b>	<b>59 233</b>	<b>76 056</b>	<b>7 821</b>	<b>7 821</b>	<b>-47.4%</b>	<b>100.0%</b>	<b>4 044</b>	<b>4 681</b>	<b>5 005</b>	<b>-13.8%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>46 052</b>	<b>54 298</b>	<b>67 149</b>	<b>4 614</b>	<b>4 614</b>	<b>-53.6%</b>	<b>87.4%</b>	<b>2 948</b>	<b>3 274</b>	<b>3 499</b>	<b>-8.8%</b>	<b>66.5%</b>
Sales by market establishments	160	172	153	170	170	2.0%	0.3%	160	170	175	1.0%	3.1%
of which:												
Parking	160	172	153	170	170	2.0%	0.3%	160	170	175	1.0%	3.1%
Administrative fees	45 395	53 627	66 617	4 250	4 250	-54.6%	86.2%	2 400	2 600	2 800	-13.0%	55.9%
of which:												
Medical (drug control) licences	2 264	2 217	2 316	3 200	3 200	12.2%	5.1%	1 500	1 600	1 700	-19.0%	37.1%
Drug control	42 380	50 262	63 203	–	–	-100.0%	79.1%	–	–	–	–	–
Inspection fees	751	1 148	1 097	1 050	1 050	11.8%	2.1%	900	1 000	1 100	1.6%	18.8%
Request: Promotion of Access to information Act (2000)	–	–	1	–	–	–	–	–	–	–	–	–
Other sales	497	499	379	194	194	-26.9%	0.8%	388	504	524	39.3%	7.5%
of which:												
Yellow fever: Sales of vaccines	334	114	2	–	–	-100.0%	0.2%	–	100	120	–	1.0%
Replacement of security cards	5	10	6	–	–	-100.0%	–	3	4	4	–	0.1%
Commission on insurance	158	375	371	192	192	6.7%	0.6%	385	400	400	27.7%	6.4%
Replacement: Lost office property	–	–	–	2	2	–	–	–	–	–	-100.0%	–

## Departmental receipts

**Table 16.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
Sales of scrap, waste, arms and other used current goods	44	–	31	4	4	-55.0%	–	1	1	1	-37.0%	–
of which:												
Scrap paper	–	–	3	4	4	–	–	1	1	1	-37.0%	–
Scrap	44	–	28	–	–	-100.0%	–	–	–	–	–	–
Interest, dividends and rent on land	6 536	3 627	4 568	1 800	1 800	-34.9%	8.4%	700	1 000	1 100	-15.1%	21.3%
Interest	6 536	3 627	4 568	1 800	1 800	-34.9%	8.4%	700	1 000	1 100	-15.1%	21.3%
Transactions in financial assets and liabilities	1 253	1 308	4 308	1 403	1 403	3.8%	4.2%	395	406	405	-33.9%	12.1%
<b>Total</b>	<b>53 885</b>	<b>59 233</b>	<b>76 056</b>	<b>7 821</b>	<b>7 821</b>	<b>-47.4%</b>	<b>100.0%</b>	<b>4 044</b>	<b>4 681</b>	<b>5 005</b>	<b>-13.8%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 16.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	30.0	29.0	26.5	31.2	1.4%	5.4%	34.5	37.1	39.3	8.0%	5.2%
Management	11.0	9.9	8.7	11.2	0.8%	1.9%	13.6	13.8	14.7	9.4%	2.0%
Corporate Services	263.2	251.5	260.1	294.8	3.8%	49.2%	298.6	319.0	339.8	4.9%	46.1%
Property Management	147.6	143.0	147.1	150.9	0.7%	27.1%	186.0	196.2	207.0	11.1%	27.2%
Financial Management	74.2	82.0	85.3	117.4	16.5%	16.5%	128.6	137.1	145.3	7.4%	19.5%
<b>Total</b>	<b>526.0</b>	<b>515.4</b>	<b>527.8</b>	<b>605.6</b>	<b>4.8%</b>	<b>100.0%</b>	<b>661.3</b>	<b>703.2</b>	<b>746.2</b>	<b>7.2%</b>	<b>100.0%</b>
Change to 2018				36.9			3.7	8.3	10.1		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>514.3</b>	<b>505.3</b>	<b>522.9</b>	<b>597.3</b>	<b>5.1%</b>	<b>98.4%</b>	<b>650.4</b>	<b>691.3</b>	<b>733.5</b>	<b>7.1%</b>	<b>98.4%</b>
Compensation of employees	214.1	224.6	195.4	231.5	2.6%	39.8%	247.1	265.0	284.4	7.1%	37.8%
Goods and services <sup>1</sup>	300.2	280.7	327.6	365.8	6.8%	58.6%	403.2	426.2	449.1	7.1%	60.5%
of which:											
Audit costs: External	20.1	21.8	22.2	34.0	19.1%	4.5%	29.3	32.7	34.5	0.5%	4.8%
Operating leases	128.2	131.2	122.4	131.9	0.9%	23.6%	174.7	184.0	194.0	13.7%	25.2%
Property payments	23.3	16.6	28.0	20.7	-3.9%	4.1%	17.6	18.3	19.2	-2.6%	2.8%
Travel and subsistence	34.5	25.5	34.1	38.4	3.6%	6.1%	51.4	57.3	60.1	16.1%	7.6%
Training and development	3.9	4.6	4.8	15.9	60.5%	1.3%	23.9	22.8	23.7	14.2%	3.2%
Operating payments	28.6	24.2	30.9	33.7	5.6%	5.4%	37.7	37.7	40.1	6.0%	5.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>3.4</b>	<b>3.1</b>	<b>3.2</b>	<b>3.1</b>	<b>-2.8%</b>	<b>0.6%</b>	<b>2.7</b>	<b>2.9</b>	<b>3.1</b>	<b>-0.6%</b>	<b>0.4%</b>
Departmental agencies and accounts	2.4	2.8	2.3	2.9	6.1%	0.5%	2.7	2.9	3.1	1.8%	0.4%
Households	1.0	0.3	0.9	0.2	-39.1%	0.1%	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>8.0</b>	<b>6.9</b>	<b>1.6</b>	<b>5.2</b>	<b>-13.5%</b>	<b>1.0%</b>	<b>8.2</b>	<b>9.1</b>	<b>9.6</b>	<b>23.0%</b>	<b>1.2%</b>
Machinery and equipment	8.0	4.7	1.6	5.2	-13.5%	0.9%	8.2	9.1	9.6	23.0%	1.2%
Software and other intangible assets	–	2.2	–	–	–	0.1%	–	–	–	–	–
<b>Payments for financial assets</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>526.0</b>	<b>515.4</b>	<b>527.8</b>	<b>605.6</b>	<b>4.8%</b>	<b>100.0%</b>	<b>661.3</b>	<b>703.2</b>	<b>746.2</b>	<b>7.2%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	1.5%	1.3%	1.2%	1.3%	–	–	1.3%	1.2%	1.2%	–	–



**Table 16.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	1.0	0.3	0.9	0.2	-39.1%	0.1%	–	–	–	-100.0%	–
Employee social benefits	1.0	0.3	0.9	0.2	-39.1%	0.1%	–	–	–	-100.0%	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	2.4	2.8	2.3	2.9	6.1%	0.5%	2.7	2.9	3.1	1.8%	0.4%
Health and Welfare Sector	2.4	2.8	2.3	2.9	6.1%	0.5%	2.7	2.9	3.1	1.8%	0.4%
Education and Training Authority											

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: National Health Insurance

### Programme purpose

Achieve universal health coverage by improving the quality and coverage of health services through the development and implementation of policies and health financing reforms.

### Objectives

- Achieve universal health coverage by 2030 through the phased implementation of national health insurance over the medium term.
- Lay the legal foundation for national health insurance by enabling the enactment of the National Health Insurance Bill by March 2021.
- Improve equity in the distribution of funding by establishing a functional national health insurance fund by March 2022.
- Regulate the price of medicines by establishing a transparent pricing system that publishes and implements an exit price list annually.
- Improve access to chronic medicines and alleviate pressure on primary health care facilities by ensuring that 3.8 million patients receive chronic medicine through a centralised dispensing and distribution system for chronic medicines by March 2022.
- Strengthen the monitoring of the availability of medicine by ensuring that the national stock management surveillance centre reports on stock availability at all primary health facilities and hospitals by March 2022.
- Improve health information and operational processes in primary health care facilities by ensuring that 50 million individuals are registered on the health patient registration system by March 2022.

### Subprogrammes

- Programme Management provides leadership to the programme to improve access to quality health services by developing and implementing universal policies for health coverage and reforms for health financing.
- Affordable Medicine is responsible for developing systems to ensure access to essential pharmaceutical commodities. This is achieved through the selection of essential medicines, the development of standard treatment guidelines, the administration of health tenders, and the licensing of people and premises that deliver pharmaceutical services and related policies.
- Health Financing and National Health Insurance develops and implements policies, legislation and frameworks to achieve universal health coverage by designing and implementing national health insurance. It commissions health financing research, develops policy for the medical schemes industry, provides technical oversight of the Council for Medical Schemes, and manages the national health insurance indirect grant.

## Expenditure trends and estimates

Table 16.10 National Health Insurance expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Programme Management	0.6	3.6	3.3	4.6	98.2%	0.4%	5.1	5.4	5.7	7.2%	0.2%
Affordable Medicine	26.3	26.6	39.5	49.5	23.5%	4.4%	47.4	50.0	53.4	2.6%	2.1%
Health Financing and National Health Insurance	369.6	478.1	598.8	1 633.0	64.1%	95.2%	2 059.1	2 738.0	2 964.6	22.0%	97.7%
<b>Total</b>	<b>396.5</b>	<b>508.3</b>	<b>641.5</b>	<b>1 687.1</b>	<b>62.0%</b>	<b>100.0%</b>	<b>2 111.7</b>	<b>2 793.4</b>	<b>3 023.7</b>	<b>21.5%</b>	<b>100.0%</b>
Change to 2018				180.6			(94.0)	(103.8)	(33.4)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>334.9</b>	<b>413.4</b>	<b>641.1</b>	<b>1 404.3</b>	<b>61.2%</b>	<b>86.4%</b>	<b>1 419.6</b>	<b>1 627.4</b>	<b>1 787.6</b>	<b>8.4%</b>	<b>64.9%</b>
Compensation of employees	36.4	41.1	41.3	50.1	11.2%	5.2%	52.0	55.2	59.1	5.7%	2.3%
Goods and services <sup>1</sup>	298.5	372.3	599.9	1 354.2	65.5%	81.2%	1 367.6	1 572.2	1 728.5	8.5%	62.6%
<i>of which:</i>											
Minor assets	0.0	0.1	0.2	9.3	549.4%	0.3%	11.9	14.4	15.2	17.7%	0.5%
Computer services	0.1	0.0	3.8	13.1	390.5%	0.5%	11.7	12.4	13.1	-0.1%	0.5%
Consultants: Business and advisory services	0.3	3.8	31.5	182.5	752.0%	6.7%	509.5	656.6	1 338.4	94.3%	27.9%
Contractors	278.1	358.0	548.7	784.0	41.3%	60.9%	711.7	747.2	207.1	-35.8%	25.5%
Agency and support/outsourced services	6.5	-	-	287.0	252.8%	9.1%	84.6	96.7	107.6	-27.9%	6.0%
Travel and subsistence	6.2	6.8	6.1	14.0	30.8%	1.0%	21.2	23.6	24.7	20.9%	0.9%
<b>Transfers and subsidies<sup>1</sup></b>	<b>61.2</b>	<b>94.4</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>4.8%</b>	<b>605.7</b>	<b>1 063.1</b>	<b>1 127.2</b>	<b>-</b>	<b>29.1%</b>
Provinces and municipalities	61.1	94.2	-	-	-100.0%	4.8%	605.7	1 063.1	1 127.2	-	29.1%
Households	0.1	0.2	-	-	-100.0%	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>0.3</b>	<b>0.5</b>	<b>0.4</b>	<b>282.9</b>	<b>860.7%</b>	<b>8.8%</b>	<b>86.3</b>	<b>102.9</b>	<b>108.8</b>	<b>-27.3%</b>	<b>6.0%</b>
Machinery and equipment	0.3	0.5	0.4	282.9	860.7%	8.8%	86.3	102.9	108.8	-27.3%	6.0%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>396.5</b>	<b>508.3</b>	<b>641.5</b>	<b>1 687.1</b>	<b>62.0%</b>	<b>100.0%</b>	<b>2 111.7</b>	<b>2 793.4</b>	<b>3 023.7</b>	<b>21.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.1%</b>	<b>1.3%</b>	<b>1.5%</b>	<b>3.6%</b>	<b>-</b>	<b>-</b>	<b>4.1%</b>	<b>4.9%</b>	<b>4.9%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>0.1</b>	<b>0.2</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Employee social benefits	0.1	0.2	-	-	-100.0%	-	-	-	-	-	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other transfers to households	0.1	-	-	-	-100.0%	-	-	-	-	-	-
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>61.1</b>	<b>94.2</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>4.8%</b>	<b>605.7</b>	<b>1 063.1</b>	<b>1 127.2</b>	<b>-</b>	<b>29.1%</b>
Human resources capacitation grant	-	-	-	-	-	-	605.7	1 063.1	1 127.2	-	29.1%
National health insurance grant	61.1	94.2	-	-	-100.0%	4.8%	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Communicable and Non-communicable Diseases

### Programme purpose

Develop and support the implementation of national policies, guidelines, norms and standards, and the achievement of targets for the national response needed to decrease morbidity and mortality associated with communicable and non-communicable diseases. Develop strategies and implement programmes that reduce maternal and child mortality.

## Objectives

- Reduce the maternal mortality ratio to fewer than 75 per 100 000 live births by March 2022 by supporting the implementation of key interventions, such as those proposed by the national committee on confidential enquiries into maternal deaths, and conducting maternal mortality reviews.
- Reduce the neonatal mortality rate to fewer than 10 per 1 000 live births by March 2022 by supporting the implementation of recommendations from the national perinatal mortality committee, and capacitating health care workers to manage sick and small neonates.
- Improve access to sexual and reproductive health services and reduce pregnancies of women younger than 19 to less than 10 per cent of all deliveries by ensuring access to modern contraceptive methods by March 2022.
- Protect girls by reducing the risk of the onset of cervical cancer later in life by vaccinating more than 400 000 girls in grade 4 against the human papilloma virus each year over the medium term.
- Reduce the rate of mother-to-child HIV transmission to less than 0.6 per cent by March 2022 by supporting and monitoring the implementation of the guidelines on the prevention of mother-to-child transmission.
- Reduce the mortality rate for children younger than 5 to less than 30 per 1 000 live births by March 2022 by supporting the implementation of the recommendations from the committee on morbidity and mortality in children under 5 years.
- Contribute to the health and wellbeing of learners by screening more than 450 000 grade 1 learners and 250 000 grade 8 learners for health-related barriers to learning per year by March 2021.
- Achieve a TB treatment success rate of 95 per cent and a 5 per cent or less tuberculosis loss-to-follow-up rate over the medium term through the increased identification of TB patients and ensuring that patients complete their treatment.
- Increase the life expectancy of people living with HIV by ensuring that 7 million people are accessing antiretroviral treatment by March 2022.
- Reduce new HIV infections by implementing a combination of prevention interventions, such as HIV counselling and testing, medical male circumcisions and condom distribution, over the medium term.
- Strengthen district mental health services by facilitating the establishment of at least 30 district mental health teams in provinces by March 2022.
- Strengthen health promotion, surveillance, vector control and the case management of malaria to minimise and/or eradicate malaria over the medium term.
- Improve intersectoral collaboration, with a focus on population-wide initiatives, to promote healthy lifestyles and address social and economic determinants by facilitating the establishment of a national health commission by March 2021.

## Subprogrammes

- *Programme Management* is responsible for ensuring that efforts by all stakeholders are harnessed to support the overall purpose of the programme. This includes ensuring that the efforts and resources of provincial departments of health, development partners, funders, and academic, research, non-governmental and civil society organisations all contribute in a coherent, integrated way.
- *HIV, AIDS and STIs* is responsible for policy formulation, coordination, and the monitoring and evaluation of HIV and sexually transmitted disease services. This entails ensuring the implementation of the health sector components of the 2017-2022 South African national strategic plan on HIV, TB and STIs. Other important functions of this subprogramme are the management and oversight of the HIV and AIDS component of the HIV, TB, malaria and community outreach grant implemented by provinces, and the coordination and direction of donor funding for HIV and AIDS, in particular the United States President's Emergency Plan for AIDS Relief, the Global Fund to Fight AIDS, Tuberculosis and Malaria, and the United States Centres for Disease Control and Prevention.

- *Tuberculosis Management* develops national policies and guidelines, sets norms and standards for tuberculosis services, and monitors the implementation of these in line with the vision of achieving zero tuberculosis and HIV and AIDS infections, mortality, stigma and discrimination, as outlined in the 2017-2022 national strategic plan on HIV, TB and STIs.
- *Women's Maternal and Reproductive Health* develops and monitors policies and guidelines, sets norms and standards for maternal and women's health services, and monitors the implementation of these services. Over the medium term, key initiatives will be implemented as indicated in the maternal and child health strategic plan.
- *Child, Youth and School Health* is responsible for the policy formulation, coordination, and monitoring and evaluation of child, youth and school health services. The subprogramme is also responsible for the management and oversight of the human papillomavirus vaccination grant, and coordinates stakeholders outside of the health sector to play key roles in promoting improved child and youth health and nutrition.
- *Communicable Diseases* develops policies and supports provinces to ensure the control of infectious diseases with the support of the National Institute for Communicable Diseases, a division of the National Health Laboratory Service. This subprogramme improves surveillance for disease detection; strengthens preparedness and core response capacity for public health emergencies, in line with international health regulations; and facilitates the implementation of influenza prevention and control programmes, tropical disease prevention and control programmes, and the elimination of malaria.
- *Non-communicable Diseases* establishes policies, legislation and guidelines, and assists provinces in implementing and monitoring services for chronic non-communicable diseases, disability, eye care, oral health, mental health and substance abuse.
- *Health Promotion and Nutrition* formulates and monitors policies, guidelines, and norms and standards for health promotion and nutrition. Focusing on South Africa's quadruple burden of disease (HIV and AIDS and TB, maternal and child mortality, non-communicable diseases, and violence and injury), this subprogramme implements the approved health promotion strategy to reduce risk factors for disease, and promotes an integrated approach to working towards an optimal nutritional status for all South Africans.

## Expenditure trends and estimates

**Table 16.11 Communicable and Non-communicable Diseases expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
Programme Management	5.4	4.4	5.3	5.4	0.1%	–	5.3	5.6	6.0	3.3%	–
HIV, AIDS and STIs	13 962.5	15 712.5	18 014.1	20 411.5	13.5%	97.8%	22 572.4	24 968.3	28 351.0	11.6%	97.9%
Tuberculosis Management	20.1	24.3	25.5	25.2	7.9%	0.1%	27.7	30.7	32.5	8.8%	0.1%
Women's Maternal and Reproductive Health	13.7	11.6	14.2	17.9	9.3%	0.1%	20.3	22.4	23.8	9.9%	0.1%
Child, Youth and School Health	177.3	212.4	220.8	254.0	12.7%	1.2%	237.6	250.7	264.7	1.4%	1.0%
Communicable Diseases	21.1	17.6	18.4	22.5	2.1%	0.1%	24.1	25.4	27.0	6.2%	0.1%
Non-communicable Diseases	20.6	19.4	21.2	74.0	53.3%	0.2%	65.7	167.2	217.1	43.1%	0.5%
Health Promotion and Nutrition	168.8	27.7	31.4	49.8	-33.4%	0.4%	54.2	58.9	63.9	8.7%	0.2%
<b>Total</b>	<b>14 389.5</b>	<b>16 029.9</b>	<b>18 351.0</b>	<b>20 860.4</b>	<b>13.2%</b>	<b>100.0%</b>	<b>23 007.3</b>	<b>25 529.1</b>	<b>28 985.9</b>	<b>11.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(5.4)			(69.7)	(49.3)	992.0		

**Table 16.11 Communicable and Non-communicable Diseases expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
<b>Current payments</b>	<b>555.6</b>	<b>570.4</b>	<b>584.6</b>	<b>555.1</b>	–	<b>3.3%</b>	<b>563.6</b>	<b>693.7</b>	<b>779.1</b>	<b>12.0%</b>	<b>2.6%</b>
Compensation of employees	198.1	122.7	130.3	156.6	-7.5%	0.9%	167.9	178.1	191.0	6.8%	0.7%
Goods and services <sup>1</sup>	357.4	447.7	454.3	398.5	3.7%	2.4%	395.7	515.5	588.1	13.9%	1.9%
<i>of which:</i>											
<i>Consultants: Business and advisory services</i>	44.5	70.3	115.4	65.6	13.8%	0.4%	87.9	122.3	128.0	25.0%	0.4%
<i>Contractors</i>	0.2	0.0	0.3	34.2	450.7%	–	29.8	66.2	90.7	38.4%	0.2%
<i>Agency and support/outsourced services</i>	11.6	24.9	31.9	25.2	29.4%	0.1%	20.0	55.3	79.4	46.6%	0.2%
<i>Inventory: Medical supplies</i>	76.6	132.2	81.4	146.0	24.0%	0.6%	151.0	155.9	167.6	4.7%	0.6%
<i>Travel and subsistence</i>	33.3	22.9	20.6	20.5	-15.0%	0.1%	24.1	23.9	25.2	7.2%	0.1%
<i>Operating payments</i>	11.4	32.1	43.7	20.6	21.8%	0.2%	21.9	23.5	24.8	6.4%	0.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>13 822.6</b>	<b>15 458.5</b>	<b>17 750.9</b>	<b>20 304.9</b>	<b>13.7%</b>	<b>96.7%</b>	<b>22 443.3</b>	<b>24 835.1</b>	<b>28 206.3</b>	<b>11.6%</b>	<b>97.4%</b>
Provinces and municipalities	13 670.7	15 290.6	17 577.7	20 121.7	13.8%	95.7%	22 250.2	24 631.3	27 987.7	11.6%	96.6%
Departmental agencies and accounts	19.3	16.7	17.5	17.1	-4.0%	0.1%	18.1	19.1	20.1	5.5%	0.1%
Foreign governments and international organisations	–	14.4	–	–	–	–	–	–	–	–	–
Non-profit institutions	131.6	136.3	155.4	165.9	8.0%	0.8%	175.1	184.7	198.6	6.2%	0.7%
Households	0.9	0.5	0.3	0.2	-38.2%	–	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>10.8</b>	<b>0.9</b>	<b>15.3</b>	<b>0.4</b>	<b>-67.7%</b>	–	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>5.3%</b>	–
Machinery and equipment	7.5	0.9	15.3	0.4	-63.3%	–	0.4	0.4	0.4	5.3%	–
Software and other intangible assets	3.4	–	–	–	-100.0%	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>0.5</b>	<b>0.1</b>	<b>0.1</b>	–	<b>-100.0%</b>	–	–	–	–	–	–
<b>Total</b>	<b>14 389.5</b>	<b>16 029.9</b>	<b>18 351.0</b>	<b>20 860.4</b>	<b>13.2%</b>	<b>100.0%</b>	<b>23 007.3</b>	<b>25 529.1</b>	<b>28 985.9</b>	<b>11.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>40.0%</b>	<b>41.6%</b>	<b>43.3%</b>	<b>43.9%</b>	–	–	<b>44.7%</b>	<b>45.0%</b>	<b>46.8%</b>	–	–
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>0.9</b>	<b>0.5</b>	<b>0.3</b>	<b>0.2</b>	<b>-37.9%</b>	–	–	–	–	<b>-100.0%</b>	–
Employee social benefits	0.9	0.5	0.3	0.2	-37.9%	–	–	–	–	-100.0%	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>19.3</b>	<b>16.7</b>	<b>17.5</b>	<b>17.1</b>	<b>-4.0%</b>	<b>0.1%</b>	<b>18.1</b>	<b>19.1</b>	<b>20.1</b>	<b>5.5%</b>	<b>0.1%</b>
South African National AIDS Council	19.3	16.7	17.5	17.1	-4.0%	0.1%	18.1	19.1	20.1	5.5%	0.1%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	–	<b>14.4</b>	–	–	–	–	–	–	–	–	–
International AIDS Society	–	14.4	–	–	–	–	–	–	–	–	–
<b>Non-profit institutions</b>											
<b>Current</b>	<b>131.6</b>	<b>136.3</b>	<b>155.4</b>	<b>165.9</b>	<b>8.0%</b>	<b>0.8%</b>	<b>175.1</b>	<b>184.7</b>	<b>198.6</b>	<b>6.2%</b>	<b>0.7%</b>
Non-governmental organisations: Lifeline	19.9	21.0	22.0	23.3	5.4%	0.1%	24.6	25.9	27.9	6.2%	0.1%
Non-governmental organisations: loveLife	54.4	57.8	61.2	64.8	6.0%	0.3%	68.4	72.1	77.5	6.2%	0.3%
Non-governmental organisations: Soul City	16.3	14.5	19.2	20.3	7.6%	0.1%	21.3	22.5	24.2	6.1%	0.1%
Non-governmental organisations: HIV and AIDS National Kidney Foundation of South Africa	38.1	41.4	41.5	54.4	12.6%	0.3%	57.5	60.6	65.2	6.2%	0.2%
National Kidney Foundation of South Africa	0.4	–	0.4	0.4	1.9%	–	0.4	0.4	0.4	6.3%	–
Mental health and substance abuse	0.2	–	–	–	-100.0%	–	–	–	–	–	–
Public universities South Africa	–	–	8.5	–	–	–	–	–	–	–	–
South African Federation for Mental Health	0.3	0.4	0.4	0.4	5.5%	–	0.4	0.4	0.5	6.2%	–
South African National Council for the Blind	0.8	0.8	0.8	0.9	5.4%	–	0.9	1.0	1.1	6.2%	–
South African Medical Research Council	0.5	0.5	0.5	0.6	5.3%	–	0.6	0.6	0.7	6.2%	–
National Council Against Smoking	0.8	–	0.8	0.9	5.3%	–	1.0	1.0	1.1	6.2%	–

**Table 16.11 Communicable and Non-communicable Diseases expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>13 670.7</b>	<b>15 290.6</b>	<b>17 577.7</b>	<b>20 121.7</b>	<b>13.8%</b>	<b>95.7%</b>	<b>22 250.2</b>	<b>24 631.3</b>	<b>27 987.7</b>	<b>11.6%</b>	<b>96.6%</b>
Human papillomavirus vaccine grant	–	–	–	200.0	–	0.3%	211.2	222.8	235.1	5.5%	0.9%
HIV, TB, malaria and community outreach grant: Community outreach services component	–	–	–	–	–	–	1 500.0	1 584.0	2 582.5	–	5.8%
HIV, TB, malaria and community outreach grant: Tuberculosis component	–	–	–	–	–	–	485.3	512.0	540.2	–	1.6%
Comprehensive HIV/AIDS	13 670.7	–	–	–	-100.0%	19.6%	–	–	–	–	–
HIV, TB, malaria and community outreach grant: HIV and AIDS component	–	–	–	–	–	–	19 963.3	22 195.3	24 518.7	–	67.8%
HIV, TB, malaria and community outreach grant: Malaria elimination component	–	–	–	–	–	–	90.4	117.2	111.2	–	0.3%
Comprehensive HIV/AIDS and TB conditional grant	–	15 290.6	17 577.7	19 921.7	–	75.8%	–	–	–	-100.0%	20.2%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Primary Health Care

### Programme purpose

Develop and oversee the implementation of legislation, policies, systems, and norms and standards for a uniform, well-functioning district health system, including for emergency, environmental and port health services.

### Objectives

- Improve district governance and strengthen the management and leadership of the district health system by establishing approved, standardised district management structures in all 52 health districts by March 2021.
- Improve the quality of care at clinics by ensuring that at least 2 100 primary health care facilities qualify as ideal clinics by March 2022.
- Improve the quality of services at district hospitals by implementing the ideal district hospital framework at 20 per cent of all district hospitals by March 2022.
- Improve environmental health services in all 52 districts and metropolitan municipalities by progressively assessing these municipalities for adherence to environmental health norms and standards by March 2022.
- Improve health waste management by assessing 78 major public health facilities each year that generate more than 20kg per day of health care risk waste for adherence to norms and standards.
- Ensure that port health services comply with international health regulations by March 2022 by regularly auditing points of entry and addressing findings from all of South Africa's 44 points of entry on an ongoing basis.
- Ensure access to quality emergency medical services and their efficient delivery by monitoring compliance with regulations pertaining to emergency medical services on an ongoing basis.

### Subprogrammes

- *Programme Management* supports and provides leadership for the development and implementation of legislation, policies, systems, and norms and standards for a uniform district health system, and emergency, environmental and port health systems.

- *District Health Services* promotes, coordinates and institutionalises the district health system; integrates programme implementation using the primary health care approach; and coordinates the re-engineering of primary health care.
- *Environmental and Port Health Services* coordinates the delivery of environmental health services, including the monitoring and delivery of municipal health services, and ensures compliance with international health regulations by coordinating and implementing port health services in all of South Africa's ports of entry.
- *Emergency Medical Services* and Trauma improves the governance, management and functioning of emergency medical services in the country by formulating policies, guidelines, and norms and standards; strengthening the capacity and skills of emergency medical services personnel; identifying needs and service gaps; and providing oversight to provinces.

## Expenditure trends and estimates

**Table 16.12 Primary Health Care expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
Programme Management	7.8	9.3	4.0	3.0	-27.2%	3.2%	3.9	4.2	4.4	13.7%	1.7%
District Health Services	9.8	19.6	43.2	21.7	30.5%	12.4%	21.4	23.5	25.5	5.5%	10.0%
Environmental and Port Health Services	135.7	146.7	153.9	176.1	9.1%	80.7%	187.5	201.0	215.8	7.0%	84.4%
Emergency Medical Services and Trauma	5.3	7.3	7.1	8.5	16.9%	3.7%	8.9	9.4	10.0	5.5%	4.0%
<b>Total</b>	<b>158.7</b>	<b>182.9</b>	<b>208.1</b>	<b>209.3</b>	<b>9.7%</b>	<b>100.0%</b>	<b>221.8</b>	<b>238.0</b>	<b>255.7</b>	<b>6.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(1.6)			9.6	14.1	17.5		
<b>Economic classification</b>											
<b>Current payments</b>	<b>156.8</b>	<b>181.4</b>	<b>201.8</b>	<b>207.8</b>	<b>9.8%</b>	<b>98.5%</b>	<b>221.5</b>	<b>237.7</b>	<b>255.4</b>	<b>7.1%</b>	<b>99.7%</b>
Compensation of employees	138.2	150.2	160.2	184.2	10.1%	83.4%	195.1	209.3	224.8	6.9%	87.9%
Goods and services <sup>1</sup>	18.6	31.2	41.5	23.6	8.2%	15.1%	26.4	28.5	30.6	9.1%	11.8%
of which:											
Communication	0.6	1.3	1.9	1.8	49.0%	0.7%	0.9	1.8	2.0	2.4%	0.7%
Consultants: Business and advisory services	0.0	0.3	0.6	2.5	982.4%	0.5%	0.8	1.4	1.4	-17.1%	0.7%
Fleet services (including government motor transport)	9.4	10.8	9.0	6.9	-9.6%	4.8%	7.7	7.9	8.4	6.8%	3.4%
Consumables: Stationery, printing and office supplies	1.1	0.6	1.1	1.5	12.5%	0.6%	1.1	1.3	1.4	-3.2%	0.6%
Travel and subsistence	4.7	8.7	12.8	2.1	-23.7%	3.7%	4.5	2.9	3.7	21.0%	1.4%
Venues and facilities	1.1	3.2	3.7	0.9	-7.1%	1.2%	2.1	2.3	2.4	38.2%	0.8%
Transfers and subsidies <sup>1</sup>	0.4	0.8	0.2	0.3	-17.3%	0.2%	-	-	-	-100.0%	-
Households	0.4	0.8	0.2	0.3	-17.3%	0.2%	-	-	-	-100.0%	-
Payments for capital assets	1.4	0.7	6.1	1.3	-2.8%	1.3%	0.2	0.3	0.3	-39.5%	0.2%
Machinery and equipment	1.4	0.7	6.1	1.3	-2.8%	1.3%	0.2	0.3	0.3	-39.5%	0.2%
Payments for financial assets	0.0	0.0	-	-	-100.0%	-	-	-	-	-	-
<b>Total</b>	<b>158.7</b>	<b>182.9</b>	<b>208.1</b>	<b>209.3</b>	<b>9.7%</b>	<b>100.0%</b>	<b>221.8</b>	<b>238.0</b>	<b>255.7</b>	<b>6.9%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	0.4%	0.5%	0.5%	0.4%	-	-	0.4%	0.4%	0.4%	-	-
<b>Details of selected transfers and subsidies</b>											
Households											
Social benefits											
Current	0.4	0.8	0.2	0.3	-17.3%	0.2%	-	-	-	-100.0%	-
Employee social benefits	0.4	0.8	0.2	0.3	-17.3%	0.2%	-	-	-	-100.0%	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Hospital Systems

### Programme purpose

Develop national policies and plans for all levels of hospital services to strengthen the referral system and facilitate the improvement of hospitals. Ensure that the planning, coordination, delivery and oversight of health infrastructure meet the country's health needs.

## Objectives

- Ensure quality health care by improving compliance with national core standards at all central, tertiary, regional and specialised hospitals through the ideal hospital framework on an ongoing basis.
- Strengthen the decision-making capabilities and accountability of central hospitals to facilitate their increased autonomy through the full delegation of their management functions by assessing and benchmarking the management of all 10 central hospitals against standardised organisational structures by 2020/21.
- Accelerate the construction and maintenance of health infrastructure by coordinating, funding and monitoring health infrastructure projects and enhancing the capacity of provincial departments of health to deliver health infrastructure on an ongoing basis.

## Subprogrammes

- *Programme Management* supports and provides leadership for the development of national policy on hospital services, including infrastructure management for health facilities and hospital systems.
- *Health Facilities Infrastructure Management* coordinates and funds health care infrastructure to enable provinces to plan, manage, modernise, rationalise and transform infrastructure, health technology and hospital management, and improve the quality of care. This subprogramme is responsible for the direct health facility revitalisation grant and, since 2013/14, the health facility revitalisation component of the national health insurance indirect grant.
- *Hospital Systems* focuses on the modernised and reconfigured provision of tertiary hospital services, identifies tertiary and regional hospitals that should serve as centres of excellence for disseminating quality improvements, and is responsible for the management of the national tertiary services grant.

## Expenditure trends and estimates

**Table 16.13 Hospital Systems expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Programme Management	3.7	2.6	1.0	3.3	-4.0%	–	3.4	3.6	3.9	5.2%	–
Health Facilities Infrastructure Management	6 092.9	5 973.5	6 356.3	6 927.1	4.4%	35.9%	7 178.8	7 995.7	8 463.0	6.9%	35.9%
Hospital Systems	10 389.1	10 858.3	11 685.8	12 414.2	6.1%	64.1%	13 198.9	14 083.5	14 858.3	6.2%	64.1%
<b>Total</b>	<b>16 485.7</b>	<b>16 834.4</b>	<b>18 043.1</b>	<b>19 344.6</b>	<b>5.5%</b>	<b>100.0%</b>	<b>20 381.1</b>	<b>22 082.8</b>	<b>23 325.1</b>	<b>6.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				186.5			157.7	586.3	500.9		
<b>Economic classification</b>											
<b>Current payments</b>	<b>159.1</b>	<b>132.1</b>	<b>105.1</b>	<b>196.5</b>	<b>7.3%</b>	<b>0.8%</b>	<b>125.4</b>	<b>136.2</b>	<b>144.5</b>	<b>-9.7%</b>	<b>0.7%</b>
Compensation of employees	18.4	19.9	20.0	28.9	16.2%	0.1%	29.8	32.0	34.2	5.7%	0.1%
Goods and services <sup>1</sup>	140.6	112.1	85.1	167.6	6.0%	0.7%	95.6	104.2	110.3	-13.0%	0.6%
of which:											
Minor assets	1.0	4.0	0.1	4.0	59.0%	–	5.0	6.0	6.3	16.5%	–
Communication	0.3	0.2	0.2	2.5	115.2%	–	2.5	2.6	2.8	3.5%	–
Consultants: Business and advisory services	0.2	0.8	80.1	94.0	688.1%	0.2%	23.7	50.6	30.6	-31.2%	0.2%
Contractors	0.0	–	–	15.9	1645.3%	–	15.8	2.7	2.9	-43.5%	–
Agency and support/outsourced services	129.7	100.2	0.1	32.5	-37.0%	0.4%	28.9	25.9	52.7	17.4%	0.2%
Travel and subsistence	6.5	5.3	3.8	7.8	6.3%	–	8.2	7.0	5.0	-13.7%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>15 798.3</b>	<b>16 121.1</b>	<b>17 360.6</b>	<b>18 457.9</b>	<b>5.3%</b>	<b>95.8%</b>	<b>19 192.5</b>	<b>20 428.4</b>	<b>21 700.7</b>	<b>5.5%</b>	<b>93.7%</b>
Provinces and municipalities	15 798.2	16 119.5	17 360.6	18 457.9	5.3%	95.8%	19 192.5	20 428.4	21 700.7	5.5%	93.7%
Foreign governments and international organisations	–	1.7	–	–	–	–	–	–	–	–	–
Households	0.1	–	–	–	-100.0%	–	–	–	–	–	–



**Table 16.13 Hospital Systems expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
<b>Payments for capital assets</b>	<b>528.3</b>	<b>581.2</b>	<b>577.3</b>	<b>690.2</b>	<b>9.3%</b>	<b>3.4%</b>	<b>1 063.2</b>	<b>1 518.1</b>	<b>1 480.0</b>	<b>29.0%</b>	<b>5.6%</b>
Buildings and other fixed structures	470.6	574.0	577.1	544.1	5.0%	3.1%	984.1	1 402.3	1 157.7	28.6%	4.8%
Machinery and equipment	57.7	7.2	0.1	146.1	36.3%	0.3%	79.1	115.8	322.2	30.2%	0.8%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>16 485.7</b>	<b>16 834.4</b>	<b>18 043.1</b>	<b>19 344.6</b>	<b>5.5%</b>	<b>100.0%</b>	<b>20 381.1</b>	<b>22 082.8</b>	<b>23 325.1</b>	<b>6.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>45.8%</b>	<b>43.7%</b>	<b>42.5%</b>	<b>40.7%</b>	<b>-</b>	<b>-</b>	<b>39.6%</b>	<b>39.0%</b>	<b>37.7%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>-</b>	<b>1.7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
International Hospital Federation	-	1.7	-	-	-	-	-	-	-	-	-
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>10 381.2</b>	<b>10 846.8</b>	<b>11 676.1</b>	<b>12 400.7</b>	<b>6.1%</b>	<b>64.1%</b>	<b>13 185.5</b>	<b>14 068.9</b>	<b>14 842.7</b>	<b>6.2%</b>	<b>64.0%</b>
National tertiary services grant	10 381.2	10 846.8	11 676.1	12 400.7	6.1%	64.1%	13 185.5	14 068.9	14 842.7	6.2%	64.0%
<b>Capital</b>	<b>5 417.0</b>	<b>5 272.7</b>	<b>5 684.5</b>	<b>6 057.2</b>	<b>3.8%</b>	<b>31.7%</b>	<b>6 007.0</b>	<b>6 359.6</b>	<b>6 858.0</b>	<b>4.2%</b>	<b>29.7%</b>
Health facility revitalisation grant (direct)	5 417.0	5 272.7	5 684.5	6 057.2	3.8%	31.7%	6 007.0	6 359.6	6 858.0	4.2%	29.7%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 6: Health System Governance and Human Resources

### Programme purpose

Develop policies and systems for the planning, managing and training of health sector human resources, and for planning, monitoring and evaluation, and research in the sector. Provide oversight to all public entities in the sector and to statutory health professional councils in South Africa. Provide forensic laboratory services.

### Objectives

- Support and strengthen the key governance functions of the health sector by establishing and maintaining an effective information system to improve planning, monitoring and evaluation over the medium term.
- Ensure that the required number of individuals are trained and well distributed across the country and the levels of care by developing workforce policies and plans over the medium term.
- Ensure that all 5 public health entities and 6 statutory health professional councils comply with good governance practices by providing advice and technical support over the medium term.
- Increase production by placing all eligible students returning from the Nelson Mandela Fidel Castro medical programme in Cuba in local medical schools for final clinical training by March 2022.
- Achieve an equitable distribution of human resources across the country and the levels of care by developing and implementing regulations in terms of section 52 of the National Health Act (2003) by March 2022.
- Improve the quality of nursing education and practice by implementing a new three-year diploma in general nursing at all 10 nursing colleges by March 2022.
- Contribute to improving the functioning of the criminal justice system by eliminating backlogs for blood-alcohol tests at forensic chemistry laboratories by 2019/20, and reducing turnaround times on an ongoing basis.
- Improve the management of health facilities at all levels of care by ensuring that hospital chief executives and primary health care facility managers benefit from a coaching and mentoring programme implemented through the knowledge management hub over the medium term.

## Subprogrammes

- *Programme Management* supports and provides leadership for health workforce programmes, key governance functions such as planning and monitoring, public entity oversight and forensic chemistry laboratories.
- *Policy and Planning* provides advisory and strategic technical assistance on policy and planning, and supports policy analysis and implementation.
- *Public Entities Management and Laboratories* supports the executive authority's oversight function and provides guidance to health entities and statutory councils that fall within the mandate of health legislation with regard to planning and budget procedures, performance and financial reporting, remuneration, governance, and accountability. The subprogramme is also responsible for ante- and post-mortem analyses of blood alcohol levels for drunken driving, toxicology analyses of biological fluids and human organs in the event of unnatural deaths such as murder and suicide, and foodstuff analyses.
- *Nursing Services* develops and oversees the implementation of a policy framework for the development of required nursing skills and capacity, nursing norms and standards, and the facilitation of the development of the curriculum for nursing education.
- *Health Information, Monitoring and Evaluation* develops and maintains a national health information system, commissions and coordinates research, implements surveillance programmes for disease notification, and monitors and evaluates strategic health programmes.
- *Human Resources for Health* is responsible for the medium- to long-term planning of human resources in the national health system. This entails implementing the national human resources for health strategy, facilitating capacity development for the planning of a sustainable health workforce, and developing and implementing human resources information systems for planning and monitoring purposes.

## Expenditure trends and estimates

**Table 16.14 Health System Governance and Human Resources expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
Programme Management	4.5	4.3	6.3	6.0	10.0%	0.1%	6.2	6.6	7.0	5.2%	0.1%
Policy and Planning	7.5	10.8	82.8	6.8	-3.1%	0.6%	7.7	7.9	8.4	7.2%	0.1%
Public Entities Management and Laboratories	1 560.6	1 806.0	1 810.6	1 930.9	7.4%	39.7%	2 037.4	2 141.3	2 233.6	5.0%	40.1%
Nursing Services	4.2	7.3	8.0	9.3	30.2%	0.2%	9.4	10.0	10.6	4.5%	0.2%
Health Information, Monitoring and Evaluation	57.4	81.6	56.0	39.4	-11.8%	1.3%	45.3	45.3	48.4	7.1%	0.9%
Human Resources for Health	2 394.3	2 515.3	2 689.5	2 808.8	5.5%	58.1%	2 971.5	3 128.6	3 295.2	5.5%	58.6%
<b>Total</b>	<b>4 028.6</b>	<b>4 425.3</b>	<b>4 653.2</b>	<b>4 801.3</b>	<b>6.0%</b>	<b>100.0%</b>	<b>5 077.6</b>	<b>5 339.7</b>	<b>5 603.3</b>	<b>5.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(31.5)			0.1	(38.6)	(73.8)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>213.3</b>	<b>432.2</b>	<b>426.2</b>	<b>261.8</b>	<b>7.1%</b>	<b>7.4%</b>	<b>309.3</b>	<b>333.3</b>	<b>348.4</b>	<b>10.0%</b>	<b>6.0%</b>
Compensation of employees	144.9	278.7	309.0	177.5	7.0%	5.1%	188.6	207.0	214.7	6.6%	3.8%
Goods and services <sup>1</sup>	68.4	153.5	117.2	84.3	7.2%	2.4%	120.7	126.3	133.7	16.6%	2.2%
of which:											
Consultants: Business and advisory services	13.9	61.7	40.0	4.3	-32.5%	0.7%	43.4	44.5	47.7	123.6%	0.7%
Contractors	6.3	5.0	7.7	6.3	0.3%	0.1%	10.4	11.7	12.4	24.9%	0.2%
Fleet services (including government motor transport)	3.1	10.4	6.3	4.2	10.6%	0.1%	5.6	5.6	5.9	11.9%	0.1%
Inventory: Other supplies	11.7	9.2	9.4	12.7	2.8%	0.2%	9.1	12.9	13.6	2.1%	0.2%
Travel and subsistence	7.5	23.4	13.1	2.0	-35.8%	0.3%	8.7	9.2	9.6	69.2%	0.1%
Operating payments	7.0	8.3	5.1	16.1	31.9%	0.2%	7.8	6.3	6.6	-25.8%	0.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>3 796.2</b>	<b>3 982.1</b>	<b>4 139.6</b>	<b>4 514.7</b>	<b>5.9%</b>	<b>91.8%</b>	<b>4 742.4</b>	<b>4 974.5</b>	<b>5 221.2</b>	<b>5.0%</b>	<b>93.4%</b>
Provinces and municipalities	2 374.7	2 476.7	2 631.8	2 784.5	5.4%	57.3%	2 940.4	3 102.2	3 272.8	5.5%	58.1%
Departmental agencies and accounts	1 397.6	1 477.8	1 498.6	1 700.0	6.7%	33.9%	1 801.9	1 872.4	1 948.5	4.7%	35.2%
Non-profit institutions	23.5	25.4	–	30.0	8.6%	0.4%	–	–	–	-100.0%	0.1%
Households	0.4	2.1	9.2	0.2	-13.1%	0.1%	–	–	–	-100.0%	–

**Table 16.14 Health System Governance and Human Resources expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
<b>Payments for capital assets</b>	<b>18.9</b>	<b>10.6</b>	<b>87.3</b>	<b>24.8</b>	<b>9.3%</b>	<b>0.8%</b>	<b>25.9</b>	<b>31.9</b>	<b>33.7</b>	<b>10.8%</b>	<b>0.6%</b>
Machinery and equipment	18.1	10.6	87.3	24.7	10.9%	0.8%	25.9	31.9	33.7	10.9%	0.6%
Software and other intangible assets	0.8	–	–	0.0	-64.7%	–	–	–	–	-100.0%	–
<b>Payments for financial assets</b>	<b>0.1</b>	<b>0.4</b>	<b>0.1</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>4 028.6</b>	<b>4 425.3</b>	<b>4 653.2</b>	<b>4 801.3</b>	<b>6.0%</b>	<b>100.0%</b>	<b>5 077.6</b>	<b>5 339.7</b>	<b>5 603.3</b>	<b>5.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>11.2%</b>	<b>11.5%</b>	<b>11.0%</b>	<b>10.1%</b>	<b>–</b>	<b>–</b>	<b>9.9%</b>	<b>9.4%</b>	<b>9.0%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>0.4</b>	<b>1.9</b>	<b>2.2</b>	<b>0.2</b>	<b>-13.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Employee social benefits	0.4	1.9	2.2	0.2	-13.1%	–	–	–	–	-100.0%	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>1 394.3</b>	<b>1 474.3</b>	<b>1 494.9</b>	<b>1 696.1</b>	<b>6.8%</b>	<b>33.8%</b>	<b>1 797.9</b>	<b>1 868.1</b>	<b>1 943.9</b>	<b>4.7%</b>	<b>35.1%</b>
South African Medical Research Council	623.9	660.3	617.2	624.8	0.1%	14.1%	686.7	722.3	758.7	6.7%	13.4%
National Health Laboratory Service	678.9	711.9	746.5	810.8	6.1%	16.5%	785.5	828.0	871.1	2.4%	15.8%
Office of Health Standards Compliance	88.9	100.5	125.7	129.7	13.4%	2.5%	136.5	144.0	151.9	5.4%	2.7%
Council for Medical Schemes	2.6	1.6	5.5	5.7	30.4%	0.1%	6.0	6.3	6.7	5.5%	0.1%
South African Health Product Regulatory Authority	–	–	–	125.2	–	0.7%	183.3	167.5	155.6	7.5%	3.0%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>–</b>	<b>0.3</b>	<b>7.0</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Employee social benefits	–	0.3	–	–	–	–	–	–	–	–	–
University of the Witwatersrand	–	–	7.0	–	–	–	–	–	–	–	–
<b>Non-profit institutions</b>											
<b>Current</b>	<b>23.5</b>	<b>25.4</b>	<b>–</b>	<b>30.0</b>	<b>8.6%</b>	<b>0.4%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>
Wits University Foundation	–	0.7	–	–	–	–	–	–	–	–	–
Health information systems programme	12.1	12.7	–	14.2	5.4%	0.2%	–	–	–	-100.0%	0.1%
Health Systems Trust	11.4	12.0	–	15.9	11.8%	0.2%	–	–	–	-100.0%	0.1%
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>2 374.7</b>	<b>2 476.7</b>	<b>2 631.8</b>	<b>2 784.5</b>	<b>5.4%</b>	<b>57.3%</b>	<b>2 940.4</b>	<b>3 102.2</b>	<b>3 272.8</b>	<b>5.5%</b>	<b>58.1%</b>
Health professions training and development grant	2 374.7	2 476.7	2 631.8	2 784.5	5.4%	57.3%	2 940.4	3 102.2	3 272.8	5.5%	58.1%
<b>Departmental agencies and accounts</b>											
<b>Social security funds</b>											
<b>Current</b>	<b>3.4</b>	<b>3.5</b>	<b>3.7</b>	<b>3.8</b>	<b>4.5%</b>	<b>0.1%</b>	<b>4.1</b>	<b>4.3</b>	<b>4.5</b>	<b>5.5%</b>	<b>0.1%</b>
Compensation Commissioner	3.4	3.5	3.7	3.8	4.5%	0.1%	4.1	4.3	4.5	5.5%	0.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

### National Health Laboratory Service

#### Mandate

The National Health Laboratory Service was established in 2001 in terms of the National Health Laboratory Service Act (2000). It provides cost-effective diagnostic laboratory services to state clinics and hospitals. The entity is the largest diagnostic pathology service in South Africa, and serves more than 80 per cent of the population through its network of 288 laboratories. It also provides health science training and conducts innovative research. Its specialised divisions include the National Institute for Communicable Diseases, the National Institute for Occupational Health, the National Cancer Registry and the anti-venom unit.

## Selected performance indicators

Table 16.15 National Health Laboratory Service performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of CD4 tests performed within the specified timeframe per year	Laboratory tests	Outcome 2: A long and healthy life for all South Africans	89% (3 043 404/ 3 419 555) within 48 hours	94% (3 193 157/ 3 380 991) within 48 hours	91% (2 738 438/ 2 990 284) within 40 hours	90% within 40 hours	90% within 40 hours	93% within 40 hours	95% within 40 hours
Percentage of viral load tests performed within 96 hours per year	Laboratory tests		64% (2 757 422/ 4 308 472)	87% (3 920 964/ 4 491 312)	82% (4 087 650/ 4 943 017)	75%	75%	80%	85%
Percentage of TB microscopy/GeneXpert tests performed within the specified timeframe per year	Laboratory tests		91% (3 005 801/ 3 303 078) within 48 hours	97% (2 276 816/ 2 354 930) within 48 hours	91% (1 875 803/ 2 055 569) within 40 hours	90% within 40 hours	90% within 40 hours	95% within 40 hours	95% within 40 hours
Percentage of HIV polymerase chain reaction tests performed within 96 hours per year	Laboratory tests		73% (408 296/ 559 310)	82% (465 627/ 568 571)	77% (442 765/ 576 145)	75%	85%	90%	95%
Percentage of cervical smear tests performed within 5 weeks per year	Laboratory tests		48% (445 827/ 928 806)	97% (883 168/ 911 720)	90% (768 317/ 849 968)	80% <sup>1</sup>	90%	95%	98%
Percentage of national central laboratories accredited by the South African National Accreditation System per year	Research		86% (46/53)	90% (43/48)	92% (50/53)	99%	98%	100%	100%
Percentage of laboratories achieving proficiency testing schemes performance standards of 80 per cent per year	Research		-2	87% (214/246)	92% (233/254)	83%	94%	95%	98%
Number of peer-reviewed articles published annually	Research		-2	570	588	590	600	650	700
Percentage of occupational and environmental health laboratory tests conducted within predefined turnaround time	Occupational health		77% (6226/8 086)	93% (4 366/4 712)	86% (7 052/8 200)	85%	90%	90%	90%
Percentage of outbreaks responded to within 24 hours of notification per year	Surveillance of communicable diseases		-2	100% (1 212/1 212)	100% (1341/1341)	100%	100%	100%	100%

1. Target was incorrectly published as 75 per cent in the 2018 Estimates of National Expenditure. 80 per cent is the target in the service's 2018/19 annual performance plan.

2. No historical data available.

## Expenditure analysis

Over the medium term, the National Health Laboratory Service aims to continue focusing on providing affordable, high-quality laboratory services to health care facilities, primarily in the public sector; training pathologists and other health professionals; and conducting research. Through the National Institute of Communicable Diseases and the National Institute for Occupational Health, the service provides surveillance of communicable and non-communicable diseases. These objectives contribute to the NDP's goals of improving the quality of health care services and controlling epidemics, and to the realisation of outcome 2 (a long and healthy life for all South Africans) of government's 2014-2019 medium-term strategic framework.

The *Laboratory tests* programme aims to ensure that laboratory services to test for HIV and associated opportunistic infections, such as TB, cryptococcus and hepatitis, are accessible and affordable. The programme also performs tests for non-communicable diseases such as cancer, diabetes and heart diseases. To ensure better processing of tests and improved service delivery, the service plans to replace old equipment in its facilities across South Africa at a projected cost of R210 million over the MTEF period. As a result, by 2021/22, 95 per cent of tests for CD4 count and TB are expected to be performed within 40 hours; 95 per cent of polymerase chain reaction tests for the diagnosis of HIV in children within 96 hours; and 85 per cent of viral load tests within 96 hours. To allow for increased test volumes and improved turnaround times, overall expenditure in this programme is set to increase at an average annual rate of 8.3 per cent, from R6.6 billion in 2018/19 to R8.4 billion in 2021/22. Spending in this programme accounts for an estimated 78.7 per cent (R23.5 billion) of the service's total expenditure over the medium term.

As part of its *Research* programme, in 2019/20, 250 registrars are expected to be in training to become pathologists, 45 of whom are set to qualify as pathologists; and 70 new registrars are set to be admitted. The service plans to publish 1 950 peer-reviewed articles over the medium term and ensure that the South African National Accreditation System accredits 100 per cent of national central laboratories. To achieve these targets,

R1.5 billion over the MTEF period is allocated to the *Research* programme.

The National Institute for Communicable Diseases, the National Institute for Occupational Health and the *Research* programme are partially funded by departmental transfers, which are projected to increase at an average annual rate of 7.4 per cent, from R980.8 million in 2018/19 to R1.2 billion in 2021/22. R1.2 billion over the MTEF period has been earmarked for the National Institute for Communicable Diseases to carry out surveillance of communicable diseases, with the intention of responding to outbreaks within 24 hours. The National Institute for Occupational Health is expected to receive R421.3 million over the same period to provide training and research in occupational health. It aims to conduct 90 per cent of occupational and environmental health laboratory tests over the medium term within specified turnaround times.

An increase of 1 per cent in the volume of tests, from 91 302 407 in 2016/17 to 92 468 360 in 2017/18, translated into an increase of R789.8 million in revenue, mainly from tests ordered by provincial departments of health, in 2017/18. The volume of tests is anticipated to continue to increase at this rate over the medium term. As a result, boosted by annual tariff increases, revenue from laboratory tests is set to increase at an average annual rate of 6.5 per cent, from R7.6 billion in 2018/19 to R9.2 billion in 2021/22. This equates to 86.2 per cent (R25.8 billion) of the service's total projected revenue over the MTEF period, and 11.5 per cent (R3.5 billion) is set to be generated through transfers from the department.

### Programmes/Objectives/Activities

**Table 16.16 National Health Laboratory Service expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
Administration	1 202.6	667.5	690.6	920.3	-8.5%	11.4%	984.7	1 045.1	1 106.7	6.3%	10.6%
Surveillance of communicable diseases	271.6	342.2	326.2	352.5	9.1%	4.1%	370.0	394.8	420.7	6.1%	4.0%
Occupational health	90.1	93.1	114.0	125.1	11.6%	1.4%	131.3	140.3	149.8	6.2%	1.4%
Laboratory tests	4 937.6	8 106.1	5 474.1	6 623.8	10.3%	78.9%	7 311.7	7 798.0	8 415.5	8.3%	78.7%
Research	191.0	219.2	438.4	462.0	34.2%	4.2%	486.1	515.0	543.2	5.5%	5.2%
<b>Total</b>	<b>6 693.0</b>	<b>9 428.1</b>	<b>7 043.3</b>	<b>8 483.7</b>	<b>8.2%</b>	<b>100.0%</b>	<b>9 283.8</b>	<b>9 893.2</b>	<b>10 635.8</b>	<b>7.8%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 16.17 National Health Laboratory Service statements of historical financial performance and position**

Statement of financial performance									
R million	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/ Budget (%)
	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>5 819.8</b>	<b>6 105.0</b>	<b>6 599.1</b>	<b>6 653.2</b>	<b>6 924.3</b>	<b>7 334.9</b>	<b>7 760.0</b>	<b>7 739.0</b>	<b>102.7%</b>
Sale of goods and services other than capital assets	5 742.7	5 763.3	6 463.6	6 379.6	6 751.1	7 169.4	7 613.6	7 613.6	101.3%
<i>of which:</i>									
<i>Sales by market establishment</i>	5 742.7	5 763.3	6 463.6	6 379.6	6 751.1	7 169.4	7 613.6	7 613.6	101.3%
Other non-tax revenue	77.0	341.7	135.4	273.6	173.1	165.4	146.4	125.4	170.3%
<b>Transfers received</b>	<b>678.9</b>	<b>860.8</b>	<b>711.9</b>	<b>864.6</b>	<b>964.7</b>	<b>1 011.0</b>	<b>959.8</b>	<b>980.8</b>	<b>112.1%</b>
<b>Total revenue</b>	<b>6 498.7</b>	<b>6 965.7</b>	<b>7 310.9</b>	<b>7 517.9</b>	<b>7 889.0</b>	<b>8 345.9</b>	<b>8 719.8</b>	<b>8 719.8</b>	<b>103.7%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>6 147.1</b>	<b>6 693.0</b>	<b>6 941.4</b>	<b>9 428.1</b>	<b>7 616.5</b>	<b>7 043.3</b>	<b>8 483.7</b>	<b>8 483.7</b>	<b>108.4%</b>
Compensation of employees	2 423.5	2 566.0	3 064.7	3 228.5	3 454.9	3 326.2	3 856.9	3 856.9	101.4%
Goods and services	3 672.7	4 008.2	3 746.2	6 060.0	4 026.9	3 490.1	4 479.1	4 479.1	113.3%
Depreciation	40.4	118.6	130.3	127.6	134.4	211.7	135.8	135.8	134.6%
Interest, dividends and rent on land	10.5	0.2	0.2	12.0	0.2	15.3	12.0	12.0	172.4%
<b>Total expenses</b>	<b>6 147.1</b>	<b>6 693.0</b>	<b>6 941.4</b>	<b>9 428.1</b>	<b>7 616.5</b>	<b>7 043.3</b>	<b>8 483.7</b>	<b>8 483.7</b>	<b>108.4%</b>
<b>Surplus/(Deficit)</b>	<b>352.0</b>	<b>273.0</b>	<b>370.0</b>	<b>(1 910.0)</b>	<b>273.0</b>	<b>1 303.0</b>	<b>236.0</b>	<b>236.0</b>	

**Table 16.17 National Health Laboratory Service statements of historical financial performance and position**

Statement of financial position	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/Budget (%)
	2015/16	2016/17	2017/18	2018/19	Budget estimate	Revised estimate	2015/16 - 2018/19		
R million									
Carrying value of assets	764.2	501.5	784.8	1 240.4	1 114.3	1 257.2	1 569.7	1 569.7	107.9%
<i>of which:</i>									
Acquisition of assets	(526.4)	(155.3)	(200.0)	(187.6)	(235.0)	(128.5)	(320.0)	(320.0)	61.8%
Inventory	103.2	104.2	110.3	116.8	118.0	124.4	119.2	119.2	103.1%
Receivables and prepayments	2 135.5	3 154.9	3 090.9	1 736.9	1 813.2	2 453.4	1 895.6	1 599.5	100.1%
Cash and cash equivalents	699.4	739.0	707.1	392.0	563.6	1 119.1	659.9	1 215.5	131.8%
<b>Total assets</b>	<b>3 702.3</b>	<b>4 499.6</b>	<b>4 693.1</b>	<b>3 486.1</b>	<b>3 609.1</b>	<b>4 954.2</b>	<b>4 244.4</b>	<b>4 503.8</b>	<b>107.4%</b>
Accumulated surplus/(deficit)	2 043.8	1 869.8	2 292.0	(0.4)	262.1	1 264.6	498.1	1 500.6	90.9%
Capital and reserves	42.8	0.3	0.3	597.6	0.3	688.4	0.3	0.3	2 935.5%
Finance lease	-	-	-	81.6	86.0	70.3	75.4	75.4	140.8%
Deferred income	-	4.1	58.2	12.3	12.9	20.3	13.6	13.6	59.4%
Trade and other payables	439.4	872.2	932.4	961.9	1 204.6	1 022.5	1 276.7	856.7	96.4%
Benefits payable	-	21.0	24.8	23.6	26.4	26.5	29.5	29.5	124.5%
Taxation	-	-	-	10.7	-	10.9	-	-	-
Provisions	1 176.2	1 621.3	1 385.4	1 713.1	1 970.1	1 827.4	2 303.1	1 980.0	104.5%
Derivatives financial instruments	-	110.9	-	85.8	46.7	23.3	47.6	47.6	283.9%
<b>Total equity and liabilities</b>	<b>3 702.3</b>	<b>4 499.6</b>	<b>4 693.1</b>	<b>3 486.1</b>	<b>3 609.1</b>	<b>4 954.2</b>	<b>4 244.4</b>	<b>4 503.8</b>	<b>107.4%</b>

**Statements of estimates of financial performance and position****Table 16.18 National Health Laboratory Service statements of estimates of financial performance and position**

Statement of financial performance	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
				2018/19	2019/20	2020/21		
R million								
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>7 739.0</b>	<b>8.2%</b>	<b>88.2%</b>	<b>8 282.6</b>	<b>8 839.1</b>	<b>9 491.7</b>	<b>7.0%</b>	<b>88.5%</b>
Sale of goods and services other than capital assets	7 613.6	9.7%	85.2%	8 032.2	8 571.1	9 208.4	6.5%	86.2%
<i>of which:</i>								
Sales by market establishment	7 613.6	9.7%	85.2%	8 032.2	8 571.1	9 208.4	6.5%	86.2%
Other non-tax revenue	125.4	-28.4%	3.0%	250.4	268.1	283.3	31.2%	2.4%
<b>Transfers received</b>	<b>980.8</b>	<b>4.4%</b>	<b>11.8%</b>	<b>1 097.8</b>	<b>1 152.1</b>	<b>1 216.4</b>	<b>7.4%</b>	<b>11.5%</b>
<b>Total revenue</b>	<b>8 719.8</b>	<b>7.8%</b>	<b>100.0%</b>	<b>9 380.4</b>	<b>9 991.2</b>	<b>10 708.1</b>	<b>7.1%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>8 483.7</b>	<b>8.2%</b>	<b>100.0%</b>	<b>9 283.8</b>	<b>9 893.2</b>	<b>10 635.8</b>	<b>7.8%</b>	<b>100.0%</b>
Compensation of employees	3 856.9	14.5%	41.3%	4 193.8	4 571.8	4 984.6	8.9%	45.9%
Goods and services	4 479.1	3.8%	56.6%	4 939.1	5 163.2	5 485.1	7.0%	52.4%
Depreciation	135.8	4.6%	1.9%	139.4	147.2	154.5	4.4%	1.5%
Interest, dividends and rent on land	12.0	302.5%	0.1%	11.5	11.0	11.6	-1.3%	0.1%
<b>Total expenses</b>	<b>8 483.7</b>	<b>8.2%</b>	<b>100.0%</b>	<b>9 283.8</b>	<b>9 893.2</b>	<b>10 635.8</b>	<b>7.8%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>236.0</b>			<b>97.0</b>	<b>98.0</b>	<b>72.0</b>		
<b>Statement of financial position</b>								
Carrying value of assets	1 569.7	46.3%	26.7%	1 500.7	1 551.2	1 730.3	3.3%	30.6%
<i>of which:</i>								
Acquisition of assets	(320.0)	27.2%	-4.6%	(225.0)	(232.0)	(240.0)	-9.1%	-5.0%
Inventory	119.2	4.6%	2.7%	120.4	121.6	122.8	1.0%	2.3%
Receivables and prepayments	1 599.5	-20.3%	51.2%	1 650.0	1 700.0	1 750.0	3.0%	32.3%
Cash and cash equivalents	1 215.5	18.0%	19.3%	1 674.0	2 083.6	2 421.0	25.8%	34.8%
<b>Total assets</b>	<b>4 503.8</b>	<b>0.0%</b>	<b>100.0%</b>	<b>4 945.1</b>	<b>5 456.4</b>	<b>6 024.1</b>	<b>10.2%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	1 500.6	-7.1%	25.1%	1 597.2	1 695.2	1 767.5	5.6%	31.5%
Capital and reserves	0.3	-	7.8%	0.3	0.3	0.3	-	0.0%
Finance lease	75.4	1.4%	1.4%	91.8	101.2	111.5	13.9%	1.8%
Deferred income	13.6	48.8%	0.3%	14.4	15.2	16.0	5.5%	0.3%
Trade and other payables	856.7	-0.6%	21.7%	915.3	976.9	1 068.6	7.6%	18.3%
Benefits payable	29.5	12.1%	0.6%	33.1	37.1	41.5	12.0%	0.7%
Provisions	1 980.0	6.9%	41.5%	2 244.4	2 581.1	2 968.2	14.4%	46.5%
Derivatives financial instruments	47.6	-24.6%	1.6%	48.5	49.5	50.5	2.0%	0.9%
<b>Total equity and liabilities</b>	<b>4 503.8</b>	<b>0.0%</b>	<b>100.0%</b>	<b>4 945.1</b>	<b>5 456.4</b>	<b>6 024.1</b>	<b>10.2%</b>	<b>100.0%</b>

## Personnel information

**Table 16.19 National Health Laboratory Service personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22			
National Health Laboratory Service		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	8 467	8 467	7 615	3 326.2	0.4	8 467	3 856.9	0.5	8 467	4 193.8	0.5	8 467	4 571.8	0.5	8 467	4 984.6	0.6	8.9%	100.0%
1 – 6	3 809	3 809	3 387	748.8	0.2	3 809	896.6	0.2	3 809	990.2	0.3	3 809	1 083.2	0.3	3 809	1 203.3	0.3	10.3%	45.0%
7 – 10	3 938	3 938	3 508	1 575.1	0.4	3 938	1 859.1	0.5	3 938	2 045.9	0.5	3 938	2 262.0	0.6	3 938	2 477.7	0.6	10.0%	46.5%
11 – 12	436	436	436	450.3	1.0	436	504.6	1.2	436	526.6	1.2	436	561.3	1.3	436	595.7	1.4	5.7%	5.1%
13 – 16	283	283	283	549.6	1.9	283	594.0	2.1	283	628.4	2.2	283	662.3	2.3	283	704.7	2.5	5.9%	3.3%
17 – 22	1	1	1	2.5	2.5	1	2.6	2.6	1	2.8	2.8	1	3.0	3.0	1	3.2	3.2	6.5%	0.0%

1. Rand million.

## South African Medical Research Council

### Mandate

The mandate of the South African Medical Research Council is to contribute to improving health and quality of life for South Africans through research, development and technology transfer. The council is guided by the amended South African Medical Research Council Act (1991), and its scope of work includes health priorities such as TB, HIV and AIDS, cardiovascular diseases, non-communicable diseases, linkages between gender and health, and alcohol and other drug abuse.

### Selected performance indicators

**Table 16.20 South African Medical Research Council performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of published journal articles, book chapters and books by council researchers per year	Core research	Outcome 2: A long and healthy life for all South Africans	680	660	865 <sup>1</sup>	750	800	850	900
Number of journal articles published by council grant holders with acknowledgement of council support per year	Core research		101	135	197	196	214	232	255
Number of published indexed impact factor journal articles produced with authors affiliated with the council per year	Core research		602	605	650	700	750	800	850
Number of journal articles where the first and/or last author is affiliated with the council per year <sup>2</sup>	Core research		417	415	490	500	550	600	650
Number of new local/international policies and guidelines per year that reference the council	Core research		4	4	9	6	7	8	9
Number of research grants awarded by the council per year	Core research		112	147	168	176	186	196	225
Number of new innovation and technology projects funded to develop new diagnostics, devices, vaccines and therapeutics per year	Innovation and technology		34	56	92	40 <sup>3</sup>	40 <sup>3</sup>	45 <sup>3</sup>	52 <sup>3</sup>
Number of new diagnostics, devices, vaccines and therapeutics developed to the next stage of development per year	Innovation and technology		- <sup>4</sup>	2	2	2	2	2	3
Number of bursaries/scholarships/fellowships provided for postgraduate study at masters, doctoral and postdoctoral levels per year	Capacity development		66	156	155	101 <sup>3</sup>	106 <sup>3</sup>	111 <sup>3</sup>	115 <sup>3</sup>
Number of masters and doctoral students who graduated during the reporting period per year	Capacity development		- <sup>4</sup>	69	80	60	65	70	75

- High achievement due to the establishment of new research units.
- First and/or last author refers to the senior author of an article. The council places the senior author first in the list of authors, whereas most extramural units place the senior author last.
- The council will revisit the targets in its next strategic plan.
- No historical data available.

### **Expenditure analysis**

The South African Medical Research Council's strategic plan remains aligned with the country's changing health research needs. It aims to support the national trajectory towards the achievement of the objectives set out in the United Nations sustainable development goals, the NDP, and outcome 2 (a long and healthy life for all South Africans) of government's 2014-2019 medium-term strategic framework. It does this through its focus on funding and conducting core research, building South Africa's medium- and long-term capacity in health research, and developing innovations and technology. Over the MTEF period, the council intends to increase the number of publications produced from 750 in 2018/19 to 900 in 2021/22, and the number of research grants awarded from 176 to 225 over the same period.

Through its biomedical research collaboration with the National Institutes of Health, an American medical research agency, the council intends to expand the management capacity of biomedical research at a number of South African research institutions, with the council and National Institutes of Health each expected to contribute R45 million per year from 2019/20. This spending is in the Core research programme, which accounts for 57.1 per cent (R2 billion) of the council's total projected expenditure over the medium term, increasing at an average annual rate of 0.8 per cent, from R664.9 million in 2018/19 to R681.4 million in 2021/22. Of this amount, R1.5 million is allocated to develop proposals for further funding to conduct research on the burden of mental health, suicide and depression at tertiary institutions.

In an effort to develop medical research capacity in South Africa, the council has been collaborating with the department and the Public Health Enhancement Fund to initiate the national health scholars programme, a doctoral development programme for young scientists from all health professions. As a result, the number of bursaries, scholarships or fellowships awarded is anticipated to increase from 101 in 2018/19 to 115 in 2021/22, and the number of masters and doctoral students graduating is projected to increase from 60 to 75 over the same period. Accordingly, spending in the *Capacity development* programme is set to increase at an average annual rate of 1.7 per cent, from R93.1 million in 2018/19 to R97.8 million in 2021/22, with R48 million earmarked over the MTEF period for PhD development in scarce skills areas such as biostatistics and epidemiology.

Through the council's co-funding partnerships with institutions such as the Bill and Melinda Gates Foundation, the Newton Fund, the Wellcome Trust, GlaxoSmithKline and the United Kingdom Medical Research Council, priority research is conducted in areas such as TB, HIV, non-communicable diseases and mental health. The council is set to invest an estimated R30 million per year over the medium term for research in these priority areas, while each partner is expected to invest an estimated R40 million. The council also funds the development of new drugs, vaccines and medical devices based on the outcomes of this research, and expects the number of these to increase from 40 in 2018/19 to 52 in 2021/22. These activities are expected to lead to expenditure of R603.7 million over the MTEF period in the *Innovation and technology* programme.

Expenditure is expected to increase at an average annual rate of 1.4 per cent, from R1.1 billion in 2018/19 to R1.2 billion in 2021/22, enabling the council to change its budget balance from a deficit to a surplus in 2020/21. The deficits were incurred by the council to sustain funding for international collaborative partnerships despite very low increases in revenue between 2015/16 and 2018/19.

Cabinet has approved increases to the council's allocation of R120 million over the MTEF period to enable the council to sustain its international co-funding initiatives. As a result, transfers from the department, comprising an estimated 61.4 per cent (R2.2 billion) of the council's total projected revenue over the medium term, are set to increase at an average annual rate of 6.7 per cent, from R624.9 million in 2018/19 to R758.7 million in 2021/22. Revenue derived from contracts with international donors and other research funders is projected to increase more moderately at 3.2 per cent per year, from R387.4 million to R426.2 million over the same period.



## Programmes/Objectives/Activities

**Table 16.21 South African Medical Research Council expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	170.3	189.4	211.1	183.1	2.4%	17.8%	194.0	202.6	215.8	5.6%	17.1%
Core research	535.1	542.7	639.2	664.9	7.5%	56.1%	638.6	671.0	681.4	0.8%	57.1%
Innovation and technology	151.7	236.6	255.7	206.2	10.8%	19.9%	201.9	199.3	202.4	-0.6%	17.4%
Capacity development	45.1	60.6	67.7	93.1	27.4%	6.2%	98.2	97.4	97.8	1.7%	8.3%
<b>Total</b>	<b>902.3</b>	<b>1 029.2</b>	<b>1 173.6</b>	<b>1 147.3</b>	<b>8.3%</b>	<b>100.0%</b>	<b>1 132.8</b>	<b>1 170.4</b>	<b>1 197.3</b>	<b>1.4%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

**Table 16.22 South African Medical Research Council statements of historical financial performance and position**

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2015/16 2018/19	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>413.5</b>	<b>339.1</b>	<b>356.2</b>	<b>403.9</b>	<b>372.8</b>	<b>512.2</b>	<b>418.4</b>	<b>418.4</b>	<b>107.2%</b>
Sale of goods and services other than capital assets	359.2	306.8	323.0	366.4	342.4	467.1	387.4	387.4	108.2%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>359.2</i>	<i>306.8</i>	<i>323.0</i>	<i>366.4</i>	<i>342.4</i>	<i>467.1</i>	<i>387.4</i>	<i>387.4</i>	<i>108.2%</i>
Other non-tax revenue	54.3	32.3	33.2	37.5	30.3	45.1	31.0	31.0	98.1%
<b>Transfers received</b>	<b>623.9</b>	<b>623.9</b>	<b>657.6</b>	<b>657.6</b>	<b>615.0</b>	<b>615.0</b>	<b>624.8</b>	<b>624.8</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>1 037.4</b>	<b>963.0</b>	<b>1 013.7</b>	<b>1 061.5</b>	<b>987.7</b>	<b>1 127.2</b>	<b>1 043.2</b>	<b>1 043.2</b>	<b>102.8%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>990.8</b>	<b>825.6</b>	<b>955.0</b>	<b>948.5</b>	<b>976.2</b>	<b>1 098.1</b>	<b>1 054.8</b>	<b>1 070.6</b>	<b>99.1%</b>
Compensation of employees	312.2	283.2	334.6	303.9	337.5	359.1	362.0	362.0	97.2%
Goods and services	658.2	522.6	599.8	625.3	617.6	716.9	671.4	687.1	100.2%
Depreciation	20.4	18.6	20.5	19.0	21.0	21.3	21.5	21.5	96.5%
Interest, dividends and rent on land	-	1.2	-	0.2	-	0.8	-	-	-
<b>Total expenses</b>	<b>1 067.4</b>	<b>902.3</b>	<b>1 035.7</b>	<b>1 029.2</b>	<b>1 051.6</b>	<b>1 173.6</b>	<b>1 131.6</b>	<b>1 147.3</b>	<b>99.2%</b>
<b>Surplus/(Deficit)</b>	<b>(30.0)</b>	<b>61.0</b>	<b>(22.0)</b>	<b>32.0</b>	<b>(64.0)</b>	<b>(46.0)</b>	<b>(88.0)</b>	<b>(104.0)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	146.5	144.0	152.8	148.0	152.1	167.2	156.9	174.4	104.2%
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(47.3)</i>	<i>(44.2)</i>	<i>(45.8)</i>	<i>(24.1)</i>	<i>(21.9)</i>	<i>(41.3)</i>	<i>(26.8)</i>	<i>(26.8)</i>	<i>96.1%</i>
Investments	6.5	6.4	6.8	6.4	7.0	6.8	7.6	7.6	97.5%
Receivables and prepayments	32.4	15.8	32.0	41.9	41.0	50.0	38.9	38.9	101.6%
Cash and cash equivalents	288.7	450.0	358.6	543.9	349.2	491.2	316.2	382.3	142.3%
Taxation	-	12.5	-	11.8	-	15.1	-	-	-
<b>Total assets</b>	<b>474.1</b>	<b>628.6</b>	<b>550.2</b>	<b>752.1</b>	<b>549.2</b>	<b>730.3</b>	<b>519.6</b>	<b>603.2</b>	<b>129.7%</b>
Accumulated surplus/(deficit)	212.1	304.0	282.0	336.2	272.3	289.8	184.0	185.7	117.4%
Capital reserve fund	141.9	-	165.7	-	-	-	-	-	-
Deferred income	-	206.0	-	288.9	178.2	279.4	245.0	301.5	254.2%
Trade and other payables	81.4	102.2	73.4	104.0	71.2	118.3	70.2	95.6	141.9%
Taxation	16.3	-	12.5	-	9.8	-	10.5	10.5	21.5%
Provisions	22.4	16.4	16.7	22.9	17.8	42.9	9.9	9.9	138.1%
<b>Total equity and liabilities</b>	<b>474.1</b>	<b>628.6</b>	<b>550.2</b>	<b>752.1</b>	<b>549.2</b>	<b>730.3</b>	<b>519.6</b>	<b>603.2</b>	<b>129.7%</b>

## Statements of estimates of financial performance and position

**Table 16.23 South African Medical Research Council statements of estimates of financial performance and position**

Statement of financial performance									
R million	Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22	
				2019/20	2020/21	2021/22			
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>418.4</b>	<b>7.3%</b>	<b>39.7%</b>	<b>424.3</b>	<b>454.3</b>	<b>452.3</b>	<b>2.6%</b>	<b>38.6%</b>	
Sale of goods and services other than capital assets	387.4	8.1%	36.2%	395.8	426.2	426.2	3.2%	36.0%	
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>387.4</i>	<i>8.1%</i>	<i>36.2%</i>	<i>395.8</i>	<i>426.2</i>	<i>426.2</i>	<i>3.2%</i>	<i>36.0%</i>	
Other non-tax revenue	31.0	-1.4%	3.5%	28.4	28.1	26.1	-5.6%	2.5%	
<b>Transfers received</b>	<b>624.8</b>	<b>0.1%</b>	<b>60.3%</b>	<b>686.7</b>	<b>722.3</b>	<b>758.7</b>	<b>6.7%</b>	<b>61.4%</b>	
<b>Total revenue</b>	<b>1 043.2</b>	<b>2.7%</b>	<b>100.0%</b>	<b>1 110.9</b>	<b>1 176.5</b>	<b>1 210.9</b>	<b>5.1%</b>	<b>100.0%</b>	

**Table 16.23 South African Medical Research Council statements of estimates of financial performance and position**

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2018/19				2015/16 - 2018/19	2019/20	2020/21		
R million									
<b>Expenses</b>									
<b>Current expenses</b>		<b>1 070.6</b>	<b>9.0%</b>	<b>92.6%</b>	<b>1 042.3</b>	<b>1 075.3</b>	<b>1 097.4</b>	<b>0.8%</b>	<b>92.2%</b>
Compensation of employees		362.0	8.5%	30.8%	381.5	408.9	435.6	6.4%	34.1%
Goods and services		687.1	9.6%	59.9%	638.1	643.0	638.2	-2.4%	56.1%
Depreciation		21.5	4.9%	1.9%	22.7	23.3	23.7	3.3%	2.0%
<b>Total expenses</b>		<b>1 147.3</b>	<b>8.3%</b>	<b>100.0%</b>	<b>1 132.8</b>	<b>1 170.4</b>	<b>1 197.3</b>	<b>1.4%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>		<b>(104.0)</b>			<b>(22.0)</b>	<b>6.0</b>	<b>14.0</b>		
<b>Statement of financial position</b>									
Carrying value of assets		174.4	6.6%	23.6%	176.5	180.5	185.5	2.1%	29.4%
of which:									
Acquisition of assets		(26.8)	-15.4%	-5.1%	(26.0)	(27.3)	(28.7)	2.4%	-4.5%
Investments		7.6	5.9%	1.0%	7.8	7.8	7.8	0.8%	1.3%
Receivables and prepayments		38.9	34.9%	5.3%	34.5	35.5	40.2	1.1%	6.1%
Cash and cash equivalents		382.3	-5.3%	68.6%	363.6	382.8	417.1	2.9%	63.3%
<b>Total assets</b>		<b>603.2</b>	<b>-1.4%</b>	<b>100.0%</b>	<b>582.3</b>	<b>606.5</b>	<b>650.6</b>	<b>2.6%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)		185.7	-15.2%	40.9%	163.8	170.0	183.6	-0.4%	28.8%
Deferred income		301.5	13.5%	39.9%	306.3	316.5	339.2	4.0%	51.7%
Trade and other payables		95.6	-2.2%	15.5%	88.9	92.1	99.7	1.4%	15.4%
Taxation		10.5	-	0.4%	12.0	15.0	15.0	12.5%	2.1%
Provisions		9.9	-15.7%	3.3%	11.4	13.0	13.2	10.1%	1.9%
<b>Total equity and liabilities</b>		<b>603.2</b>	<b>-1.4%</b>	<b>100.0%</b>	<b>582.3</b>	<b>606.5</b>	<b>650.6</b>	<b>2.6%</b>	<b>100.0%</b>

### Personnel information

**Table 16.24 South African Medical Research Council personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
South African Medical Research Council		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	623	623	640	359.1	0.6	623	362.0	0.6	664	381.5	0.6	673	408.9	0.6	673	435.6	0.6	6.4%	100.0%
1-6	186	186	196	38.0	0.2	186	36.0	0.2	199	38.7	0.2	200	41.6	0.2	200	44.5	0.2	7.3%	29.8%
7-10	311	311	315	157.7	0.5	311	157.0	0.5	332	168.7	0.5	339	180.8	0.5	339	193.4	0.6	7.2%	50.2%
11-12	64	64	68	65.3	1.0	64	65.6	1.0	70	70.3	1.0	71	75.1	1.1	71	79.7	1.1	6.7%	10.5%
13-16	59	59	58	89.4	1.5	59	94.1	1.6	60	94.6	1.6	60	101.7	1.7	60	108.0	1.8	4.7%	9.1%
17-22	3	3	3	8.7	2.9	3	9.2	3.1	3	9.1	3.0	3	9.7	3.2	3	10.1	3.4	3.1%	0.5%

1. Rand million.

### Other entities

Comprehensive coverage of the following public entity is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Compensation Commissioner for Occupational Diseases in Mines and Works** is mandated to compensate workers and ex-workers in controlled mines and works for occupational diseases of the cardiorespiratory organs, and reimburse them for any loss of earnings incurred while being treated for TB. The commissioner's total budget for 2019/20 is R211.3 million.
- The **Council for Medical Schemes** was established in terms of the Medical Schemes Act (1998) as the regulatory authority responsible for overseeing the medical schemes industry in South Africa. Section 7 of the act sets out the functions of the council, which include protecting the interests of beneficiaries, controlling and coordinating the functioning of medical schemes, collecting and disseminating information about private health care, and advising the Minister of Health on any matter concerning medical schemes. The council's total budget for 2019/20 is R185.3 million.
- The **Office of Health Standards Compliance** was established in terms of the National Health Amendment Act (2013), which mandates the office to: monitor and enforce the compliance of health establishments with the norms and standards prescribed by the Minister of Health in relation to the national health system; and ensure the consideration, investigation and disposal of complaints relating to non-compliance with

prescribed norms and standards in a procedurally fair, economical and expeditious manner. The office's total budget for 2019/20 is R136.5 million.

- The **South African Health Products Regulatory Authority** was established in terms of the Medicines Amendment Act (2015) to regulate medicines in South Africa. It is responsible for the regulation and control of the registration, licensing, manufacturing, import and all other aspects pertaining to active pharmaceutical ingredients, medicines and medical devices; and for conducting clinical trials in a manner compatible with the national medicines policy. The authority's total budget for 2019/20 is R308.3 million.

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2018/19	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
<b>Departmental infrastructure</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Limpopo: Tshilidzini hospital	Replacement of hospital	Feasibility	2 324.4	–	22.7	1.0	–	15.0	30.0	30.0
Limpopo: Elim hospital	Replacement of hospital and provision of a new gateway clinic in Vhembe District, Limpopo Province.	Feasibility	2 994.0	–	19.1	2.5	–	15.0	30.0	30.0
Limpopo: Academic hospital	Construction of new hospital	Feasibility	3 963.0	–	14.9	7.5	190.1	247.0	653.0	498.0
Limpopo: Siloam hospital	Construction of new hospital	Design	1 350.0	–	–	–	38.2	75.0	117.7	118.9
Gauteng: Soshanguve hospital	Construction of new hospital	Prefeasibility	1 400.0	–	–	–	15.0	26.0	20.0	100.0
<b>Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)</b>										
Eastern Cape: Bambisana hospital (refurbishment)	Revitalisation of hospital	Design	664.3	0.2	0.3	2.8	–	71.7	41.8	58.7
Eastern Cape: Zithulele hospital	Revitalisation of hospital	Design	510.8	–	–	2.9	5.0	50.0	44.0	45.4
Free State: Dihlabeng hospital revitalisation	Replacement of hospital	Prefeasibility	300.0	7.4	25.4	4.9	10.0	55.0	40.0	26.0
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Eastern Cape: Bambisana hospital (emergency repairs)	Emergency repairs	Hand over	35.8	–	13.9	21.9	–	–	–	–
Eastern Cape: Nolitha clinic	Replacement of clinic	Handed over	32.9	8.5	2.8	18.9	0.3	0.5	–	–
Eastern Cape: Nkanga clinic	Replacement of clinic	Handed over	31.9	15.8	8.9	3.6	1.2	0.5	–	–
Eastern Cape: Lutubeni clinic	Replacement of clinic	Handed over	29.5	9.1	11.0	5.2	1.2	0.5	–	–
Eastern Cape: Maxwele clinic	Replacement of clinic	Handed over	27.3	10.7	9.5	4.6	0.1	0.5	–	–
Eastern Cape: Lotana clinic	Replacement of clinic	Handed over	31.8	14.4	8.6	4.8	0.3	0.5	–	–
Eastern Cape: Lusikisiki clinic	Replacement of clinic	Hand over	84.0	20.0	29.9	20.4	11.7	0.5	–	–
Eastern Cape: Gengqe clinic	Replacement of clinic	Construction	23.9	5.2	4.2	11.1	1.3	0.5	–	–
Eastern Cape: Sakhela clinic	Replacement of clinic	Construction	35.6	10.8	14.5	3.5	5.0	0.5	–	–
Free State: Clocolan clinic	Replacement of clinic	Tender	91.0	0.9	7.7	2.9	1.8	19.2	30.0	28.5
Free State: Borwa clinic	Replacement of clinic	Design	84.9	0.9	0.8	0.6	1.7	12.0	29.2	19.4
Free State: Lusaka community health centre	Replacement of community health centre	Design	250.0	0.9	0.7	2.4	1.7	33.8	34.5	22.8
Limpopo: Magwedzha clinic	Replacement of clinic	Construction	87.2	1.0	1.0	1.9	19.0	24.0	14.2	4.0
Limpopo: Thengwe clinic	Replacement of clinic	Construction	77.2	1.0	1.0	2.3	21.0	24.7	2.0	5.0
Limpopo: Mulenzhe clinic	Replacement of clinic	Construction	81.1	1.0	1.0	6.6	16.0	24.2	7.7	5.0
Limpopo: Makonde clinic	Replacement of clinic	Construction	84.6	1.0	1.0	2.5	13.0	24.0	3.2	11.5
Limpopo: Chebeng community health centre	Replacement of community health centre	Tender	219.6	1.0	0.6	3.8	4.0	9.0	55.0	40.0
Mpumalanga: Msukaligwa community day centre	Replacement of clinic	Tender	128.5	0.4	1.3	0.3	1.8	25.0	29.9	30.0
Mpumalanga: Ethandakuhanya community day centre	Replacement of clinic	Design	146.8	0.4	2.1	0.2	1.8	15.0	43.0	30.0
Mpumalanga: Vukuzakhe clinic	Replacement of clinic	Construction	49.0	0.4	2.0	2.9	24.7	18.0	1.0	–
Mpumalanga: Balfour community health centre (24-hour mini-hospital)	Replacement of community health centre	Design	299.1	0.4	0.2	0.3	1.5	20.0	31.0	60.0

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
Mpumalanga: Nhlazatshe 6 clinic	Replacement of clinic	Construction	90.6	0.4	0.8	1.0	26.5	33.3	28.6	–
Eastern Cape: Butterworth nursing college	Rehabilitation of existing nursing education institute facility	Handed over	16.5	10.3	4.1	0.5	–	–	–	–
Gauteng: Chris Hani Baragwanath nursing college	Rehabilitation of existing nursing education institute facility	Handed over	25.6	15.6	8.2	1.0	–	–	–	–
Limpopo: Thohoyandou nursing college	Rehabilitation of existing nursing education institute facility	Construction	35.6	16.0	0.8	1.0	2.7	9.0	4.0	–
Mpumalanga: Middelburg nursing college	Rehabilitation of existing nursing education institute facility	Construction	37.9	11.6	1.6	2.4	7.4	6.0	7.2	–
Northern Cape: Henrietta nursing college	Rehabilitation of existing nursing education institute facility	Design	13.6	0.1	2.3	0.2	–	4.0	7.0	–
Doctors' consulting rooms	Provision of doctors' consulting rooms (various projects)	Handed over	370.8	64.9	68.7	15.2	–	–	–	–
Zithulele hospital emergency works	Emergency repairs	Handed over	56.6	–	14.4	42.2	–	–	–	–
Eastern Cape backlog maintenance through the Development Bank of Southern Africa	Backlog maintenance	Construction	163.5	–	15.5	93.9	54.1	–	–	–
Eastern Cape: Additions to clinics through the Development Bank of Southern Africa (ideal clinics)	Upgrading and renovation of 37 clinics	Construction	227.4	–	–	9.5	54.2	50.0	40.0	43.0
National health insurance backlog maintenance	Various projects related to rehabilitation and maintenance at various facilities	Construction	2 989.5	25.0	178.8	218.6	225.2	122.4	162.0	73.8
Health technology for national health insurance facilities	Various	Construction	106.9	59.0	14.5	–	–	–	–	–
Non-capital infrastructure projects, including maintenance (national health insurance facilities)	Maintenance, provision of provincial management support units and project management information systems, conditional assessments of facilities in national health insurance scheme pilot districts, in loco supervision, monitoring of 10-year health infrastructure plan	On-going	684.5	205.4	105.4	81.8	70.0	50.0	30.0	10.0
Zithulele hospital replacement (cancelled and now refurbishing hospital)	Refurbishment of Zithulele hospital	On hold	0.3	0.1	0.2	–	–	–	–	–
Limpopo: Hayani hospital	Upgrades and additions	Feasibility	200.0	–	–	–	–	18.0	20.0	80.0
Gauteng: Mamelodi hospital	Rehabilitation	Feasibility	150.0	–	–	–	–	18.0	20.0	112.0
Gauteng: Weskoppies hospital	Additions	Feasibility	200.0	–	–	–	–	18.0	20.0	80.0
Limpopo: Siloam hospital (housing replacement and upgrade of existing mental and mortuary)	Staff housing	Handed over	240.9	94.7	65.7	44.1	–	–	–	–
Free State: Dihlabeng hospital emergency repairs	Emergency repairs	Handed over	12.3	–	–	3.4	8.9	–	–	–

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Infrastructure transfers to other spheres, agencies and departments</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Health facility revitalisation grant: Eastern Cape	Construction of new facilities, upgrades to existing health facilities	On-going	4 538.3	592.1	619.0	620.8	652.1	785.0	610.8	658.6
Health facility revitalisation grant: Free State	Construction of new facilities, upgrades to existing health facilities	On-going	3 786.2	586.9	474.7	552.2	576.4	498.7	528.0	569.4
Health facility revitalisation grant: Gauteng	Construction of new facilities, upgrades to existing health facilities	On-going	5 606.2	313.6	777.8	890.7	874.8	859.0	909.4	980.7
Health facility revitalisation grant: KwaZulu-Natal	Construction of new facilities, upgrades to existing health facilities	On-going	8 769.7	1 229.8	1 114.7	1 149.4	1 402.0	1 353.5	1 212.7	1 307.7
Health facility revitalisation grant: Limpopo	Construction of new facilities, upgrades to existing health facilities	On-going	3 248.3	358.5	379.1	508.1	536.9	458.0	484.8	522.8
Health facility revitalisation grant: Mpumalanga	Construction of new facilities, upgrades to existing health facilities	On-going	2 332.5	287.9	281.2	325.6	333.9	344.9	365.2	393.8
Health facility revitalisation grant: Northern Cape	Construction of new facilities, upgrades to existing health facilities	On-going	3 152.9	582.8	472.3	443.8	416.4	386.7	409.4	441.5
Health facility revitalisation grant: North West	Construction of new facilities, upgrades to existing health facilities	On-going	3 977.4	695.3	480.4	588.3	585.9	508.5	538.4	580.6
Health facility revitalisation grant: Western Cape	Construction of new facilities, upgrades to existing health facilities	On-going	4 871.0	770.1	673.5	605.8	678.8	812.6	640.0	690.2
Health facility revitalisation grant: Incentive-based portion yet to be allocated to provinces	Construction of new facilities, upgrades to existing health facilities	On-going	1 373.5	–	–	–	–	–	660.9	712.7
<b>Total</b>			<b>62 716.7</b>	<b>6 031.6</b>	<b>5 959.2</b>	<b>6 341.6</b>	<b>6 893.6</b>	<b>7 143.4</b>	<b>7 955.4</b>	<b>8 420.1</b>

# Vote 17

## Social Development

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	408.4	403.3	2.1	2.9	434.0	459.7
Social Assistance	175 155.6	–	175 155.6	–	189 273.5	202 867.9
Social Security Policy and Administration	7 748.9	120.0	7 626.4	2.5	8 261.1	8 768.9
Welfare Services Policy Development and Implementation Support	1 065.8	286.7	773.7	5.3	1 132.8	1 204.0
Social Policy and Integrated Service Delivery	413.3	134.7	277.7	0.9	370.2	392.6
<b>Total expenditure estimates</b>	<b>184 792.0</b>	<b>944.7</b>	<b>183 835.6</b>	<b>11.6</b>	<b>199 471.5</b>	<b>213 693.1</b>
Executive authority	Minister of Social Development					
Accounting officer	Director-General of Social Development					
Website address	www.dsd.gov.za					

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Ensure protection against vulnerability by creating an enabling environment for the provision of a comprehensive, integrated and sustainable social development service.*

### Mandate

The Department of Social Development has endorsed a new mandate, which is to “provide social protection services and lead government efforts to forge partnerships through which vulnerable individuals, groups and communities become capable and self-reliant participants in their own development”. This mandate will be articulated in the Social Development Bill, which is being developed.

The department is not established in terms of a single act. Several pieces of legislation determine its mandate, many of which are under review. This includes the Social Assistance Act (2004), which provides a legislative framework for providing social assistance. The act sets out the different types of grants payable, as well as their qualifying criteria. Other pieces of legislation further define the department’s mandate:

- the Non-profit Organisations Act (1997) establishes an administrative and regulatory framework within which non-profit organisations (NPOs) can conduct their affairs, and provides for their registration by the department
- the Older Persons Act (2006) establishes a framework for empowering and protecting older people, and promoting and maintaining their status, rights, wellbeing, safety and security. It provides for older people to enjoy good quality services while staying with their families, in their communities, for as long as possible. It also makes provision for older people to live in residential care facilities
- the Children’s Act (2005) sets out principles relating to the care and protection of children, and defines parental responsibilities and rights. It deals with early childhood development (ECD), drop-in centres and early intervention, children in alternative care such as foster care, child and youth care centres, and the adoption of children
- the Prevention of and Treatment for Substance Abuse Act (2008) regulates substance abuse services and facilities

- the 1998 White Paper on Population Policy for South Africa is aimed at promoting the sustainable development of all South Africans by integrating population issues with development planning in all spheres of government and all sectors of society
- the 2015 White Paper on the Rights of Persons with Disabilities focuses on putting in place measures to reduce the exclusion and inequality experienced by people with disabilities. This includes contributing towards fighting poverty among people with disabilities and their families, and providing policy guidelines on building capacity in the public sector to deliver equitable and accessible services
- the 1997 White Paper for Social Welfare sets out the principles, guidelines, policies and programmes for developmental social welfare in South Africa. It provides the foundation for social welfare in the post-1994 era
- the Social Service Professions Act (1978) provides for the regulation of social service professionals
- the Victim Empowerment Support Services Bill is aimed at regulating victim support services and empowering victims.

The department is also the custodian of international human rights treaties that the country has ratified, focusing on protecting the rights of children, people with disabilities and older people. This includes coordinating the implementation of these treaties, and compiling periodic country reports.

## Selected performance indicators

**Table 17.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total number of old age grant beneficiaries	Social Assistance	Outcome 13: An inclusive and responsive social protection system	3.2 million	3.3 million	3.4 million	3.5 million	3.7 million	3.8 million	3.9 million
Total number of war veterans grant beneficiaries	Social Assistance		245	176	134	107	78	60	46
Total number of disability grant beneficiaries	Social Assistance		1.1 million	1.1 million	1.1 million	1 million	1 million	1 million	1 million
Total number of child support grant beneficiaries	Social Assistance		12 million	12.1 million	12.3 million	12.4 million	12.7 million	12.9 million	13.1 million
Total number of foster care grant beneficiaries	Social Assistance		470 015	440 295	416 016	397 888	351 418	334 137	318 134
Total number of care dependency grant beneficiaries	Social Assistance		131 040	144 952	147 467	154 353	154 498	157 998	161 612
Total number of grant-in-aid beneficiaries	Social Assistance		137 806	164 349	192 091	215 880	246 910	275 607	305 367
Percentage of appeals per year adjudicated within 90 days of receipt	Social Security Policy and Administration		81% (475/584)	86% (1 914/2 235)	96.6% (1 276/1 321)	70%	75%	80%	90%
Number of young people awarded scholarships into the social service field per year	Welfare Services Policy Development and Implementation Support		5 364	4 374	4 841	1 350 <sup>1</sup>	1 616	1 301	1 046



**Table 17.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of non-profit organisation registration applications processed within 2 months of receipt	Social Policy and Integrated Service Delivery	Outcome 13: An inclusive and responsive social protection system	99 % (30 711/ 31 183)	97% (28 860/ 29 601)	99.5% (31 639/ 31 792)	98%	99%	99%	99%

1. Reduction in scholarships awarded due to funds reprioritised towards the employment of social worker graduates.

## Expenditure analysis

In addressing the critical challenges of poverty, unemployment and inequality, over the medium term, the Department of Social Development intends to focus on deepening social assistance and extending the scope of social security; reforming the social welfare sector and its services to deliver better results; increasing access to ECD; and strengthening community development interventions. This work gives expression to the National Development Plan's vision of improving the short- and long-term prospects of current and future generations, and outcome 13 (an inclusive and responsive social protection system) of government's 2014-2019 medium-term strategic framework.

### **Deepening social assistance and extending the scope of social security**

To alleviate the high rate of poverty in South Africa, government has institutionalised a comprehensive social protection system. This includes unconditional cash transfers, most of which are aimed at supporting poor individuals from vulnerable demographic groups, such as children, older people and people with disabilities. In 2018/19, 17.6 million beneficiaries received monthly grants, and it is estimated that 18.7 million beneficiaries will receive social grants in 2021/22. The bulk of these are allocated to the *child support grant*, which currently benefits 12.5 million poor children, and the *old age grant*, which benefits 3.5 million people older than 60. The national prevalence of disability is 7.5 per cent, and, as such, the *disability grant*, of R1 700 per month in 2018/19, is provided to more than 1 million people.

Providing these grants to the elderly, war veterans, people with disabilities and children constitutes 94.8 per cent (R567.3 billion) of the department's budget allocation over the medium term in the *Social Assistance* programme. Expenditure on social grants is set to increase at an average annual rate of 7.6 per cent, from R162.9 billion in 2018/19 to R202.9 billion in 2021/22. Due to delays in finalising legislative provisions for an extended child support grant for double orphans, Cabinet has approved a reduction in social grants of R500 million per year for 2019/20 and 2020/21. The Social Assistance Amendment Bill, which caters for these provisions, is expected to be tabled in Parliament for approval over the MTEF period.

To provide for administration and distribution costs related to the payment of social grants, transfers to the South African Social Security Agency account for 98.3 per cent (R24.4 billion) of allocations to the *Social Security Policy and Administration* programme over the medium term. Administration costs are set to decrease from 5.1 per cent (R7.8 billion) of the budget for social grants in 2018/19 to 4.3 per cent (R8.6 billion) in 2021/22 as increases in social grant values and beneficiaries outpace increases in the cost of administration. This proportional decrease is due to the rationalisation of cash paypoints for the disbursement of grants to beneficiaries given effect by an arrangement between the South African Post Office and the South African Social Security Agency. This arrangement is expected to lead to greater operational efficiencies.

The number of social grant appeals is expected to increase from 2 000 in 2018/19 to 8 000 in 2021/22, pending Parliament's approval of amendments to the Social Assistance Amendment Bill to allow social grant applicants to directly lodge an appeal with the department's appeals tribunal as opposed to first having to lodge an appeal with the South African Social Security Agency. As a result, the turnaround time for adjudicating appeals is expected to be reduced from 180 days to 90 days, and the percentage of appeals adjudicated within 90 days is expected to increase from 70 per cent in 2018/19 to 90 per cent in 2021/22. In line with this, expenditure for the handling of appeals is set to increase at an average annual rate of 8.2 per cent, from R37.3 million in 2018/19 to R47.2 million in 2021/22, in the *Appeals Adjudication* subprogramme in the *Social Security Policy*

and Administration programme.

By the end of 2019/20, the department plans to have operationalised an inspectorate tasked with maintaining the integrity of the social assistance framework and systems through detecting and investigating fraud. The introduction of the inspectorate is expected to result in a decrease in the number of these fraud and corruption cases referred to law enforcement agencies, from 101 cases in 2017/18 at an estimated value of R6.3 million. The budget for the inspectorate is R127.1 million over the MTEF period in the *Social Security Policy Development* subprogramme in the *Social Security Policy and Administration* programme.

### **Reforming the social welfare sector and its services to deliver better results**

A key component of outcome 13 (an inclusive and responsive social protection system) of government's 2014-2019 medium-term strategic framework involves reforming and standardising the social welfare system. To enable this, the department concluded its review of the 1997 White Paper for Social Welfare in 2016/17, and the development of a new white paper began in 2017/18. This process will inform the development and enactment of a social development act, which will provide measures and a uniform system for the promotion and provision of social development services across all sectors.

The Social Service Practitioners Bill is expected to replace the Social Service Professions Act (1978) in 2020/21. The bill is aimed at extending the scope of regulation to include emerging social service occupations such as community development practitioners, ECD practitioners, and child and youth care workers. These and other policy and legislative reforms are funded through an allocation of R105.2 million over the MTEF period in the *Service Standards* subprogramme in the *Welfare Services Policy Development and Implementation Support* programme.

Conditional grant allocations are temporary, and are to ensure that priority programmes are implemented as they were intended. Due to the successful implementation of the social worker employment grant at national level, the conditional allocation for this grant has been discontinued. As a result, R678.9 million over the MTEF period in the *Welfare Services Policy Development and Implementation Support* programme will be shifted from the department's baseline to the provincial equitable share from 2019/20. This will make provinces fully responsible for the employment of social workers. Funding through this allocation has enabled the employment of 632 social work graduates who have emerged from the department's social worker scholarship programme, and their delivery of social services to those who need them most.

Similarly, due to the successful operationalisation of 4 new substance abuse treatment centres to provide inpatient treatment in Eastern Cape, North West, Free State and Northern Cape, the conditional allocation to the substance abuse treatment grant has been discontinued. As a result, R237 million over the MTEF period in the *Welfare Services Policy Development and Implementation Support* programme will be shifted to the provincial equitable share from 2019/20 to give provinces full responsibility for the running of these centres. Their establishment underscores the department's commitment to preventing and treating drug abuse through the implementation of the comprehensive national anti-substance abuse programme of action.

### **Increasing access to ECD**

The department's ECD programme is intended to address inequality and human development challenges. The country's integrated ECD policy aims to ensure deliberate and coordinated efforts to help improve children's chances of having a better life. Research indicates that the first few years in a child's life are the most important for development. An estimated 83 per cent of children aged from 3 to 5 who form part of the richest 20 per cent of households are accessing preschool programmes, compared to only 58 per cent of the children of the same age group who form part of the poorest 20 per cent of households. Addressing this imbalance requires increasing access to quality ECD services by improving and maintaining infrastructure, and subsidising centres that offer ECD services to children from poor households.

By the end of 2017/18, 60 307 poor children were subsidised through the *early childhood development conditional grant*. It is anticipated that 120 000 children over the medium term will be subsidised by this grant at a projected cost of R1.4 billion, in addition to those subsidised by provinces through equitable share

funding. As part of the facility maintenance component of this grant, it is expected that between 600 and 800 ECD centres will be upgraded over the MTEF period at a cost of R265.4 million.

### Strengthening community development interventions

The National Development Agency, an entity of the department, implements sustainable, community-driven projects that serve poor and vulnerable communities, partly through training and support of NPOs. Transfers to the agency, of an estimated R673.78million over the medium term, account for the bulk of expenditure in the *Social Policy and Integrated Service Delivery* programme.

Spending on HIV and AIDS-related support, prevention and mitigation programmes also forms a large part of transfers to NPOs, and the South African National AIDS Council has partnered with the department in the selection of NPOs to undertake HIV and AIDS prevention and psychosocial support programmes. To give effect to these interventions, the HIV and AIDS subprogramme in the *Welfare Services Policy Development and Implementation Support* programme has a budget of R404.9 million over the medium term.

To promote transparency and accountability within the NPO sector without placing onerous requirements on organisations, the department is also facilitating amendments to the Non-profit Organisations Act (1997). The current universal approach is no longer appropriate for the diverse nature of the sector in South Africa; a risk-based approach that manages compliance requirements for organisations without compromising the required standards of governance for NPOs would be better suited. Spending on these activities forms part of the *Registration and Monitoring of Non-profit Organisations* subprogramme, which has a budget of R128.4 million over the medium term, in the *Social Policy and Integrated Service Delivery* programme.

## Expenditure trends

**Table 17.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Social Assistance														
3. Social Security Policy and Administration														
4. Welfare Services Policy Development and Implementation Support														
5. Social Policy and Integrated Service Delivery														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	297.0	297.0	305.1	322.5	338.5	349.7	350.8	368.8	384.1	383.2	391.7	391.7	105.7%	102.5%
Programme 2	130 093.3	129 818.3	128 333.4	140 498.7	139 498.7	138 915.6	151 580.2	151 230.2	150 336.8	162 960.7	162 860.7	162 641.7	99.2%	99.5%
Programme 3	6 756.2	6 741.2	6 716.4	7 015.5	6 997.0	6 980.9	7 332.6	7 323.6	7 277.7	7 880.8	7 877.0	7 877.0	99.5%	99.7%
Programme 4	662.4	677.4	676.4	723.3	721.3	713.1	1 055.3	1 050.3	1 011.4	1 284.5	1 300.4	1 300.4	99.4%	98.7%
Programme 5	359.8	359.8	374.4	377.7	377.7	383.2	388.9	384.9	386.6	392.3	392.3	392.3	101.2%	101.4%
<b>Total</b>	<b>138 168.6</b>	<b>137 893.6</b>	<b>136 405.7</b>	<b>148 937.7</b>	<b>147 933.2</b>	<b>147 342.6</b>	<b>160 707.8</b>	<b>160 357.8</b>	<b>159 396.6</b>	<b>172 901.6</b>	<b>172 822.2</b>	<b>172 603.2</b>	<b>99.2%</b>	<b>99.5%</b>
Change to 2018														
Budget estimate											(79.4)			
Economic classification														
<b>Current</b>	<b>764.6</b>	<b>776.3</b>	<b>774.6</b>	<b>802.3</b>	<b>797.5</b>	<b>797.1</b>	<b>863.4</b>	<b>860.4</b>	<b>834.3</b>	<b>888.3</b>	<b>886.8</b>	<b>894.8</b>	<b>99.5%</b>	<b>99.4%</b>
<b>payments</b>														
Compensation of employees	403.6	423.6	419.9	458.9	454.4	454.2	476.8	476.8	461.1	490.4	490.4	490.4	99.8%	98.9%
Goods and services	361.0	352.8	354.7	343.5	343.1	342.9	386.6	383.6	373.1	397.9	396.4	404.4	99.1%	99.9%
<b>Transfers and subsidies</b>	<b>137 394.4</b>	<b>137 107.7</b>	<b>135 621.1</b>	<b>148 125.1</b>	<b>147 125.4</b>	<b>146 538.4</b>	<b>159 833.3</b>	<b>159 100.8</b>	<b>158 546.2</b>	<b>172 002.3</b>	<b>171 924.4</b>	<b>171 697.3</b>	<b>99.2%</b>	<b>99.5%</b>
Provinces and municipalities	47.5	47.5	47.5	85.5	85.5	85.5	556.4	556.4	524.4	758.4	776.9	776.9	99.1%	97.8%
Departmental agencies and accounts	7 118.5	7 104.7	6 828.6	7 395.2	7 395.2	7 104.4	7 408.5	7 408.5	7 408.3	7 964.8	7 967.0	7 967.0	98.1%	98.1%

Table 17.2 Vote expenditure trends by programme and economic classification

Economic classification	2015/16			2016/17			2017/18			2018/19			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate		
R million														
Higher education institutions	0.4	1.4	1.5	2.5	2.5	2.4	–	0.5	2.0	1.5	1.5	1.5	166.9%	125.0%
Foreign governments and international organisations	3.1	4.2	4.1	4.0	4.3	4.1	4.5	7.0	6.6	7.1	7.1	7.1	117.4%	96.9%
Non-profit institutions	80.5	102.0	105.9	113.0	113.0	109.6	132.6	132.6	130.1	154.2	181.8	176.9	108.8%	98.7%
Households	130 144.3	129 847.8	128 633.7	140 524.9	139 524.9	139 232.5	151 731.3	150 995.9	150 474.9	163 116.2	162 990.1	162 767.9	99.2%	99.6%
<b>Payments for capital assets</b>	<b>9.6</b>	<b>9.6</b>	<b>10.0</b>	<b>10.3</b>	<b>10.3</b>	<b>7.1</b>	<b>11.1</b>	<b>11.1</b>	<b>2.6</b>	<b>11.1</b>	<b>11.1</b>	<b>11.1</b>	<b>72.8%</b>	<b>72.8%</b>
Buildings and other fixed structures	–	–	0.3	–	–	0.2	–	1.6	–	–	–	–	–	33.3%
Machinery and equipment	9.2	9.2	8.9	9.8	9.8	6.9	10.6	9.1	2.0	10.5	10.0	10.0	69.4%	73.1%
Software and other intangible assets	0.5	0.5	0.8	0.5	0.5	–	0.5	0.5	0.5	0.6	1.1	1.1	114.4%	92.0%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>385.4</b>	<b>13.5</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3.5%</b>
<b>Total</b>	<b>138 168.6</b>	<b>137 893.6</b>	<b>136 405.7</b>	<b>148 937.7</b>	<b>147 933.2</b>	<b>147 342.6</b>	<b>160 707.8</b>	<b>160 357.8</b>	<b>159 396.6</b>	<b>172 901.6</b>	<b>172 822.2</b>	<b>172 603.2</b>	<b>99.2%</b>	<b>99.5%</b>

## Expenditure estimates

Table 17.3 Vote expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Social Assistance									
3. Social Security Policy and Administration									
4. Welfare Services Policy Development and Implementation Support									
5. Social Policy and Integrated Service Delivery									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
				2018/19	2015/16 - 2018/19	2019/20			2020/21
R million									
Programme 1	391.7	9.7%	0.2%	408.4	434.0	459.7	5.5%	0.2%	
Programme 2	162 641.7	7.8%	94.2%	175 155.6	189 273.5	202 867.9	7.6%	94.7%	
Programme 3	7 877.0	5.3%	4.7%	7 748.9	8 261.1	8 768.9	3.6%	4.2%	
Programme 4	1 300.4	24.3%	0.6%	1 065.8	1 132.8	1 204.0	-2.5%	0.6%	
Programme 5	392.3	2.9%	0.2%	413.3	370.2	392.6	0.0%	0.2%	
<b>Total</b>	<b>172 603.2</b>	<b>7.8%</b>	<b>100.0%</b>	<b>184 792.0</b>	<b>199 471.5</b>	<b>213 693.1</b>	<b>7.4%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				(1 370.6)	(1 403.7)	(896.2)			
Economic classification									
<b>Current payments</b>	<b>894.8</b>	<b>4.8%</b>	<b>0.5%</b>	<b>944.7</b>	<b>1 004.9</b>	<b>1 075.2</b>	<b>6.3%</b>	<b>0.5%</b>	
Compensation of employees	490.4	5.0%	0.3%	527.4	567.0	603.9	7.2%	0.3%	
Goods and services	404.4	4.7%	0.2%	417.3	437.9	471.4	5.2%	0.2%	
<b>Transfers and subsidies</b>	<b>171 697.3</b>	<b>7.8%</b>	<b>99.5%</b>	<b>183 835.6</b>	<b>198 454.4</b>	<b>212 604.9</b>	<b>7.4%</b>	<b>99.5%</b>	
Provinces and municipalities	776.9	153.8%	0.2%	518.2	552.9	583.4	-9.1%	0.3%	
Departmental agencies and accounts	7 967.0	3.9%	4.8%	7 835.8	8 350.9	8 860.8	3.6%	4.3%	
Higher education institutions	1.5	1.6%	0.0%	–	–	–	-100.0%	0.0%	
Foreign governments and international organisations	7.1	19.1%	0.0%	7.1	7.3	7.7	2.6%	0.0%	
Non-profit institutions	176.9	20.2%	0.1%	162.8	135.7	143.8	-6.7%	0.1%	
Households	162 767.9	7.8%	94.4%	175 311.7	189 407.5	203 009.2	7.6%	94.8%	

**Table 17.3 Vote expenditure estimates by programme and economic classification**

Economic classification	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
<b>Payments for capital assets</b>	<b>11.1</b>	<b>4.8%</b>	<b>0.0%</b>	<b>11.6</b>	<b>12.3</b>	<b>12.9</b>	<b>5.3%</b>	<b>0.0%</b>
Machinery and equipment	10.0	3.0%	0.0%	11.0	11.6	12.3	7.0%	0.0%
Software and other intangible assets	1.1	30.5%	0.0%	0.6	0.6	0.7	-14.8%	0.0%
<b>Total</b>	<b>172 603.2</b>	<b>7.8%</b>	<b>100.0%</b>	<b>184 792.0</b>	<b>199 471.5</b>	<b>213 693.1</b>	<b>7.4%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 17.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R thousand											
South African Social Security Agency	6 564 077	6 825 866	7 144 341	7 697 630	5.5%	4.6%	7 552 979	8 052 043	8 545 481	3.5%	4.1%
Social grants	128 333 376	138 915 638	150 323 267	162 860 723	8.3%	94.3%	175 155 593	189 273 511	202 867 882	7.6%	94.8%
Early childhood development grant: Subsidy expansion	-	-	248 892	412 055	-	0.1%	435 101	464 232	489 765	5.9%	0.2%
Early childhood development grant: Centre maintenance	-	-	68 720	78 746	-	-	83 127	88 717	93 596	5.9%	-
Social worker employment grant	-	-	181 830	196 783	-	0.1%	-	-	-	-100.0%	-
Social worker scholarships	276 144	290 780	123 489	126 245	-23.0%	0.1%	125 250	132 139	139 406	3.4%	0.1%
Substance abuse treatment grant	47 500	85 500	24 916	89 280	23.4%	-	-	-	-	-100.0%	-
Inspectorate	4 077	3 740	6 972	32 797	100.4%	-	39 866	42 473	44 809	11.0%	-
<b>Total</b>	<b>135 225 174</b>	<b>146 121 524</b>	<b>158 122 427</b>	<b>171 494 259</b>	<b>8.2%</b>	<b>99.2%</b>	<b>183 391 916</b>	<b>198 053 115</b>	<b>212 180 939</b>	<b>7.4%</b>	<b>99.3%</b>

## Goods and services expenditure trends and estimates

**Table 17.5 Vote goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R thousand											
Administrative fees	6 036	3 856	5 395	7 750	8.7%	1.6%	11 368	11 978	12 752	18.1%	2.5%
Advertising	23 131	15 799	16 436	21 042	-3.1%	5.2%	22 120	23 440	24 778	5.6%	5.3%
Minor assets	590	507	528	2 648	65.0%	0.3%	2 794	2 947	3 128	5.7%	0.7%
Audit costs: External	13 769	15 944	16 336	15 707	4.5%	4.2%	16 587	17 499	18 461	5.5%	4.0%
Bursaries: Employees	1 133	1 194	1 197	2 173	24.2%	0.4%	2 267	2 365	1 967	-3.3%	0.5%
Catering: Departmental activities	16 203	13 047	13 899	8 568	-19.1%	3.5%	9 047	9 244	9 751	4.4%	2.1%
Communication	12 702	16 466	12 149	9 240	-10.1%	3.4%	9 757	10 292	10 901	5.7%	2.3%
Computer services	7 758	21 132	47 916	41 769	75.3%	8.1%	42 095	44 053	47 003	4.0%	10.2%
Consultants: Business and advisory services	40 043	45 169	38 932	49 896	7.6%	11.9%	50 505	53 111	60 200	6.5%	12.4%
Infrastructure and planning services	141	3 461	-	2 500	160.8%	0.4%	2 500	2 638	2 783	3.6%	0.6%
Legal services	3 392	5 191	12 147	8 894	37.9%	2.0%	13 498	14 772	17 167	24.5%	3.2%
Contractors	3 583	1 295	5 630	7 457	27.7%	1.2%	7 803	8 232	8 684	5.2%	1.9%
Agency and support/outsourced services	3 996	3 400	640	7 810	25.0%	1.1%	9 281	9 657	8 607	3.3%	2.1%
Entertainment	664	123	111	590	-3.9%	0.1%	622	654	687	5.2%	0.1%
Fleet services (including government motor transport)	5 957	13 670	8 508	6 332	2.1%	2.3%	6 409	6 486	7 343	5.1%	1.5%
Inventory: Fuel, oil and gas	-	-	-	500	-	-	528	557	1 088	29.6%	0.2%
Inventory: Materials and supplies	-	-	-	131	-	-	138	146	154	5.5%	-
Inventory: Other supplies	-	-	-	396	-	-	418	440	464	5.4%	0.1%
Consumable supplies	1 596	723	828	214	-48.8%	0.2%	225	238	251	5.5%	0.1%

Table 17.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average Expenditure/Total (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
Consumables: Stationery, printing and office supplies	6 050	4 703	3 626	14 993	35.3%	2.0%	15 806	16 650	17 565	5.4%	3.8%
Operating leases	24 401	33 268	41 661	39 812	17.7%	9.5%	42 244	44 456	46 901	5.6%	10.1%
Rental and hiring	9 430	5 189	5 910	2 151	-38.9%	1.5%	2 243	2 339	2 468	4.7%	0.5%
Property payments	6 462	6 069	6 832	5 558	-4.9%	1.7%	5 758	5 964	6 911	7.5%	1.4%
Transport provided:	1 764	14	-	450	-36.6%	0.2%	475	501	529	5.5%	0.1%
Departmental activity											
Travel and subsistence	121 552	95 756	101 122	84 087	-11.6%	27.4%	86 054	89 767	96 912	4.8%	20.7%
Training and development	2 129	3 256	2 639	7 118	49.5%	1.0%	7 517	7 929	8 366	5.5%	1.8%
Operating payments	11 461	6 477	8 934	10 668	-2.4%	2.6%	10 207	10 767	11 358	2.1%	2.5%
Venues and facilities	30 716	27 203	21 752	37 945	7.3%	8.0%	39 019	40 760	44 184	5.2%	9.4%
<b>Total</b>	<b>354 659</b>	<b>342 912</b>	<b>373 128</b>	<b>396 399</b>	<b>3.8%</b>	<b>100.0%</b>	<b>417 285</b>	<b>437 882</b>	<b>471 363</b>	<b>5.9%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 17.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average Expenditure/Total (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>910</b>	<b>1 274</b>	<b>2 058</b>	<b>3 130</b>	<b>51.0%</b>	<b>-</b>	<b>1 724</b>	<b>1 820</b>	<b>1 948</b>	<b>-14.6%</b>	<b>-</b>
Employee social benefits	910	1 274	2 058	3 130	51.0%	-	1 724	1 820	1 948	-14.6%	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>6 828 554</b>	<b>7 104 393</b>	<b>7 408 332</b>	<b>7 967 029</b>	<b>5.3%</b>	<b>4.8%</b>	<b>7 835 789</b>	<b>8 350 917</b>	<b>8 860 793</b>	<b>3.6%</b>	<b>4.3%</b>
Health and Welfare Sector Education and Training Authority	1 211	1 308	1 359	1 573	9.1%	-	1 661	1 752	1 848	5.5%	-
South African Social Security Agency	6 642 962	6 908 932	7 206 060	7 762 878	5.3%	4.7%	7 621 773	8 124 621	8 622 051	3.6%	4.2%
National Development Agency	184 381	194 153	200 913	202 578	3.2%	0.1%	212 355	224 544	236 894	5.4%	0.1%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>128 632 760</b>	<b>139 231 142</b>	<b>150 472 818</b>	<b>162 986 968</b>	<b>8.2%</b>	<b>94.9%</b>	<b>175 309 961</b>	<b>189 405 650</b>	<b>203 007 288</b>	<b>7.6%</b>	<b>95.3%</b>
Old age	53 134 481	58 327 000	64 130 161	70 531 414	9.9%	40.2%	76 950 917	84 189 323	90 791 986	8.8%	42.1%
War veterans	4 842	3 850	3 086	2 351	-21.4%	-	1 732	1 280	1 368	-16.5%	-
Disability	19 166 969	19 850 553	20 931 343	22 104 787	4.9%	13.4%	23 077 574	24 171 988	25 339 855	4.7%	12.3%
Foster care	5 408 370	5 327 659	5 207 026	5 131 589	-1.7%	3.4%	5 080 800	4 947 410	5 023 281	-0.7%	2.6%
Care dependency	2 394 702	2 613 892	2 841 422	3 138 438	9.4%	1.8%	3 429 783	3 761 699	4 021 256	8.6%	1.9%
Child support	47 308 008	51 555 181	55 847 799	60 531 022	8.6%	35.1%	64 967 275	70 335 636	75 723 295	7.7%	35.4%
Grant-in-aid	503 085	650 311	816 588	1 011 122	26.2%	0.5%	1 237 512	1 459 176	1 559 859	15.5%	0.7%
Social relief of distress	412 919	587 192	545 842	410 000	-0.2%	0.3%	410 000	406 999	406 982	-0.2%	0.2%
National Student Financial Aid Scheme	276 144	290 780	123 489	126 245	-23.0%	0.1%	125 250	132 139	139 406	3.4%	0.1%
Food relief	23 240	24 724	26 062	-	-100.0%	-	29 118	-	-	-	-
<b>Non-profit institutions</b>											
<b>Current</b>	<b>105 904</b>	<b>109 564</b>	<b>130 056</b>	<b>181 765</b>	<b>19.7%</b>	<b>0.1%</b>	<b>162 827</b>	<b>135 720</b>	<b>143 837</b>	<b>-7.5%</b>	<b>0.1%</b>
South African National AIDS Council	-	-	15 000	30 000	-	-	31 680	33 422	35 260	5.5%	-
South African Council for Social Service Professions	-	-	-	1 946	-	-	2 055	2 168	2 331	6.2%	-
HIV and AIDS organisations	53 331	56 315	59 131	62 560	5.5%	-	66 063	69 697	73 530	5.5%	-
Soul City	1 046	-	-	-	-100.0%	-	-	-	-	-	-
Population Association of Southern Africa	200	200	200	-	-100.0%	-	-	-	-	-	-
Food relief	27 806	29 081	30 595	59 943	29.2%	-	34 182	-	-	-100.0%	-
South African Older Persons Forum	1 249	1 505	1 400	1 546	7.4%	-	1 633	1 722	1 851	6.2%	-
Sonke Gender Justice	-	708	-	-	-	-	-	-	-	-	-
Partners in Sexual Health	-	708	-	-	-	-	-	-	-	-	-
Autism South Africa	1 100	-	1 723	900	-6.5%	-	950	1 003	1 078	6.2%	-
Epilepsy South Africa	850	-	-	-	-100.0%	-	-	-	-	-	-
Moonlight Foundation for Autism	-	800	-	-	-	-	-	-	-	-	-
Childline South Africa	928	974	974	1 062	4.6%	-	1 122	1 183	1 272	6.2%	-
Abba Specialist Adoption and Social Services	-	-	990	1 206	-	-	1 274	1 344	1 445	6.2%	-
Ntataise	-	-	1 770	1 100	-	-	1 162	1 225	1 317	6.2%	-
Centre for Early Childhood Development	713	749	1 100	-	-100.0%	-	-	-	-	-	-
Masizakhe	-	-	400	-	-	-	-	-	-	-	-
Future Generation	-	-	450	-	-	-	-	-	-	-	-
Child Welfare South Africa	2 395	1 865	-	-	-100.0%	-	-	-	-	-	-

Table 17.6 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R thousand											
Die Ondersteuningsraad	917	964	-	-	-100.0%	-	-	-	-	-	-
Lifeline South Africa	1 837	1 338	-	860	-22.4%	-	908	958	1 030	6.2%	-
National Peace Accord Trust	-	920	1 250	624	-	-	659	695	747	6.2%	-
Khulumani support group	-	512	-	-	-	-	-	-	-	-	-
Foundation for Victims of Crime	300	432	-	-	-100.0%	-	-	-	-	-	-
National Youth Development Foundation	792	-	-	-	-100.0%	-	-	-	-	-	-
South African National Council on Alcoholism and Drug Dependence	1 287	1 477	1 500	1 626	8.1%	-	1 717	1 811	1 947	6.2%	-
South African Depression and Anxiety Group	1 600	1 560	1 579	1 600	-	-	1 690	1 783	1 917	6.2%	-
National Institute Community Development and Management (older people)	1 133	1 000	1 241	1 250	3.3%	-	1 320	1 393	1 498	6.2%	-
Suid Afrikaanse Vroue Federasie (families)	-	-	780	795	-	-	840	883	949	6.1%	-
Family and Marriage Society South Africa	1 342	-	715	787	-16.3%	-	831	880	946	6.3%	-
South African Federation for Mental Health	1 301	352	1 000	800	-15.0%	-	845	891	958	6.2%	-
South African National Deaf Association	-	350	-	600	-	-	634	669	719	6.2%	-
Disabled Children's Action Group	-	1 200	-	704	-	-	743	784	843	6.2%	-
Deafblind South Africa	-	244	700	600	-	-	634	669	719	6.2%	-
Albinism Society of South Africa	-	1 000	740	800	-	-	845	891	958	6.2%	-
Deaf Federation of South Africa	500	-	-	-	-100.0%	-	-	-	-	-	-
Suid Afrikaanse Vroue Federasie (children)	726	762	-	700	-1.2%	-	739	780	839	6.2%	-
Afrikaanse Christelike Vroue Federasie	1 206	1 266	1 125	782	-13.4%	-	825	871	936	6.2%	-
South African Congress for Early Childhood Development	-	632	860	700	-	-	739	780	838	6.2%	-
AFM Executive Welfare Council	-	-	-	500	-	-	528	557	599	6.2%	-
Apostolic Faith Mission of South Africa	689	-	-	-	-100.0%	-	-	-	-	-	-
Humana People to People in South Africa	-	-	-	1 200	-	-	1 267	1 337	1 437	6.2%	-
Uhambo Foundation	-	-	-	1 622	-	-	1 713	1 807	1 942	6.2%	-
National Institute Community Development and Management (victim empowerment)	1 457	-	1 742	1 513	1.3%	-	1 597	1 686	1 813	6.2%	-
National Shelter Movement of South Africa	-	800	1 705	624	-	-	659	695	747	6.2%	-
Khulisa Social Solutions	189	796	1 386	1 393	94.6%	-	1 471	1 552	1 668	6.2%	-
National Institute for Crime Prevention and the Reintegration of Offenders	1 010	1 054	-	1 422	12.1%	-	1 502	1 584	1 703	6.2%	-
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>4 052</b>	<b>4 125</b>	<b>6 610</b>	<b>7 148</b>	<b>20.8%</b>	<b>-</b>	<b>7 085</b>	<b>7 318</b>	<b>7 720</b>	<b>2.6%</b>	<b>-</b>
International Social Security Association	1 513	1 661	1 553	1 704	4.0%	-	1 768	1 865	1 968	4.9%	-
International Organisation of Pension Supervisors	89	-	79	95	2.2%	-	100	106	112	5.6%	-
International Labour Organisation	-	-	2 500	2 500	-	-	2 500	2 500	2 638	1.8%	-
Namibian government	320	329	345	382	6.1%	-	403	425	448	5.5%	-
United Nations international drug control programme	-	25	25	25	-	-	25	25	26	1.3%	-
International Federation on Ageing	16	-	-	25	16.0%	-	25	25	26	1.3%	-
International Social Service	316	266	243	365	4.9%	-	384	405	427	5.4%	-
United Nations Population Fund	498	506	531	562	4.1%	-	593	626	660	5.5%	-
Partners in Population and Development	750	978	784	940	7.8%	-	987	1 041	1 098	5.3%	-
Union for African Population Studies	50	60	50	50	-	-	-	-	-	-100.0%	-
International Planned Parenthood Federation	200	300	200	200	-	-	-	-	-	-100.0%	-
Leadership for Environment and Development Southern and Eastern Africa	300	-	300	300	-	-	300	300	317	1.9%	-

**Table 17.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
<b>Provinces and municipalities</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	-	-	499 442	687 583	-	0.2%	518 228	552 949	583 361	-5.3%	0.3%
Early childhood development grant	-	-	317 612	490 800	-	0.1%	518 228	552 949	583 361	5.9%	0.3%
Social worker employment grant	-	-	181 830	196 783	-	0.1%	-	-	-	-100.0%	-
<b>Capital</b>	47 500	85 500	24 916	89 280	23.4%	-	-	-	-	-100.0%	-
Substance abuse treatment grant	47 500	85 500	24 916	89 280	23.4%	-	-	-	-	-100.0%	-
<b>Current</b>	1 467	2 400	1 976	1 500	0.7%	-	-	-	-	-100.0%	-
University of the Witwatersrand	998	2 000	1 500	1 500	14.5%	-	-	-	-	-100.0%	-
Association of South African Social Work Education Institutions	-	-	476	-	-	-	-	-	-	-	-
Universities of KwaZulu-Natal and North West, Union for African Population Studies and International Planned Parenthood Federation	469	400	-	-	-100.0%	-	-	-	-	-	-
<b>Total</b>	135 621 147	146 538 398	158 546 208	171 924 403	8.2%	100.0%	183 835 614	198 454 374	212 604 947	7.3%	100.0%

## Personnel information

**Table 17.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes																			
1. Administration																			
2. Social Assistance																			
3. Social Security Policy and Administration																			
4. Welfare Services Policy Development and Implementation Support																			
5. Social Policy and Integrated Service Delivery																			
	Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%) 2018/19 - 2021/22	Average: Salary level/Total (%)			
			2017/18		2018/19		2019/20		2020/21		2021/22								
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
<b>Social Development</b>	<b>801</b>	<b>25</b>	<b>892</b>	<b>461.1</b>	<b>0.5</b>	<b>857</b>	<b>490.4</b>	<b>0.6</b>	<b>861</b>	<b>527.4</b>	<b>0.6</b>	<b>863</b>	<b>567.0</b>	<b>0.7</b>	<b>859</b>	<b>603.9</b>	<b>0.7</b>	<b>0.1%</b>	<b>100.0%</b>
Salary level																			
1 – 6	240	3	294	51.4	0.2	260	49.9	0.2	260	53.8	0.2	262	58.5	0.2	262	63.2	0.2	0.3%	30.3%
7 – 10	287	18	306	114.0	0.4	306	122.9	0.4	309	133.2	0.4	309	143.8	0.5	307	153.3	0.5	0.1%	35.8%
11 – 12	171	-	182	156.8	0.9	178	165.1	0.9	179	177.4	1.0	179	190.1	1.1	178	202.2	1.1	-	20.8%
13 – 16	101	4	108	134.2	1.2	111	147.4	1.3	111	157.5	1.4	111	168.8	1.5	110	178.9	1.6	-0.3%	12.9%
Other	2	-	2	4.8	2.4	2	5.1	2.6	2	5.5	2.7	2	5.9	2.9	2	6.3	3.1	-	0.2%
<b>Programme</b>	<b>801</b>	<b>25</b>	<b>892</b>	<b>461.1</b>	<b>0.5</b>	<b>857</b>	<b>490.4</b>	<b>0.6</b>	<b>861</b>	<b>527.4</b>	<b>0.6</b>	<b>863</b>	<b>567.0</b>	<b>0.7</b>	<b>859</b>	<b>603.9</b>	<b>0.7</b>	<b>0.1%</b>	<b>100.0%</b>
Programme 1	372	18	360	186.6	0.5	356	197.8	0.6	357	212.8	0.6	358	228.8	0.6	357	243.7	0.7	0.1%	41.5%
Programme 3	79	-	95	47.8	0.5	114	68.2	0.6	114	73.1	0.6	114	78.6	0.7	113	83.7	0.7	-0.3%	13.2%
Programme 4	243	6	299	146.1	0.5	256	144.0	0.6	258	155.1	0.6	258	166.7	0.6	257	177.6	0.7	0.1%	29.9%
Programme 5	107	1	138	80.7	0.6	131	80.3	0.6	132	86.4	0.7	133	92.9	0.7	132	98.9	0.7	0.3%	15.3%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.



## Departmental receipts

Table 17.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
Departmental receipts	23 926	77 546	52 445	16 583	16 583	-11.5%	100.0%	12 834	13 234	13 635	-6.3%	100.0%
Sales of goods and services produced by department	3	6	13	294	294	361.0%	0.2%	18	20	21	-58.5%	0.6%
Sales by market establishments of which:	-	6	-	120	120	-	0.1%	3	4	4	-67.8%	0.2%
<i>Parking rental</i>	-	6	-	120	120	-	0.1%	3	4	4	-67.8%	0.2%
Other sales of which:	3	-	13	174	174	287.1%	0.1%	15	16	17	-53.9%	0.4%
<i>Sale of tender documents</i>	3	-	13	14	14	67.1%	-	15	16	17	6.7%	0.1%
<i>Insurance commission and garnishee order</i>	-	-	-	160	160	-	0.1%	-	-	-	-100.0%	0.3%
Interest, dividends and rent on land	12 312	20 592	19 485	8 375	8 375	-12.1%	35.6%	12 816	13 214	13 614	17.6%	85.3%
Interest	12 312	20 592	19 485	8 375	8 375	-12.1%	35.6%	12 816	13 214	13 614	17.6%	85.3%
Sales of capital assets	-	-	487	-	-	-	0.3%	-	-	-	-	-
Transactions in financial assets and liabilities	11 611	56 948	32 460	7 914	7 914	-12.0%	63.9%	-	-	-	-100.0%	14.1%

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department and the sector.

### Expenditure trends and estimates

Table 17.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	51.2	55.5	44.1	41.2	-7.0%	13.4%	40.5	43.2	46.8	4.4%	10.1%
Department Management	57.3	59.9	68.1	70.7	7.2%	17.9%	75.6	80.7	85.6	6.6%	18.5%
Corporate Management	105.4	127.8	161.3	156.9	14.2%	38.5%	162.2	172.3	181.3	4.9%	39.7%
Finance	54.4	60.5	59.3	67.5	7.5%	16.9%	71.7	76.2	80.8	6.2%	17.5%
Internal Audit	8.9	9.5	11.1	15.3	19.5%	3.1%	16.0	17.2	18.3	6.2%	3.9%
Office Accommodation	27.8	36.4	40.2	40.2	13.1%	10.1%	42.3	44.4	46.8	5.2%	10.3%
<b>Total</b>	<b>305.1</b>	<b>349.7</b>	<b>384.1</b>	<b>391.7</b>	<b>8.7%</b>	<b>100.0%</b>	<b>408.4</b>	<b>434.0</b>	<b>459.7</b>	<b>5.5%</b>	<b>100.0%</b>
Change to 2018				8.5			2.0	2.0	1.6		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>296.1</b>	<b>344.2</b>	<b>380.9</b>	<b>381.9</b>	<b>8.9%</b>	<b>98.1%</b>	<b>403.3</b>	<b>428.7</b>	<b>454.1</b>	<b>5.9%</b>	<b>98.5%</b>
Compensation of employees	169.7	186.7	186.6	197.8	5.3%	51.8%	212.8	228.8	243.7	7.2%	52.1%
Goods and services <sup>1</sup>	126.5	157.5	194.3	184.1	13.3%	46.3%	190.5	199.9	210.4	4.5%	46.3%
of which:											
<i>Audit costs: External</i>	13.8	15.9	16.3	15.7	4.5%	4.3%	16.6	17.5	18.5	5.5%	4.0%
<i>Computer services</i>	7.8	21.1	47.9	39.9	72.6%	8.2%	40.6	42.4	44.7	3.9%	9.9%
<i>Consultants: Business and advisory services</i>	1.8	4.6	11.7	12.7	92.5%	2.2%	13.4	14.1	14.9	5.4%	3.3%
<i>Fleet services (including government motor transport)</i>	5.3	12.4	6.5	5.8	3.0%	2.1%	5.9	5.9	6.7	5.0%	1.4%
<i>Operating leases</i>	23.2	32.8	40.1	36.1	15.8%	9.2%	38.0	40.0	42.2	5.3%	9.2%
<i>Travel and subsistence</i>	42.1	39.1	38.4	25.4	-15.5%	10.1%	24.7	26.1	27.5	2.7%	6.1%

**Table 17.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
<b>Transfers and subsidies<sup>1</sup></b>	<b>1.7</b>	<b>1.6</b>	<b>1.8</b>	<b>3.5</b>	<b>28.0%</b>	<b>0.6%</b>	<b>2.1</b>	<b>2.3</b>	<b>2.4</b>	<b>-12.1%</b>	<b>0.6%</b>
Departmental agencies and accounts	1.2	1.3	1.4	1.6	9.1%	0.4%	1.7	1.8	1.8	5.5%	0.4%
Households	0.5	0.2	0.4	2.0	60.5%	0.2%	0.5	0.5	0.6	-34.5%	0.2%
<b>Payments for capital assets</b>	<b>7.3</b>	<b>4.0</b>	<b>1.4</b>	<b>6.3</b>	<b>-4.7%</b>	<b>1.3%</b>	<b>2.9</b>	<b>3.0</b>	<b>3.2</b>	<b>-20.0%</b>	<b>0.9%</b>
Machinery and equipment	6.5	4.0	0.9	5.2	-7.2%	1.2%	2.3	2.4	2.6	-21.1%	0.7%
Software and other intangible assets	0.7	–	0.5	1.1	13.1%	0.2%	0.6	0.6	0.7	-14.8%	0.2%
<b>Total</b>	<b>305.1</b>	<b>349.7</b>	<b>384.1</b>	<b>391.7</b>	<b>8.7%</b>	<b>100.0%</b>	<b>408.4</b>	<b>434.0</b>	<b>459.7</b>	<b>5.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Social Assistance

### Programme purpose

Provide social assistance to eligible individuals whose income and assets fall below set thresholds.

### Objective

- Ensure the provision of social assistance to eligible beneficiaries whose income and assets fall below the set thresholds by providing income support, by 2021/22, to: 3 934 552 older people; 1 049 707 people living with disabilities; 13 100 407 children; 161 612 children requiring care and support services; and 318 134 foster children.

### Subprogrammes

- *Old Age* provides income support to people aged 60 and older who earn annual incomes of less than R82 440 (single) and R164 880 (married), and whose assets do not exceed R1 174 800 (single) and R2 349 600 (married).
- *War Veterans* provides income support to those who fought in World War II or the Korean War who earn an annual income of less than R82 440 (single) and R164 880 (married), and whose assets do not exceed R1 174 800 (single) and R2 349 600 (married).
- *Disability* provides income support to people with permanent or temporary disabilities who earn an annual income of less than R82 440 (single) and R164 880 (married), and whose assets do not exceed R1 174 800 (single) and R2 349 600 (married).
- *Foster Care* provides grants for foster parents caring for children in their care.
- *Care Dependency* provides income support to parents and caregivers of children who have physical or mental disabilities, and require regular care and support. Parents or caregivers must earn an annual income of less than R213 600 (single) and R427 200 (married).
- *Child Support* provides income support to parents and caregivers of children younger than 18 who earn an annual income of less than R50 400 (single) and R100 800 (married).
- *Grant-in-Aid* is an additional grant to recipients of the old age, disability or war veterans grants who require regular care from another person because of their physical or mental condition.
- *Social Relief of Distress* provides temporary income support, food parcels and other forms of relief to people experiencing undue hardship.

## Expenditure trends and estimates

**Table 17.10 Social Assistance expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R million											
Old Age	53 134.5	58 327.0	64 130.2	70 531.4	9.9%	42.4%	76 950.9	84 189.3	90 792.0	8.8%	44.2%
War Veterans	4.8	3.9	3.1	2.4	-21.4%	–	1.7	1.3	1.4	-16.5%	–
Disability	19 167.0	19 850.6	20 944.8	22 104.8	4.9%	14.1%	23 077.6	24 172.0	25 339.9	4.7%	13.0%
Foster Care	5 408.4	5 327.7	5 207.0	5 131.6	-1.7%	3.6%	5 080.8	4 947.4	5 023.3	-0.7%	2.8%
Care Dependency	2 394.7	2 613.9	2 841.4	3 138.4	9.4%	1.9%	3 429.8	3 761.7	4 021.3	8.6%	2.0%
Child Support	47 308.0	51 555.2	55 847.8	60 531.0	8.6%	37.1%	64 967.3	70 335.6	75 723.3	7.7%	37.2%
Grant-in-Aid	503.1	650.3	816.6	1 011.1	26.2%	0.5%	1 237.5	1 459.2	1 559.9	15.5%	0.7%
Social Relief of Distress	412.9	587.2	545.8	410.0	-0.2%	0.3%	410.0	407.0	407.0	-0.2%	0.2%
<b>Total</b>	<b>128 333.4</b>	<b>138 915.6</b>	<b>150 336.8</b>	<b>162 860.7</b>	<b>8.3%</b>	<b>100.0%</b>	<b>175 155.6</b>	<b>189 273.5</b>	<b>202 867.9</b>	<b>7.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(100.0)			(500.0)	(500.0)	–		
<b>Economic classification</b>											
<b>Transfers and subsidies<sup>1</sup></b>	<b>128 333.4</b>	<b>138 915.6</b>	<b>150 333.3</b>	<b>162 860.7</b>	<b>8.3%</b>	<b>100.0%</b>	<b>175 155.6</b>	<b>189 273.5</b>	<b>202 867.9</b>	<b>7.6%</b>	<b>100.0%</b>
Households	128 333.4	138 915.6	150 333.3	162 860.7	8.3%	100.0%	175 155.6	189 273.5	202 867.9	7.6%	100.0%
Payments for financial assets	–	–	13.5	–	–	–	–	–	–	–	–
<b>Total</b>	<b>128 333.4</b>	<b>138 915.6</b>	<b>150 336.8</b>	<b>162 860.7</b>	<b>8.3%</b>	<b>100.0%</b>	<b>175 155.6</b>	<b>189 273.5</b>	<b>202 867.9</b>	<b>7.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>94.1%</b>	<b>94.3%</b>	<b>94.3%</b>	<b>94.2%</b>	<b>–</b>	<b>–</b>	<b>94.8%</b>	<b>94.9%</b>	<b>94.9%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>128 333.4</b>	<b>138 915.6</b>	<b>150 333.3</b>	<b>162 860.7</b>	<b>8.3%</b>	<b>100.0%</b>	<b>175 155.6</b>	<b>189 273.5</b>	<b>202 867.9</b>	<b>7.6%</b>	<b>100.0%</b>
Old age	53 134.5	58 327.0	64 130.2	70 531.4	9.9%	42.4%	76 950.9	84 189.3	90 792.0	8.8%	44.2%
War veterans	4.8	3.9	3.1	2.4	-21.4%	–	1.7	1.3	1.4	-16.5%	–
Disability	19 167.0	19 850.6	20 931.3	22 104.8	4.9%	14.1%	23 077.6	24 172.0	25 339.9	4.7%	13.0%
Foster care	5 408.4	5 327.7	5 207.0	5 131.6	-1.7%	3.6%	5 080.8	4 947.4	5 023.3	-0.7%	2.8%
Care dependency	2 394.7	2 613.9	2 841.4	3 138.4	9.4%	1.9%	3 429.8	3 761.7	4 021.3	8.6%	2.0%
Child support	47 308.0	51 555.2	55 847.8	60 531.0	8.6%	37.1%	64 967.3	70 335.6	75 723.3	7.7%	37.2%
Grant-in-aid	503.1	650.3	816.6	1 011.1	26.2%	0.5%	1 237.5	1 459.2	1 559.9	15.5%	0.7%
Social relief of distress	412.9	587.2	545.8	410.0	-0.2%	0.3%	410.0	407.0	407.0	-0.2%	0.2%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3 Social Security Policy and Administration

### Programme purpose

Provide for social security policy development and the fair administration of social assistance.

### Objectives

- Oversee and ensure the efficient and effective administration of social grants by the South African Social Security Agency over the medium term by:
  - monitoring social grant beneficiary take-up rates and expenditure on a monthly basis
  - updating social grant beneficiary and expenditure projections on a monthly basis.
- Improve access to social assistance by increasing allocations to the child support grant for orphans through a top-up grant over the medium term.
- Provide an effective and efficient social security system that improves quality of life for poor and vulnerable people by 2021/22 by:
  - reviewing social security policy and legislation
  - evaluating policy proposals to establish a national social security fund.

## Subprogrammes

- *Social Security Policy Development* reviews and drafts policies and legislation in respect of social assistance, as well as contributory income support aimed at protecting households against life cycle contingencies such as unemployment, ill health, retirement, disability or the death of a breadwinner.
- *Appeals Adjudication* seeks to provide a fair and just adjudication service for social assistance appeals.
- *Social Grants Administration* provides for the South African Social Security Agency's operational costs for administering social grants, the management information system and the reimbursement of payment contractors.
- *Social Grants Fraud Investigations* provides funding for fraud investigations conducted by the South African Social Security Agency in partnership with law enforcement agencies.
- *Programme Management* provides for deputy director-general expenses related to social security policy initiatives

## Expenditure trends and estimates

**Table 17.11 Social Security Policy and Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Social Security Policy Development	43.5	43.1	43.0	72.0	18.3%	0.7%	82.6	88.3	93.7	9.2%	1.0%
Appeals Adjudication	24.8	25.5	26.9	37.3	14.6%	0.4%	39.3	42.6	47.2	8.2%	0.5%
Social Grants Administration	6 564.1	6 825.9	7 144.3	7 697.6	5.5%	97.9%	7 553.0	8 052.0	8 545.5	3.5%	97.5%
Social Grants Fraud Investigations	78.9	83.1	61.7	65.2	-6.1%	1.0%	68.8	72.6	76.6	5.5%	0.9%
Programme Management	5.2	3.4	1.8	4.8	-2.4%	0.1%	5.2	5.6	5.9	7.1%	0.1%
<b>Total</b>	<b>6 716.4</b>	<b>6 980.9</b>	<b>7 277.7</b>	<b>7 877.0</b>	<b>5.5%</b>	<b>100.0%</b>	<b>7 748.9</b>	<b>8 261.1</b>	<b>8 768.9</b>	<b>3.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(3.8)			(576.0)	(523.9)	(500.0)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>69.9</b>	<b>67.3</b>	<b>65.7</b>	<b>106.6</b>	<b>15.1%</b>	<b>1.1%</b>	<b>120.0</b>	<b>129.0</b>	<b>139.0</b>	<b>9.2%</b>	<b>1.5%</b>
Compensation of employees	45.6	46.7	47.8	68.2	14.3%	0.7%	73.1	78.6	83.7	7.0%	0.9%
Goods and services <sup>1</sup>	24.3	20.6	17.9	38.4	16.5%	0.4%	46.9	50.5	55.4	12.9%	0.6%
<i>of which:</i>											
<i>Consultants: Business and advisory services</i>	10.0	7.8	3.4	3.7	-28.2%	0.1%	6.1	6.6	7.0	23.6%	0.1%
<i>Legal services</i>	2.7	2.4	3.9	8.4	46.2%	0.1%	13.0	14.2	16.6	25.4%	0.2%
<i>Consumables: Stationery, printing and office supplies</i>	0.5	0.2	0.2	2.8	79.9%	-	3.0	3.1	3.3	5.5%	-
<i>Operating leases</i>	0.5	0.1	0.6	2.2	62.3%	-	2.6	2.8	2.9	10.1%	-
<i>Travel and subsistence</i>	4.9	3.7	3.9	4.1	-5.8%	0.1%	4.5	4.9	5.2	8.4%	0.1%
<i>Operating payments</i>	0.1	0.3	0.3	4.8	327.0%	-	5.0	5.3	5.6	5.5%	0.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>6 645.8</b>	<b>6 912.6</b>	<b>7 211.7</b>	<b>7 768.9</b>	<b>5.3%</b>	<b>98.9%</b>	<b>7 626.4</b>	<b>8 129.4</b>	<b>8 627.1</b>	<b>3.6%</b>	<b>98.5%</b>
Departmental agencies and accounts	6 643.0	6 908.9	7 206.1	7 762.9	5.3%	98.9%	7 621.8	8 124.6	8 622.1	3.6%	98.4%
Higher education institutions	1.0	2.0	1.5	1.5	14.5%	-	-	-	-	-100.0%	-
Foreign governments and international organisations	1.6	1.7	4.1	4.3	39.0%	-	4.4	4.5	4.7	3.1%	0.1%
Households	0.2	0.0	0.0	0.3	12.0%	-	0.3	0.3	0.3	5.9%	-
<b>Payments for capital assets</b>	<b>0.7</b>	<b>1.0</b>	<b>0.3</b>	<b>1.4</b>	<b>25.3%</b>	<b>-</b>	<b>2.5</b>	<b>2.7</b>	<b>2.8</b>	<b>25.5%</b>	<b>-</b>
Buildings and other fixed structures	-	0.1	-	-	-	-	-	-	-	-	-
Machinery and equipment	0.7	0.9	0.3	1.4	25.3%	-	2.5	2.7	2.8	25.5%	-
<b>Total</b>	<b>6 716.4</b>	<b>6 980.9</b>	<b>7 277.7</b>	<b>7 877.0</b>	<b>5.5%</b>	<b>100.0%</b>	<b>7 748.9</b>	<b>8 261.1</b>	<b>8 768.9</b>	<b>3.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>4.9%</b>	<b>4.7%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>-</b>	<b>-</b>	<b>4.2%</b>	<b>4.1%</b>	<b>4.1%</b>	<b>-</b>	<b>-</b>

**Table 17.11 Social Security Policy and Administration expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>6 643.0</b>	<b>6 908.9</b>	<b>7 206.1</b>	<b>7 762.9</b>	<b>5.3%</b>	<b>98.9%</b>	<b>7 621.8</b>	<b>8 124.6</b>	<b>8 622.1</b>	<b>3.6%</b>	<b>98.4%</b>
South African Social Security Agency	6 643.0	6 908.9	7 206.1	7 762.9	5.3%	98.9%	7 621.8	8 124.6	8 622.1	3.6%	98.4%
<b>Current</b>	<b>1.6</b>	<b>1.7</b>	<b>4.1</b>	<b>4.3</b>	<b>39.0%</b>	<b>–</b>	<b>4.4</b>	<b>4.5</b>	<b>4.7</b>	<b>3.1%</b>	<b>0.1%</b>
International Social Security Association	1.5	1.7	1.6	1.7	4.0%	–	1.8	1.9	2.0	4.9%	–
International Organisation of Pension Supervisors	0.1	–	0.1	0.1	2.2%	–	0.1	0.1	0.1	5.6%	–
International Labour Organisation	–	–	2.5	2.5	–	–	2.5	2.5	2.6	1.8%	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Welfare Services Policy Development and Implementation Support

### Programme purpose

Create an enabling environment for the delivery of equitable developmental welfare services through the formulation of policies, norms and standards, and best practices; and the provision of support to implementing agencies.

### Objectives

- Strengthen the delivery of social welfare services through legislative and policy reforms by 2021/22 by:
  - developing an implementation plan on the white paper on social development
  - capacitating provinces and other stakeholders on the use of the demand and supply model for social service professionals
  - supporting 1 046 students through social service scholarships.
- Strengthen child protection and development services by 2021/22, by:
  - conducting 9 provincial intersectoral capacity building workshops on the national plan of action for children
  - improving the quality of ECD services
  - submitting a children's amendment bill to Parliament for consideration
  - monitoring the implementation of guidelines for community-based prevention and early intervention services to vulnerable children
  - approving intersectoral protocol on the management and prevention of violence against children, child abuse, neglect and exploitation.
  - capacitating all provinces to implement guidelines and strategies for adoption, care, and child and youth care centres.
- Reduce the incidences of social crime and substance abuse, and facilitate the provision of support services to targeted groups by 2021/22, by:
  - providing training on the national anti-gangsterism strategy in 5 provinces
  - capacitating all provinces in implementing the national drug master plan
  - developing an intersectoral policy on sheltering services
  - monitoring the implementation of the Sinovuyo Caring Families programme in all provinces
  - monitoring the implementation of the policy framework on accreditation of diversion services.

- Promote, protect and empower people with disabilities through the development and implementation of legislation, policies and programmes by 2021/22 by:
  - capacitating stakeholders on the draft policy on services to persons with disabilities
  - strengthening coordination platforms and tools for the accelerated implementation of the 2015 White Paper on the Rights of Persons with Disabilities
  - developing implementation tools for the national strategic frameworks that support the implementation of the 2015 White Paper on the Rights of Persons with Disabilities
  - submitting 1 compliance report on the implementation of the 2015 White Paper on the Rights of Persons with Disabilities to Cabinet for approval.
- Contribute to a reduction in risky behaviours that lead to HIV and AIDS, and promote psychosocial wellbeing among targeted key populations by 2021/22 by:
  - submitting the draft action plan on the department’s HIV and AIDS response to the social cluster for approval
  - monitoring the implementation of psychosocial support services through the funded home and community-based care programme targeting key populations and groups vulnerable to HIV and AIDS, tuberculosis and sexually transmitted infections in all provinces.

### **Subprogrammes**

- *Service Standards* ensures the transformation and standardisation of social welfare services by developing and coordinating policies and legislation that promote the integration of the sector, and the delivery of high-quality and professional social welfare services.
- *Substance Abuse* develops, supports and monitors the implementation of policies, legislation, and norms and standards for combating substance abuse.
- *Older Persons* develops, supports and monitors the implementation of policies, legislation, and norms and standards for social welfare services to older people.
- *People with Disabilities* develops, supports and monitors the implementation of policies, legislation, and norms and standards for social welfare services to people with disabilities, and coordinates government’s implementation of the 2015 White Paper on the Rights of Persons with Disabilities.
- *Children* develops, supports and monitors the implementation of policies, legislation, and norms and standards for social welfare services to children.
- *Families* develops, supports and monitors the implementation of policies, legislation, programmes, and norms and standards for services aimed at strengthening families.
- *Social Crime Prevention and Victim Empowerment* develops, supports and monitors the implementation of policies, legislation, programmes, and norms and standards for services aimed at protecting, empowering, and supporting victims of crime and violence.
- *Youth* develops and facilitates the implementation of policies, legislation and programmes aimed at mobilising, developing skills among and protecting vulnerable young people.
- *HIV and AIDS* develops, supports and monitors the implementation of policies, programmes and guidelines aimed at preventing and mitigating the impact of HIV and AIDS in line with the 2017-2022 national strategic plan for HIV, sexually transmitted infections and tuberculosis.
- *Social Worker Scholarships* provides full scholarships for students studying social work.
- *Programme Management* provides for deputy director-general expenses related to social welfare services.

## Expenditure trends and estimates

Table 17.12 Welfare Services Policy Development and Implementation Support expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R million											
Service Standards	34.5	23.1	22.9	31.1	-3.3%	3.0%	32.5	34.8	37.9	6.8%	2.9%
Substance Abuse	73.9	103.8	42.0	109.1	13.9%	8.9%	20.9	22.0	23.4	-40.2%	3.7%
Older Persons	18.7	16.0	20.1	20.3	2.8%	2.0%	20.5	21.7	24.1	5.9%	1.8%
People with Disabilities	21.6	27.1	26.6	30.0	11.6%	2.8%	31.1	33.3	36.5	6.8%	2.8%
Children	76.0	75.5	390.7	573.5	96.1%	30.1%	605.5	646.1	683.4	6.0%	53.3%
Families	8.8	9.6	10.0	9.8	3.4%	1.0%	10.4	11.1	11.8	6.4%	0.9%
Social Crime Prevention and Victim Empowerment	64.4	65.6	74.1	63.7	-0.4%	7.2%	69.6	74.3	79.0	7.4%	6.1%
Youth	18.0	17.0	18.0	14.4	-7.2%	1.8%	14.3	15.1	17.1	5.8%	1.3%
HIV and AIDS	79.2	80.3	97.1	121.4	15.3%	10.2%	128.0	134.0	142.9	5.6%	11.2%
Social Worker Scholarships	276.1	290.8	305.3	323.0	5.4%	32.3%	128.5	135.5	143.0	-23.8%	15.5%
Programme Management	5.2	4.3	4.4	4.2	-6.8%	0.5%	4.5	4.8	5.0	6.5%	0.4%
<b>Total</b>	<b>676.4</b>	<b>713.1</b>	<b>1 011.4</b>	<b>1 300.4</b>	<b>24.3%</b>	<b>100.0%</b>	<b>1 065.8</b>	<b>1 132.8</b>	<b>1 204.0</b>	<b>-2.5%</b>	<b>100.0%</b>
Change to 2018				15.9			(293.5)	(311.8)	(324.4)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>273.6</b>	<b>253.4</b>	<b>261.2</b>	<b>271.4</b>	<b>-0.3%</b>	<b>28.6%</b>	<b>286.7</b>	<b>304.6</b>	<b>329.6</b>	<b>6.7%</b>	<b>25.4%</b>
Compensation of employees	129.8	139.9	146.1	144.0	3.5%	15.1%	155.1	166.7	177.6	7.2%	13.7%
Goods and services <sup>1</sup>	143.7	113.5	115.1	127.4	-3.9%	13.5%	131.6	137.9	152.0	6.1%	11.7%
of which:											
Administrative fees	2.1	1.2	1.8	2.2	1.7%	0.2%	5.6	5.9	6.2	40.7%	0.4%
Advertising	18.7	14.8	13.6	14.7	-7.7%	1.7%	15.4	16.4	17.4	5.8%	1.4%
Catering: Departmental activities	8.5	6.6	10.2	5.4	-14.1%	0.8%	5.7	5.7	6.0	3.7%	0.5%
Consultants: Business and advisory services	24.8	23.7	16.1	27.5	3.6%	2.5%	24.8	26.0	31.6	4.8%	2.3%
Travel and subsistence	45.9	27.5	35.8	37.2	-6.7%	4.0%	38.8	40.7	44.1	5.8%	3.4%
Venues and facilities	22.4	19.5	13.9	22.5	0.2%	2.1%	22.7	23.6	26.1	5.0%	2.0%
<b>Transfers and subsidies<sup>1</sup></b>	<b>401.3</b>	<b>458.2</b>	<b>749.5</b>	<b>1 026.5</b>	<b>36.8%</b>	<b>71.2%</b>	<b>773.7</b>	<b>822.5</b>	<b>868.4</b>	<b>-5.4%</b>	<b>74.2%</b>
Provinces and municipalities	47.5	85.5	524.4	776.9	153.8%	38.7%	518.2	552.9	583.4	-9.1%	51.7%
Higher education institutions	-	-	0.5	-	-	-	-	-	-	-	-
Foreign governments and international organisations	0.7	0.6	0.6	0.8	6.9%	0.1%	0.8	0.9	0.9	5.2%	0.1%
Non-profit institutions	76.9	80.3	99.3	121.8	16.6%	10.2%	128.6	135.7	143.8	5.7%	11.3%
Households	276.3	291.8	124.8	127.0	-22.8%	22.2%	126.0	133.0	140.3	3.4%	11.2%
<b>Payments for capital assets</b>	<b>1.5</b>	<b>1.5</b>	<b>0.7</b>	<b>2.6</b>	<b>19.7%</b>	<b>0.2%</b>	<b>5.3</b>	<b>5.6</b>	<b>5.9</b>	<b>32.4%</b>	<b>0.4%</b>
Buildings and other fixed structures	0.3	0.0	-	-	-100.0%	-	-	-	-	-	-
Machinery and equipment	1.2	1.5	0.7	2.6	30.1%	0.2%	5.3	5.6	5.9	32.4%	0.4%
<b>Total</b>	<b>676.4</b>	<b>713.1</b>	<b>1 011.4</b>	<b>1 300.4</b>	<b>24.3%</b>	<b>100.0%</b>	<b>1 065.8</b>	<b>1 132.8</b>	<b>1 204.0</b>	<b>-2.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.6%</b>	<b>0.8%</b>	<b>-</b>	<b>-</b>	<b>0.6%</b>	<b>0.6%</b>	<b>0.6%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>276.1</b>	<b>290.8</b>	<b>123.5</b>	<b>126.2</b>	<b>-23.0%</b>	<b>22.1%</b>	<b>125.3</b>	<b>132.1</b>	<b>139.4</b>	<b>3.4%</b>	<b>11.1%</b>
National Student Financial Aid Scheme	276.1	290.8	123.5	126.2	-23.0%	22.1%	125.3	132.1	139.4	3.4%	11.1%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>76.9</b>	<b>80.3</b>	<b>99.3</b>	<b>121.8</b>	<b>16.6%</b>	<b>10.2%</b>	<b>128.6</b>	<b>135.7</b>	<b>143.8</b>	<b>5.7%</b>	<b>11.3%</b>
South African Council for Social Service Professions	-	-	-	1.9	-	0.1%	2.1	2.2	2.3	6.2%	0.2%
HIV and AIDS organisations	53.3	56.3	59.1	62.6	5.5%	6.3%	66.1	69.7	73.5	5.5%	5.8%
South African National AIDS Council	-	-	15.0	30.0	-	1.2%	31.7	33.4	35.3	5.5%	2.8%
South African Older Persons Forum	1.2	1.5	1.4	1.5	7.4%	0.2%	1.6	1.7	1.9	6.2%	0.1%
Sonke Gender Justice	-	0.7	-	-	-	-	-	-	-	-	-
Partners in Sexual Health	-	0.7	-	-	-	-	-	-	-	-	-
Autism South Africa	1.1	-	1.7	0.9	-6.5%	0.1%	1.0	1.0	1.1	6.2%	0.1%
Epilepsy South Africa	0.9	-	-	-	-100.0%	-	-	-	-	-	-

**Table 17.12 Welfare Services Policy Development and Implementation Support expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21			2021/22	2018/19 - 2021/22
	R million												
Moonlight Foundation for Autism	–	0.8	–	–	–	–	–	–	–	–	–	–	
Childline South Africa	0.9	1.0	1.0	1.1	4.6%	0.1%	1.1	1.2	1.3	6.2%	0.1%	0.1%	
Abba Specialist Adoption and Social Services	–	–	1.0	1.2	–	0.1%	1.3	1.3	1.4	6.2%	0.1%	0.1%	
Ntataise	–	–	1.8	1.1	–	0.1%	1.2	1.2	1.3	6.2%	0.1%	0.1%	
Centre for Early Childhood Development	0.7	0.7	1.1	–	-100.0%	0.1%	–	–	–	–	–	–	
Masizakhe	–	–	0.4	–	–	–	–	–	–	–	–	–	
Future Generation	–	–	0.5	–	–	–	–	–	–	–	–	–	
Child Welfare South Africa	2.4	1.9	–	–	-100.0%	0.1%	–	–	–	–	–	–	
Die Ondersteuningsraad	0.9	1.0	–	–	-100.0%	0.1%	–	–	–	–	–	–	
Lifeline South Africa	1.8	1.3	–	0.9	-22.4%	0.1%	0.9	1.0	1.0	6.2%	0.1%	0.1%	
National Peace Accord Trust	–	0.9	1.3	0.6	–	0.1%	0.7	0.7	0.7	6.2%	0.1%	0.1%	
Khulumani support group	–	0.5	–	–	–	–	–	–	–	–	–	–	
Foundation for Victims of Crime	0.3	0.4	–	–	-100.0%	–	–	–	–	–	–	–	
National Youth Development Foundation	0.8	–	–	–	-100.0%	–	–	–	–	–	–	–	
South African National Council on Alcoholism and Drug Dependence	1.3	1.5	1.5	1.6	8.1%	0.2%	1.7	1.8	1.9	6.2%	0.2%	0.2%	
South African Depression and Anxiety Group	1.6	1.6	1.6	1.6	–	0.2%	1.7	1.8	1.9	6.2%	0.1%	0.1%	
National Institute Community Development and Management (older) people	1.1	1.0	1.2	1.3	3.3%	0.1%	1.3	1.4	1.5	6.2%	0.1%	0.1%	
Suid Afrikaanse Vroue Federasie (families)	–	–	0.8	0.8	–	–	0.8	0.9	0.9	6.1%	0.1%	0.1%	
Family and Marriage Society South Africa	1.3	–	0.7	0.8	-16.3%	0.1%	0.8	0.9	0.9	6.3%	0.1%	0.1%	
South African Federation for Mental Health	1.3	0.4	1.0	0.8	-15.0%	0.1%	0.8	0.9	1.0	6.2%	0.1%	0.1%	
South African National Deaf Association	–	0.4	–	0.6	–	–	0.6	0.7	0.7	6.2%	0.1%	0.1%	
Disabled Children's Action Group	–	1.2	–	0.7	–	0.1%	0.7	0.8	0.8	6.2%	0.1%	0.1%	
Deafblind South Africa	–	0.2	0.7	0.6	–	–	0.6	0.7	0.7	6.2%	0.1%	0.1%	
Albinism Society of South Africa	–	1.0	0.7	0.8	–	0.1%	0.8	0.9	1.0	6.2%	0.1%	0.1%	
Deaf Federation of South Africa	0.5	–	–	–	-100.0%	–	–	–	–	–	–	–	
Suid Afrikaanse Vroue Federasie (children)	0.7	0.8	–	0.7	-1.2%	0.1%	0.7	0.8	0.8	6.2%	0.1%	0.1%	
Afrikaanse Christelike Vroue Federasie	1.2	1.3	1.1	0.8	-13.4%	0.1%	0.8	0.9	0.9	6.2%	0.1%	0.1%	
South African Congress for Early Childhood Development	–	0.6	0.9	0.7	–	0.1%	0.7	0.8	0.8	6.2%	0.1%	0.1%	
AFM Executive Welfare Council	–	–	–	0.5	–	–	0.5	0.6	0.6	6.2%	–	–	
Apostolic Faith Mission of South Africa	0.7	–	–	–	-100.0%	–	–	–	–	–	–	–	
Humana People to People in South Africa	–	–	–	1.2	–	–	1.3	1.3	1.4	6.2%	0.1%	0.1%	
Uhambo Foundation	–	–	–	1.6	–	–	1.7	1.8	1.9	6.2%	0.2%	0.2%	
National Institute Community Development and Management (victim empowerment)	1.5	–	1.7	1.5	1.3%	0.1%	1.6	1.7	1.8	6.2%	0.1%	0.1%	
National Shelter Movement of South Africa	–	0.8	1.7	0.6	–	0.1%	0.7	0.7	0.7	6.2%	0.1%	0.1%	
Khulisa Social Solutions	0.2	0.8	1.4	1.4	94.6%	0.1%	1.5	1.6	1.7	6.2%	0.1%	0.1%	
National Institute for Crime Prevention and the Reintegration of Offenders	1.0	1.1	–	1.4	12.1%	0.1%	1.5	1.6	1.7	6.2%	0.1%	0.1%	



**Table 17.12 Welfare Services Policy Development and Implementation Support expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies											
R million	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	–	–	<b>499.4</b>	<b>687.6</b>	–	<b>32.1%</b>	<b>518.2</b>	<b>552.9</b>	<b>583.4</b>	<b>-5.3%</b>	<b>49.8%</b>
Early childhood development grant	–	–	317.6	490.8	–	21.8%	518.2	552.9	583.4	5.9%	45.6%
Social worker employment grant	–	–	181.8	196.8	–	10.2%	–	–	–	-100.0%	4.2%
<b>Capital</b>	<b>47.5</b>	<b>85.5</b>	<b>24.9</b>	<b>89.3</b>	<b>23.4%</b>	<b>6.7%</b>	–	–	–	<b>-100.0%</b>	<b>1.9%</b>
Substance abuse treatment grant	47.5	85.5	24.9	89.3	23.4%	6.7%	–	–	–	-100.0%	1.9%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Social Policy and Integrated Service Delivery

### Programme purpose

Support community development and promote evidence-based policy making in the department and the social development sector.

### Objectives

- Facilitate the management and coordination of cross-cutting functions for the department and the services social cluster by monitoring the implementation of phase 4 of the social sector plan through the expanded public works programme by 2021/22.
- Promote and support the implementation of the 1998 White Paper on Population Policy for South Africa by 2021/22 by facilitating:
  - the development and dissemination of population policy monitoring reports
  - the review of the progress of the 1998 White Paper on Population Policy for South Africa and making recommendations to Cabinet
- create an enabling environment for NPOs to deliver services by 2021/22 by facilitating:
  - the implementation of the department's sector funding policy
  - the implementation of the partnership model between the department and NPOs
  - the processing of applications for registration of NPOs within two months of receipt
  - the submission of the NPO Amendment Bill to Parliament.
- Strengthen social development service delivery and build self-reliant communities in identified local municipalities by 2021/22 by facilitating the implementation of the community development practice policy.
- Contribute to poverty eradication and the elimination of hunger through providing support to community-driven programmes, and food and nutrition security services, by 2021/22 by:
  - facilitating the implementation of the developmental model for community nutrition and development centres
  - facilitating the implementation of the framework on the asset based community development approach
  - monitoring the implementation of the integrated food and nutrition security programme
  - ensuring that 103 750 vulnerable individuals access food through community nutrition development centres.

## Subprogrammes

- *Social Policy Research and Development* provides strategic guidance through evidence-based social policy development, coordination and evaluation.
- *Special Projects and Innovation* provides for the coordination, incubation and innovation of departmental and social cluster initiatives such as the expanded public works programme.
- *Population Policy Promotion* supports, monitors and evaluates the implementation of the 1998 White Paper on Population Policy for South Africa by conducting research on the country's population trends and dynamics, raising awareness on population and development concerns, and supporting and building technical capacity to implement the policy.
- *Registration and Monitoring of Non-profit Organisations* provides for the registration and monitoring of NPOs in terms of the Non-Profit Organisations Act (1997).
- *Substance Abuse Advisory Services and Oversight* monitors the implementation of intersectoral policies, legislation, and norms and standards aimed at combating substance abuse.
- *Community Development* develops and implements policies, strategies, guidelines and programmes to contribute towards the building of sustainable communities free from poverty and hunger.
- *National Development Agency* focuses on strengthening the institutional capacity of civil society organisations that provide services to poor communities.
- *Programme Management* provides for deputy director-general expenses related to social policy and community development initiatives.

## Expenditure trends and estimates

**Table 17.13 Social Policy and Integrated Service Delivery expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R million											
Social Policy Research and Development	5.8	6.1	4.9	5.9	0.9%	1.5%	6.3	6.8	7.2	6.9%	1.7%
Special Projects and Innovation	11.6	10.7	10.2	11.0	-1.8%	2.8%	11.8	12.6	13.4	6.7%	3.1%
Population Policy Promotion	35.8	33.8	35.4	34.5	-1.2%	9.1%	36.9	39.4	42.0	6.7%	9.7%
Registration and Monitoring of Non-profit organisations	30.3	35.7	36.7	37.5	7.3%	9.1%	40.1	42.8	45.5	6.7%	10.6%
Substance Abuse Advisory Services and Oversight	4.1	5.9	3.6	6.2	15.0%	1.3%	6.6	7.0	7.4	6.1%	1.7%
Community Development	97.8	93.2	91.4	91.2	-2.3%	24.3%	95.5	33.0	36.1	-26.6%	16.3%
National Development Agency	184.4	194.2	200.9	202.6	3.2%	50.9%	212.4	224.5	236.9	5.4%	55.9%
Programme Management	4.7	3.7	3.4	3.5	-10.0%	1.0%	3.7	3.9	4.2	6.6%	1.0%
<b>Total</b>	<b>374.4</b>	<b>383.2</b>	<b>386.6</b>	<b>392.3</b>	<b>1.6%</b>	<b>100.0%</b>	<b>413.3</b>	<b>370.2</b>	<b>392.6</b>	<b>-</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			(3.2)	(70.1)	(73.5)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>134.9</b>	<b>132.2</b>	<b>126.5</b>	<b>126.8</b>	<b>-2.1%</b>	<b>33.9%</b>	<b>134.7</b>	<b>142.6</b>	<b>152.5</b>	<b>6.4%</b>	<b>35.5%</b>
Compensation of employees	74.8	80.9	80.7	80.3	2.4%	20.6%	86.4	92.9	98.9	7.2%	22.9%
Goods and services <sup>1</sup>	60.1	51.3	45.8	46.5	-8.2%	13.3%	48.3	49.7	53.6	4.9%	12.6%
of which:											
Administrative fees	2.0	1.3	1.3	1.3	-12.4%	0.4%	1.4	1.5	1.7	8.1%	0.4%
Advertising	2.8	0.3	1.5	3.0	2.3%	0.5%	3.1	3.3	3.5	5.5%	0.8%
Consultants: Business and advisory services	3.4	9.0	7.7	5.9	20.0%	1.7%	6.3	6.3	6.7	3.9%	1.6%
Consumables: Stationery, printing and office supplies	0.8	0.6	0.7	3.0	55.9%	0.3%	3.1	3.3	3.5	5.5%	0.8%
Travel and subsistence	28.7	25.4	23.1	17.4	-15.4%	6.2%	18.0	18.0	20.1	5.0%	4.7%
Venues and facilities	5.1	4.9	3.5	10.2	25.5%	1.5%	10.7	11.3	11.9	5.5%	2.8%
<b>Transfers and subsidies<sup>1</sup></b>	<b>239.0</b>	<b>250.5</b>	<b>260.0</b>	<b>264.7</b>	<b>3.5%</b>	<b>66.0%</b>	<b>277.7</b>	<b>226.7</b>	<b>239.2</b>	<b>-3.3%</b>	<b>64.3%</b>
Departmental agencies and accounts	184.4	194.2	200.9	202.6	3.2%	50.9%	212.4	224.5	236.9	5.4%	55.9%
Higher education institutions	0.5	0.4	-	-	-100.0%	0.1%	-	-	-	-	-

**Table 17.13 Social Policy and Integrated Service Delivery expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Foreign governments and international organisations	1.8	1.8	1.9	2.1	4.5%	0.5%	1.9	2.0	2.1	0.4%	0.5%
Non-profit institutions	29.1	29.3	30.8	59.9	27.3%	9.7%	34.2	–	–	-100.0%	6.0%
Households	23.3	24.8	26.4	0.2	-80.9%	4.9%	29.3	0.2	0.2	6.4%	1.9%
<b>Payments for capital assets</b>	<b>0.5</b>	<b>0.6</b>	<b>0.1</b>	<b>0.8</b>	<b>18.4%</b>	<b>0.1%</b>	<b>0.9</b>	<b>0.9</b>	<b>1.0</b>	<b>5.5%</b>	<b>0.2%</b>
Buildings and other fixed structures	–	0.1	–	–	–	–	–	–	–	–	–
Machinery and equipment	0.5	0.5	0.1	0.8	18.4%	0.1%	0.9	0.9	1.0	5.5%	0.2%
<b>Total</b>	<b>374.4</b>	<b>383.2</b>	<b>386.6</b>	<b>392.3</b>	<b>1.6%</b>	<b>100.0%</b>	<b>413.3</b>	<b>370.2</b>	<b>392.6</b>	<b>–</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>184.4</b>	<b>194.2</b>	<b>200.9</b>	<b>202.6</b>	<b>3.2%</b>	<b>50.9%</b>	<b>212.4</b>	<b>224.5</b>	<b>236.9</b>	<b>5.4%</b>	<b>55.9%</b>
National Development Agency	184.4	194.2	200.9	202.6	3.2%	50.9%	212.4	224.5	236.9	5.4%	55.9%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>23.2</b>	<b>24.7</b>	<b>26.1</b>	<b>–</b>	<b>-100.0%</b>	<b>4.8%</b>	<b>29.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1.9%</b>
Food relief	23.2	24.7	26.1	–	-100.0%	4.8%	29.1	–	–	–	1.9%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>29.1</b>	<b>29.3</b>	<b>30.8</b>	<b>59.9</b>	<b>27.3%</b>	<b>9.7%</b>	<b>34.2</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>6.0%</b>
Soul City	1.0	–	–	–	-100.0%	0.1%	–	–	–	–	–
Population Association of Southern Africa	0.2	0.2	0.2	–	-100.0%	–	–	–	–	–	–
Food relief	27.8	29.1	30.6	59.9	29.2%	9.6%	34.2	–	–	-100.0%	6.0%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entity

### South African Social Security Agency

#### Mandate

The South African Social Security Agency Act (2004) provides for the establishment of the South African Social Security Agency, the objectives of which are to ensure the effective and efficient administration, management, and payment of social assistance grants. The agency's core business is to administer and pay social assistance transfers. It has a large network of centres where citizens can apply for social grants, and manages a large payment system of more than 17 million monthly social grants.

**Selected performance indicators****Table 17.14 South African Social Security Agency performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Average cost of administering social assistance per beneficiary per month	Benefits administration support	Outcome 13: An inclusive and responsive social protection system	R33	R35	R34	R39	R36	R38	R38
Administration cost as a percentage of social assistance transfers budget per year	Benefits administration support		5.2% (R6.7bn/ R128.3bn)	5.2% (R7.2bn/ R138.9bn)	4.8% (R7.2bn/ R150.3bn)	5.1%	4.5%	4.4%	4.3%
Number of community outreach programmes conducted per year	Benefits administration support		570	631	685	3 091	4 001	600 <sup>1</sup>	600
Percentage of new grant applications per year processed within targeted working days	Benefits administration support		97.1% within 15 days (1 717 011/ 1 767 639)	90.4% within 10 days (1 864 437/ 2 062 453)	94.1% within 10 days (2 003 997/ 2 130 731)	95% within 10 days	95% within 10 days	95% within 10 days	95% within 5 days

1. Targets decrease due to the agency conducting community outreach programmes using internal capacity instead of outsourcing the function.

**Expenditure analysis**

Social assistance protects against inequality and poverty, and promotes the social and financial inclusion of the economically inactive population. Over the medium term, the South African Social Security Agency intends to continue focusing on improving its services to ensure they reach all those entitled to social assistance. It aims to do this by putting systems in place to better manage the payment of social assistance; reduce administrative bottlenecks in the grant application process to improve the turnaround time for grant approval; and increase access to social assistance by educating beneficiaries on qualifying criteria for social grants, and targeting groups with traditionally low coverage for enrolment as beneficiaries, such as newborn babies and children up to the age of 2.

Until the agency's contract with Cash Paymaster Services came to an end in September 2018, it spent an estimated average of R2.1 billion per year contracting the full payment function to the service provider. In its efforts to make the disbursement of grants to beneficiaries more efficient, the agency has entered into an arrangement with the South African Post Office. As a result, spending on contractors is expected to decrease to R1.8 billion by 2021/22. It is anticipated that this arrangement will lead to greater efficiencies in the disbursement of grants through the rationalisation of cash paypoints.

To improve the turnaround time for grant approval, address administrative bottlenecks and improve cost efficiencies, the agency is set to complete the process of reviewing the grant payment value chain and the capacity of personnel to administer grants by March 2019. It is expected that the findings of the review will result in an increase in the number of personnel by 490 in 2019/20 at a cost of R250 million. This is subject to the availability of funds after the final payment to the South African Post Office. Grant administration services are chiefly driven by face-to-face contact with beneficiaries, which requires a larger workforce.

To ensure that social grants reach qualifying beneficiaries, especially in poor communities, the integrated community registration outreach programme is designed to improve access to the agency's services and ensure that government is responsive to the immediate socioeconomic challenges faced by poor households and communities. As such, the agency plans to conduct 1 600 community outreach programmes through this programme over the medium term at a projected cost of R300 million. This initiative will introduce beneficiaries to the new dispensation for the payment of grants, and will allow for proper communication on the options available to recipients for accessing grants.

A number of projects have been prioritised in the *Benefits Administration Support* programme to modernise service delivery models for social assistance over the MTEF period. These projects include the automation of social grant registries, which involves scanning millions of beneficiary files into an electronic system, at a projected cost of R7 million in 2019/20; and the implementation of a biometric authentication system aimed at reducing fraud and improving compliance with applicable legislation, at an estimated cost of R33 million in 2019/20.

The agency derives the bulk of its revenue through transfers from the department. These are expected to increase at an average annual rate of 3.6 per cent, from R7.8 billion in 2018/19 to R8.6 billion in 2021/22.

### Programmes/Objectives/Activities

**Table 17.15 South African Social Security Agency expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	2 431.8	2 581.4	2 593.6	3 178.6	9.3%	36.7%	3 032.1	3 212.6	3 374.4	2.0%	38.9%
Benefits administration support	4 272.0	4 643.6	4 623.4	5 003.0	5.4%	63.3%	4 785.7	5 063.4	5 255.1	1.7%	61.1%
<b>Total</b>	<b>6 703.8</b>	<b>7 225.0</b>	<b>7 217.0</b>	<b>8 181.6</b>	<b>6.9%</b>	<b>100.0%</b>	<b>7 817.8</b>	<b>8 275.9</b>	<b>8 629.5</b>	<b>1.8%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 17.16 South African Social Security Agency statements of historical financial performance and position**

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%) 2015/16 - 2018/19
	Budget	2015/16	Budget	2016/17	Budget	2017/18			
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>4.0</b>	<b>24.1</b>	<b>4.2</b>	<b>13.4</b>	<b>4.4</b>	<b>7.9</b>	<b>6.3</b>	<b>6.3</b>	<b>272.9%</b>
Sale of goods and services other than capital assets	0.0	16.5	-	5.3	0.0	1.8	0.6	0.6	3 785.0%
<i>of which:</i>									
Administrative fees	-	-	-	0.2	-	0.2	0.2	0.2	318.3%
Sales by market establishment	-	16.5	-	5.1	-	1.6	0.4	0.4	5 469.6%
Other sales	0.0	0.1	-	-	0.0	0.0	0.0	0.0	204.5%
Other non-tax revenue	4.0	7.6	4.2	8.1	4.4	6.1	5.7	5.7	150.3%
<b>Transfers received</b>	<b>6 643.0</b>	<b>6 643.0</b>	<b>6 908.9</b>	<b>6 908.9</b>	<b>7 206.1</b>	<b>7 206.1</b>	<b>7 760.7</b>	<b>7 762.9</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>6 647.0</b>	<b>6 667.1</b>	<b>6 913.1</b>	<b>6 922.3</b>	<b>7 210.5</b>	<b>7 213.9</b>	<b>7 767.0</b>	<b>7 769.2</b>	<b>100.1%</b>
<b>Current expenses</b>	<b>7 270.6</b>	<b>6 681.2</b>	<b>7 545.1</b>	<b>7 194.6</b>	<b>7 684.6</b>	<b>7 180.8</b>	<b>8 149.4</b>	<b>8 151.6</b>	<b>95.3%</b>
Compensation of employees	2 700.5	2 643.4	3 034.3	2 895.7	3 242.2	3 027.3	3 464.0	3 464.0	96.7%
Goods and services	4 498.3	3 922.8	4 480.3	4 184.9	4 409.9	4 031.6	4 651.0	4 653.2	93.1%
<i>of which:</i>									
Agency and support / outsourced services	145.3	158.4	154.4	193.2	204.9	199.3	332.1	332.1	105.5%
Communication	338.3	69.5	62.0	92.2	85.7	61.4	86.5	86.5	54.1%
Computer services	406.1	312.8	361.5	330.3	353.9	338.2	542.3	542.3	91.6%
Payment contractors	2 211.6	2 025.6	2 146.0	2 062.9	2 258.7	2 112.5	2 292.9	1 992.2	92.0%
Lease payments	401.2	332.9	382.4	309.2	376.3	309.2	415.8	415.8	86.8%
Repairs and maintenance	289.4	141.3	100.3	21.4	88.4	25.0	31.7	33.9	43.5%
Property payments	-	-	-	399.7	-	418.2	454.4	454.4	280.0%
Depreciation	70.9	115.0	30.6	114.0	32.5	121.9	34.5	34.5	228.0%
Interest, dividends and rent on land	0.9	-	-	-	-	-	-	-	0.0%
<b>Surplus/(Deficit)</b>	<b>(647.0)</b>	<b>(37.0)</b>	<b>(659.0)</b>	<b>(303.0)</b>	<b>(502.0)</b>	<b>(3.0)</b>	<b>(412.0)</b>	<b>(412.0)</b>	<b>-</b>
<b>Statement of financial position</b>									
Carrying value of assets	747.9	816.8	785.3	858.3	824.6	821.8	865.9	865.9	104.3%
<i>of which:</i>									
Acquisition of assets	(232.4)	(171.8)	(149.6)	(166.2)	(152.7)	(102.8)	(161.6)	(161.6)	86.5%
Inventory	32.4	17.0	34.0	15.5	35.7	16.5	17.4	17.4	55.5%
Receivables and prepayments	16.9	24.4	17.7	27.6	18.6	26.6	29.0	29.0	130.9%
Cash and cash equivalents	1 036.8	1 227.3	892.8	777.4	522.2	509.2	536.2	536.2	102.1%
<b>Total assets</b>	<b>1 834.0</b>	<b>2 085.5</b>	<b>1 729.8</b>	<b>1 678.7</b>	<b>1 401.1</b>	<b>1 374.1</b>	<b>1 448.5</b>	<b>1 448.5</b>	<b>102.7%</b>

**Table 17.16 South African Social Security Agency statements of historical financial performance and position**

Statement of financial position									
	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/Budget (%)
R million	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Accumulated surplus/(deficit)	620.6	1 284.3	625.3	981.6	122.9	746.0	333.5	333.5	196.5%
Finance lease	0.3	–	0.3	–	0.3	0.4	0.3	0.3	58.3%
Trade and other payables	877.1	520.3	751.4	406.6	907.5	335.1	806.5	806.5	61.9%
Provisions	336.0	280.8	352.8	290.5	370.5	292.7	308.2	308.2	85.7%
<b>Total equity and liabilities</b>	<b>1 834.0</b>	<b>2 085.5</b>	<b>1 729.8</b>	<b>1 678.7</b>	<b>1 401.1</b>	<b>1 374.1</b>	<b>1 448.5</b>	<b>1 448.5</b>	<b>102.7%</b>

**Statements of estimates of financial performance and position****Table 17.17 South African Social Security Agency statements of estimates of financial performance and position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
R million	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>6.3</b>	<b>-35.9%</b>	<b>0.2%</b>	<b>6.7</b>	<b>7.1</b>	<b>7.5</b>	<b>5.5%</b>	<b>0.1%</b>	
Sale of goods and services other than capital assets	0.6	-66.7%	0.1%	0.6	0.7	0.7	5.4%	0.0%	
<i>of which:</i>									
Administrative fees	0.2	–	0.0%	0.2	0.2	0.2	5.4%	0.0%	
Sales by market establishment	0.4	-70.3%	0.1%	0.5	0.5	0.5	5.4%	0.0%	
Other non-tax revenue	5.7	-8.8%	0.1%	6.1	6.4	6.7	5.5%	0.1%	
<b>Transfers received</b>	<b>7 762.9</b>	<b>5.3%</b>	<b>99.8%</b>	<b>7 621.8</b>	<b>8 124.6</b>	<b>8 622.1</b>	<b>3.6%</b>	<b>99.9%</b>	
<b>Total revenue</b>	<b>7 769.2</b>	<b>5.2%</b>	<b>100.0%</b>	<b>7 628.5</b>	<b>8 131.7</b>	<b>8 629.5</b>	<b>3.6%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>12 009.0</b>	<b>21.6%</b>	<b>99.6%</b>	<b>11 095.2</b>	<b>11 762.4</b>	<b>12 281.4</b>	<b>0.8%</b>	<b>99.7%</b>	
Compensation of employees	3 464.0	9.4%	40.9%	3 657.9	3 830.1	3 962.2	4.6%	31.6%	
Goods and services	4 653.2	5.9%	57.3%	4 080.7	4 362.5	4 579.3	-0.5%	37.4%	
<i>of which:</i>									
Agency and support / outsourced services	332.1	28.0%	3.0%	277.2	293.3	309.5	-2.3%	2.6%	
Communication	86.5	7.6%	1.1%	54.8	82.6	91.3	1.8%	0.7%	
Computer services	542.3	20.1%	5.1%	450.3	430.5	454.2	-5.7%	4.0%	
Payment contractors	1 992.2	-0.6%	28.1%	1 610.5	726.7	1 791.2	-3.5%	15.1%	
Lease payments	415.8	7.7%	4.7%	420.4	452.5	477.4	4.7%	3.7%	
Repairs and maintenance	33.9	-37.8%	0.8%	13.4	17.7	18.7	-18.0%	0.2%	
Property payments	454.4	–	4.2%	482.4	516.4	544.8	6.2%	4.2%	
Depreciation	34.5	-33.1%	1.4%	47.5	50.1	.9	15.3%	0.4%	
Transfers and subsidies	30.0	9.9%	0.4%	31.6	33.2	35.1	5.3%	0.3%	
<b>Total expenses</b>	<b>12 039.0</b>	<b>21.6%</b>	<b>100.0%</b>	<b>11 126.8</b>	<b>11 795.6</b>	<b>12 316.5</b>	<b>0.8%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>(4 270.0)</b>			<b>(3 498.0)</b>	<b>(3 664.0)</b>	<b>(3 687.0)</b>			
<b>Statement of financial position</b>									
Carrying value of assets	865.9	2.0%	52.5%	912.4	974.4	1 028.0	5.9%	59.9%	
<i>of which:</i>									
Acquisition of assets	(161.6)	-2.0%	-9.2%	(161.6)	(170.5)	(179.9)	3.6%	-10.7%	
Inventory	17.4	0.9%	1.0%	18.3	19.3	20.4	5.4%	1.2%	
Receivables and prepayments	29.0	5.9%	1.7%	30.6	32.2	34.0	5.4%	2.0%	
Cash and cash equivalents	536.2	-24.1%	44.8%	564.6	595.6	628.4	5.4%	36.9%	
<b>Total assets</b>	<b>1 448.5</b>	<b>-11.4%</b>	<b>100.0%</b>	<b>1 525.9</b>	<b>1 621.6</b>	<b>1 710.8</b>	<b>5.7%</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	333.5	-36.2%	49.3%	144.2	–	–	-100.0%	8.1%	
Finance lease	0.3	–	0.0%	0.3	0.4	0.4	5.5%	0.0%	
Trade and other payables	806.5	15.7%	32.3%	1 056.8	1 278.8	1 349.2	18.7%	70.7%	
Provisions	308.2	3.1%	18.3%	324.5	342.4	361.2	5.4%	21.2%	
<b>Total equity and liabilities</b>	<b>1 448.5</b>	<b>-11.4%</b>	<b>100.0%</b>	<b>1 525.9</b>	<b>1 621.6</b>	<b>1 710.8</b>	<b>5.7%</b>	<b>100.0%</b>	

## Personnel information

**Table 17.18 South African Social Security Agency personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment											Number							
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost	Unit cost	
South African Social Security Agency		9 794	19 676	8 800	3 027.3	0.3	9 304	3 464.0	0.4	9 794	3 657.9	0.4	9 794	3 830.1	0.4	9 794	3 962.2	0.4	4.6%	100.0%
1 – 6	6 162	11 654	5 513	1 409.5	0.3	6 053	1 548.0	0.3	6 162	1 618.3	0.3	6 162	1 666.6	0.3	6 162	1 707.6	0.3	3.3%	63.5%	
7 – 10	2 879	6 811	2 680	1 062.0	0.4	2 581	1 219.2	0.5	2 879	1 298.5	0.5	2 879	1 381.6	0.5	2 879	1 436.4	0.5	5.6%	29.0%	
11 – 12	527	889	413	338.7	0.8	481	447.7	0.9	527	477.5	0.9	527	504.8	1.0	527	528.1	1.0	5.7%	5.3%	
13 – 16	226	322	194	217.1	1.1	189	249.1	1.3	226	263.7	1.2	226	277.1	1.2	226	290.1	1.3	5.2%	2.2%	

1. Rand million.

## Other entity

Comprehensive coverage of the following public entity is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **National Development Agency's** primary focus is on strengthening the institutional capacity of civil society organisations that provide services to poor communities. The agency also promotes consultation and dialogue between civil society and the state, debates policy development, and conducts research. The agency's projected expenditure for 2019/20 is R213.9 million.

**Additional Table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
<b>Departmental infrastructure</b>										
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Refurbishment of White Door for gender-based violence	Refurbishment of containers to serve as White Door facilities for gender-based violence	Completed	0.4	0.3	0.0	-	-	-	-	-
Partition of office	Installation of office partition	Completed	0.1	-	0.1	-	-	-	-	-
Partition of office	Installation of office partition	On-going	0.1	-	0.1	-	-	-	-	-
Substance abuse treatment centre: Eastern Cape	Construction of substance abuse inpatient treatment centre	Completed	14.6	2.0	-	-	-	-	-	-
Substance abuse treatment centre: Free State	Construction of substance abuse inpatient treatment centre	Construction	102.1	12.5	3.6	40.1	45.9	-	-	-
Substance abuse treatment centre: North West	Construction of substance abuse inpatient treatment centre	Completed	28.0	17.0	-	-	-	-	-	-
Substance abuse treatment centre: Northern Cape	Construction of substance abuse inpatient treatment centre	Completed	70.4	16.0	1.8	47.0	5.6	-	-	-
<b>Total</b>			<b>215.8</b>	<b>47.8</b>	<b>5.6</b>	<b>87.1</b>	<b>51.5</b>	<b>-</b>	<b>-</b>	<b>-</b>



# Vote 18

## Correctional Services

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	4 786.3	4 705.1	33.6	47.6	5 101.0	5 427.1
Incarceration	15 139.6	14 441.9	129.3	568.4	16 214.7	17 317.7
Rehabilitation	1 994.8	1 989.8	0.1	5.0	2 142.0	2 270.7
Care	2 444.6	2 444.0	0.4	0.1	2 601.7	2 758.9
Social Reintegration	1 042.4	1 040.4	0.2	1.7	1 117.8	1 188.2
<b>Total expenditure estimates</b>	<b>25 407.6</b>	<b>24 621.2</b>	<b>163.6</b>	<b>622.8</b>	<b>27 177.1</b>	<b>28 962.6</b>

Executive authority Minister of Justice and Correctional Services  
 Accounting officer National Commissioner of Correctional Services  
 Website address [www.dcs.gov.za](http://www.dcs.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Contribute to a just, peaceful and safer South Africa through the effective and humane incarceration of inmates and the rehabilitation and social reintegration of offenders.*

### Mandate

The Department of Correctional Services is mandated to place offenders in a secure, safe and humane environment, and ensure that rehabilitation and successful reintegration programmes are implemented. This mandate is derived from the Correctional Services Act (1998), the Criminal Procedure Act (1977), the 2005 White Paper on Corrections, and the 2014 White Paper on Remand Detention Management in South Africa. As prescribed in these legislations, the department has to contribute to maintaining and promoting a just, peaceful and safe society by correcting offending behaviour in a safe, secure and humane environment, which allows for optimal rehabilitation and reduced repeat offending.

### Selected performance indicators

**Table 18.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections <sup>1</sup>		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of inmates who escape from correctional centres and remand detention facilities per year	Incarceration		0.044% (71/ 161 984)	0.031% (50/ 161 054)	0.030% (50/ 164 129)	0.034% (56/ 164 855)	0.034% (57/ 166 449)	0.034% (57/ 168 043)	0.034% (58/ 169 681)
Percentage of inmates injured as a result of reported assaults in correctional centres and remand detention facilities per year	Incarceration	Outcome 3: All people in South Africa are and feel safe	5.4% (8 801/ 161 984)	4.6% (7 388/ 161 054)	4.6% (7 474/ 164 129)	4.7% (7 748/ 164 855)	4.7% (7 824/ 166 449)	4.7% (7 898/ 168 043)	4.7% (7 975/ 169 681)

**Table 18.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTEF outcome	Past			Current	Projections <sup>1</sup>		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of overcrowding in correctional centres and remand detention facilities in excess of approved capacity per year <sup>2</sup>	Incarceration	Outcome 3: All people in South Africa are and feel safe	33.7% (40 197/ 119 134)	34.5% (41 146/ 119 134)	38% (45 406/ 118 723)	39% (46 302/11 8 723)	40% (47 489/ 118 723)	41% (48 676/ 118 723)	42% (49 864/ 118 723)
Percentage of sentenced offenders subjected to correctional programmes per year	Rehabilitation		74.3% (75 595/ 101 740)	77.3% (80 960/ 104 740)	82% (86 518/ 105 349)	80% (86 088/ 107 600)	80% (86 916/ 108 639)	80% (87 744/ 109 676)	80% (88 596/ 110 745)
Percentage of offenders participating in skills development programmes measured against the number of offenders enrolled per year	Rehabilitation		87.5% (7 407/ 8 467)	96.6% (13 430/ 13 899)	98% (14 577/ 14 876)	80% (10 049/ 12 562)	80% (11 054/ 13 819)	80% (11 376/ 14 222)	80% (11 944/ 14 932)
Total percentage of inmates on antiretroviral therapy <sup>3</sup>	Care		98.1% (21 722/ 22 142)	97.9% (24 506/ 25 042)	96.5% (26 442/ 27 389)	98% (30 119/ 30 734)	90% (29 551/ 32 834)	90% (31 441/ 34 934)	90% (33 331/ 37 034)
Percentage of parolees without violations per year	Social Reintegration		98.8% (51 307/ 51 937)	98.8% (51 161/ 51 785)	98.9% (53 615/ 54 225)	97% (53 802/ 55 466)	97% (55 072/ 56 775)	97% (56 372/ 58 115)	97% (57 701/ 59 486)
Percentage of probationers without violations per year	Social Reintegration		98.7% (16 416/ 16 640)	99% (16 016/ 16 178)	98.7% (15 914/ 16 131)	97% (16 377/ 16 883)	97% (16 674/ 17 190)	97% (16 978/ 17 503)	97% (17 287/ 17 822)

1. Projections remain constant over the MTEF period in line with available budgets.

2. Targets increase over the MTEF period due to new offender admissions, which are projected to increase at a much higher rate than the number of new bed spaces created over the period.

3. Performance target revised downwards due to the termination of funding from the Global Fund.

## Expenditure analysis

Chapter 12 of the National Development Plan envisages a safer South Africa by 2030. This vision is expressed in outcome 3 (all people in South Africa are and feel safe) of government's 2014-2019 medium-term strategic framework, with which the work of the Department of Correctional Services is directly aligned. Over the medium term, the department will focus on: providing appropriate services for safe, secure and humane detention in correctional centres and remand detention facilities; providing needs-based rehabilitation programmes and interventions to sentenced offenders; and reintegrating offenders into communities as law abiding citizens by effectively managing non-custodial sentences and parole.

Total expenditure increases at an average annual rate of 6.7 per cent, from R23.8 billion in 2018/19 to R29 billion in 2021/22. However, Cabinet has approved budget reductions of R79.9 million in 2019/20 and R74.3 million in 2020/21 on the department's budget for compensation of employees. This is due to underspending on the compensation of employees resulting from a moratorium not to fill vacant posts. At the end of 2016/17, the department had 39 259 filled positions out of an approved 41 994; and at the end of 2017/18, the department had 39 520 filled positions out of an approved 41 462. Over the medium term, the department expects a decrease in personnel, from 39 260 in 2019/20 to 39 191 in 2021/22. Nevertheless, as the work of the department is labour intensive, 71.9 per cent (R58.8 billion) of its total budget over the MTEF period will be spent on compensation of employees.

### **Providing appropriate services for safe, secure and humane detention**

The department is committed to creating safe, secure and dignified conditions for inmates and department personnel, and ensuring the safety of members of the public. To achieve this, the department carries out activities involving: security operations, providing and maintaining appropriate facilities, remand detention, offender management, the proper administration and profiling of inmates, and the consideration of offenders for release or placement into the system of community corrections. These activities are carried out in the *Security Operations*; *Facilities*; *Remand Detention*; and *Offender Management* subprogrammes in the *Incarceration* programme. Allocations to the programme account for 59.8 per cent (R48.7 billion) of the

department's total budget over the medium term. These allocations are mainly for compensation of employees, spending on which accounts for 73.5 per cent (R35.9 billion) of the *Incarceration* programme's total budget over the MTEF period.

Escapes from correctional facilities can largely be attributed to overcrowding, dilapidated infrastructure and officials not complying with basic security policies. To improve security, daily meetings are held in all correctional centres, and security awareness is provided during morning parades. The department also provides security personnel with appropriate security equipment, which includes body armour, ammunition, leg irons, handcuffs, metal detectors, tonfas, gas or fire filters, pepper spray, neutralisers, and movable parcel scanners. To provide for this, R27 billion is allocated in the *Security Operations* subprogramme in the *Incarceration* programme.

3 large infrastructure projects in the construction stage are expected to be completed in 2019/20: the Estcourt correctional centre (KwaZulu-Natal), the Tzaneen correctional centre (Limpopo) and the Standerton correctional centre (Mpumalanga). The completion of these projects is expected to create 1 531 additional bed spaces. The remaining work on these centres is expected to result in expenditure of R9.5 million in 2019/20 in the *Facilities* subprogramme in the *Incarceration* programme.

### ***Providing needs-based rehabilitation***

Over the MTEF period, the department will continue to ensure that all sentenced offenders are provided with effective rehabilitation programmes to enable their successful reintegration into society once they are released. This will be done by improving the life skills of offenders through correctional programmes that target offending behaviour, and investing in the personal development of offenders by providing literacy, education and skills competency programmes during their incarceration. Offenders also have access to psychological, social work and spiritual services. Over the MTEF period, the percentage of sentenced offenders in correctional programmes is expected to remain at 80 per cent, as is the percentage of offenders participating in skills development programmes. To provide more training opportunities for offenders over the medium term, the department aims to improve its marketing of skills development programmes and appoint external service providers.

These activities will be carried out in the *Rehabilitation* programme, which has a total budget of R6.4 billion over the medium term. Of the programme's total budget, 75.3 per cent (R4.8 billion) is expected to be spent on compensation of employees. The remainder will be used for supplies at various sites where the department provides work opportunities to offenders, such as bakeries, farms and a shoe factory; as well as for rehabilitation workshops.

### ***Reintegrating offenders into communities***

For the successful reintegration of offenders into communities, all parole considerations should include victim participation to provide a platform for dialogue between offenders and victims, and thereby contribute to healing and restoration. The department has contracted 50 auxiliary social workers for a period of three years, beginning in 2018/19, to assist in reintegrating offenders into communities through these dialogues. The department plans to increase the number of victims participating in dialogues and other restorative justice programmes from 6 000 in 2018/19 to a projected 7 500 in 2021/22. In its efforts to enable the effective reintegration of offenders into society, the department also provides aftercare support through the facilitation of programmes and skills that seek to assist parolees and former offenders to be self-sufficient. To carry out these activities, R3.3 billion is allocated in the *Social Reintegration* programme, of which 86.9 per cent (R2.9 billion) is for compensation of employees.

## Expenditure trends

Table 18.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Incarceration														
3. Rehabilitation														
4. Care														
5. Social Reintegration														
Programme														
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	3 697.3	3 694.5	4 015.0	3 876.2	3 876.2	3 879.6	4 150.9	4 150.9	3 912.8	4 283.8	4 387.8	4 387.8	101.2%	100.5%
Programme 2	13 080.9	13 051.5	12 289.2	13 273.5	13 274.1	13 097.3	13 986.9	13 987.4	13 949.9	14 529.3	14 350.4	14 350.4	97.8%	98.2%
Programme 3	1 152.0	1 155.3	1 395.0	1 644.7	1 647.0	1 476.4	1 822.4	1 822.4	1 695.3	1 861.3	1 810.1	1 810.1	98.4%	99.1%
Programme 4	1 796.3	1 796.3	2 088.5	1 975.1	1 975.1	2 235.1	1 998.7	1 998.7	2 322.7	2 275.3	2 332.6	2 332.6	111.6%	110.8%
Programme 5	891.2	891.0	801.0	807.8	807.8	853.7	855.3	855.3	907.9	898.9	968.0	968.0	102.2%	100.2%
<b>Total</b>	<b>20 617.6</b>	<b>20 588.6</b>	<b>20 588.7</b>	<b>21 577.3</b>	<b>21 580.2</b>	<b>21 542.2</b>	<b>22 814.1</b>	<b>22 814.6</b>	<b>22 788.6</b>	<b>23 848.5</b>	<b>23 849.0</b>	<b>23 849.0</b>	<b>99.9%</b>	<b>99.9%</b>
Change to 2018 Budget estimate										0.5				
Economic classification														
<b>Current payments</b>	<b>19 514.3</b>	<b>19 192.5</b>	<b>19 236.3</b>	<b>20 453.1</b>	<b>20 453.1</b>	<b>20 529.0</b>	<b>21 744.7</b>	<b>21 927.7</b>	<b>21 949.5</b>	<b>23 040.9</b>	<b>22 985.8</b>	<b>22 985.8</b>	<b>99.9%</b>	<b>100.2%</b>
Compensation of employees	14 034.1	13 155.1	13 189.5	14 821.4	14 821.4	14 417.2	15 776.7	15 776.7	15 613.5	16 994.9	16 994.9	16 994.9	97.7%	99.1%
Goods and services	5 480.2	6 037.4	6 045.2	5 631.7	5 631.7	6 111.5	5 968.0	6 151.0	6 331.6	6 046.0	5 990.9	5 990.9	105.9%	102.8%
Interest and rent on land	–	–	1.7	–	–	0.3	–	–	4.5	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>120.5</b>	<b>121.4</b>	<b>109.2</b>	<b>131.4</b>	<b>132.1</b>	<b>131.4</b>	<b>128.0</b>	<b>128.5</b>	<b>161.7</b>	<b>132.7</b>	<b>133.2</b>	<b>133.2</b>	<b>104.5%</b>	<b>103.9%</b>
Provinces and municipalities	5.3	5.3	5.4	5.9	5.9	5.7	6.6	6.6	6.2	6.3	6.3	6.3	97.9%	97.9%
Departmental agencies and accounts	9.4	9.4	–	9.9	9.9	20.8	10.4	10.4	43.7	8.4	8.4	8.4	191.4%	191.4%
Public corporations and private enterprises	–	–	5.9	–	–	1.9	–	–	–	–	–	–	–	–
Households	105.8	106.8	97.9	115.6	116.3	103.0	111.0	111.5	111.8	118.0	118.5	118.5	95.7%	95.2%
<b>Payments for capital assets</b>	<b>982.8</b>	<b>1 274.6</b>	<b>1 243.1</b>	<b>992.7</b>	<b>995.0</b>	<b>874.4</b>	<b>941.4</b>	<b>758.4</b>	<b>620.1</b>	<b>674.9</b>	<b>730.0</b>	<b>730.0</b>	<b>96.5%</b>	<b>92.3%</b>
Buildings and other fixed structures	801.0	801.0	857.8	770.8	770.8	748.1	759.9	576.9	581.6	601.5	601.5	601.5	95.1%	101.4%
Machinery and equipment	179.4	458.6	382.3	219.7	221.9	123.7	176.0	176.0	35.8	71.8	125.9	125.9	103.2%	68.0%
Biological assets	2.0	2.5	3.0	2.2	2.2	2.7	5.6	5.6	2.7	1.6	2.5	2.5	96.6%	85.4%
Software and other intangible assets	0.5	12.5	–	–	–	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>7.4</b>	<b>–</b>	<b>–</b>	<b>57.3</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>20 617.6</b>	<b>20 588.6</b>	<b>20 588.7</b>	<b>21 577.3</b>	<b>21 580.2</b>	<b>21 542.2</b>	<b>22 814.1</b>	<b>22 814.6</b>	<b>22 788.6</b>	<b>23 848.5</b>	<b>23 849.0</b>	<b>23 849.0</b>	<b>99.9%</b>	<b>99.9%</b>

## Expenditure estimates

**Table 18.3 Vote expenditure estimates by programme and economic classification**

Programmes									
1. Administration									
2. Incarceration									
3. Rehabilitation									
4. Care									
5. Social Reintegration									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
R million	2018/19	2015/16 - 2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	
Programme 1	4 387.8	5.9%	18.2%	4 786.3	5 101.0	5 427.1	7.3%	18.7%	
Programme 2	14 350.4	3.2%	60.5%	15 139.6	16 214.7	17 317.7	6.5%	59.8%	
Programme 3	1 810.1	16.1%	7.2%	1 994.8	2 142.0	2 270.7	7.8%	7.8%	
Programme 4	2 332.6	9.1%	10.1%	2 444.6	2 601.7	2 758.9	5.8%	9.6%	
Programme 5	968.0	2.8%	4.0%	1 042.4	1 117.8	1 188.2	7.1%	4.1%	
<b>Total</b>	<b>23 849.0</b>	<b>5.0%</b>	<b>100.0%</b>	<b>25 407.6</b>	<b>27 177.1</b>	<b>28 962.6</b>	<b>6.7%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				(79.9)	(74.3)	-			
Economic classification									
<b>Current payments</b>	<b>22 985.8</b>	<b>6.2%</b>	<b>95.4%</b>	<b>24 621.2</b>	<b>26 355.4</b>	<b>28 096.0</b>	<b>6.9%</b>	<b>96.8%</b>	
Compensation of employees	16 994.9	8.9%	67.8%	18 213.6	19 594.3	20 947.1	7.2%	71.9%	
Goods and services	5 990.9	-0.3%	27.6%	6 407.6	6 761.1	7 148.9	6.1%	25.0%	
<b>Transfers and subsidies</b>	<b>133.2</b>	<b>3.1%</b>	<b>0.6%</b>	<b>163.6</b>	<b>171.8</b>	<b>180.9</b>	<b>10.7%</b>	<b>0.6%</b>	
Provinces and municipalities	6.3	6.2%	0.0%	6.1	6.7	6.9	2.9%	0.0%	
Departmental agencies and accounts	8.4	-3.6%	0.1%	8.8	9.3	9.8	5.4%	0.0%	
Households	118.5	3.5%	0.5%	148.7	155.7	164.2	11.5%	0.6%	
<b>Payments for capital assets</b>	<b>730.0</b>	<b>-17.0%</b>	<b>3.9%</b>	<b>622.8</b>	<b>649.9</b>	<b>685.7</b>	<b>-2.1%</b>	<b>2.6%</b>	
Buildings and other fixed structures	601.5	-9.1%	3.1%	540.5	570.2	601.6	0.0%	2.2%	
Machinery and equipment	125.9	-35.0%	0.8%	80.2	78.0	82.3	-13.2%	0.3%	
Biological assets	2.5	-0.2%	0.0%	1.6	1.7	1.8	-10.1%	0.0%	
Software and other intangible assets	-	-100.0%	-	0.5	-	-	-	0.0%	
<b>Total</b>	<b>23 849.0</b>	<b>5.0%</b>	<b>100.0%</b>	<b>25 407.6</b>	<b>27 177.1</b>	<b>28 962.6</b>	<b>6.7%</b>	<b>100.0%</b>	

## Expenditure trends and estimates for significant spending items

**Table 18.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Operating leases	1 110 156	918 935	1 033 125	704 388	-14.1%	4.2%	713 688	744 806	786 292	3.7%	2.8%
Property payments	1 073 483	1 483 004	1 421 648	1 353 151	8.0%	6.0%	1 453 082	1 534 418	1 631 183	6.4%	5.7%
Agency and support/outsourced services	1 602 219	1 668 194	1 690 491	1 701 004	2.0%	7.5%	1 735 231	1 835 997	1 939 234	4.5%	6.8%
Inventory: Food and food supplies	377 233	396 109	501 409	579 987	15.4%	2.1%	552 221	579 081	614 033	1.9%	2.2%
Consumable supplies	303 686	285 080	262 655	233 266	-8.4%	1.2%	205 521	206 806	219 458	-2.0%	0.8%
<b>Total</b>	<b>4 466 777</b>	<b>4 751 322</b>	<b>4 909 328</b>	<b>4 571 796</b>	<b>0.8%</b>	<b>21.1%</b>	<b>4 659 743</b>	<b>4 901 108</b>	<b>5 190 200</b>	<b>14.5%</b>	<b>18.3%</b>

## Goods and services expenditure trends and estimates

**Table 18.5 Vote goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Administrative fees	5 993	5 541	8 617	7 221	6.4%	0.1%	5 749	7 031	7 419	0.9%	0.1%
Advertising	11 063	6 475	1 791	9 869	-3.7%	0.1%	11 164	14 068	14 862	14.6%	0.2%
Minor assets	20 325	12 623	9 136	34 344	19.1%	0.3%	42 784	49 959	52 863	15.5%	0.7%
Audit costs: External	42 737	36 647	55 724	52 900	7.4%	0.8%	57 300	60 452	63 813	6.5%	0.9%
Bursaries: Employees	3 885	4 769	4 013	2 734	-11.1%	0.1%	5 021	5 335	5 632	27.2%	0.1%
Catering: Departmental activities	36 149	15 839	8 323	14 863	-25.6%	0.3%	15 400	15 803	16 489	3.5%	0.2%
Communication	93 836	99 985	111 577	79 477	-5.4%	1.6%	91 068	93 091	98 436	7.4%	1.4%

**Table 18.5 Vote goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
Computer services	113 844	105 421	138 762	149 107	9.4%	2.1%	166 601	175 097	183 227	7.1%	2.6%
Consultants: Business and advisory services	29 078	11 870	14 244	21 259	-9.9%	0.3%	25 587	28 545	30 118	12.3%	0.4%
Infrastructure and planning services	2 685	2 925	1 713	2 452	-3.0%	–	2 830	2 769	2 922	6.0%	–
Laboratory services	13 019	17 487	19 021	17 750	10.9%	0.3%	22 187	22 234	23 434	9.7%	0.3%
Legal services	40 090	27 898	43 009	30 114	-9.1%	0.6%	38 771	40 905	43 179	12.8%	0.6%
Contractors	79 288	62 872	61 132	62 441	-7.7%	1.1%	71 938	80 851	80 777	9.0%	1.1%
Agency and support/outsourced services	1 602 219	1 668 194	1 690 491	1 701 004	2.0%	27.2%	1 735 231	1 835 997	1 939 234	4.5%	27.4%
Entertainment	221	87	42	431	24.9%	–	442	547	577	10.2%	–
Fleet services (including government motor transport)	245 995	227 414	260 661	220 282	-3.6%	3.9%	297 022	306 980	329 026	14.3%	4.4%
Inventory: Clothing material and accessories	59 898	87 080	122 846	118 647	25.6%	1.6%	156 138	174 170	180 512	15.0%	2.4%
Inventory: Farming supplies	190 613	198 122	198 607	132 198	-11.5%	2.9%	218 203	239 346	252 441	24.1%	3.2%
Inventory: Food and food supplies	377 233	396 109	501 409	579 987	15.4%	7.6%	552 221	579 081	614 033	1.9%	8.8%
Inventory: Fuel, oil and gas	23 027	18 035	27 905	33 347	13.1%	0.4%	34 700	37 744	39 698	6.0%	0.6%
Inventory: Learner and teacher support material	5 412	2 947	5 618	5 648	1.4%	0.1%	7 419	7 505	7 912	11.9%	0.1%
Inventory: Materials and supplies	86 887	56 775	55 763	67 557	-8.0%	1.1%	71 341	75 408	79 553	5.6%	1.1%
Inventory: Medical supplies	1 297	1 574	1 487	2 664	27.1%	–	2 283	2 410	2 569	-1.2%	–
Inventory: Medicine	79 352	84 314	76 517	56 744	-10.6%	1.2%	71 658	75 142	79 201	11.8%	1.1%
Inventory: Other supplies	4 779	1 422	5 828	33 758	91.9%	0.2%	34 409	32 253	33 911	0.2%	0.5%
Consumable supplies	303 686	285 080	262 655	233 266	-8.4%	4.4%	205 521	206 806	219 458	-2.0%	3.3%
Consumables: Stationery, printing and office supplies	71 439	62 397	54 507	59 745	-5.8%	1.0%	64 481	67 060	70 075	5.5%	1.0%
Operating leases	1 110 156	918 935	1 033 125	704 388	-14.1%	15.4%	713 688	744 806	786 292	3.7%	11.2%
Rental and hiring	8 165	2 164	590	297	-66.9%	–	653	703	742	35.7%	–
Property payments	1 073 483	1 483 004	1 421 648	1 353 151	8.0%	21.8%	1 453 082	1 534 418	1 631 183	6.4%	22.7%
Transport provided: Departmental activity	5 221	7 581	7 574	5 365	0.9%	0.1%	6 648	6 907	7 229	10.5%	0.1%
Travel and subsistence	259 351	169 119	105 009	156 160	-15.6%	2.8%	176 367	185 942	196 188	7.9%	2.7%
Training and development	12 638	4 828	2 925	14 088	3.7%	0.1%	16 116	17 250	18 215	8.9%	0.2%
Operating payments	29 266	23 807	18 666	23 790	-6.7%	0.4%	27 633	29 372	32 081	10.5%	0.4%
Venues and facilities	2 838	2 142	674	3 828	10.5%	–	5 909	5 145	5 621	13.7%	0.1%
<b>Total</b>	<b>6 045 168</b>	<b>6 111 482</b>	<b>6 331 609</b>	<b>5 990 876</b>	<b>-0.3%</b>	<b>100.0%</b>	<b>6 407 565</b>	<b>6 761 132</b>	<b>7 148 922</b>	<b>6.1%</b>	<b>100.0%</b>

**Transfers and subsidies expenditure trends and estimates****Table 18.6 Vote transfers and subsidies trends and estimates**

	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
R thousand											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>75 508</b>	<b>75 101</b>	<b>80 848</b>	<b>92 731</b>	<b>7.1%</b>	<b>60.6%</b>	<b>122 802</b>	<b>128 159</b>	<b>135 060</b>	<b>13.4%</b>	<b>73.7%</b>
Employee social benefits	75 508	75 101	80 848	92 731	7.1%	60.6%	122 802	128 159	135 060	13.4%	73.7%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>–</b>	<b>20 823</b>	<b>43 720</b>	<b>8 414</b>	<b>–</b>	<b>13.6%</b>	<b>8 837</b>	<b>9 323</b>	<b>9 841</b>	<b>5.4%</b>	<b>5.6%</b>
Safety and Security Sector	–	20 823	9 350	8 414	–	7.2%	8 837	9 323	9 841	5.4%	5.6%
Education and Training Authority	–	–	34 370	–	–	6.4%	–	–	–	–	–
Departmental agencies (non-business entities)	–	–	–	–	–	–	–	–	–	–	–
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>22 388</b>	<b>27 862</b>	<b>30 866</b>	<b>25 742</b>	<b>4.8%</b>	<b>20.0%</b>	<b>25 862</b>	<b>27 587</b>	<b>29 144</b>	<b>4.2%</b>	<b>16.7%</b>
Employee social benefits	755	1 850	–	–	-100.0%	0.5%	–	–	–	–	–
Other transfers to households	–	220	82	131	–	0.1%	138	146	154	5.5%	0.1%
Other transfers to households	2 746	1 815	4 461	–	-100.0%	1.7%	–	–	–	–	–
Offender gratuity	18 887	23 977	26 323	25 611	10.7%	17.7%	25 724	27 441	28 990	4.2%	16.6%

Table 18.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
Current	3 961	4 227	4 872	5 193	9.4%	3.4%	4 981	5 485	5 591	2.5%	3.3%
Vehicle licences	3 961	4 227	4 872	5 193	9.4%	3.4%	4 981	5 485	5 591	2.5%	3.3%
<b>Provinces and municipalities</b>											
<b>Provincial revenue funds</b>											
Current	–	–	1 276	–	–	0.2%	–	–	–	–	–
Vehicle licences	–	–	1 276	–	–	0.2%	–	–	–	–	–
<b>Public corporations and private enterprises</b>											
<b>Other transfers to private enterprises</b>											
Current	5 935	1 857	–	–	-100.0%	1.5%	–	–	–	–	–
Private enterprises	5 935	1 857	–	–	-100.0%	1.5%	–	–	–	–	–
<b>Provinces and municipalities</b>											
<b>Provincial agencies and funds</b>											
Current	1 417	1 510	–	1 100	-8.1%	0.8%	1 145	1 195	1 259	4.6%	0.7%
Vehicle licences	1 417	1 510	–	1 100	-8.1%	0.8%	1 145	1 195	1 259	4.6%	0.7%
<b>Total</b>	<b>109 209</b>	<b>131 380</b>	<b>161 582</b>	<b>133 180</b>	<b>6.8%</b>	<b>100.0%</b>	<b>163 627</b>	<b>171 749</b>	<b>180 895</b>	<b>10.7%</b>	<b>100.0%</b>

## Personnel information

Table 18.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number						
Number of posts estimated for 31 March 2019		Medium-term expenditure estimate												Average growth rate (%)	Average Salary level/Total (%)					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			2019/20			2020/21			2021/22			2018/19 - 2021/22	2018/19 - 2021/22		
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				
<b>Correctional Services</b>		<b>41 463</b>	<b>242</b>	<b>39 520</b>	<b>15 613.5</b>	<b>0.4</b>	<b>39 612</b>	<b>16 994.9</b>	<b>0.4</b>	<b>39 260</b>	<b>18 213.6</b>	<b>0.5</b>	<b>39 136</b>	<b>19 594.3</b>	<b>0.5</b>	<b>39 191</b>	<b>20 947.1</b>	<b>0.5</b>	<b>-0.4%</b>	<b>100.0%</b>
Salary level																				
1 – 6	20 567	107	19 030	5 199.4	0.3	19 120	5 588.9	0.3	18 917	5 972.4	0.3	18 796	6 422.0	0.3	18 852	6 995.5	0.4	-0.5%	48.1%	
7 – 10	19 713	18	19 679	9 276.4	0.5	19 680	10 043.4	0.5	19 499	10 715.1	0.5	19 496	11 551.5	0.6	19 495	12 431.0	0.6	-0.3%	49.7%	
11 – 12	967	103	591	477.7	0.8	591	513.8	0.9	589	547.6	0.9	589	586.8	1.0	589	627.6	1.1	-0.1%	1.5%	
13 – 16	216	14	220	235.3	1.1	221	253.7	1.1	255	315.2	1.2	255	337.7	1.3	255	361.2	1.4	4.9%	0.6%	
Other	–	–	–	424.7	–	–	595.0	–	–	663.2	–	–	696.3	–	–	531.8	–	–	–	
<b>Programme</b>	<b>41 463</b>	<b>242</b>	<b>39 520</b>	<b>15 613.5</b>	<b>0.4</b>	<b>39 612</b>	<b>16 994.9</b>	<b>0.4</b>	<b>39 260</b>	<b>18 213.6</b>	<b>0.5</b>	<b>39 136</b>	<b>19 594.3</b>	<b>0.5</b>	<b>39 191</b>	<b>20 947.1</b>	<b>0.5</b>	<b>-0.4%</b>	<b>100.0%</b>	
Programme 1	6 772	56	6 151	3 080.1	0.5	6 152	3 385.5	0.6	6 184	3 744.3	0.6	6 184	4 029.2	0.7	6 183	4 291.2	0.7	0.2%	15.7%	
Programme 2	28 010	34	27 202	9 633.7	0.4	27 292	10 490.1	0.4	27 139	11 104.9	0.4	27 015	11 944.0	0.4	27 065	12 803.4	0.5	-0.3%	69.0%	
Programme 3	2 444	77	2 246	1 269.6	0.6	2 246	1 383.9	0.6	2 140	1 490.5	0.7	2 140	1 604.0	0.7	2 145	1 706.7	0.8	-1.5%	5.5%	
Programme 4	2 017	57	1 873	831.9	0.4	1 873	898.3	0.5	1 748	969.9	0.6	1 748	1 044.2	0.6	1 748	1 110.6	0.6	-2.3%	4.5%	
Programme 5	2 220	18	2 048	798.3	0.4	2 049	837.2	0.4	2 049	904.0	0.4	2 049	972.9	0.5	2 050	1 035.1	0.5	0.0%	5.2%	

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.  
2. Rand million.

## Departmental receipts

Table 18.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate 2018/19	Revised estimate 2018/19	Average growth rate (%)		Medium-term receipts estimate			Average growth rate (%)		Average Receipt item/Total (%)	
	2015/16	2016/17	2017/18			2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22		
<b>Departmental receipts</b>	<b>129 317</b>	<b>147 484</b>	<b>164 986</b>	<b>144 106</b>	<b>144 106</b>	<b>3.7%</b>	<b>100.0%</b>	<b>156 231</b>	<b>163 701</b>	<b>172 539</b>	<b>6.2%</b>	<b>100.0%</b>	<b>6.2%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>53 679</b>	<b>57 588</b>	<b>61 601</b>	<b>64 449</b>	<b>64 449</b>	<b>6.3%</b>	<b>40.5%</b>	<b>68 600</b>	<b>72 414</b>	<b>76 323</b>	<b>5.8%</b>	<b>44.3%</b>	<b>5.8%</b>	<b>44.3%</b>
Sales by market establishments of which:	32 183	35 583	35 799	39 101	39 101	6.7%	24.4%	41 805	44 032	46 409	5.9%	26.9%	5.9%	26.9%
Rental: Dwellings	31 256	33 865	34 322	38 051	38 051	6.8%	23.5%	40 334	42 754	45 062	5.8%	26.1%	5.8%	26.1%
Rental: Non-residential	927	1 013	1 018	1 050	1 050	4.2%	0.7%	1 206	1 278	1 347	8.7%	0.8%	8.7%	0.8%
Sale of wool/skin	–	705	459	–	–	–	0.2%	265	–	–	–	–	–	–

Table 18.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
Other sales	21 496	22 005	25 802	25 348	25 348	5.6%	16.2%	26 795	28 382	29 914	5.7%	17.3%
<i>of which:</i>												
Services rendered: Commission	13 245	15 171	16 667	17 046	17 046	8.8%	10.6%	18 069	19 153	20 187	5.8%	11.7%
Government motor transport	—	—	—	50	50	—	—	—	—	—	-100.0%	—
Sales: Agricultural products	2 121	1 270	2 320	2 000	2 000	-1.9%	1.3%	2 099	2 204	2 323	5.1%	1.4%
Services rendered: Boarding services	206	254	199	285	285	11.4%	0.2%	302	320	337	5.7%	0.2%
Other	5 924	5 310	6 616	5 967	5 967	0.2%	4.1%	6 325	6 705	7 067	5.8%	4.1%
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>2 349</b>	<b>2 428</b>	<b>2 851</b>	<b>2 693</b>	<b>2 693</b>	<b>4.7%</b>	<b>1.8%</b>	<b>2 892</b>	<b>3 067</b>	<b>3 232</b>	<b>6.3%</b>	<b>1.9%</b>
<i>of which:</i>												
Condemned linen	19	5	11	10	10	-19.3%	—	8	9	9	-3.5%	—
Kitchen refuse	182	221	246	248	248	10.9%	0.2%	263	279	294	5.8%	0.2%
Scrap	1 975	2 136	2 570	2 400	2 400	6.7%	1.5%	2 544	2 697	2 843	5.8%	1.6%
Wastepaper	173	66	18	30	30	-44.2%	—	77	82	86	42.1%	—
Other	—	—	6	5	5	—	—	—	—	—	-100.0%	—
Transfers received	—	2 250	—	—	—	—	0.4%	—	—	—	—	—
Fines, penalties and forfeits	20 087	21 757	24 339	24 307	24 307	6.6%	15.4%	25 913	27 467	28 950	6.0%	16.8%
Interest, dividends and rent on land	322	215	407	7 500	7 500	185.6%	1.4%	257	272	287	-66.3%	1.3%
Interest	322	215	407	7 500	7 500	185.6%	1.4%	257	272	287	-66.3%	1.3%
Sales of capital assets	7 305	15 998	5 503	400	400	-62.0%	5.0%	6 000	6 000	6 324	151.0%	2.9%
Transactions in financial assets and liabilities	45 575	47 248	70 285	44 757	44 757	-0.6%	35.5%	52 569	54 481	57 423	8.7%	32.9%
<b>Total</b>	<b>129 317</b>	<b>147 484</b>	<b>164 986</b>	<b>144 106</b>	<b>144 106</b>	<b>3.7%</b>	<b>100.0%</b>	<b>156 231</b>	<b>163 701</b>	<b>172 539</b>	<b>6.2%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management, support and judicial inspection services to the department.

### Expenditure trends and estimates

Table 18.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	23.1	25.1	24.2	27.3	5.8%	0.6%	29.5	31.4	33.3	6.8%	0.6%
Judicial Inspectorate for Correctional Services	39.5	41.5	51.0	72.3	22.4%	1.3%	77.2	81.5	86.7	6.2%	1.6%
Management	716.2	725.5	761.5	830.1	5.0%	18.7%	985.9	1 044.1	1 110.1	10.2%	20.2%
Human Resources	1 591.3	1 617.0	1 709.3	1 872.7	5.6%	41.9%	2 039.8	2 185.4	2 326.4	7.5%	42.8%
Finance	1 322.2	1 115.1	1 008.5	1 130.9	-5.1%	28.3%	1 186.8	1 263.3	1 346.4	6.0%	25.0%
Assurance Services	67.9	71.1	75.0	87.9	9.0%	1.9%	99.8	106.7	113.2	8.8%	2.1%
Information Technology	192.9	171.7	213.3	284.0	13.8%	5.3%	280.3	297.0	314.1	3.4%	6.0%
Office Accommodation	62.0	112.6	69.9	82.6	10.0%	2.0%	87.0	91.8	96.9	5.5%	1.8%
<b>Total</b>	<b>4 015.0</b>	<b>3 879.6</b>	<b>3 912.8</b>	<b>4 387.8</b>	<b>3.0%</b>	<b>100.0%</b>	<b>4 786.3</b>	<b>5 101.0</b>	<b>5 427.1</b>	<b>7.3%</b>	<b>100.0%</b>
Change to 2018				104.0			280.2	265.5	287.9		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>3 690.2</b>	<b>3 742.0</b>	<b>3 846.8</b>	<b>4 278.1</b>	<b>5.1%</b>	<b>96.1%</b>	<b>4 705.1</b>	<b>5 033.3</b>	<b>5 355.8</b>	<b>7.8%</b>	<b>98.3%</b>
Compensation of employees	2 636.5	2 857.4	3 080.1	3 385.5	8.7%	73.8%	3 744.3	4 029.2	4 291.2	8.2%	78.4%
Goods and services <sup>1</sup>	1 052.1	884.5	765.0	892.6	-5.3%	22.2%	960.7	1 004.1	1 064.6	6.1%	19.9%
<i>of which:</i>											
Audit costs: External	42.7	36.6	55.7	52.9	7.4%	1.2%	57.3	60.5	63.8	6.5%	1.2%
Computer services	113.2	105.4	138.7	149.0	9.6%	3.1%	166.5	175.0	183.2	7.1%	3.4%
Fleet services (including government motor transport)	154.7	139.2	159.0	131.2	-5.3%	3.6%	193.6	197.6	213.6	17.6%	3.7%
Inventory: Clothing material and accessories	23.9	15.0	24.9	52.1	29.7%	0.7%	56.5	59.9	63.2	6.7%	1.2%



**Table 18.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
Operating leases	62.6	83.6	69.9	62.1	-0.2%	1.7%	65.0	69.2	73.0	5.5%	1.4%
Travel and subsistence	159.8	110.6	67.4	104.8	-13.1%	2.7%	109.4	114.8	121.2	5.0%	2.3%
Interest and rent on land	1.6	0.0	1.7	–	-100.0%	–	–	–	–	–	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>29.7</b>	<b>43.1</b>	<b>41.5</b>	<b>20.2</b>	<b>-12.0%</b>	<b>0.8%</b>	<b>33.6</b>	<b>23.7</b>	<b>24.8</b>	<b>7.1%</b>	<b>0.5%</b>
Provinces and municipalities	5.4	5.7	6.2	6.3	5.4%	0.1%	6.1	6.7	6.9	2.9%	0.1%
Departmental agencies and accounts	–	20.8	9.4	8.4	–	0.2%	8.8	9.3	9.8	5.4%	0.2%
Public corporations and private enterprises	5.9	1.9	–	–	-100.0%	–	–	–	–	–	–
Households	18.4	14.6	26.0	5.5	-33.1%	0.4%	18.6	7.7	8.1	13.8%	0.2%
<b>Payments for capital assets</b>	<b>295.1</b>	<b>94.5</b>	<b>24.5</b>	<b>89.5</b>	<b>-32.8%</b>	<b>3.1%</b>	<b>47.6</b>	<b>44.0</b>	<b>46.4</b>	<b>-19.7%</b>	<b>1.2%</b>
Machinery and equipment	295.1	94.6	25.6	89.5	-32.8%	3.1%	47.6	44.0	46.4	-19.7%	1.2%
Biological assets	–	(0.0)	(1.1)	–	–	–	–	–	–	–	–
<b>Total</b>	<b>4 015.0</b>	<b>3 879.6</b>	<b>3 912.8</b>	<b>4 387.8</b>	<b>3.0%</b>	<b>100.0%</b>	<b>4 786.3</b>	<b>5 101.0</b>	<b>5 427.1</b>	<b>7.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>19.5%</b>	<b>18.0%</b>	<b>17.2%</b>	<b>18.4%</b>	–	–	<b>18.8%</b>	<b>18.8%</b>	<b>18.7%</b>	–	–
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>18.3</b>	<b>12.8</b>	<b>21.6</b>	<b>5.5</b>	<b>-33.0%</b>	<b>0.4%</b>	<b>18.6</b>	<b>7.7</b>	<b>8.1</b>	<b>13.8%</b>	<b>0.2%</b>
Employee social benefits	18.3	12.8	21.6	5.5	-33.0%	0.4%	18.6	7.7	8.1	13.8%	0.2%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>–</b>	<b>20.8</b>	<b>9.4</b>	<b>8.4</b>	<b>–</b>	<b>0.2%</b>	<b>8.8</b>	<b>9.3</b>	<b>9.8</b>	<b>5.4%</b>	<b>0.2%</b>
Safety and Security Sector Education and Training Authority	–	20.8	9.4	8.4	–	0.2%	8.8	9.3	9.8	5.4%	0.2%
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>4.0</b>	<b>4.2</b>	<b>4.9</b>	<b>5.2</b>	<b>9.4%</b>	<b>0.1%</b>	<b>5.0</b>	<b>5.5</b>	<b>5.6</b>	<b>2.5%</b>	<b>0.1%</b>
Vehicle licences	4.0	4.2	4.9	5.2	9.4%	0.1%	5.0	5.5	5.6	2.5%	0.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Incarceration

### Programme purpose

Provide for safe and secure conditions of detention consistent with maintaining the human dignity of inmates. Administer, profile and consider offenders for release or placement into the system of community corrections.

### Objectives

- Enhance safety and security in correctional centres and remand detention facilities by:
  - managing escapes to remain at or below 0.034 per cent between 2018/19 and 2021/22
  - managing inmates injured as a result of reported assaults at or below 4.7 per cent between 2018/19 and 2021/22
  - managing confirmed unnatural deaths at or below 0.032 per cent between 2018/19 and 2021/22.
- Provide facilities that will contribute to humane incarceration by:
  - managing overcrowding to remain at or below 42 per cent between 2018/19 and 2021/22
  - upgrading facilities and constructing new facilities that will create 435 bed spaces in 2020/21.
- Improve the effectiveness of the parole system by increasing the percentage of offender profiles submitted by case management committees that have been considered by correctional supervision and parole boards from a projected 91 per cent in 2018/19 to 93 per cent in 2021/22.

### Subprogrammes

- *Security Operations* funds activities aimed at providing safe and secure conditions for all incarcerated persons, consistent with human dignity, and provides protection for personnel and the public. There are 243

correctional centres across the country hosting sentenced offenders in the minimum, medium and maximum security categories.

- *Facilities* funds the construction, upgrading and rental of facilities accommodation; payments for municipal charges; and the replacement and day-to-day maintenance of facilities, to support the safe and humane incarceration of inmates.
- *Remand Detention* funds the development of a remand detention system and aims to improve the management of remand detainees. There are 24 dedicated remand detention facilities across the country.
- *Offender Management* funds administrative activities and operations for correctional services that create an environment supportive of the rehabilitation and safety of offenders. This subprogramme also funds the activities of correctional supervision and parole boards, and ensures that eligible offenders are considered for parole through cases submitted by case management committees.

### Expenditure trends and estimates

**Table 18.10 Incarceration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average Expenditure/ Total (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
Security Operations	5 979.0	6 560.9	7 016.4	7 965.5	10.0%	51.3%	8 350.5	9 000.5	9 673.3	6.7%	55.5%
Facilities	4 010.3	4 094.1	4 242.1	3 767.9	-2.1%	30.0%	3 877.0	4 089.9	4 329.4	4.7%	25.5%
Remand Detention	555.5	576.4	668.6	697.4	7.9%	4.7%	622.0	675.7	711.7	0.7%	4.3%
Offender Management	1 744.3	1 866.1	2 022.8	1 919.6	3.2%	14.1%	2 290.1	2 448.5	2 603.3	10.7%	14.7%
<b>Total</b>	<b>12 289.2</b>	<b>13 097.3</b>	<b>13 949.9</b>	<b>14 350.4</b>	<b>5.3%</b>	<b>100.0%</b>	<b>15 139.6</b>	<b>16 214.7</b>	<b>17 317.7</b>	<b>6.5%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(179)			(478)	(487)	(439)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>11 334.3</b>	<b>12 269.7</b>	<b>13 261.1</b>	<b>13 630.3</b>	<b>6.3%</b>	<b>94.1%</b>	<b>14 441.9</b>	<b>15 467.7</b>	<b>16 529.7</b>	<b>6.6%</b>	<b>95.3%</b>
Compensation of employees	8 162.9	8 886.3	9 633.7	10 490.1	8.7%	69.2%	11 104.9	11 944.0	12 803.4	6.9%	73.5%
Goods and services <sup>1</sup>	3 171.3	3 383.1	3 624.7	3 140.2	-0.3%	24.8%	3 337.0	3 523.7	3 726.3	5.9%	21.8%
of which:											
Agency and support/outsourced services	843.0	892.0	1 023.8	962.9	4.5%	6.9%	1 027.9	1 084.4	1 144.7	5.9%	6.7%
Fleet services (including government motor transport)	52.5	48.9	56.5	45.3	-4.8%	0.4%	53.9	55.0	58.0	8.6%	0.3%
Inventory: Clothing material and accessories	22.3	61.4	43.9	5.9	-35.9%	0.2%	33.1	43.3	42.4	93.2%	0.2%
Consumable supplies	57.2	50.1	62.7	81.2	12.4%	0.5%	59.1	54.1	56.4	-11.5%	0.4%
Operating leases	969.3	768.0	908.4	573.1	-16.1%	6.0%	573.8	598.6	631.9	3.3%	3.8%
Property payments	1 063.3	1 441.6	1 410.4	1 322.0	7.5%	9.8%	1 419.0	1 499.5	1 594.4	6.4%	9.3%
Interest and rent on land	0.0	0.3	2.8	-	-100.0%	-	-	-	-	-	-
<b>Transfers and subsidies<sup>1</sup></b>	<b>67.0</b>	<b>66.7</b>	<b>102.5</b>	<b>112.3</b>	<b>18.8%</b>	<b>0.6%</b>	<b>129.3</b>	<b>147.3</b>	<b>155.3</b>	<b>11.4%</b>	<b>0.9%</b>
Departmental agencies and accounts	-	-	34.4	-	-	0.1%	-	-	-	-	-
Households	67.0	66.7	68.1	112.3	18.8%	0.6%	129.3	147.3	155.3	11.4%	0.9%
<b>Payments for capital assets</b>	<b>887.8</b>	<b>753.7</b>	<b>586.3</b>	<b>607.8</b>	<b>-11.9%</b>	<b>5.3%</b>	<b>568.4</b>	<b>599.7</b>	<b>632.7</b>	<b>1.3%</b>	<b>3.8%</b>
Buildings and other fixed structures	857.8	748.1	581.6	601.5	-11.2%	5.2%	540.5	570.2	601.6	-	3.7%
Machinery and equipment	28.9	4.7	2.8	4.7	-45.4%	0.1%	26.2	27.7	29.2	83.9%	0.1%
Biological assets	1.1	0.9	1.8	1.6	12.2%	-	1.6	1.7	1.8	5.3%	-
<b>Payments for financial assets</b>	<b>-</b>	<b>7.4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>12 289.2</b>	<b>13 097.3</b>	<b>13 949.9</b>	<b>14 350.4</b>	<b>5.3%</b>	<b>100.0%</b>	<b>15 139.6</b>	<b>16 214.7</b>	<b>17 317.7</b>	<b>6.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>59.7%</b>	<b>60.8%</b>	<b>61.2%</b>	<b>60.2%</b>	<b>-</b>	<b>-</b>	<b>59.6%</b>	<b>59.7%</b>	<b>59.8%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>45.5</b>	<b>42.7</b>	<b>41.8</b>	<b>86.7</b>	<b>24.0%</b>	<b>0.4%</b>	<b>103.6</b>	<b>119.9</b>	<b>126.3</b>	<b>13.4%</b>	<b>0.7%</b>
Employee social benefits	45.5	42.7	41.8	86.7	24.0%	0.4%	103.6	119.9	126.3	13.4%	0.7%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>-</b>	<b>-</b>	<b>34.4</b>	<b>-</b>	<b>-</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Departmental agencies (non-business entities)	-	-	34.4	-	-	0.1%	-	-	-	-	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>21.5</b>	<b>24.0</b>	<b>26.3</b>	<b>25.6</b>	<b>5.9%</b>	<b>0.2%</b>	<b>25.7</b>	<b>27.4</b>	<b>29.0</b>	<b>4.2%</b>	<b>0.2%</b>
Other transfers to households	2.7	-	0.0	-	-100.0%	-	-	-	-	-	-
Offender gratuity	18.9	24.0	26.3	25.6	10.7%	0.2%	25.7	27.4	29.0	4.2%	0.2%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Rehabilitation

### Programme purpose

Provide offenders with needs-based programmes and interventions to facilitate their rehabilitation and enable their social reintegration.

### Objectives

- Enhance the level of literacy, education and skills competency among offenders by:
  - increasing the number of offenders completing adult education and training programmes from 10 014 in 2017/18 to 11 167 in 2021/22
  - increasing the number of offenders completing further education and training mainstream programmes from a projected 690 in 2018/19 to 977 in 2021/22
  - increasing the number of offenders participating in skills development programmes from a projected 10 049 in 2018/19 to 11 944 in 2021/22
  - increasing the percentage of sentenced offenders subjected to correctional programmes per year from 77 per cent in 2016/17 to 80 per cent within the MTEF period.
- Enhance the social functioning and reintegration of offenders into communities by:
  - increasing the percentage of incarcerated offenders, probationers and parolees who are involved in social work services from a projected 50 per cent in 2018/19 to 54 per cent in 2021/22
  - increasing the percentage of inmates who are involved in psychological services from a projected 18 per cent in 2018/19 to 21 per cent in 2021/22
  - increasing the percentage of inmates who benefit from spiritual services from a projected 60 per cent in 2018/19 to 66 per cent in 2021/22.

### Subprogrammes

- *Correctional Programmes* provides needs-based correctional programmes targeting offending behaviour based on the correctional sentence plan. The aim is to raise awareness, provide information and develop life skills.
- *Offender Development* provides programmes and services aimed at developing competencies by providing inmates with opportunities for skills and social development. Services include technical training and education.
- *Psychological, Social and Spiritual Services* provides needs-based programmes and services aimed at maintaining the personal wellbeing of incarcerated persons by facilitating social functioning and spiritual, moral and psychological wellbeing.

### Expenditure trends and estimates

**Table 18.11 Rehabilitation expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Correctional Programmes	290.6	318.3	418.4	403.5	11.6%	22.4%	433.6	465.7	495.9	7.1%	21.9%
Offender Development	727.8	729.9	817.9	921.4	8.2%	50.1%	1 037.6	1 112.7	1 175.8	8.5%	51.7%
Psychological, Social and Spiritual Services	376.7	428.2	459.0	485.3	8.8%	27.4%	523.7	563.6	599.0	7.3%	26.4%
<b>Total</b>	<b>1 395.0</b>	<b>1 476.4</b>	<b>1 695.3</b>	<b>1 810.1</b>	<b>9.1%</b>	<b>100.0%</b>	<b>1 994.8</b>	<b>2 142.0</b>	<b>2 270.7</b>	<b>7.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(51)			(62)	(54)	(63)		

**Table 18.11 Rehabilitation expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Current payments</b>	<b>1 336.7</b>	<b>1 449.0</b>	<b>1 625.3</b>	<b>1 779.5</b>	<b>10.0%</b>	<b>97.1%</b>	<b>1 989.8</b>	<b>2 137.2</b>	<b>2 265.7</b>	<b>8.4%</b>	<b>99.4%</b>
Compensation of employees	1 038.9	1 171.2	1 269.6	1 383.9	10.0%	76.3%	1 490.5	1 604.0	1 706.7	7.2%	75.3%
Goods and services <sup>1</sup>	297.8	277.8	355.7	395.7	9.9%	20.8%	499.4	533.2	558.9	12.2%	24.2%
<i>of which:</i>											
Contractors	16.8	10.4	12.2	13.7	-6.5%	0.8%	23.8	19.5	16.0	5.2%	0.9%
Inventory: Clothing material and accessories	3.2	2.3	42.9	58.2	164.0%	1.7%	61.5	64.7	68.3	5.5%	3.1%
Inventory: Farming supplies	143.3	157.9	168.9	129.3	-3.4%	9.4%	215.0	235.8	248.7	24.3%	10.1%
Inventory: Materials and supplies	21.6	9.2	33.3	30.8	12.4%	1.5%	30.7	33.2	35.0	4.4%	1.6%
Consumable supplies	14.0	23.8	23.3	56.9	59.7%	1.8%	63.7	67.6	72.4	8.4%	3.2%
Travel and subsistence	30.7	18.5	12.8	18.9	-15.0%	1.3%	21.3	22.1	23.0	6.9%	1.0%
<b>Transfers and subsidies<sup>1</sup></b>	<b>4.1</b>	<b>5.9</b>	<b>5.3</b>	<b>0.1</b>	<b>-74.8%</b>	<b>0.2%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>5.3%</b>	<b>-</b>
Households	4.1	5.9	5.3	0.1	-74.8%	0.2%	0.1	0.1	0.1	5.3%	-
<b>Payments for capital assets</b>	<b>54.2</b>	<b>21.5</b>	<b>7.5</b>	<b>30.5</b>	<b>-17.4%</b>	<b>1.8%</b>	<b>5.0</b>	<b>4.7</b>	<b>5.0</b>	<b>-45.4%</b>	<b>0.5%</b>
Machinery and equipment	52.3	19.7	5.4	29.6	-17.3%	1.7%	4.5	4.7	5.0	-44.8%	0.5%
Biological assets	1.9	1.8	2.1	1.0	-20.8%	0.1%	-	-	-	-100.0%	-
Software and other intangible assets	-	-	-	-	-	-	0.5	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>57.3</b>	<b>-</b>	<b>-</b>	<b>0.9%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 395.0</b>	<b>1 476.4</b>	<b>1 695.3</b>	<b>1 810.1</b>	<b>9.1%</b>	<b>100.0%</b>	<b>1 994.8</b>	<b>2 142.0</b>	<b>2 270.7</b>	<b>7.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>6.8%</b>	<b>6.9%</b>	<b>7.4%</b>	<b>7.6%</b>	<b>-</b>	<b>-</b>	<b>7.9%</b>	<b>7.9%</b>	<b>7.8%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Care

### Programme purpose

Provide needs-based care services for the personal wellbeing of all inmates in the department's custody.

### Objectives

- Maintain the health and personal wellbeing of inmates by:
  - ensuring that the percentage of inmates on antiretroviral therapy remains at 90 per cent over the medium term
  - ensuring that the tuberculosis (new pulmonary) cure rate remains at 90 per cent in 2020/21 and 2021/22.
- Ensure that nutritional services to inmates to provide therapeutic diets remain at 12 per cent of the total inmate population between 2019/20 and 2021/22.

### Subprogrammes

- *Nutritional Services* funds the provision of appropriate meals for inmates within correctional centres and remand detention facilities in accordance with the prescripts of the Department of Health.
- *Health and Hygiene Services* funds the provision of primary health care services for inmates within correctional centres and remand detention facilities, including referral services for secondary and tertiary levels of care, and the promotion of a hygienic environment and inmates' personal hygiene, in accordance with the prescripts of the Department of Health.

### Expenditure trends and estimates

**Table 18.12 Care expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Nutritional Services	1 268.2	1 318.2	1 381.1	1 410.3	3.6%	59.9%	1 437.5	1 522.3	1 611.3	4.5%	59.0%
Health and Hygiene Services	820.3	916.9	941.6	922.3	4.0%	40.1%	1 007.1	1 079.4	1 147.7	7.6%	41.0%
<b>Total</b>	<b>2 088.5</b>	<b>2 235.1</b>	<b>2 322.7</b>	<b>2 332.6</b>	<b>3.8%</b>	<b>100.0%</b>	<b>2 444.6</b>	<b>2 601.7</b>	<b>2 758.9</b>	<b>5.8%</b>	<b>100.0%</b>
Change to 2018				57.3			84.4	98.2	104.2		
Budget estimate											

**Table 18.12 Care expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
<b>Current payments</b>	<b>2 080.3</b>	<b>2 223.2</b>	<b>2 317.2</b>	<b>2 332.0</b>	<b>3.9%</b>	<b>99.7%</b>	<b>2 444.0</b>	<b>2 601.1</b>	<b>2 758.3</b>	<b>5.8%</b>	<b>100.0%</b>
Compensation of employees	688.6	771.7	831.9	898.3	9.3%	35.5%	969.9	1 044.2	1 110.6	7.3%	39.7%
Goods and services <sup>1</sup>	1 391.8	1 451.6	1 485.3	1 433.8	1.0%	64.2%	1 474.1	1 556.9	1 647.7	4.7%	60.3%
<i>of which:</i>											
<i>Laboratory services</i>	12.9	17.3	18.9	17.3	10.3%	0.7%	21.7	21.7	22.9	9.8%	0.8%
<i>Contractors</i>	30.2	24.8	30.6	21.6	-10.6%	1.2%	23.9	25.2	26.6	7.3%	1.0%
<i>Agency and support/outsourced services</i>	715.9	740.7	638.9	689.5	-1.2%	31.0%	672.1	713.9	754.2	3.0%	27.9%
<i>Inventory: Food and food supplies</i>	339.1	389.3	558.0	523.9	15.6%	20.2%	550.3	577.0	611.8	5.3%	22.3%
<i>Inventory: Medicine</i>	56.3	80.3	62.9	51.9	-2.7%	2.8%	66.8	69.9	73.7	12.4%	2.6%
<i>Consumable supplies</i>	185.1	153.1	138.7	84.2	-23.1%	6.2%	69.0	73.3	78.3	-2.4%	3.0%
<b>Transfers and subsidies<sup>1</sup></b>	<b>4.3</b>	<b>8.9</b>	<b>5.2</b>	<b>0.4</b>	<b>-54.3%</b>	<b>0.2%</b>	<b>0.4</b>	<b>0.5</b>	<b>0.5</b>	<b>5.3%</b>	<b>-</b>
Households	4.3	8.9	5.2	0.4	-54.3%	0.2%	0.4	0.5	0.5	5.3%	-
<b>Payments for capital assets</b>	<b>3.8</b>	<b>3.0</b>	<b>0.3</b>	<b>0.2</b>	<b>-63.4%</b>	<b>0.1%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-8.7%</b>	<b>-</b>
Machinery and equipment	3.8	3.0	0.3	0.2	-63.4%	0.1%	0.1	0.1	0.1	-8.7%	-
<b>Total</b>	<b>2 088.5</b>	<b>2 235.1</b>	<b>2 322.7</b>	<b>2 332.6</b>	<b>3.8%</b>	<b>100.0%</b>	<b>2 444.6</b>	<b>2 601.7</b>	<b>2 758.9</b>	<b>5.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>10.1%</b>	<b>10.4%</b>	<b>10.2%</b>	<b>9.8%</b>	<b>-</b>	<b>-</b>	<b>9.6%</b>	<b>9.6%</b>	<b>9.5%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Social Reintegration

### Programme purpose

Provide effective supervision of offenders placed under the system of community corrections, and facilitate their social reintegration into communities.

### Objectives

- Maintain the effectiveness of the community corrections within the MTEF period by:
  - ensuring that the percentage of parolees without violations remains at 97 per cent
  - ensuring that the percentage of probationers without violations remains at 97 per cent.
- Facilitate the social acceptance and effective reintegration of offenders into society by:
  - increasing the number of victims/offended persons who participate in restorative justice programmes from a projected 6 875 in 2018/19 to 8 930 in 2021/22
  - increasing the number of inmates, parolees and probationers who participate in restorative justice programmes from a projected 6 000 in 2018/19 to 7 500 in 2021/22
  - increasing the number of parolees and probationers reintegrated back into communities through halfway houses from a projected 127 in 2016/17 to 190 in 2021/22
  - increasing the number of service points established from a projected 36 in 2018/19 to 56 by 2021/22.

### Subprogrammes

- *Supervision* funds the effective administration and supervision of persons placed under the system of community corrections in order to enhance public safety.
- *Community Reintegration* funds the reintegration of offenders into society, and stakeholder management in relation to community reintegration.
- *Office Accommodation: Community Corrections* funds the provision of community corrections offices (including satellite offices and service points) to enhance supervision and community reintegration. There are 218 fully fledged community corrections offices countrywide.

## Expenditure trends and estimates

Table 18.13 Social Reintegration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Supervision	743.3	788.5	841.2	882.0	5.9%	92.2%	949.9	1 019.6	1 084.0	7.1%	91.2%
Community Reintegration	35.0	30.1	34.8	49.1	11.9%	4.2%	53.5	57.0	60.6	7.2%	5.1%
Office Accommodation: Community Corrections	22.7	35.1	31.9	36.8	17.5%	3.6%	39.0	41.2	43.6	5.8%	3.7%
<b>Total</b>	<b>801.0</b>	<b>853.7</b>	<b>907.9</b>	<b>968.0</b>	<b>6.5%</b>	<b>100.0%</b>	<b>1 042.4</b>	<b>1 117.8</b>	<b>1 188.2</b>	<b>7.1%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				69.1			96.3	103.4	109.3		
<b>Economic classification</b>											
<b>Current payments</b>	<b>794.8</b>	<b>845.1</b>	<b>899.2</b>	<b>965.9</b>	<b>6.7%</b>	<b>99.3%</b>	<b>1 040.4</b>	<b>1 116.2</b>	<b>1 186.4</b>	<b>7.1%</b>	<b>99.8%</b>
Compensation of employees	662.6	730.5	798.3	837.2	8.1%	85.8%	904.0	972.9	1 035.1	7.3%	86.9%
Goods and services <sup>1</sup>	132.2	114.5	100.9	128.7	-0.9%	13.5%	136.4	143.3	151.3	5.5%	13.0%
of which:											
Communication	10.0	10.4	11.1	10.4	1.3%	1.2%	11.4	11.2	11.8	4.2%	1.0%
Agency and support/outsourced services	2.7	2.3	3.0	3.5	8.8%	0.3%	3.4	3.6	3.8	2.9%	0.3%
Fleet services (including government motor transport)	21.3	21.8	24.5	23.4	3.2%	2.6%	26.8	30.5	32.2	11.2%	2.6%
Consumables: Stationery, printing and office supplies	3.3	5.3	3.3	4.8	13.5%	0.5%	4.9	5.4	5.7	6.2%	0.5%
Operating leases	78.0	67.4	54.9	68.9	-4.1%	7.6%	74.6	76.7	81.0	5.6%	7.0%
Travel and subsistence	9.3	3.5	1.8	11.6	7.5%	0.7%	7.8	9.4	10.0	-4.6%	0.9%
Transfers and subsidies <sup>1</sup>	4.0	6.9	7.1	0.2	-65.4%	0.5%	0.2	0.2	0.2	11.5%	-
Households	4.0	6.9	7.1	0.2	-65.4%	0.5%	0.2	0.2	0.2	11.5%	-
Payments for capital assets	2.2	1.8	1.6	2.0	-3.9%	0.2%	1.7	1.4	1.5	-8.1%	0.2%
Machinery and equipment	2.2	1.8	1.6	2.0	-3.9%	0.2%	1.7	1.4	1.5	-8.1%	0.2%
<b>Total</b>	<b>801.0</b>	<b>853.7</b>	<b>907.9</b>	<b>968.0</b>	<b>6.5%</b>	<b>100.0%</b>	<b>1 042.4</b>	<b>1 117.8</b>	<b>1 188.2</b>	<b>7.1%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>3.9%</b>	<b>4.0%</b>	<b>4.0%</b>	<b>4.1%</b>	-	-	<b>4.1%</b>	<b>4.1%</b>	<b>4.1%</b>	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Departmental infrastructure</b>										
<b>Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)</b>										
Vanrhynsdorp correctional centre	Provision of 328 additional beds, support amenities, and administration and visitation block provided	Handed over	283.9	4.3	8.0	-	-	-	-	-
Burgersdorp correctional centre	Provision of 311 additional beds, support amenities, and development and care facilities; and upgrade of existing dilapidated structures	Design	298.0	10.7	-	2.7	20.0	37.5	50.0	40.0
Estcourt correctional centre	Provision of 309 additional beds and support facilities provided	Construction	307.2	32.0	102.1	129.6	3.3	1.5	-	-
Tzaneen correctional centre	Provision of 435 additional beds, support amenities, and development and care facilities provided	Construction	264.0	5.0	2.0	29.8	20.0	5.0	-	-
Ingwavuma correctional centre	Provision of 212 additional beds and support facilities for males; provided and refurbishment of old structures	Design	278.0	5.0	-	-	-	-	-	-
Standerton correctional centre	Provision of 787 additional beds and support facilities provided	Construction	375.5	96.0	79.6	51.4	6.8	3.1	-	-
Richards Bay correctional centre	Construction of new 1000 bed correctional centre, support amenities and administration	Design	500.0	-	-	-	-	-	0.5	-
St Albans correctional centre	Construction of new 500 bed space Juvenile correctional centre, support amenities and administration	Design	350.0	-	-	-	-	0.5	10.0	-
George correctional centre	Construction of new 500 bed correctional centre, support amenities and administration	Design	350.0	-	-	-	-	-	0.5	-
Nigel correctional centre	Construction of new 1500 bed Maximum security correctional centre, support amenities and administration	Design	750.0	-	-	-	-	0.5	12.0	35.0
Voorberg correctional centre	Construction of new 1000 bed Medium security correctional centre, support amenities and administration	Design	500.0	-	-	-	-	0.5	12.0	35.0
Port Shepstone correctional centre	Construction of new 1000 bed correctional centre, support amenities and administration	Design	500.0	-	-	-	-	-	5.6	12.0
East London correctional centre	Construction of new 500 bed Female correctional centre, support amenities and administration	Design	350.0	-	-	-	-	-	5.0	12.0
Polokwane correctional centre	Construction of new 1000 bed Maximum security correctional centre, support amenities and administration	Design	500.0	-	-	-	-	0.5	12.0	35.0

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
Leeuwkop correctional centre	Construction of new 1500 bed Juvenile correctional centre, support amenities and administration	Design	750.0	–	–	–	–	0.5	2.0	15.0
Khayelitsha correctional centre	Construction of new 1000 bed correctional centre, support amenities and administration	Design	750.0	–	–	–	–	–	–	0.5
Thohoyandou correctional centre	Construction of new 500 bed Juvenile correctional centre, support amenities and administration	Design	350.0	–	–	–	–	0.5	2.0	15.0
Durban correctional centre	Construction of new 1000 bed correctional centre, support amenities and administration	Design	500.0	–	–	–	–	–	0.5	15.0
Queenstown correctional centre	Construction of new 500 bed correctional centre, support amenities and administration	Design	350.0	–	–	–	–	–	0.5	15.0
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Zeerust correctional centre	Provision of 500 additional beds and support facilities	Design	230.0	–	–	–	10.0	2.0	20.0	40.1
Nongoma correctional centre	Provision of 191 additional beds and support facilities; and restoration of heritage building	Design	219.0	2.0	0.2	–	–	–	–	–
Nkandla correctional centre	Provision of 153 additional beds and support facilities; and restoration of heritage building	Design	225.0	2.0	–	–	–	–	–	–
Maphumulo correctional centre	Provision of 33 additional beds and support facilities; and restoration of parts of existing heritage building	Design	89.0	–	0.8	–	–	–	–	–
Pretoria C Max correctional centre	Provision of 12 additional beds and support facilities; upgrade of security	Construction	148.8	5.0	27.3	16.4	22.2	3.3	–	–
Parys correctional centre	Provision of 176 additional beds, support amenities, and development and care facilities; and upgrade of existing dilapidated structures	Design	266.4	2.0	2.3	3.0	55.0	81.1	100.0	23.0
Newcastle correctional centre	Provision of 186 additional beds and support facilities	On hold	100.0	–	4.1	1.0	–	6.1	10.0	10.0
Lichtenburg correctional centre	Upgrade of correctional centre; provision of 234 additional beds	Construction	251.2	2.0	5.5	12.1	16.0	26.6	75.4	80.0
Potchefstroom correctional centre	Upgrade of correctional centre, including provision of 761 additional beds	Construction	225.0	2.0	–	–	–	–	–	–



**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
Bergville correctional centre	Upgrade of correctional centre, including provision of 6 cells erected (39 additional beds) and support facilities	Design	75.9	5.0	-	-	-	-	-	-
Matatiele correctional centre	Upgrade of correctional centre, including provision of 10 cells erected (24 additional beds) and support facilities; and restoration of parts of existing heritage building	Construction	60.7	5.0	3.5	-	3.0	-	-	-
Odi correctional centre	Construction of a new access control gate; provision of visitors' waiting rooms	Construction	9.8	-	-	-	-	-	-	-
Parole board offices	Construction of 53 parole board offices completed	Handed over	140.2	-	0.9	0.1	-	2.9	-	-
Various centres: Perimeter security fencing and intercoms	Installation of perimeter security fencing and intercoms; conducting of immovable asset management audits	Construction	914.2	403.1	247.6	137.9	40.7	85.0	-	-
Remand detention feasibility studies	Conducting of feasibility studies for remand detention facilities	Design	30.0	-	-	-	-	-	-	-
Head office	Conducting of feasibility study for a new head office building	Identification	132.0	15.0	-	-	45.0	30.0	15.0	21.6
Audit of facilities	Auditing of correctional centre facilities audited in compliance with Government Immovable Asset Management Act (2007)	Design	70.0	10.0	-	-	15.0	5.0	5.0	5.0
Pietermaritzburg, Kokstad and Empangeni correctional centres	Provision of integrated security system	Construction	519.9	65.0	45.6	70.8	100.0	56.4	60.0	30.0
Kimberley, Brandvlei, Ceres, Goodwood, Malmesbury, Klerksdorp and Vanrhynsdorp correctional centres	Installation of integrated IT systems	On-going	295.1	-	6.0	4.3	70.7	14.1	70.0	30.0
King William's Town correctional centre	Upgrade of correctional centre	Design	6.0	5.0	-	-	-	-	-	-
Mtunzini correctional centre	Upgrade of correctional centre	Design	3.2	-	-	-	-	-	-	-
Kokstad correctional centre	Replacement of water and sewerage pipes replaced and other civil works	Identification	99.5	-	53.1	0.4	2.0	2.1	2.0	40.0
Brandvlei correctional centre	Repairs and maintenance of structures	Identification	46.7	-	-	-	5.0	-	21.9	10.0
North End correctional centre: Port Elizabeth	Repairs and maintenance of structures; major repairs and renovations of entire correctional centre and offices	Construction	121.4	41.1	5.5	-	-	-	-	-
Rustenburg correctional centre	Repairs and maintenance of structures; major repairs and renovations of entire correctional centre, offices and staff housing	Construction	184.4	5.0	21.9	41.7	10.6	3.4	-	-

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
Durban Westville correctional centre	Repairs and maintenance of structures; repairs of entire correctional centre complex, including civil works and buildings	Identification	69.4	–	–	–	10.0	–	15.0	22.5
Johannesburg correctional centre	Repairs and maintenance of structures; repairs of entire correctional centre complex, including civil works and buildings	Identification	53.8	–	–	–	10.0	–	15.0	22.5
St Albans correctional centre	Repairs and maintenance of structures; repairs of entire correctional centre complex, including civil works and buildings	Identification	53.0	–	–	–	–	–	12.0	15.0
Various centres: Standby generators	Installation of standby generators	Design	96.6	–	12.7	10.7	22.4	8.2	–	–
Various centres: School facilities	Construction of new school facilities	Design	135.0	40.0	7.4	0.9	–	15.0	20.0	5.0
Various centres: Replacement of equipment	Replacement of kitchen equipment, boilers, incinerators, and power, water and sewerage systems in compliance with the Occupational Health and Safety Act (1993)	Construction	343.0	11.5	4.7	–	89.8	87.8	20.0	20.0
Various centres: Structures repaired and maintained	Repairs of correctional centre facilities and planning of correctional centre facilities such as Brandvlei Maximum and Brits	Design	198.1	2.1	1.0	84.7	5.2	32.9	10.0	12.4
Other small grouped projects	Installation of integrated security systems; replacement of kitchen equipment; and upgrades of standby generators and water and sewerage plants	Design	1 342.2	–	106.2	112.9	40.0	105.7	–	–
Warm Bokkeveld correctional centre	Provision of 282 additional beds, support amenities, and development and care facilities; and upgrade of existing dilapidated structures	Handed over	242.1	–	–	–	–	–	–	–
Glencoe correctional centre	Upgrade of fire damaged correctional facility	Construction	61.5	–	–	9.5	32.0	17.7	2.2	–
Emthonjeni correctional centre	Installation of integrated security system	Construction	129.5	–	–	4.5	–	67.4	31.8	25.7
Independent Development Trust	Maintenance of security fences	On-going	99.8	–	–	16.2	25.7	15.9	20.1	20.0
Potchefstroom correctional centre	Construction of new 250 bed Female correctional centre, support amenities and administration	Design	250.0	–	–	–	–	–	–	5.0
Mount Ayliff correctional centre	Construction of new 500 bed Juvenile correctional centre, support amenities and administration	Design	350.0	–	–	–	–	–	–	5.0

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Mount Ayliff correctional centre	Construction of new 500 bed Medium correctional centre, support amenities and administration	Design	350.0	-	-	-	-	-	-	-
Engcobo correctional centre	Construction of new 500 bed correctional centre, support amenities and administration	Design	350.0	-	-	-	-	-	-	5.0
Khayelitsha correctional centre	Construction of new 500 bed Female correctional centre, support amenities and administration	Design	350.0	-	-	-	-	-	70.0	60.0
Klerksdorp correctional centre	Construction of new 500 bed Medium security correctional centre, support amenities and administration	Design	350.0	-	-	-	-	-	10.0	22.4
Losperfontein correctional centre	Construction of new 500 bed Maximum security correctional centre, support amenities and administration	Design	350.0	-	-	-	-	-	25.0	20.0
Potchefstroom correctional centre	Construction of new 250 bed Medium correctional centre, support amenities and administration	Design	250.0	-	-	-	-	-	-	-
Zonderwater correctional centre	Provision of 788 additional bed spaces through upgrading of existing minimum security facility and support amenities	Design	140.0	-	-	-	-	-	15.0	20.0
<b>Total</b>			<b>18 334.0</b>	<b>775.8</b>	<b>748.1</b>	<b>740.6</b>	<b>680.4</b>	<b>718.5</b>	<b>758.0</b>	<b>799.7</b>



# Vote 19

## Defence and Military Veterans

### Budget Summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	6 187.1	5 441.5	723.3	22.3	6 547.6	6 931.8
Force Employment	3 620.7	3 323.8	260.8	36.1	3 644.6	3 612.2
Landward Defence	16 464.3	14 486.1	1 945.7	32.6	17 406.5	17 016.3
Air Defence	6 977.7	5 657.2	1 294.5	26.1	7 674.9	6 568.8
Maritime Defence	4 517.9	3 333.1	1 174.1	10.7	5 033.9	4 368.1
Military Health Support	5 375.3	5 250.1	77.5	47.6	5 777.6	6 035.9
Defence Intelligence	1 020.5	495.5	520.9	4.1	1 082.7	821.0
General Support	6 349.5	4 140.6	1 625.6	583.3	6 657.3	6 923.4
<b>Total expenditure estimates</b>	<b>50 513.0</b>	<b>42 127.9</b>	<b>7 622.4</b>	<b>762.8</b>	<b>53 825.1</b>	<b>52 277.5</b>
Executive authority	Minister of Defence and Military Veterans					
Accounting officer	Secretary for Defence					
Website address	www.dod.mil.za					

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

### Vote purpose

Defend and protect the Republic of South Africa, its territorial integrity and its people, in accordance with the Constitution and the principles of international law regulating the use of force. Provide for military veterans' benefits.

### Mandate

The Department of Defence derives its mandate from section 200 of the Constitution, the Defence Act (2002) as amended by the Defence Amendment Act (2010), the 1996 White Paper on Defence and the 2015 South African Defence Review. The department is required to provide, manage, prepare and employ defence capabilities that are commensurate with the needs of South Africa.

### Selected performance indicators

**Table 19.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections <sup>1</sup>		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total number of defence attachè offices	Administration	Outcome 11: Create a better South Africa, a better Africa and a better world	44	44	44	44	44	44	44
Total number of military skills development members in the system <sup>2</sup>	Administration	Outcome 5: A skilled and capable workforce to support an inclusive growth path	3 944	3 759	3 476	3 568	3 510	3 570 <sup>2</sup>	3 550

**Table 19.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections <sup>1</sup>		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of reserve force man days <sup>3</sup>	Administration	Outcome 3: All people in South Africa are and feel safe	2 768 982	2 679 142	2 425 899	2 679 761	2 693 048 <sup>3</sup>	2 680 494 <sup>3</sup>	2 674 732 <sup>3</sup>
Percentage compliance with the Southern African Development Community standby force pledge	Force Employment	Outcome 11: Create a better South Africa, a better Africa and a better world	100% (32)	100% (32)	100% (32)	100%	100%	100%	100%
Percentage compliance with number of ordered commitments (external operations)	Force Employment		100% (3)	100% (2)	100% (2)	100% <sup>4</sup>	100% <sup>4</sup>	100% <sup>4</sup>	100% <sup>4</sup>
Percentage compliance with number of ordered commitments (internal operations) <sup>5</sup>	Force Employment		100% (4)	100% (4)	100% (4)	100% <sup>4</sup>	100% <sup>4</sup>	100% <sup>4</sup>	100% <sup>4</sup>
Number of joint, interdepartmental, interagency and multinational military exercises conducted per year	Force Employment	Outcome 11: Create a better South Africa, a better Africa and a better world	6	4	3	4	1 <sup>6</sup>	3 <sup>6</sup>	2 <sup>6</sup>
Number of landward subunits deployed on border safeguarding per year	Force Employment	Outcome 3: All people in South Africa are and feel safe	15	15	15	15	15	15	15
Number of hours flown per year <sup>7</sup>	Air Defence	Outcome 11: Create a better South Africa, a better Africa and a better world	– <sup>7</sup>	– <sup>7</sup>	– <sup>7</sup>	25 000	17 200	17 100	17 100
Number of hours at sea per year	Maritime Defence	Outcome 11: Create a better South Africa, a better Africa and a better world	10 711	8 132	6 047	12 000	10 000	10 000	10 000

1. Over the MTEF period, most of the department's performance targets are maintained at the same level or reduced to align with available budgets.
2. Indicator reworded to reflect its cumulative nature. Target increase in 2020/21 is due to a higher attrition rate for military personnel, especially an increase in retirements in the South African National Defence Force.
3. A "man day" refers to a day regarded as the number of hours of work one person can complete in a day. Medium-term targets for this indicator are aligned with the operational requirements of the department. The increase in the target in 2019/20 is due to the 2019 national and provincial elections.
4. Only absolute numbers for executed operations are reported on. The number of ordered commitments cannot be predicted, hence no absolute values can be provided in 2018/19 and over the MTEF period.
5. Internal operations include border safeguarding and operations in support of other departments.
6. Due to the 2019 national and provincial elections, only 1 joint interdepartmental, interagency and multinational military exercise will be conducted in 2019/20. 2019 targets show an inconsistent trend as these exercises involve agreements with other countries. As some of the exercises occur every second year, only 2 exercises are scheduled in 2021/22.
7. No historical data available as this is a new indicator, replacing "Number of force employment hours flown per year".

## Expenditure analysis

Over the medium term, the department will focus on: arresting the decline in critical defence capabilities, participating in peace support operations, safeguarding South Africa's borders and territorial integrity, supporting the people of South Africa through collaboration with other departments, and refurbishing and maintaining infrastructure. These activities support the realisation of outcome 3 (all people in South Africa are and feel safe) and outcome 11 (create a better South Africa, a better Africa and a better world) of government's 2014-2019 medium-term strategic framework.

Due to the labour-intensive nature of the department's work, compensation of employees is its largest spending item, accounting for 59 per cent (R94 billion) of its total budget over the MTEF period. As part of the department's effort to remain within government's expenditure ceiling for compensation of employees, its number of personnel is expected to decrease by 901, from 75 210 in 2018/19 to 74 309 in 2021/22, mainly through natural attrition.

Cabinet has approved budget reductions of R183.2 million in 2019/20, R174.2 million in 2020/21 and R5 billion in 2021/22. The reductions will be effected across all programmes mainly on the special defence account and various goods and services items such as computer services, contractors and travel and subsistence. Included in these are baseline reductions of R3.8 million for the Department of Military Veterans and R96.2 million for the Armaments Corporation of South Africa. The department will implement targeted interventions, such as cost containment on non-core goods and services items, and review projects within the special defence account to ensure that it functions sustainably.

### ***Arresting the decline in critical defence capabilities***

The 2015 South African Defence Review provides a policy for South Africa's defence trajectory over the next 20 to 30 years. Over the medium term, the department will focus on implementing parts of the review that are related to arresting the decline in critical defence capabilities. Due to the constrained fiscal outlook, the department expects to only partially implement critical elements of the review such as improved operational support systems and urgent equipment enhancements. Activities related to implementing the review are expected to be achieved with funds retained through reimbursements from the United Nations. These reimbursements are projected to amount to R1.9 billion over the medium term, as part of South Africa's contribution towards peace support operations in the Democratic Republic of the Congo.

### ***Participating in peace support operations***

As part of its efforts to ensure peace and stability in Africa, the department expects to continue participating in peace support operations in the Democratic Republic of the Congo under the auspices of the United Nations stabilisation mission. To this end, the department intends to deploy an infantry battalion supported by Rooivalk and Oryx helicopters. The department also expects to continue its deployment of 4 military observers as part of the African Union mission in Sudan's Darfur region. R3.2 billion over the medium term is allocated in the *Force Employment* programme for activities related to peace support operations.

### ***Safeguarding South Africa's borders and territorial integrity***

Border security remains a key priority for the South African National Defence Force, especially the country's land and sea borders. Accordingly, over the MTEF period, the department plans to deploy 15 landward sub-units to patrol 4 471km of South Africa's land borders with Zimbabwe, eSwatini, Mozambique, Lesotho, Botswana and Namibia. R3.7 billion is allocated over the period ahead for land border control in the *Force Employment* programme.

The South African Navy will continue to prepare naval forces for operations in support of the maritime security strategy. These operations involve ongoing maritime border patrols along the Mozambican channel to combat piracy. Provision is made in the *Maritime Defence* programme over the MTEF period to finalise the acquisition of a new hydrographic survey vessel at an estimated cost of R2.1 billion. The vessel will be used to conduct hydrographic research to produce nautical charts, and ensure safe navigation for military and civilian shipping. The acquisition of this vessel also forms part of Operation Phakisa, an initiative of the Department of Environmental Affairs intended to unlock the economic potential of South Africa's oceans. Over the medium term, R1.6 billion is allocated, mainly in the *Maritime Defence* programme, for the implementation of the maritime security strategy along the east coast of Africa.

### ***Supporting the people of South Africa***

The department contributes to domestic safety and security by conducting various internal operations in support of other government departments. For this purpose, R48.1 million is allocated over the MTEF period in the *Force Employment* programme. As part of these operations, the South African National Defence Force will continue to work with the Department of Water and Sanitation, the Gauteng provincial government and the Emfuleni local municipality to deal with water pollution in the Vaal River system. In 2018/19, the South African National Defence Force deployed 400 soldiers, including engineers, to provide technical assistance and protect equipment at pump stations and wastewater treatment plants. This project is expected to be completed in December 2019, with its total cost still to be finalised. The department will also focus on preparing and

deploying the South African National Defence Force for the 2019 national and provincial elections in support of the South African Police Service at a projected cost of R67.7 million in 2019/20 in the *Force Employment* programme.

### Refurbishing and maintaining infrastructure

The Defence Works Formation maintains and refurbishes defence facilities across South Africa. Priority projects over the medium term include the upgrading of the Sandhurst building in Thaba Tshwane (Gauteng), the construction of houses at the military academy in Saldanha (Western Cape), and the renovation of quarters for married officers in Potchefstroom (North West). To carry out these activities, R2.4 billion is allocated over the MTEF period in the *General Support* programme.

## Expenditure trends

**Table 19.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Force Employment														
3. Landward Defence														
4. Air Defence														
5. Maritime Defence														
6. Military Health Support														
7. Defence Intelligence														
8. General Support														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	4 827.2	4 862.4	4 981.5	5 151.1	5 348.0	5 740.6	5 380.8	5 469.5	5 505.4	5 548.9	5 653.3	5 653.3	104.7%	102.6%
Programme 2	3 603.2	3 813.3	3 602.8	3 899.6	3 672.6	3 431.0	3 688.6	3 535.4	3 208.1	3 375.6	3 375.6	3 375.6	93.5%	94.6%
Programme 3	14 805.3	15 202.4	15 119.0	15 651.4	15 627.3	15 557.8	16 550.2	16 719.8	16 691.5	16 234.3	16 271.2	16 271.2	100.6%	99.7%
Programme 4	7 049.2	7 167.6	7 085.7	6 883.5	6 936.6	6 782.6	6 628.0	6 818.5	6 753.4	6 415.9	6 650.8	6 650.8	101.1%	98.9%
Programme 5	3 717.2	3 769.1	3 732.7	4 355.9	4 386.8	4 298.4	4 790.0	4 590.0	4 613.9	4 424.7	4 699.4	4 699.4	100.3%	99.4%
Programme 6	3 932.9	4 069.3	4 243.2	4 416.8	4 440.7	4 448.7	4 586.7	4 586.7	4 852.9	4 714.1	4 714.1	4 714.1	103.4%	102.5%
Programme 7	827.5	831.5	830.1	900.2	900.2	881.3	917.3	917.3	888.0	950.4	950.4	950.4	98.7%	98.6%
Programme 8	5 817.0	5 372.6	5 476.6	5 911.1	5 924.3	6 056.7	6 077.2	6 362.4	6 463.9	6 285.9	6 181.6	6 181.6	100.4%	101.4%
<b>Total</b>	<b>44 579.4</b>	<b>45 088.2</b>	<b>45 071.5</b>	<b>47 169.7</b>	<b>47 236.5</b>	<b>47 197.1</b>	<b>48 618.8</b>	<b>48 999.6</b>	<b>48 977.2</b>	<b>47 949.7</b>	<b>48 496.2</b>	<b>48 496.2</b>	<b>100.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate											546.5			
Economic classification														
<b>Current payments</b>	<b>36 162.0</b>	<b>36 607.6</b>	<b>36 227.6</b>	<b>39 101.1</b>	<b>39 407.1</b>	<b>38 780.7</b>	<b>38 022.0</b>	<b>39 175.7</b>	<b>38 826.4</b>	<b>39 447.5</b>	<b>39 265.5</b>	<b>39 265.5</b>	<b>100.2%</b>	<b>99.1%</b>
Compensation of employees	24 595.0	24 890.4	24 788.0	26 884.6	27 094.6	27 059.7	26 448.0	27 448.0	28 040.9	27 116.7	27 116.7	27 116.7	101.9%	100.4%
Goods and services	11 567.0	11 717.2	11 439.6	12 216.5	12 312.5	11 721.0	11 574.0	11 727.7	10 785.5	12 330.8	12 148.8	12 148.8	96.7%	96.2%
<b>Transfers and subsidies</b>	<b>7 830.5</b>	<b>7 893.7</b>	<b>8 003.3</b>	<b>7 780.8</b>	<b>7 541.6</b>	<b>7 466.8</b>	<b>9 180.1</b>	<b>8 587.2</b>	<b>8 507.4</b>	<b>7 614.4</b>	<b>8 160.9</b>	<b>8 160.9</b>	<b>99.2%</b>	<b>99.9%</b>
Provinces and municipalities	0.0	0.0	0.1	0.1	0.1	0.2	0.1	0.1	0.2	1.5	1.5	1.5	113.1%	113.1%
Departmental agencies and accounts	6 687.8	6 745.2	6 840.1	6 622.7	6 383.4	6 251.8	7 747.1	7 154.2	6 999.7	6 011.4	6 557.9	6 557.9	98.5%	99.3%
Foreign governments and international organisations	–	5.8	5.8	–	–	–	–	–	–	–	–	–	–	100.0%
Public corporations and private enterprises	1 025.9	1 025.9	1 022.4	1 025.4	1 025.4	1 067.7	1 296.9	1 296.9	1 298.5	1 422.7	1 422.7	1 422.7	100.8%	100.8%
Non-profit institutions	8.0	8.0	8.1	9.5	9.5	9.3	8.9	8.9	8.7	9.3	9.3	9.3	99.2%	99.2%
Households	108.8	108.8	126.8	123.2	123.2	137.9	127.1	127.1	200.3	169.4	169.4	169.4	120.0%	120.0%



**Table 19.2 Vote expenditure trends by programme and economic classification**

Economic classification	2015/16			2016/17			2017/18			2018/19			Average: Outcome/Annual budget (%)	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	2015/16 - 2018/19	Average: Outcome/Adjusted appropriation (%)
R million														
<b>Payments for capital assets</b>	<b>586.9</b>	<b>586.9</b>	<b>838.0</b>	<b>287.8</b>	<b>287.8</b>	<b>947.3</b>	<b>1 416.7</b>	<b>1 236.7</b>	<b>1 633.8</b>	<b>887.8</b>	<b>1 069.8</b>	<b>1 069.8</b>	<b>141.2%</b>	<b>141.1%</b>
Buildings and other fixed structures	122.6	122.6	82.6	121.9	121.9	147.9	958.8	658.1	697.3	529.7	529.7	529.7	84.1%	101.8%
Machinery and equipment	451.2	451.2	696.7	164.5	164.5	696.9	455.7	455.7	830.7	314.8	314.8	314.8	183.2%	183.2%
Specialised military assets	12.1	12.1	58.1	1.0	1.0	7.6	1.7	1.7	–	2.8	2.8	2.8	387.9%	387.9%
Biological assets	–	–	–	–	–	–	–	–	0.1	–	–	–	–	–
Software and other intangible assets	1.0	1.0	0.6	0.3	0.3	95.0	0.4	121.1	105.8	40.6	222.6	222.6	1 001.8%	122.9%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>2.7</b>	<b>–</b>	<b>–</b>	<b>2.3</b>	<b>–</b>	<b>–</b>	<b>9.6</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>44 579.4</b>	<b>45 088.2</b>	<b>45 071.5</b>	<b>47 169.7</b>	<b>47 236.5</b>	<b>47 197.1</b>	<b>48 618.8</b>	<b>48 999.6</b>	<b>48 977.2</b>	<b>47 949.7</b>	<b>48 496.2</b>	<b>48 496.2</b>	<b>100.8%</b>	<b>100.0%</b>

## Expenditure estimates

**Table 19.3 Vote expenditure estimates by programme and economic classification**

Programmes									
1. Administration									
2. Force Employment									
3. Landward Defence									
4. Air Defence									
5. Maritime Defence									
6. Military Health Support									
7. Defence Intelligence									
8. General Support									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
				2018/19	2015/16 - 2018/19	2019/20			2020/21
R million									
Programme 1	5 653.3	5.2%	11.5%	6 187.1	6 547.6	6 931.8	7.0%	12.3%	
Programme 2	3 375.6	-4.0%	7.2%	3 620.7	3 644.6	3 612.2	2.3%	6.9%	
Programme 3	16 271.2	2.3%	33.5%	16 464.3	17 406.5	17 016.3	1.5%	32.7%	
Programme 4	6 650.8	-2.5%	14.4%	6 977.7	7 674.9	6 568.8	-0.4%	13.6%	
Programme 5	4 699.4	7.6%	9.1%	4 517.9	5 033.9	4 368.1	-2.4%	9.1%	
Programme 6	4 714.1	5.0%	9.6%	5 375.3	5 777.6	6 035.9	8.6%	10.7%	
Programme 7	950.4	4.6%	1.9%	1 020.5	1 082.7	821.0	-4.8%	1.9%	
Programme 8	6 181.6	4.8%	12.7%	6 349.5	6 657.3	6 923.4	3.9%	12.7%	
<b>Total</b>	<b>48 496.2</b>	<b>2.5%</b>	<b>100.0%</b>	<b>50 513.0</b>	<b>53 825.1</b>	<b>52 277.5</b>	<b>2.5%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				(183.2)	(174.2)	(5 034.8)			
Economic classification									
<b>Current payments</b>	<b>39 265.5</b>	<b>2.4%</b>	<b>80.7%</b>	<b>42 127.9</b>	<b>45 062.1</b>	<b>48 221.2</b>	<b>7.1%</b>	<b>85.2%</b>	
Compensation of employees	27 116.7	2.9%	56.4%	29 193.7	31 365.9	33 404.7	7.2%	59.0%	
Goods and services	12 148.8	1.2%	24.3%	12 934.2	13 696.2	14 816.5	6.8%	26.1%	
<b>Transfers and subsidies</b>	<b>8 160.9</b>	<b>1.1%</b>	<b>16.9%</b>	<b>7 622.4</b>	<b>7 940.8</b>	<b>3 362.9</b>	<b>-25.6%</b>	<b>13.2%</b>	
Provinces and municipalities	1.5	260.2%	0.0%	0.9	0.6	0.6	-26.6%	0.0%	
Departmental agencies and accounts	6 557.9	-0.9%	14.0%	5 977.0	6 236.9	1 583.3	-37.7%	9.9%	
Public corporations and private enterprises	1 422.7	11.5%	2.5%	1 468.0	1 543.8	1 627.3	4.6%	3.0%	
Non-profit institutions	9.3	5.3%	0.0%	9.7	10.2	10.2	3.1%	0.0%	
Households	169.4	15.9%	0.3%	166.7	149.2	141.4	-5.8%	0.3%	
<b>Payments for capital assets</b>	<b>1 069.8</b>	<b>22.2%</b>	<b>2.4%</b>	<b>762.8</b>	<b>822.2</b>	<b>693.5</b>	<b>-13.5%</b>	<b>1.6%</b>	
Buildings and other fixed structures	529.7	62.9%	0.8%	351.3	401.6	410.0	-8.2%	0.8%	
Machinery and equipment	314.8	-11.3%	1.3%	262.8	276.0	278.4	-4.0%	0.6%	
Specialised military assets	2.8	-39.0%	0.0%	1.8	1.8	1.8	-12.5%	0.0%	
Software and other intangible assets	222.6	507.7%	0.2%	146.9	142.7	3.2	-75.8%	0.3%	
<b>Total</b>	<b>48 496.2</b>	<b>2.5%</b>	<b>100.0%</b>	<b>50 513.0</b>	<b>53 825.1</b>	<b>52 277.5</b>	<b>2.5%</b>	<b>100.0%</b>	

## Expenditure trends and estimates for significant spending items

**Table 19.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total vote (%)
R thousand											
Compensation of employees	24 788 024	27 059 700	28 040 854	27 116 696	3.0%	56.4%	29 193 710	31 365 882	33 404 665	7.2%	59.0%
Contractors	2 207 794	2 114 847	2 022 429	2 212 360	0.1%	4.5%	2 128 973	2 065 512	2 278 562	1.0%	4.2%
Property payments	1 465 752	1 555 229	655 990	1 398 740	-1.5%	2.7%	1 606 942	1 828 593	1 895 707	10.7%	3.3%
Special defence account	6 235 069	5 633 479	6 350 102	5 908 182	-1.8%	12.7%	5 290 939	5 510 551	814 987	-48.3%	8.5%
Armaments Corporation of South Africa	1 021 899	1 043 387	1 296 901	1 422 725	11.7%	2.5%	1 467 968	1 543 845	1 627 338	4.6%	3.0%
<b>Total</b>	<b>35 718 538</b>	<b>37 406 642</b>	<b>38 366 276</b>	<b>38 058 703</b>	<b>2.1%</b>	<b>78.8%</b>	<b>39 688 532</b>	<b>42 314 383</b>	<b>40 021 259</b>	<b>1.7%</b>	<b>78.0%</b>

## Goods and services expenditure trends and estimates

**Table 19.5 Vote goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R thousand											
Administrative fees	11 381	12 373	11 690	13 554	6.0%	0.1%	18 764	19 443	19 480	12.9%	0.1%
Advertising	8 431	98 673	76 999	80 237	111.9%	0.6%	93 465	97 208	102 521	8.5%	0.7%
Minor assets	94 206	252 482	65 968	150 159	16.8%	1.2%	186 218	203 492	210 227	11.9%	1.4%
Audit costs: External	60 979	50 617	61 607	70 570	5.0%	0.5%	75 393	78 927	78 927	3.8%	0.6%
Catering: Departmental activities	27 218	22 761	26 661	30 288	3.6%	0.2%	23 430	25 752	26 185	-4.7%	0.2%
Communication	88 963	102 362	92 730	101 748	4.6%	0.8%	97 933	110 693	105 455	1.2%	0.8%
Computer services	1 055 993	921 495	917 707	929 561	-4.2%	8.3%	1 031 342	1 057 355	1 280 485	11.3%	8.0%
Consultants: Business and advisory services	300 594	219 068	81 412	236 697	-7.7%	1.8%	180 208	7 712	18 898	-56.9%	0.8%
Infrastructure and planning services	32 933	15 954	24 906	43 356	9.6%	0.3%	42 423	45 504	49 782	4.7%	0.3%
Laboratory services	32 069	46 249	52 904	28 109	-4.3%	0.3%	25 810	36 355	39 067	11.6%	0.2%
Legal services	54 853	34 569	21 340	31 957	-16.5%	0.3%	38 363	40 281	40 287	8.0%	0.3%
Science and technological services	97 713	101 757	90 486	71 086	-10.1%	0.8%	63 441	63 222	64 806	-3.0%	0.5%
Contractors	2 207 794	2 114 847	2 022 429	2 212 360	0.1%	18.6%	2 128 973	2 065 512	2 278 562	1.0%	16.2%
Agency and support/outsourced services	583 755	645 770	856 459	592 212	0.5%	5.8%	527 896	529 763	576 376	-0.9%	4.2%
Entertainment	4 785	4 543	3 742	2 840	-16.0%	-	3 131	3 152	3 246	4.6%	-
Fleet services (including government motor transport)	136 107	108 860	72 827	141 649	1.3%	1.0%	311 420	414 137	422 175	43.9%	2.4%
Inventory: Clothing material and accessories	160 038	90 305	94 400	217 706	10.8%	1.2%	220 216	257 769	260 548	6.2%	1.8%
Inventory: Farming supplies	7 387	7 345	4 754	8 549	5.0%	0.1%	7 427	5 948	6 027	-11.0%	0.1%
Inventory: Food and food supplies	886 530	949 315	1 034 662	1 002 942	4.2%	8.4%	1 099 268	1 113 457	1 208 305	6.4%	8.3%
Inventory: Fuel, oil and gas	639 187	563 779	530 510	669 136	1.5%	5.2%	738 200	831 166	932 400	11.7%	5.9%
Inventory: Materials and supplies	107 893	64 874	69 928	102 065	-1.8%	0.7%	102 158	125 563	128 098	7.9%	0.9%
Inventory: Medical supplies	98 713	65 430	64 366	111 416	4.1%	0.7%	161 428	202 363	219 040	25.3%	1.3%
Inventory: Medicine	154 091	198 592	245 059	196 591	8.5%	1.7%	356 224	372 053	388 195	25.5%	2.4%
Inventory: Other supplies	58 439	60 853	99 926	265 763	65.7%	1.1%	217 200	458 056	502 394	23.6%	2.7%
Consumable supplies	133 484	133 458	142 345	144 783	2.7%	1.2%	119 051	138 821	141 687	-0.7%	1.0%
Consumables: Stationery, printing and office supplies	58 300	54 630	49 997	80 796	11.5%	0.5%	70 713	75 949	73 828	-3.0%	0.6%
Operating leases	1 318 598	1 507 114	1 759 096	1 563 454	5.8%	13.3%	1 591 293	1 676 552	1 769 211	4.2%	12.3%
Rental and hiring	4 757	5 564	4 692	383	-56.8%	-	65	68	68	-43.8%	-
Property payments	1 465 752	1 555 229	655 990	1 398 740	-1.5%	11.0%	1 606 942	1 828 593	1 895 707	10.7%	12.6%
Travel and subsistence	991 344	1 102 666	1 062 716	925 826	-2.3%	8.9%	1 010 017	998 389	1 117 214	6.5%	7.6%
Training and development	228 253	239 660	196 508	309 159	10.6%	2.1%	345 140	363 728	375 941	6.7%	2.6%
Operating payments	316 593	358 877	278 785	398 264	8.0%	2.9%	423 190	431 105	462 899	5.1%	3.2%
Venues and facilities	12 440	10 890	11 923	16 880	10.7%	0.1%	17 411	18 143	18 457	3.0%	0.1%
<b>Total</b>	<b>11 439 573</b>	<b>11 720 961</b>	<b>10 785 524</b>	<b>12 148 836</b>	<b>2.0%</b>	<b>100.0%</b>	<b>12 934 153</b>	<b>13 696 231</b>	<b>14 816 498</b>	<b>6.8%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 19.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>115 981</b>	<b>133 255</b>	<b>186 109</b>	<b>169 419</b>	<b>13.5%</b>	<b>1.9%</b>	<b>166 661</b>	<b>149 193</b>	<b>141 393</b>	<b>-5.8%</b>	<b>2.3%</b>
Employee social benefits	115 981	133 255	186 109	169 419	13.5%	1.9%	166 661	149 193	141 393	-5.8%	2.3%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>6 840 117</b>	<b>6 251 767</b>	<b>6 999 688</b>	<b>6 557 851</b>	<b>-1.4%</b>	<b>82.9%</b>	<b>5 977 039</b>	<b>6 236 938</b>	<b>1 583 319</b>	<b>-37.7%</b>	<b>75.1%</b>
Safety and Security Sector Education and Training Authority	22 590	20 677	27 006	21 971	-0.9%	0.3%	23 070	24 051	24 051	3.1%	0.3%
Vehicle licences	1 369 266	1 074 342	1 106 244	1 160 418	-5.4%	14.7%	1 253 560	1 333 982	750 804	-13.5%	16.6%
Communication	257	4	469	611	33.5%	-	477	565	565	-2.6%	-
Special defence account	5 448 004	5 156 744	5 865 969	5 374 851	-0.4%	68.0%	4 699 932	4 878 340	807 899	-46.8%	58.2%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>10 840</b>	<b>4 597</b>	<b>14 213</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Vehicle licences	70	1 962	35	-	-100.0%	-	-	-	-	-	-
Claims against the state	10 770	2 635	14 178	-	-100.0%	0.1%	-	-	-	-	-
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>28</b>	<b>185</b>	<b>194</b>	<b>1 542</b>	<b>280.5%</b>	<b>-</b>	<b>939</b>	<b>609</b>	<b>609</b>	<b>-26.6%</b>	<b>-</b>
Vehicle licences	28	185	194	1 542	280.5%	-	939	609	609	-26.6%	-
<b>Non-profit institutions</b>											
<b>Current</b>	<b>8 081</b>	<b>9 303</b>	<b>8 701</b>	<b>9 324</b>	<b>4.9%</b>	<b>0.1%</b>	<b>9 744</b>	<b>10 232</b>	<b>10 232</b>	<b>3.1%</b>	<b>0.1%</b>
Reserve Force Council	7 192	8 620	7 929	8 326	5.0%	0.1%	8 742	9 179	9 179	3.3%	0.1%
St John Ambulance Brigade	889	683	772	998	3.9%	-	1 002	1 053	1 053	1.8%	-
<b>Public corporations and private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>480</b>	<b>312</b>	<b>25</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Claims against the state	480	312	25	-	-100.0%	-	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>-</b>	<b>24 014</b>	<b>1 591</b>	<b>-</b>	<b>-</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Claims against the state	-	24 014	1 591	-	-	0.1%	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Subsidies on products and production</b>											
<b>Current</b>	<b>1 021 899</b>	<b>1 043 387</b>	<b>1 296 901</b>	<b>1 422 725</b>	<b>11.7%</b>	<b>14.9%</b>	<b>1 467 968</b>	<b>1 543 845</b>	<b>1 627 338</b>	<b>4.6%</b>	<b>22.4%</b>
Armaments Corporation of South Africa	1 021 899	1 043 387	1 296 901	1 422 725	11.7%	14.9%	1 467 968	1 543 845	1 627 338	4.6%	22.4%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>5 804</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Southern African Development Community	5 804	-	-	-	-100.0%	-	-	-	-	-	-
<b>Provinces and municipalities</b>											
<b>Municipal agencies and funds</b>											
<b>Current</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Vehicle licences	33	-	-	-	-100.0%	-	-	-	-	-	-
<b>Total</b>	<b>8 003 263</b>	<b>7 466 820</b>	<b>8 507 422</b>	<b>8 160 861</b>	<b>0.7%</b>	<b>100.0%</b>	<b>7 622 351</b>	<b>7 940 817</b>	<b>3 362 891</b>	<b>-25.6%</b>	<b>100.0%</b>

## Personnel information

**Table 19.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes																						
1. Administration																						
2. Force Employment																						
3. Landward Defence																						
4. Air Defence																						
5. Maritime Defence																						
6. Military Health Support																						
7. Defence Intelligence																						
8. General Support																						
Number of posts estimated for 31 March 2019			Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number							
Number of funded posts	Number of posts additional to the establishment	Actual 2017/18			Revised estimate 2018/19			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)							
								2019/20		2020/21		2021/22				2018/19 - 2021/22						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost		Unit cost					
<b>Defence and Military Veterans</b>		<b>75 211</b>			<b>75 051</b>	<b>28 040.9</b>	<b>0.4</b>	<b>75 210</b>	<b>27 116.7</b>	<b>0.4</b>	<b>74 900</b>	<b>29 193.7</b>	<b>0.4</b>	<b>74 662</b>	<b>31 365.9</b>	<b>0.4</b>	<b>74 309</b>	<b>33 404.7</b>	<b>0.4</b>	<b>-0.4%</b>	<b>100.0%</b>	
Salary level																						
1 – 6		50 527			49 642	12 605.4	0.3	50 244	12 540.1	0.2	50 164	13 451.7	0.3	50 355	14 607.5	0.3	50 434	15 713.0	0.3	0.1%	67.3%	
7 – 10		22 980			23 701	11 430.4	0.5	23 241	11 072.7	0.5	23 009	11 802.2	0.5	22 618	12 538.8	0.6	22 207	13 204.3	0.6	-1.5%	30.5%	
11 – 12		1 318			1 329	1 175.7	0.9	1 337	1 152.8	0.9	1 337	1 266.6	0.9	1 302	1 333.6	1.0	1 285	1 400.1	1.1	-1.3%	1.8%	
13 – 16		384			377	454.5	1.2	386	452.0	1.2	388	498.8	1.3	385	536.3	1.4	381	565.2	1.5	-0.4%	0.5%	
Other		2			2	2 374.9	1 187.4	2	1 899.1	949.5	2	2 174.4	1 087.2	2	2 349.7	1 174.8	2	2 522.2	1 261.1		0.0%	
<b>Programme</b>		<b>75 211</b>			<b>75 051</b>	<b>28 040.9</b>	<b>0.4</b>	<b>75 210</b>	<b>27 116.7</b>	<b>0.4</b>	<b>74 900</b>	<b>29 193.7</b>	<b>0.4</b>	<b>74 662</b>	<b>31 365.9</b>	<b>0.4</b>	<b>74 309</b>	<b>33 404.7</b>	<b>0.4</b>	<b>-0.4%</b>	<b>100.0%</b>	
Programme 1		3 888			3 630	1 883.8	0.5	3 888	1 891.5	0.5	3 876	2 150.2	0.6	3 880	2 311.5	0.6	3 874	2 461.7	0.6	-0.1%	5.2%	
Programme 2		1 969			2 010	1 935.8	1.0	1 969	1 909.1	1.0	1 988	2 102.9	1.1	1 981	2 243.3	1.1	1 984	2 389.1	1.2	0.3%	2.6%	
Programme 3		38 301			38 572	11 973.0	0.3	38 300	11 499.3	0.3	37 593	12 251.7	0.3	37 335	13 170.6	0.4	37 036	14 026.7	0.4	-1.1%	50.2%	
Programme 4		9 918			9 652	3 723.8	0.4	9 918	3 602.5	0.4	9 933	3 678.9	0.4	9 933	3 954.8	0.4	9 933	4 211.9	0.4	0.1%	13.3%	
Programme 5		7 071			6 992	2 350.2	0.3	7 071	2 274.7	0.3	7 076	2 486.9	0.4	7 073	2 673.4	0.4	7 075	2 847.2	0.4	0.0%	9.5%	
Programme 6		7 527			7 624	3 523.7	0.5	7 527	3 379.9	0.4	7 731	3 754.5	0.5	7 756	4 036.1	0.5	7 713	4 298.4	0.6	0.8%	10.3%	
Programme 7		858			860	400.7	0.5	858	387.4	0.5	876	445.4	0.5	873	478.8	0.5	874	509.9	0.6	0.6%	1.2%	
Programme 8		5 679			5 711	2 249.8	0.4	5 679	2 172.3	0.4	5 827	2 323.2	0.4	5 831	2 497.4	0.4	5 820	2 659.7	0.5	0.8%	7.7%	

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 19.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>1 082 623</b>	<b>1 387 310</b>	<b>933 331</b>	<b>1 085 741</b>	<b>1 085 741</b>	<b>0.1%</b>	<b>100.0%</b>	<b>1 145 273</b>	<b>1 202 886</b>	<b>1 207 696</b>	<b>3.6%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>439 041</b>	<b>806 472</b>	<b>578 864</b>	<b>413 958</b>	<b>413 958</b>	<b>-1.9%</b>	<b>49.9%</b>	<b>436 547</b>	<b>458 776</b>	<b>460 611</b>	<b>3.6%</b>	<b>38.1%</b>
Administrative fees	19	9	11	24	24	8.1%	–	26	27	27	4.0%	–
of which:												
Request for information: Receipt	19	9	11	24	24	8.1%	–	26	27	27	4.0%	–
Other sales	439 022	806 463	578 853	413 934	413 934	-1.9%	49.9%	436 521	458 749	460 584	3.6%	38.1%
of which:												
Rental capital assets	86 229	84 909	–	92 206	92 206	2.3%	5.9%	97 254	102 130	102 539	3.6%	8.5%
Sale of goods	7 325	12 161	126 300	12 519	12 519	19.6%	3.5%	13 194	13 847	13 902	3.6%	1.2%
Services rendered	345 468	709 393	452 553	309 209	309 209	-3.6%	40.5%	326 073	342 772	344 143	3.6%	28.5%
Sales of scrap, waste, arms and other used current goods	2 975	747	711	1 419	1 419	-21.9%	0.1%	1 497	1 542	1 548	2.9%	0.1%
of which:												
Sales: Scrap and waste	2 975	747	711	1 419	1 419	-21.9%	0.1%	1 497	1 542	1 548	2.9%	0.1%
Transfers received	524 130	441 660	274 670	568 563	568 563	2.7%	40.3%	599 833	629 801	632 320	3.6%	52.4%
Fines, penalties and forfeits	600	1 164	1 709	2 210	2 210	54.4%	0.1%	1 274	1 333	1 338	-15.4%	0.1%
Interest, dividends and rent on land	3 890	3 928	4 493	3 938	3 938	0.4%	0.4%	4 154	4 372	4 389	3.7%	0.4%
Interest	3 890	3 928	4 493	3 938	3 938	0.4%	0.4%	4 154	4 372	4 389	3.7%	0.4%
Sales of capital assets	36 212	31 858	9 110	27 394	27 394	-8.9%	2.3%	28 901	30 345	30 466	3.6%	2.5%
Transactions in financial assets and liabilities	75 775	101 481	63 774	68 259	68 259	-3.4%	6.9%	73 067	76 717	77 024	4.1%	6.4%
<b>Total</b>	<b>1 082 623</b>	<b>1 387 310</b>	<b>933 331</b>	<b>1 085 741</b>	<b>1 085 741</b>	<b>0.1%</b>	<b>100.0%</b>	<b>1 145 273</b>	<b>1 202 886</b>	<b>1 207 696</b>	<b>3.6%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the Department of Defence; and provide for military veterans' benefits through the Department of Military Veterans.

## Expenditure trends and estimates

Table 19.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	112.0	111.1	130.1	125.6	3.9%	2.2%	137.7	145.8	155.3	7.3%	2.2%
Departmental Direction	67.0	70.8	41.2	43.2	-13.6%	1.0%	51.9	55.6	59.0	10.9%	0.8%
Policy and Planning	94.4	103.9	108.4	114.9	6.8%	1.9%	123.6	132.6	141.2	7.1%	2.0%
Financial Services	324.3	620.6	371.4	369.4	4.4%	7.7%	435.6	465.4	494.3	10.2%	7.0%
Human Resources Support Services	736.4	791.5	821.2	800.3	2.8%	14.4%	958.7	1 020.9	1 082.2	10.6%	15.3%
Legal Services	278.6	291.3	303.9	318.1	4.5%	5.4%	364.1	389.3	413.5	9.1%	5.9%
Inspection and Audit Services	115.9	116.4	123.9	138.8	6.2%	2.3%	154.6	165.7	176.2	8.3%	2.5%
Acquisition Services	82.2	150.7	152.0	173.4	28.3%	2.6%	89.8	80.6	85.8	-20.9%	1.7%
Communication Services	43.8	100.7	116.3	116.5	38.5%	1.7%	129.9	136.7	144.8	7.5%	2.1%
South African National Defence Force Command and Control	135.7	148.0	153.3	165.0	6.7%	2.8%	185.8	199.1	212.0	8.7%	3.0%
Religious Services	18.3	14.5	19.2	15.0	-6.3%	0.3%	20.1	21.4	22.8	14.9%	0.3%
Defence Reserve Direction	25.2	28.1	26.5	29.4	5.2%	0.5%	35.0	37.2	39.5	10.4%	0.6%
Defence Foreign Relations	262.2	312.1	265.0	278.9	2.1%	5.1%	303.3	321.5	340.4	6.9%	4.9%
Office Accommodation	2 103.3	2 283.2	2 250.9	2 337.7	3.6%	41.0%	2 534.7	2 674.1	2 821.2	6.5%	40.9%
Military Veterans Management	582.2	597.6	622.1	627.1	2.5%	11.1%	662.6	701.8	743.7	5.9%	10.8%
<b>Total</b>	<b>4 981.5</b>	<b>5 740.6</b>	<b>5 505.4</b>	<b>5 653.3</b>	<b>4.3%</b>	<b>100.0%</b>	<b>6 187.1</b>	<b>6 547.6</b>	<b>6 931.8</b>	<b>7.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				104.3			347.6	295.4	311.7		
<b>Economic classification</b>											
<b>Current payments</b>	<b>4 309.6</b>	<b>5 063.6</b>	<b>4 742.2</b>	<b>4 921.1</b>	<b>4.5%</b>	<b>87.0%</b>	<b>5 441.5</b>	<b>5 761.6</b>	<b>6 108.0</b>	<b>7.5%</b>	<b>87.8%</b>
Compensation of employees	1 689.6	2 105.2	1 883.8	1 891.5	3.8%	34.6%	2 150.2	2 311.5	2 461.7	9.2%	34.8%
Goods and services <sup>1</sup>	2 620.0	2 958.4	2 858.4	3 029.7	5.0%	52.4%	3 291.3	3 450.1	3 646.3	6.4%	53.0%
of which:											
Advertising	5.1	94.2	73.9	76.0	146.5%	1.1%	89.2	92.9	98.2	8.9%	1.4%
Computer services	78.7	86.7	73.5	75.5	-1.4%	1.4%	114.1	118.2	122.3	17.5%	1.7%
Operating leases	1 295.5	1 478.1	1 743.6	1 483.4	4.6%	27.4%	1 529.4	1 613.9	1 705.8	4.8%	25.0%
Property payments	846.8	853.9	551.5	976.5	4.9%	14.8%	1 126.6	1 191.3	1 262.0	8.9%	18.0%
Travel and subsistence	141.0	152.3	150.6	135.2	-1.4%	2.6%	142.7	146.3	150.8	3.7%	2.3%
Training and development	37.5	39.5	38.6	39.5	1.7%	0.7%	51.9	53.4	58.3	13.8%	0.8%
<b>Transfers and subsidies<sup>1</sup></b>	<b>628.3</b>	<b>647.7</b>	<b>686.1</b>	<b>674.6</b>	<b>2.4%</b>	<b>12.1%</b>	<b>723.3</b>	<b>756.7</b>	<b>796.4</b>	<b>5.7%</b>	<b>11.7%</b>
Provinces and municipalities	0.0	0.0	0.0	0.0	19.5%	-	0.0	0.1	0.1	6.8%	-
Departmental agencies and accounts	604.8	618.3	649.1	649.1	2.4%	11.5%	685.6	725.8	767.8	5.8%	11.2%
Public corporations and private enterprises	-	0.1	0.0	-	-	-	-	-	-	-	-
Non-profit institutions	7.2	8.6	7.9	8.3	5.0%	0.1%	8.7	9.2	9.2	3.3%	0.1%
Households	16.3	20.6	29.0	17.2	1.8%	0.4%	28.9	21.7	19.4	4.1%	0.3%
<b>Payments for capital assets</b>	<b>43.4</b>	<b>29.1</b>	<b>76.7</b>	<b>57.5</b>	<b>9.9%</b>	<b>0.9%</b>	<b>22.3</b>	<b>29.3</b>	<b>27.5</b>	<b>-21.8%</b>	<b>0.5%</b>
Buildings and other fixed structures	0.0	0.2	0.3	-	-100.0%	-	-	-	-	-	-
Machinery and equipment	42.8	28.9	49.3	17.5	-25.8%	0.6%	22.3	29.3	27.5	16.3%	0.4%
Software and other intangible assets	0.6	-	27.0	40.0	312.2%	0.3%	0.1	-	-	-100.0%	0.2%
<b>Payments for financial assets</b>	<b>0.3</b>	<b>0.2</b>	<b>0.4</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>4 981.5</b>	<b>5 740.6</b>	<b>5 505.4</b>	<b>5 653.3</b>	<b>4.3%</b>	<b>100.0%</b>	<b>6 187.1</b>	<b>6 547.6</b>	<b>6 931.8</b>	<b>7.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>11.1%</b>	<b>12.2%</b>	<b>11.2%</b>	<b>11.7%</b>	<b>-</b>	<b>-</b>	<b>12.2%</b>	<b>12.2%</b>	<b>13.3%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>15.4</b>	<b>21.0</b>	<b>26.7</b>	<b>17.2</b>	<b>3.7%</b>	<b>0.4%</b>	<b>28.9</b>	<b>21.7</b>	<b>19.4</b>	<b>4.1%</b>	<b>0.3%</b>
Employee social benefits	15.4	21.0	26.7	17.2	3.7%	0.4%	28.9	21.7	19.4	4.1%	0.3%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>604.8</b>	<b>618.3</b>	<b>649.1</b>	<b>649.1</b>	<b>2.4%</b>	<b>11.5%</b>	<b>685.6</b>	<b>725.8</b>	<b>767.8</b>	<b>5.8%</b>	<b>11.2%</b>
Safety and Security Sector Education and Training Authority	22.6	20.7	27.0	22.0	-0.9%	0.4%	23.1	24.1	24.1	3.1%	0.4%
Department of Military Veterans	582.2	597.6	622.1	627.1	2.5%	11.1%	662.6	701.8	743.7	5.9%	10.8%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>0.9</b>	<b>(0.3)</b>	<b>2.3</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Claims against the state	0.9	(0.3)	2.3	-	-100.0%	-	-	-	-	-	-
<b>Non-profit institutions</b>											
<b>Current</b>	<b>7.2</b>	<b>8.6</b>	<b>7.9</b>	<b>8.3</b>	<b>5.0%</b>	<b>0.1%</b>	<b>8.7</b>	<b>9.2</b>	<b>9.2</b>	<b>3.3%</b>	<b>0.1%</b>
Reserve Force Council	7.2	8.6	7.9	8.3	5.0%	0.1%	8.7	9.2	9.2	3.3%	0.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Force Employment

### Programme purpose

Provide and employ defence capabilities, including an operational capability, to successfully conduct all operations as well as joint, interdepartmental, interagency and multinational military exercises.

### Objectives

- Ensure successful joint force employment by:
  - providing and employing a special operations capability in accordance with national requirements over the medium term
  - ensuring full participation in the number of peace missions, as instructed by the president, over the medium term
  - conducting 6 joint, interdepartmental, interagency and multinational military force preparation exercises, excluding Special Forces exercises, over the medium term
  - conducting internal operations in the interest of protecting the territorial integrity and sovereignty of South Africa on an ongoing basis
  - supporting other government departments and complying with international obligations on an ongoing basis.

### Subprogrammes

- *Strategic Direction* formulates and controls strategies, policies and plans for the employment of forces to promote peace, stability and security in the region and on the continent.
- *Operational Direction* provides operational direction to joint and multinational task forces and joint tactical headquarters through an operational level headquarters.
- *Special Operations* provides and employs a special operations capability within the approved Special Forces mandate for the South African National Defence Force.
- *Regional Security* provides for the external deployment of forces in support of South Africa's commitment to regional, continental and global security.
- *Support to the People* provides for the internal deployment of forces in support of the South African Police Service and other government departments. This includes safeguarding borders, assisting during disasters, and conducting search and rescue missions.

### Expenditure trends and estimates

**Table 19.10 Force Employment expenditure and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Strategic Direction	164.3	152.0	157.4	175.5	2.2%	4.8%	191.3	204.7	213.3	6.7%	5.5%
Operational Direction	286.2	288.4	360.9	340.1	5.9%	9.4%	378.2	389.9	411.2	6.5%	10.7%
Special Operations	756.5	810.1	848.3	844.3	3.7%	23.9%	936.4	972.1	824.2	-0.8%	25.1%
Regional Security	1 573.0	1 068.8	929.4	1 081.1	-11.8%	34.2%	1 021.2	1 030.4	1 063.3	-0.5%	29.4%
Support to the People	822.8	1 111.7	912.1	934.6	4.3%	27.8%	1 093.6	1 047.5	1 100.2	5.6%	29.3%
<b>Total</b>	<b>3 602.8</b>	<b>3 431.0</b>	<b>3 208.1</b>	<b>3 375.6</b>	<b>-2.1%</b>	<b>100.0%</b>	<b>3 620.7</b>	<b>3 644.6</b>	<b>3 612.2</b>	<b>2.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			24.7	(116.6)	(379.6)		

**Table 19.10 Force Employment expenditure and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Current payments</b>	<b>3 038.3</b>	<b>2 885.7</b>	<b>2 784.8</b>	<b>3 016.4</b>	<b>-0.2%</b>	<b>86.1%</b>	<b>3 323.8</b>	<b>3 322.2</b>	<b>3 524.5</b>	<b>5.3%</b>	<b>92.5%</b>
Compensation of employees	1 898.3	1 948.6	1 935.8	1 909.1	0.2%	56.5%	2 102.9	2 243.3	2 389.1	7.8%	60.6%
Goods and services <sup>1</sup>	1 140.0	937.1	849.0	1 107.4	-1.0%	29.6%	1 220.9	1 078.9	1 135.4	0.8%	31.9%
<i>of which:</i>											
Contractors	364.8	212.7	229.3	357.0	-0.7%	8.5%	346.6	273.2	293.2	-6.3%	8.9%
Fleet services (including government motor transport)	36.3	27.0	23.8	27.0	-9.5%	0.8%	46.6	56.4	39.7	13.7%	1.2%
Inventory: Food and food supplies	124.4	113.1	168.4	150.1	6.5%	4.1%	215.7	194.0	206.2	11.2%	5.4%
Inventory: Fuel, oil and gas	32.5	63.6	49.3	53.7	18.3%	1.5%	93.6	81.1	83.1	15.7%	2.2%
Travel and subsistence	248.2	214.2	208.8	182.6	-9.7%	6.3%	227.8	179.4	194.1	2.1%	5.5%
Operating payments	85.3	112.5	33.2	159.5	23.2%	2.9%	106.3	97.3	114.4	-10.5%	3.4%
<b>Transfers and subsidies<sup>1</sup></b>	<b>431.6</b>	<b>257.3</b>	<b>288.5</b>	<b>266.5</b>	<b>-14.8%</b>	<b>9.1%</b>	<b>260.8</b>	<b>276.4</b>	<b>35.8</b>	<b>-48.8%</b>	<b>5.9%</b>
Provinces and municipalities	–	0.0	0.0	0.0	–	–	0.0	0.0	0.0	35.7%	–
Departmental agencies and accounts	412.3	241.3	256.6	251.8	-15.2%	8.5%	241.8	259.1	18.6	-58.0%	5.4%
Foreign governments and international organisations	5.8	–	–	–	-100.0%	–	–	–	–	–	–
Public corporations and private enterprises	8.0	8.4	9.1	9.3	5.3%	0.3%	9.8	10.3	10.3	3.3%	0.3%
Households	5.4	7.5	22.8	5.3	-0.4%	0.3%	9.2	7.0	6.9	9.0%	0.2%
<b>Payments for capital assets</b>	<b>132.9</b>	<b>288.1</b>	<b>134.7</b>	<b>92.6</b>	<b>-11.3%</b>	<b>4.8%</b>	<b>36.1</b>	<b>46.0</b>	<b>51.8</b>	<b>-17.6%</b>	<b>1.6%</b>
Buildings and other fixed structures	10.0	5.9	9.2	2.6	-35.8%	0.2%	1.0	2.6	2.6	-0.7%	0.1%
Machinery and equipment	123.0	282.1	125.5	89.0	-10.2%	4.6%	34.0	42.3	48.1	-18.5%	1.5%
Specialised military assets	–	–	–	1.0	–	–	1.0	1.1	1.1	3.3%	–
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>3 602.8</b>	<b>3 431.0</b>	<b>3 208.1</b>	<b>3 375.6</b>	<b>-2.1%</b>	<b>100.0%</b>	<b>3 620.7</b>	<b>3 644.6</b>	<b>3 612.2</b>	<b>2.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>8.0%</b>	<b>7.3%</b>	<b>6.6%</b>	<b>7.0%</b>	<b>–</b>	<b>–</b>	<b>7.2%</b>	<b>6.8%</b>	<b>6.9%</b>	<b>–</b>	<b>–</b>

**Details of selected transfers and subsidies**

<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>5.4</b>	<b>7.4</b>	<b>16.1</b>	<b>5.3</b>	<b>–</b>	<b>0.3%</b>	<b>9.2</b>	<b>7.0</b>	<b>6.9</b>	<b>35.7%</b>	<b>0.2%</b>
Employee social benefits	5.4	7.4	16.1	5.3	-15.2%	0.3%	9.2	7.0	6.9	-58.0%	0.2%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>412.3</b>	<b>241.3</b>	<b>256.6</b>	<b>251.8</b>	<b>5.3%</b>	<b>8.5%</b>	<b>241.8</b>	<b>259.1</b>	<b>18.6</b>	<b>3.3%</b>	<b>5.4%</b>
Communication	0.0	0.0	0.0	0.0	–	–	0.0	0.1	0.1	–	–
Special defence account	412.3	241.3	256.6	251.8	-0.4%	8.5%	241.7	259.0	18.5	9.0%	5.4%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>5.8</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Southern African Development Community	5.8	–	–	–	–	–	–	–	–	–	–
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Public corporations (subsidies on products and production)</b>											
<b>Current</b>	<b>8.0</b>	<b>8.4</b>	<b>8.9</b>	<b>9.3</b>	<b>–</b>	<b>0.3%</b>	<b>9.8</b>	<b>10.3</b>	<b>10.3</b>	<b>–</b>	<b>0.3%</b>
Armaments Corporation of South Africa	8.0	8.4	8.9	9.3	-0.2%	0.3%	9.8	10.3	10.3	9.0%	0.3%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

**Programme 3: Landward Defence****Programme purpose**

Provide prepared and supported landward defence capabilities for the defence and protection of South Africa.

**Objectives**

- Defend and protect South Africa and its territory over the medium term by:
  - providing 1 infantry capability, including the Chief of the South African National Defence Force Reaction Force, for external deployment and for internal safety and security, including border safeguarding

- exercising 1 tank and armoured car capability, and providing 1 squadron for internal deployment per year
- exercising 1 composite artillery capability and providing 1 battery for internal deployment per year
- exercising 1 air defence artillery capability and providing 1 battery for internal deployment per year
- providing 1 sustained composite engineer capability for external deployment, and for internal safety and security; and exercising 1 field engineer capability per year
- providing 1 signal capability for external deployment and for internal signal support, and exercising 1 composite signal capability per year.

### **Subprogrammes**

- *Strategic Direction* directs, orchestrates and controls the South African Army in achieving its mission to prepare and provide supported landward capabilities for the defence and protection of South Africa.
- *Infantry Capability* provides combat ready infantry capabilities through training, preparing, exercising and supporting mechanised, motorised, specialised and airborne infantry units.
- *Armour Capability* provides combat ready armour capabilities through training, preparing, exercising and supporting tank and armoured car units.
- *Artillery Capability* provides combat ready artillery capabilities through training, preparing, exercising and supporting composite and light artillery units.
- *Air Defence Artillery Capability* provides combat ready air defence artillery capabilities through training, preparing, exercising and supporting air defence artillery units.
- *Engineering Capability* provides combat ready engineering capabilities to ensure mobility and establish infrastructure during exercises and deployments through training, preparing, exercising and supporting field and construction engineering units.
- *Operational Intelligence* provides combat ready operational intelligence capabilities to enable the successful planning and execution of operations through training, preparing, exercising and supporting intelligence units.
- *Command and Control Capability* provides combat ready tactical command and control capabilities for integrated forces during force preparation and force employment.
- *Support Capability* provides first, second and third line support capabilities to units and bases, and ensures support to deployed combat units through training, preparing, exercising and supporting first and second line maintenance units and workshops.
- *General Training Capability* provides general training capabilities through basic military training, junior leader training, common landward training, and command and management training at the training depot and decentralised units, the South African Army Gymnasium, the combat training centre and the South African Army College.
- *Signal Capability* provides combat ready signal capabilities to ensure command, control and communications during exercises and deployments through training, preparing, exercising and supporting signal units.



## Expenditure trends and estimates

Table 19.11 Landward Defence expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22		
R million											
Strategic Direction	442.8	458.9	462.8	396.2	-3.6%	2.8%	395.1	406.3	406.0	0.8%	2.4%
Infantry Capability	6 102.5	6 208.9	6 915.0	6 663.6	3.0%	40.7%	6 294.5	6 430.5	6 040.3	-3.2%	37.9%
Armour Capability	399.3	446.6	480.9	472.8	5.8%	2.8%	497.0	527.0	559.5	5.8%	3.1%
Artillery Capability	527.6	471.6	509.7	482.8	-2.9%	3.1%	718.5	690.4	583.2	6.5%	3.7%
Air Defence Artillery Capability	561.6	571.4	698.1	547.8	-0.8%	3.7%	494.3	528.5	436.2	-7.3%	3.0%
Engineering Capability	675.9	755.4	803.7	795.3	5.6%	4.8%	814.0	875.3	947.4	6.0%	5.1%
Operational Intelligence	202.5	206.4	204.6	233.5	4.9%	1.3%	246.4	278.9	308.5	9.7%	1.6%
Command and Control Capability	188.9	199.0	211.4	218.1	4.9%	1.3%	235.1	252.1	265.7	6.8%	1.4%
Support Capability	4 414.8	4 531.2	4 664.0	4 595.5	1.3%	28.6%	4 816.7	5 342.3	5 271.4	4.7%	29.8%
General Training Capability	397.7	413.1	382.3	528.2	9.9%	2.7%	544.6	570.5	592.8	3.9%	3.3%
Signal Capability	1 205.2	1 295.5	1 359.0	1 337.6	3.5%	8.2%	1 408.1	1 504.8	1 605.3	6.3%	8.7%
<b>Total</b>	<b>15 119.0</b>	<b>15 557.8</b>	<b>16 691.5</b>	<b>16 271.2</b>	<b>2.5%</b>	<b>100.0%</b>	<b>16 464.3</b>	<b>17 406.5</b>	<b>17 016.3</b>	<b>1.5%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				36.9			(167.8)	425.1	(1 030.7)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>12 484.2</b>	<b>13 179.4</b>	<b>13 469.1</b>	<b>13 665.8</b>	<b>3.1%</b>	<b>83.0%</b>	<b>14 486.1</b>	<b>15 704.0</b>	<b>16 802.2</b>	<b>7.1%</b>	<b>90.3%</b>
Compensation of employees	10 584.0	11 470.7	11 973.0	11 499.3	2.8%	71.5%	12 251.7	13 170.6	14 026.7	6.8%	75.9%
Goods and services <sup>1</sup>	1 900.2	1 708.7	1 496.1	2 166.5	4.5%	11.4%	2 234.4	2 533.4	2 775.5	8.6%	14.5%
of which:											
Contractors	357.2	197.4	177.1	266.9	-9.3%	1.6%	297.9	266.2	244.4	-2.9%	1.6%
Fleet services (including government motor transport)	84.9	65.3	26.6	81.4	-1.4%	0.4%	178.1	260.1	263.8	48.0%	1.2%
Inventory: Food and food supplies	476.9	588.2	526.4	547.2	4.7%	3.4%	562.2	585.2	648.0	5.8%	3.5%
Inventory: Fuel, oil and gas	211.2	164.5	152.3	262.3	7.5%	1.2%	244.2	257.7	320.7	6.9%	1.6%
Inventory: Other supplies	15.1	1.7	0.0	61.1	59.3%	0.1%	51.4	200.1	221.1	53.6%	0.8%
Travel and subsistence	277.3	339.6	315.0	323.4	5.3%	2.0%	342.0	373.5	470.0	13.3%	2.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>2 528.6</b>	<b>2 225.1</b>	<b>3 116.0</b>	<b>2 568.9</b>	<b>0.5%</b>	<b>16.4%</b>	<b>1 945.7</b>	<b>1 666.8</b>	<b>178.4</b>	<b>-58.9%</b>	<b>9.5%</b>
Provinces and municipalities	0.0	0.1	0.1	0.0	44.2%	-	0.0	0.0	0.0	-12.6%	-
Departmental agencies and accounts	2 451.2	2 144.8	3 031.3	2 483.2	0.4%	15.9%	1 873.0	1 593.9	103.4	-65.3%	9.0%
Public corporations and private enterprises	33.6	38.7	35.2	27.8	-6.1%	0.2%	21.7	26.7	26.7	-1.3%	0.2%
Households	43.8	41.5	49.4	57.9	9.8%	0.3%	51.0	46.2	48.3	-5.9%	0.3%
<b>Payments for capital assets</b>	<b>104.9</b>	<b>152.6</b>	<b>105.8</b>	<b>36.5</b>	<b>-29.7%</b>	<b>0.6%</b>	<b>32.6</b>	<b>35.7</b>	<b>35.7</b>	<b>-0.7%</b>	<b>0.2%</b>
Buildings and other fixed structures	0.1	34.5	9.3	3.1	260.7%	0.1%	2.5	2.7	2.7	-5.1%	-
Machinery and equipment	104.8	118.1	96.6	32.3	-32.5%	0.6%	29.3	32.3	32.3	-	0.2%
Specialised military assets	-	-	-	1.1	-	-	0.8	0.8	0.8	-10.8%	-
<b>Payments for financial assets</b>	<b>1.3</b>	<b>0.8</b>	<b>0.7</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>15 119.0</b>	<b>15 557.8</b>	<b>16 691.5</b>	<b>16 271.2</b>	<b>-</b>	<b>100.0%</b>	<b>16 464.3</b>	<b>17 406.5</b>	<b>17 016.3</b>	<b>-</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>33.5%</b>	<b>33.0%</b>	<b>34.1%</b>	<b>33.6%</b>	<b>-</b>	<b>-</b>	<b>32.6%</b>	<b>32.3%</b>	<b>32.5%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>40.8</b>	<b>40.0</b>	<b>48.5</b>	<b>57.9</b>	<b>12.4%</b>	<b>0.3%</b>	<b>51.0</b>	<b>46.2</b>	<b>48.3</b>	<b>-5.9%</b>	<b>0.3%</b>
Employee social benefits	40.8	40.0	48.5	57.9	12.4%	0.3%	51.0	46.2	48.3	-5.9%	0.3%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>2 451.2</b>	<b>2 144.8</b>	<b>3 031.3</b>	<b>2 483.2</b>	<b>0.4%</b>	<b>15.9%</b>	<b>1 873.0</b>	<b>1 593.9</b>	<b>103.4</b>	<b>-65.3%</b>	<b>9.0%</b>
Communication	-	-	0.1	0.1	144.4%	-	-	-	-	-59.1%	-
Special defence account	2 451.2	2 144.8	3 031.2	2 483.1	0.4%	15.9%	1 873.0	1 593.9	103.4	-65.3%	9.0%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>3.0</b>	<b>1.4</b>	<b>0.9</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Claims against the state	3.0	1.4	0.9	-	-100.0%	-	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Public corporations (subsidies on products and production)</b>											
<b>Current</b>	<b>33.1</b>	<b>38.4</b>	<b>35.2</b>	<b>27.8</b>	<b>-5.7%</b>	<b>0.2%</b>	<b>21.7</b>	<b>26.7</b>	<b>26.7</b>	<b>-1.3%</b>	<b>0.2%</b>
Armaments Corporation of South Africa	33.1	38.4	35.2	27.8	-5.7%	0.2%	21.7	26.7	26.7	-1.3%	0.2%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Air Defence

### Programme purpose

Provide prepared and supported air defence capabilities for the defence and protection of South Africa.

### Objectives

- Defend and protect South Africa and its airspace over the medium term by providing:
  - 4 helicopter squadrons and 1 combat support helicopter squadron per year
  - 3 medium transport squadrons (1 VIP squadron, 1 maritime and transport squadron, and 1 light transport squadron) and 9 reserve squadrons per year
  - 1 air combat squadron per year
  - 24-hour air command and control capability.

### Subprogrammes

- *Strategic Direction* provides strategic direction to the programme by formulating and controlling strategies, policies and plans through the air force office to prepare and provide the capabilities required by the Chief of the South African National Defence Force.
- *Operational Direction* provides operational direction to the programme by means of an air command.
- *Helicopter Capability* provides and sustains operationally ready light utility helicopters, medium transport helicopters and combat support helicopters crewed by appropriately qualified personnel.
- *Transport and Maritime Capability* provides and sustains operationally ready transport and maritime aircraft crewed by appropriately qualified personnel.
- *Air Combat Capability* provides and sustains operationally ready fighter aircraft crewed by appropriately qualified personnel.
- *Operational Support and Intelligence Capability* prepares, develops, provides and supports protection, intelligence systems and counterintelligence support to the South African Air Force through protection squadrons, intelligence subsystems and intelligence training unique to the air force.
- *Command and Control Capability* supplies and maintains operationally ready command and control elements in support of air battle space operations.
- *Base Support Capability* provides air base infrastructure facilities to squadrons and resident units on bases, including the maintenance of all relevant systems and personnel, to support flying operations.
- *Command Post* renders command and control over all missions flown.
- *Training Capability* provides for the general education, training and development of air force personnel.
- *Technical Support Services* establishes, maintains and prepares optimised technical and tactical logistic support capabilities to provide support to system groups and manage air service units.

## Expenditure trends and estimates

Table 19.12 Air Defence expenditure and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Strategic Direction	20.8	24.1	19.4	31.0	14.2%	0.3%	32.0	33.2	35.1	4.3%	0.5%
Operational Direction	255.3	225.8	263.3	97.3	-27.5%	3.1%	189.0	191.8	199.8	27.1%	2.4%
Helicopter Capability	619.7	728.4	1 099.9	948.5	15.2%	12.5%	700.5	756.5	757.1	-7.2%	11.3%
Transport and Maritime Capability	684.4	594.1	521.8	675.8	-0.4%	9.1%	1 156.0	1 177.9	817.3	6.5%	13.7%
Air Combat Capability	1 368.8	1 230.1	783.4	840.1	-15.0%	15.5%	726.7	981.2	528.2	-14.3%	11.0%
Operational Support and Intelligence Capability	297.7	322.8	343.0	343.3	4.9%	4.8%	370.1	404.4	435.4	8.2%	5.6%
Command and Control Capability	884.6	606.2	536.0	692.0	-7.9%	10.0%	876.6	942.6	477.9	-11.6%	10.7%
Base Support Capability	1 823.7	1 947.3	2 036.0	1 803.8	-0.4%	27.9%	1 763.9	1 900.9	1 957.8	2.8%	26.6%
Command Post	60.5	62.6	67.2	68.9	4.4%	1.0%	73.7	78.6	84.8	7.2%	1.1%
Training Capability	492.2	480.5	487.3	586.3	6.0%	7.5%	509.0	578.9	619.8	1.9%	8.2%
Technical Support Services	577.8	560.8	596.2	563.9	-0.8%	8.4%	580.3	628.9	655.5	5.1%	8.7%
<b>Total</b>	<b>7 085.7</b>	<b>6 782.6</b>	<b>6 753.4</b>	<b>6 650.8</b>	<b>-2.1%</b>	<b>100.0%</b>	<b>6 977.7</b>	<b>7 674.9</b>	<b>6 568.8</b>	<b>-0.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				234.9			(302.3)	(501.6)	(2 100.0)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>5 146.5</b>	<b>5 569.9</b>	<b>5 765.1</b>	<b>5 578.1</b>	<b>2.7%</b>	<b>80.9%</b>	<b>5 657.2</b>	<b>6 063.3</b>	<b>6 470.5</b>	<b>5.1%</b>	<b>85.3%</b>
Compensation of employees	3 325.2	3 539.4	3 723.8	3 602.5	2.7%	52.0%	3 678.9	3 954.8	4 211.9	5.3%	55.4%
Goods and services <sup>1</sup>	1 821.3	2 030.5	2 041.2	1 975.5	2.7%	28.9%	1 978.3	2 108.5	2 258.6	4.6%	29.9%
of which:											
Contractors	1 086.5	1 322.3	1 231.7	1 121.2	1.1%	17.5%	1 054.7	1 065.8	1 224.9	3.0%	16.0%
Inventory: Fuel, oil and gas	244.3	189.9	212.1	173.0	-10.9%	3.0%	208.8	252.0	263.7	15.1%	3.2%
Property payments	18.6	15.6	17.9	56.5	44.8%	0.4%	82.1	92.4	69.6	7.2%	1.1%
Travel and subsistence	103.2	128.0	103.4	78.3	-8.8%	1.5%	78.4	84.9	86.6	3.4%	1.2%
Training and development	26.3	24.0	37.2	123.5	67.4%	0.8%	116.0	136.1	139.2	4.1%	1.8%
Operating payments	128.6	162.0	151.3	107.8	-5.7%	2.0%	171.7	179.3	174.2	17.4%	2.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 852.9</b>	<b>1 139.0</b>	<b>897.6</b>	<b>1 055.9</b>	<b>-17.1%</b>	<b>18.1%</b>	<b>1 294.5</b>	<b>1 582.4</b>	<b>69.7</b>	<b>-59.6%</b>	<b>14.4%</b>
Departmental agencies and accounts	1 837.6	1 120.6	876.5	1 020.0	-17.8%	17.8%	1 255.1	1 546.9	37.6	-66.7%	13.8%
Households	15.3	18.4	21.1	35.8	32.8%	0.3%	39.4	35.4	32.1	-3.6%	0.5%
<b>Payments for capital assets</b>	<b>86.1</b>	<b>73.3</b>	<b>90.5</b>	<b>16.9</b>	<b>-41.9%</b>	<b>1.0%</b>	<b>26.1</b>	<b>29.2</b>	<b>28.7</b>	<b>19.4%</b>	<b>0.4%</b>
Buildings and other fixed structures	12.7	1.4	1.9	-	-100.0%	0.1%	-	-	-	-	-
Machinery and equipment	73.4	71.7	88.7	16.9	-38.7%	0.9%	26.1	29.2	28.7	19.4%	0.4%
Software and other intangible assets	-	0.2	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>0.2</b>	<b>0.3</b>	<b>0.2</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>7 085.7</b>	<b>6 782.6</b>	<b>6 753.4</b>	<b>6 650.8</b>	<b>-2.1%</b>	<b>100.0%</b>	<b>6 977.7</b>	<b>7 674.9</b>	<b>6 568.8</b>	<b>-0.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>15.7%</b>	<b>14.4%</b>	<b>13.8%</b>	<b>13.7%</b>	<b>-</b>	<b>-</b>	<b>13.8%</b>	<b>14.3%</b>	<b>12.6%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>13.6</b>	<b>18.3</b>	<b>20.6</b>	<b>35.8</b>	<b>38.2%</b>	<b>0.3%</b>	<b>39.4</b>	<b>35.4</b>	<b>32.1</b>	<b>-3.6%</b>	<b>0.5%</b>
Employee social benefits	13.6	18.3	20.6	35.8	38.2%	0.3%	39.4	35.4	32.1	-3.6%	0.5%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>1 837.6</b>	<b>1 120.6</b>	<b>876.5</b>	<b>1 020.0</b>	<b>-17.8%</b>	<b>17.8%</b>	<b>1 255.1</b>	<b>1 546.9</b>	<b>37.6</b>	<b>-66.7%</b>	<b>13.8%</b>
Special defence account	1 837.6	1 120.6	876.5	1 020.0	-	-	1 255.1	1 546.9	37.6	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Maritime Defence

## Programme purpose

Provide prepared and supported maritime defence capabilities for the defence and protection of South Africa.

## Objectives

- Defend and protect South Africa and its maritime zones over the medium term by providing:
  - a surface combat and patrol capability of 3 frigates, 1 combat support vessel, 2 offshore patrol vessels and 3 inshore patrol vessels in each annual operational cycle
  - a subsurface combat capability of 2 submarines in each annual operational cycle

- a mine warfare capability of 2 vessels in each annual operational cycle to ensure safe access to South Africa's harbours and mine clearance where required
- a maritime reaction squadron capability, comprising an operational boat division, an operational diving division and a naval reaction division in each annual operational cycle
- a hydrographic survey capability to ensure safe navigation by charting areas and to meet international obligations.

## Subprogrammes

- *Maritime Direction* provides strategic direction to the programme by formulating and controlling strategies, policies, plans and advice to prepare and provide maritime defence capabilities.
- *Maritime Combat Capability* provides mission ready and supported maritime combat capabilities in accordance with the approved force design of the department.
- *Maritime Logistic Support Capability* sustains the availability of the force structure elements in the naval force design to ensure compliance with ordered operational commitments.
- *Maritime Human Resources and Training Capability* ensures that the maritime combat and support capability requirements are met in terms of qualified personnel.
- *Base Support Capability* provides a general base support capability to ships and submarines, shore units and other identified clients to ensure that the fleet complies with specified operational readiness levels.

## Expenditure trends and estimates

**Table 19.13 Maritime Defence expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
Maritime Direction	586.2	607.3	657.1	569.3	-1.0%	14.0%	594.9	629.0	654.2	4.7%	13.1%
Maritime Combat Capability	1 238.8	1 694.7	1 850.5	1 845.0	14.2%	38.2%	1 449.5	1 739.6	850.4	-22.8%	31.6%
Maritime Logistic Support Capability	803.9	841.8	924.2	1 133.1	12.1%	21.3%	1 184.3	1 280.4	1 427.0	8.0%	27.0%
Maritime Human Resources and Training Capability	497.7	529.6	518.0	545.2	3.1%	12.1%	570.1	551.9	615.3	4.1%	12.3%
Base Support Capability	606.2	625.1	664.1	606.6	-	14.4%	719.1	833.0	821.2	10.6%	16.0%
<b>Total</b>	<b>3 732.7</b>	<b>4 298.4</b>	<b>4 613.9</b>	<b>4 699.4</b>	<b>8.0%</b>	<b>100.0%</b>	<b>4 517.9</b>	<b>5 033.9</b>	<b>4 368.1</b>	<b>-2.4%</b>	<b>100.0%</b>
Change to 2018				274.7			109.1	(33.1)	(1 005.0)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>2 803.5</b>	<b>2 889.5</b>	<b>2 986.6</b>	<b>3 150.8</b>	<b>4.0%</b>	<b>68.2%</b>	<b>3 333.1</b>	<b>3 685.5</b>	<b>3 964.3</b>	<b>8.0%</b>	<b>75.9%</b>
Compensation of employees	2 102.8	2 235.1	2 350.2	2 274.7	2.7%	51.7%	2 486.9	2 673.4	2 847.2	7.8%	55.2%
Goods and services <sup>1</sup>	700.7	654.4	636.4	876.1	7.7%	16.5%	846.2	1 012.1	1 117.2	8.4%	20.7%
<i>of which:</i>											
<i>Contractors</i>	258.5	238.2	246.5	254.0	-0.6%	5.7%	229.9	240.3	279.1	3.2%	5.4%
<i>Inventory: Food and food supplies</i>	77.2	56.1	124.0	120.6	16.0%	2.2%	123.7	127.0	139.0	4.9%	2.7%
<i>Inventory: Fuel, oil and gas</i>	92.6	85.2	46.1	109.2	5.7%	1.9%	97.5	142.1	164.7	14.7%	2.8%
<i>Inventory: Other supplies</i>	25.1	34.9	29.2	126.8	71.5%	1.2%	94.0	190.0	212.2	18.7%	3.3%
<i>Travel and subsistence</i>	71.0	77.3	75.2	56.1	-7.6%	1.6%	59.4	68.2	59.9	2.2%	1.3%
<i>Operating payments</i>	50.4	47.7	18.0	47.4	-2.0%	0.9%	51.6	54.2	65.0	11.1%	1.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>836.7</b>	<b>1 383.1</b>	<b>1 598.2</b>	<b>1 536.7</b>	<b>22.5%</b>	<b>30.9%</b>	<b>1 174.1</b>	<b>1 337.1</b>	<b>392.6</b>	<b>-36.5%</b>	<b>23.8%</b>
Departmental agencies and accounts	602.0	1 123.0	1 284.0	1 232.0	27.0%	24.5%	866.6	1 013.1	69.3	-61.7%	17.1%
Public corporations and private enterprises	219.9	244.3	270.0	283.7	8.9%	5.9%	298.4	313.4	313.4	3.4%	6.5%
Households	14.8	15.8	44.2	21.1	12.5%	0.6%	9.0	10.7	9.9	-22.3%	0.3%
<b>Payments for capital assets</b>	<b>92.3</b>	<b>25.6</b>	<b>28.8</b>	<b>11.9</b>	<b>-49.5%</b>	<b>0.9%</b>	<b>10.7</b>	<b>11.2</b>	<b>11.2</b>	<b>-2.0%</b>	<b>0.2%</b>
Buildings and other fixed structures	1.5	0.3	0.1	-	-100.0%	-	-	-	-	-	-
Machinery and equipment	32.7	15.8	28.3	11.2	-30.1%	0.5%	10.0	10.5	10.4	-2.3%	0.2%
Specialised military assets	58.1	7.6	-	-	-100.0%	0.4%	-	-	-	-	-
Software and other intangible assets	-	2.0	0.4	0.7	-	-	0.7	0.7	0.7	1.7%	-
<b>Payments for financial assets</b>	<b>0.3</b>	<b>0.1</b>	<b>0.3</b>	<b>11.9</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 732.7</b>	<b>4 298.4</b>	<b>4 613.9</b>	<b>4 699.4</b>	<b>8.0%</b>	<b>100.0%</b>	<b>4 517.9</b>	<b>5 033.9</b>	<b>4 368.1</b>	<b>-2.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>8.3%</b>	<b>9.1%</b>	<b>9.4%</b>	<b>9.7%</b>	<b>-</b>	<b>-</b>	<b>8.9%</b>	<b>9.4%</b>	<b>8.4%</b>	<b>-</b>	<b>-</b>

**Table 19.13 Maritime Defence expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
<b>Households</b>											
<b>Social benefits</b>											
Current	14.6	15.8	44.0	21.1	13.0%	0.5%	9.0	10.7	9.9	-22.3%	0.3%
Employee social benefits	14.6	15.8	44.0	21.1	13.0%	0.5%	9.0	10.7	9.9	-22.3%	0.3%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
Current	602.0	1 123.0	1 284.0	1 232.0	27.0%	24.5%	866.6	1 013.1	69.3	-61.7%	17.1%
Special defence account	602.0	1 123.0	1 284.0	1 232.0	27.0%	24.5%	866.6	1 013.1	69.3	-61.7%	17.1%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Public corporations (subsidies on products and production)</b>											
Current	219.9	244.3	270.0	283.7	8.9%	5.9%	298.4	313.4	313.4	3.4%	6.5%
Armaments Corporation of South Africa	219.9	244.3	270.0	283.7	8.9%	5.9%	298.4	313.4	313.4	3.4%	6.5%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 6: Military Health Support

### Programme purpose

Provide prepared and supported health capabilities and services for the defence and protection of South Africa.

### Objectives

- Ensure prepared and supported health capabilities and services over the medium term by providing:
  - a health support capability of 5 medical battalion groups and 1 specialist medical battalion group for deployed and contingency forces
  - a comprehensive, multidisciplinary military health service to a projected patient population of 302 000 members per year.

### Subprogrammes

- *Strategic Direction* formulates strategy, policies and plans; and provides advice from the surgeon-general's office to prepare and provide the capabilities required by the Chief of the South African National Defence Force.
- *Mobile Military Health Support* provides health support elements for deployed and contingency forces, and provides health services to provincial hospitals and the Department of Health, as and when ordered.
- *Area Military Health Service* provides a comprehensive, self-supporting, multidisciplinary geographic military health service through a formation headquarters, and commanding and controlling 9 area military health units to ensure a healthy military community. The military hospitals also attend to health care activities, medical support and health activities in the specialist aviation environment.
- *Specialist/Tertiary Health Service* provides a specialist health service to develop and maintain tertiary military health capabilities within the parameters of relevant legislation, as contained in the South African military health service strategy.
- *Military Health Product Support Capability* provides for warehousing pharmaceuticals, sundries, military health mobilisation equipment and unique stock; the procurement of unique military health products, materials and services; and an asset management service, military health product systems and cooperative common military health logistics.
- *Military Health Maintenance Capability* provides general base support services to identified military health service units to sustain and maintain the approved force design and structure.
- *Military Health Training Capability* provides a military health training service to develop and maintain military health training capabilities within the parameters of relevant legislation and policies.

## Expenditure trends and estimates

Table 19.14 Military Health Support expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Strategic Direction	168.3	184.3	186.7	191.7	4.4%	4.0%	206.7	223.6	250.4	9.3%	4.0%
Mobile Military Health Support	120.7	120.9	140.3	131.6	2.9%	2.8%	260.5	288.1	184.5	11.9%	3.9%
Area Military Health Service	1 597.7	1 672.3	1 809.6	1 672.2	1.5%	37.0%	1 956.3	2 097.8	2 213.5	9.8%	36.3%
Specialist/Tertiary Health Service	1 553.4	1 718.5	1 884.5	1 876.5	6.5%	38.5%	2 049.2	2 200.0	2 363.0	8.0%	38.8%
Military Health Product Support Capability	134.5	182.0	181.3	295.0	29.9%	4.3%	302.5	325.5	333.5	4.2%	5.7%
Military Health Maintenance Capability	319.6	235.7	309.3	175.8	-18.1%	5.7%	221.4	236.7	250.7	12.6%	4.0%
Military Health Training Capability	348.9	335.1	341.2	371.3	2.1%	7.6%	378.6	406.0	440.2	5.8%	7.3%
<b>Total</b>	<b>4 243.2</b>	<b>4 448.7</b>	<b>4 852.9</b>	<b>4 714.1</b>	<b>3.6%</b>	<b>100.0%</b>	<b>5 375.3</b>	<b>5 777.6</b>	<b>6 035.9</b>	<b>8.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			111.2	(29.2)	(142.1)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>4 170.0</b>	<b>4 374.0</b>	<b>4 740.0</b>	<b>4 650.5</b>	<b>3.7%</b>	<b>98.2%</b>	<b>5 250.1</b>	<b>5 633.2</b>	<b>5 988.7</b>	<b>8.8%</b>	<b>98.3%</b>
Compensation of employees	3 136.3	3 328.8	3 523.7	3 379.9	2.5%	73.2%	3 754.5	4 036.1	4 298.4	8.3%	70.6%
Goods and services <sup>1</sup>	1 033.7	1 045.2	1 216.3	1 270.6	7.1%	25.0%	1 495.6	1 597.2	1 690.3	10.0%	27.6%
<i>of which:</i>											
Contractors	40.0	40.1	41.4	79.1	25.5%	1.1%	70.3	80.0	80.7	0.7%	1.4%
Agency and support/outsourced services	406.1	422.0	531.6	436.3	2.4%	9.8%	428.2	441.3	491.3	4.0%	8.2%
Inventory: Food and food supplies	85.1	54.4	64.8	60.8	-10.6%	1.5%	65.6	72.2	73.5	6.5%	1.2%
Inventory: Medical supplies	71.5	59.9	63.9	109.5	15.3%	1.7%	159.4	200.3	216.9	25.6%	3.1%
Inventory: Medicine	154.1	198.0	244.6	194.5	8.1%	4.3%	352.1	370.8	385.9	25.6%	6.0%
Travel and subsistence	79.4	84.9	76.9	81.1	0.7%	1.8%	91.3	89.2	97.9	6.5%	1.6%
<b>Transfers and subsidies<sup>1</sup></b>	<b>26.2</b>	<b>15.5</b>	<b>27.6</b>	<b>15.0</b>	<b>-16.9%</b>	<b>0.5%</b>	<b>77.5</b>	<b>110.6</b>	<b>13.3</b>	<b>-3.9%</b>	<b>1.0%</b>
Provinces and municipalities	-	-	0.0	1.4	-	-	0.8	0.5	0.5	-30.2%	-
Departmental agencies and accounts	6.7	-	11.1	0.1	-76.7%	0.1%	62.7	97.3	0.0	-36.0%	0.7%
Public corporations and private enterprises	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Non-profit institutions	0.9	0.7	0.8	1.0	3.9%	-	1.0	1.1	1.1	1.8%	-
Households	18.6	14.9	15.7	12.5	-12.4%	0.3%	13.0	11.7	11.8	-2.0%	0.2%
<b>Payments for capital assets</b>	<b>46.3</b>	<b>58.6</b>	<b>85.1</b>	<b>48.6</b>	<b>1.6%</b>	<b>1.3%</b>	<b>47.6</b>	<b>33.8</b>	<b>33.8</b>	<b>-11.4%</b>	<b>0.7%</b>
Buildings and other fixed structures	0.3	0.3	1.8	0.0	-44.5%	-	-	-	-	-100.0%	-
Machinery and equipment	46.0	58.3	83.3	47.8	1.3%	1.3%	47.6	33.8	33.8	-10.9%	0.7%
Specialised military assets	-	-	-	0.7	-	-	-	-	-	-100.0%	-
Biological assets	-	-	0.1	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>0.6</b>	<b>0.7</b>	<b>0.2</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>4 243.2</b>	<b>4 448.7</b>	<b>4 852.9</b>	<b>4 714.1</b>	<b>3.6%</b>	<b>100.0%</b>	<b>5 375.3</b>	<b>5 777.6</b>	<b>6 035.9</b>	<b>8.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>9.4%</b>	<b>9.4%</b>	<b>9.9%</b>	<b>9.7%</b>	<b>-</b>	<b>-</b>	<b>10.6%</b>	<b>10.7%</b>	<b>11.5%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>14.7</b>	<b>12.0</b>	<b>12.5</b>	<b>12.5</b>	<b>-5.2%</b>	<b>0.3%</b>	<b>13.0</b>	<b>11.7</b>	<b>11.8</b>	<b>-2.0%</b>	<b>0.2%</b>
Employee social benefits	14.7	12.0	12.5	12.5	-5.2%	0.3%	13.0	11.7	11.8	-2.0%	0.2%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>6.7</b>	<b>-</b>	<b>11.1</b>	<b>0.1</b>	<b>-76.7%</b>	<b>0.1%</b>	<b>62.7</b>	<b>97.3</b>	<b>0.0</b>	<b>-36.0%</b>	<b>0.7%</b>
Communication	-	-	0.0	0.1	-	-	0.0	0.0	0.0	-36.0%	-
Special defence account	6.7	-	11.1	-	-100.0%	0.1%	62.7	97.3	-	-	0.7%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>3.9</b>	<b>2.8</b>	<b>3.3</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Claims against the state	3.9	2.8	3.3	-	-100.0%	0.1%	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 7: Defence Intelligence

## Programme purpose

Provide defence intelligence and counterintelligence capabilities.

## Objective

- Ensure prepared and supported intelligence services by providing an intelligence, a counterintelligence and a defence foreign relations capability over the medium term.

## Subprogrammes

- *Strategic Direction* provides advice on defence intelligence, policy and doctrine in support of the department's decision-making and policy formulation processes.
- *Operations* provides timely defence prediction, intelligence and counterintelligence capabilities and services.
- *Defence Intelligence Support Services* provides human resources, logistics, planning, security, labour relations, and training and information support services to the defence intelligence community.

## Expenditure trends and estimates

**Table 19.15 Defence Intelligence expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Operations	459.8	472.4	459.9	529.2	4.8%	54.1%	542.5	568.0	244.6	-22.7%	48.6%
Defence Intelligence Support Services	370.3	408.9	428.1	421.2	4.4%	45.9%	477.9	514.7	576.4	11.0%	51.4%
<b>Total</b>	<b>830.1</b>	<b>881.3</b>	<b>888.0</b>	<b>950.4</b>	<b>4.6%</b>	<b>100.0%</b>	<b>1 020.5</b>	<b>1 082.7</b>	<b>821.0</b>	<b>-4.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			28.8	19.4	(305.4)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>382.1</b>	<b>422.7</b>	<b>433.4</b>	<b>436.4</b>	<b>4.5%</b>	<b>47.2%</b>	<b>495.5</b>	<b>532.0</b>	<b>595.4</b>	<b>10.9%</b>	<b>53.1%</b>
Compensation of employees	347.9	379.2	400.7	387.4	3.6%	42.7%	445.4	478.8	509.9	9.6%	47.0%
Goods and services <sup>1</sup>	34.2	43.5	32.7	49.0	12.8%	4.5%	50.1	53.2	85.4	20.4%	6.1%
<i>of which:</i>											
<i>Fleet services (including government motor transport)</i>	0.0	0.0	0.1	0.2	306.2%	-	0.4	0.7	31.2	437.3%	0.8%
<i>Inventory: Food and food supplies</i>	10.4	11.9	7.0	14.3	11.0%	1.2%	14.4	15.2	15.7	3.2%	1.5%
<i>Inventory: Fuel, oil and gas</i>	1.9	2.1	2.5	3.4	22.4%	0.3%	3.5	3.7	3.9	4.9%	0.4%
<i>Operating leases</i>	7.6	8.3	6.1	6.5	-5.0%	0.8%	6.8	7.2	7.3	3.8%	0.7%
<i>Travel and subsistence</i>	6.3	6.9	7.2	9.0	12.6%	0.8%	9.3	9.8	10.4	5.0%	1.0%
<i>Training and development</i>	1.3	1.6	1.5	2.7	26.5%	0.2%	2.8	3.0	3.0	3.3%	0.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>445.0</b>	<b>457.7</b>	<b>449.2</b>	<b>510.0</b>	<b>4.7%</b>	<b>52.5%</b>	<b>520.9</b>	<b>546.3</b>	<b>221.3</b>	<b>-24.3%</b>	<b>46.4%</b>
Provinces and municipalities	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts	442.3	452.1	444.2	505.5	4.6%	52.0%	519.1	543.3	219.5	-24.3%	46.1%
Households	2.7	5.6	5.0	4.5	18.7%	0.5%	1.7	3.0	1.9	-25.7%	0.3%
<b>Payments for capital assets</b>	<b>3.0</b>	<b>0.9</b>	<b>5.3</b>	<b>3.9</b>	<b>9.7%</b>	<b>0.4%</b>	<b>4.1</b>	<b>4.3</b>	<b>4.3</b>	<b>3.3%</b>	<b>0.4%</b>
Machinery and equipment	3.0	0.9	5.3	3.9	9.7%	0.4%	4.1	4.3	4.3	3.3%	0.4%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>830.1</b>	<b>881.3</b>	<b>888.0</b>	<b>950.4</b>	<b>4.6%</b>	<b>100.0%</b>	<b>1 020.5</b>	<b>1 082.7</b>	<b>821.0</b>	<b>-4.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.8%</b>	<b>1.9%</b>	<b>1.8%</b>	<b>2.0%</b>	<b>-</b>	<b>-</b>	<b>2.0%</b>	<b>2.0%</b>	<b>1.6%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>442.3</b>	<b>452.1</b>	<b>444.2</b>	<b>505.5</b>	<b>4.6%</b>	<b>52.0%</b>	<b>519.1</b>	<b>543.3</b>	<b>219.5</b>	<b>-24.3%</b>	<b>46.1%</b>
Communication	0.2	-	0.3	0.4	16.7%	-	0.4	0.4	0.4	2.2%	-
Special defence account	442.0	452.1	443.9	505.1	4.5%	51.9%	518.7	542.9	219.1	-24.3%	46.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## **Programme 8: General Support**

### **Programme purpose**

Provide general support capabilities and services to the department.

### **Objectives**

- Provide ongoing general support capabilities and services through effective and efficient centralised common logistics support of ordered commitments, in accordance with defence policy and strategy, by providing:
  - appropriate, ready and sustained centralised common matériel management to the department
  - appropriate, ready and sustained centralised facilities management to the department
  - appropriate, ready and sustained centralised common logistics services and movement management to the department
  - sound logistics strategic direction to the department.
- Provide ICT prime systems integration and strategic direction to the department over the medium term by providing:
  - strategic direction and staff support services to the division
  - integrated ICT solutions and enablers
  - an information warfare strategic direction capability
  - maintenance and support for information systems.
- Provide a military policing capability to the department over the medium term by:
  - investigating backlog criminal cases
  - investigating new criminal cases reported
  - conducting deliberate crime prevention operations per year
  - sustaining 4 regional headquarters, 22 area offices and 22 detachments for crime prevention and the investigation of criminal cases
  - sustaining 2 military correctional facilities for detention and rehabilitation.
- Provide a military policing capability to the department by sustaining a provost company for operational deployment on an ongoing basis.

### **Subprogrammes**

- *Joint Logistic Services* provides logistics services to the department in terms of warehousing for ammunition, main equipment and stores. It also provides the defence works capability, the capital works programme and the defence facility refurbishment programme.
- *Command and Management Information Systems* provides command and management information systems and related services to the department.
- *Military Police* provides a military policing capability to the department.
- *Technology Development* provides for establishing and sustaining selected science and technology capabilities in the defence industry.
- *Departmental Support* provides for the payment of corporate departmental obligations such as transfer payments to public entities, legal fees, external audits and bank charges.



## Expenditure trends and estimates

Table 19.16 General Support expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Joint Logistic Services	2 546.7	2 925.3	3 316.0	2 898.9	4.4%	48.3%	2 905.5	3 062.2	3 206.9	3.4%	46.2%
Command and Management Information Systems	1 096.5	1 143.7	980.0	978.2	-3.7%	17.4%	1 048.0	1 101.9	1 134.8	5.1%	16.3%
Military Police	529.2	589.5	633.8	671.6	8.3%	10.0%	704.5	755.9	805.0	6.2%	11.2%
Technology Development	424.0	515.9	441.1	466.0	3.2%	7.6%	487.7	472.3	394.0	-5.4%	7.0%
Departmental Support	880.2	882.3	1 093.1	1 167.0	9.9%	16.6%	1 203.8	1 265.0	1 382.7	5.8%	19.2%
<b>Total</b>	<b>5 476.6</b>	<b>6 056.7</b>	<b>6 463.9</b>	<b>6 181.6</b>	<b>4.1%</b>	<b>100.0%</b>	<b>6 349.5</b>	<b>6 657.3</b>	<b>6 923.4</b>	<b>3.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(104.3)			(334.6)	(233.6)	(383.6)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>3 893.4</b>	<b>4 395.9</b>	<b>3 905.2</b>	<b>3 846.4</b>	<b>-0.4%</b>	<b>66.3%</b>	<b>4 140.6</b>	<b>4 360.2</b>	<b>4 767.7</b>	<b>7.4%</b>	<b>65.5%</b>
Compensation of employees	1 704.0	2 052.7	2 249.8	2 172.3	8.4%	33.8%	2 323.2	2 497.4	2 659.7	7.0%	37.0%
Goods and services <sup>1</sup>	2 189.4	2 343.2	1 655.4	1 674.2	-8.6%	32.5%	1 817.4	1 862.8	2 107.9	8.0%	28.6%
of which:											
Audit costs: External	60.0	50.6	61.6	68.8	4.7%	1.0%	73.4	77.0	77.0	3.8%	1.1%
Computer services	804.1	682.1	688.6	670.3	-5.9%	11.8%	689.6	719.6	912.9	10.8%	11.5%
Contractors	90.5	96.1	86.4	116.0	8.6%	1.6%	120.3	130.8	146.8	8.2%	2.0%
Inventory: Food and food supplies	25.6	24.0	28.4	35.9	11.9%	0.5%	68.2	69.9	74.2	27.4%	1.0%
Property payments	515.2	599.8	19.6	242.9	-22.2%	5.7%	252.0	397.5	416.0	19.6%	5.0%
Training and development	117.6	109.3	53.0	49.3	-25.1%	1.4%	69.7	65.4	66.4	10.4%	1.0%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 254.1</b>	<b>1 341.4</b>	<b>1 444.1</b>	<b>1 533.2</b>	<b>6.9%</b>	<b>23.0%</b>	<b>1 625.6</b>	<b>1 664.4</b>	<b>1 655.4</b>	<b>2.6%</b>	<b>24.8%</b>
Provinces and municipalities	0.0	0.0	0.0	0.1	23.1%	-	0.1	0.1	0.1	1.8%	-
Departmental agencies and accounts	483.2	551.6	446.8	416.2	-4.9%	7.8%	473.1	457.4	367.1	-4.1%	6.6%
Public corporations and private enterprises	760.9	776.2	984.2	1 101.9	13.1%	15.0%	1 138.1	1 193.5	1 277.0	5.0%	18.0%
Households	9.9	13.5	13.1	15.1	14.9%	0.2%	14.4	13.5	11.2	-9.3%	0.2%
<b>Payments for capital assets</b>	<b>329.1</b>	<b>319.1</b>	<b>1 106.8</b>	<b>801.9</b>	<b>34.6%</b>	<b>10.6%</b>	<b>583.3</b>	<b>632.7</b>	<b>500.4</b>	<b>-14.5%</b>	<b>9.6%</b>
Buildings and other fixed structures	58.1	105.3	674.8	523.9	108.2%	5.6%	347.7	396.4	404.7	-8.2%	6.4%
Machinery and equipment	271.0	121.0	353.7	96.2	-29.2%	3.5%	89.4	94.4	93.2	-1.1%	1.4%
Software and other intangible assets	0.1	92.8	78.3	181.8	1243.4%	1.5%	146.1	142.0	2.4	-76.3%	1.8%
<b>Payments for financial assets</b>	<b>0.1</b>	<b>0.3</b>	<b>7.8</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>5 476.6</b>	<b>6 056.7</b>	<b>6 463.9</b>	<b>6 181.6</b>	<b>4.1%</b>	<b>100.0%</b>	<b>6 349.5</b>	<b>6 657.3</b>	<b>6 923.4</b>	<b>3.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>12.2%</b>	<b>12.8%</b>	<b>13.2%</b>	<b>12.7%</b>	<b>-</b>	<b>-</b>	<b>12.6%</b>	<b>12.4%</b>	<b>13.2%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>8.9</b>	<b>13.2</b>	<b>12.8</b>	<b>15.1</b>	<b>19.4%</b>	<b>0.2%</b>	<b>14.4</b>	<b>13.5</b>	<b>11.2</b>	<b>-9.3%</b>	<b>0.2%</b>
Employee social benefits	8.9	13.2	12.8	15.1	19.4%	0.2%	14.4	13.5	11.2	-9.3%	0.2%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>483.2</b>	<b>551.6</b>	<b>446.8</b>	<b>416.2</b>	<b>-4.9%</b>	<b>7.8%</b>	<b>473.1</b>	<b>457.4</b>	<b>367.1</b>	<b>-4.1%</b>	<b>6.6%</b>
Special defence account	483.2	551.6	446.8	416.2	-4.9%	7.8%	473.1	457.4	367.1	-4.1%	6.6%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>-</b>	<b>23.9</b>	<b>1.3</b>	<b>-</b>	<b>-</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Claims against the state	-	23.9	1.3	-	-	0.1%	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Public corporations (subsidies on products and production)</b>											
<b>Current</b>	<b>760.9</b>	<b>752.3</b>	<b>982.9</b>	<b>1 101.9</b>	<b>13.1%</b>	<b>14.9%</b>	<b>1 138.1</b>	<b>1 193.5</b>	<b>1 277.0</b>	<b>5.0%</b>	<b>18.0%</b>
Armaments Corporation of South Africa	760.9	752.3	982.9	1 101.9	13.1%	14.9%	1 138.1	1 193.5	1 277.0	5.0%	18.0%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

# Other department within the vote

## Department of Military Veterans

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	136.1	126.3	–	9.8	144.9	153.3
Socioeconomic Support	356.8	110.7	243.0	3.0	377.6	398.8
Empowerment and Stakeholder Management	169.7	156.0	4.2	9.5	179.3	191.6
<b>Total expenditure estimates</b>	<b>662.6</b>	<b>393.1</b>	<b>247.3</b>	<b>22.2</b>	<b>701.8</b>	<b>743.7</b>
Executive authority	Minister of Defence and Military Veterans					
Accounting officer	Director-General of Military Veterans					
Website address	www.dmv.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

### Department purpose

Formulate policies and standards aimed at providing a comprehensive delivery system to military veterans and their dependants in recognition of their role in the democratisation of South Africa.

### Mandate

The Department of Military Veterans derives its mandate from the Military Veterans Act (2011), which requires the department to provide national policy and standards on socioeconomic support to military veterans and to their dependants, including benefits and entitlement to help realise a dignified, unified, empowered and self-sufficient community of military veterans.

### Selected performance indicators

**Table 19.17 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total number of military veterans with access to health care services <sup>1</sup>	Socioeconomic Support	Outcome 2: A long and healthy life for all South Africans	8 264	15 740	16 673	17 000	18 000	19 000	20 000
Number of military veterans provided with newly built houses per year <sup>2</sup>	Socioeconomic Support	Outcome 8: Sustainable human settlements and improved quality of household life	130 <sup>2</sup>	168 <sup>2</sup>	270 <sup>2</sup>	1 000 <sup>2</sup>	400 <sup>2</sup>	500 <sup>2</sup>	600 <sup>2</sup>
Number of military veterans memorial sites erected per year	Empowerment and Stakeholder Management	Outcome 14: Nation building and social cohesion	2	2	0 <sup>3</sup>	3	3	3	3
Number of bursaries provided to military veterans and their dependants per year <sup>4</sup>	Socioeconomic Support	Outcome 1: Quality basic education	5 482	7 146	7 702	10 700	7 466 <sup>5</sup>	7 466 <sup>5</sup>	7 466 <sup>5</sup>

- Increases over the MTEF period are mainly due to the approval of regulations for military veterans' benefits, resulting in increased information campaigns to make veterans aware of their due benefits.
- Although the department has significantly underperformed in the past, there are ongoing engagements between the Department of Military Veterans and the Department of Human Settlements to expedite the delivery of housing to military veterans. Targets over the medium term have been reduced to align with historical performance and available budget.
- Zero performance in 2017/18 was mainly due to lack of capacity within the Heritage, Memorials, Burials and Honours subprogramme.
- Indicator reworded to align with the department's annual performance plan.
- Targets over the MTEF period are reduced and maintained at the same level to align with available budget.

## **Expenditure analysis**

Recognising the role military veterans played in the democratisation of South Africa ties into the National Development Plan's aspirations to realise a developmental, capable and ethical state that treats citizens with dignity. As such, acknowledging military veterans for their contributions can deepen social cohesion and national unity while redressing the inequities of the past. In pursuit of this, over the medium term, the Department of Military Veterans will focus on providing housing; health care; and education, training and skills development programmes to veterans and their dependants.

### **Housing**

A projected 79.2 per cent (R1.7 billion) of the department's total budget over the medium term is allocated to the *Socioeconomic Support*, and *Empowerment and Stakeholder Management* programmes. The aim of these programmes is to improve the quality of life of military veterans and their dependants. Through the *Socioeconomic Support* programme, the department expects to deliver 1 500 houses at a projected cost of R111 million over the MTEF period. The provincial departments of human settlements will construct the houses on behalf of the department, as per the terms of the department's housing delivery model.

### **Health care**

The department fully subsidises eligible military veterans' health care through the South African Military Health Service. Over the period ahead, the department plans to increase the number of military veterans accessing health care services, from 17 000 in 2018/19 to 20 000 in 2021/22. These services are provided for in the *Health Care and Wellbeing Support* subprogramme in the *Socioeconomic Support* programme. Due to the planned increase in veterans accessing health care services, spending in the subprogramme is expected to increase at an average annual rate of 6 per cent, from R80.9 million in 2018/19 to R96.4 million in 2021/22.

### **Education and training**

The department plans to provide 7 466 education and training bursaries to military veterans and their dependants in each year over the medium term. For this purpose, R465 million is allocated over the period ahead in the *Socioeconomic Support* programme, and a memorandum of understanding between the department, the National Student Financial Aid Scheme and the Department of Basic Education is being implemented. As per the memorandum of understanding, support to military veterans and their dependants is given in the form of a departmental bursary using funds transferred to the National Student Financial Aid Scheme. Similar arrangements have been made with the Department of Basic Education to enable eligible military veterans' dependants to access primary and secondary schooling in public schools, especially for quintiles 4 to 5.

A projected 18 000 veterans and their dependants are expected to benefit from training and skills development programmes over the medium term. These programmes are offered through accredited service providers at a projected cost of R224 million over the period in the *Empowerment and Stakeholder Management* programme.

## Expenditure trends

**Table 19.18 Departmental expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Socioeconomic Support														
3. Empowerment and Stakeholder Management														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	157.5	157.5	131.3	143.7	143.7	159.2	149.8	149.8	140.5	127.6	133.6	133.6	97.6%	96.6%
Programme 2	266.3	266.3	136.4	294.1	294.1	243.9	307.4	307.4	356.4	336.8	336.8	336.8	89.1%	89.1%
Programme 3	158.4	158.4	80.2	159.8	159.8	101.5	164.9	164.9	104.5	162.8	156.8	156.8	68.6%	69.2%
<b>Total</b>	<b>582.2</b>	<b>582.2</b>	<b>348.0</b>	<b>597.6</b>	<b>597.6</b>	<b>504.6</b>	<b>622.1</b>	<b>622.1</b>	<b>601.5</b>	<b>627.1</b>	<b>627.1</b>	<b>627.1</b>	<b>85.7%</b>	<b>85.7%</b>
Change to 2018 Budget estimate														
Economic classification														
<b>Current payments</b>	<b>360.7</b>	<b>360.7</b>	<b>280.3</b>	<b>347.5</b>	<b>347.5</b>	<b>327.0</b>	<b>378.9</b>	<b>378.9</b>	<b>316.5</b>	<b>386.0</b>	<b>386.0</b>	<b>386.0</b>	<b>88.9%</b>	<b>88.9%</b>
Compensation of employees	97.5	97.5	100.6	102.7	102.7	108.5	113.8	113.8	116.2	122.3	122.3	122.3	102.6%	102.6%
Goods and services	263.2	263.2	179.6	244.8	244.8	218.5	265.1	265.1	200.2	263.8	263.8	263.8	83.1%	83.1%
<b>Transfers and subsidies</b>	<b>218.5</b>	<b>218.5</b>	<b>57.6</b>	<b>243.6</b>	<b>243.6</b>	<b>166.1</b>	<b>232.8</b>	<b>232.8</b>	<b>278.3</b>	<b>234.2</b>	<b>234.2</b>	<b>234.2</b>	<b>79.2%</b>	<b>79.2%</b>
Households	218.5	218.5	57.6	243.6	243.6	166.1	232.8	232.8	278.3	234.2	234.2	234.2	79.2%	79.2%
<b>Payments for capital assets</b>	<b>3.0</b>	<b>3.0</b>	<b>10.1</b>	<b>6.5</b>	<b>6.5</b>	<b>11.5</b>	<b>10.4</b>	<b>10.4</b>	<b>6.7</b>	<b>6.9</b>	<b>6.9</b>	<b>6.9</b>	<b>131.8%</b>	<b>131.8%</b>
Machinery and equipment	3.0	3.0	10.1	5.2	5.2	7.3	4.6	4.6	6.7	4.4	4.4	4.4	165.6%	165.6%
Heritage assets	-	-	-	-	-	4.3	3.4	3.4	-	-	-	-	126.0%	126.0%
Software and other intangible assets	-	-	0.0	1.3	1.3	-	2.4	2.4	-	2.5	2.5	2.5	41.0%	41.0%
<b>Total</b>	<b>582.2</b>	<b>582.2</b>	<b>348.0</b>	<b>597.6</b>	<b>597.6</b>	<b>504.6</b>	<b>622.1</b>	<b>622.1</b>	<b>601.5</b>	<b>627.1</b>	<b>627.1</b>	<b>627.1</b>	<b>85.7%</b>	<b>85.7%</b>

## Expenditure estimates

**Table 19.19 Departmental expenditure estimates by programme and economic classification**

Programmes									
1. Administration									
2. Socioeconomic Support									
3. Empowerment and Stakeholder Management									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
Programme 1	133.6	-5.3%	27.1%	136.1	144.9	153.3	4.7%	20.8%	
Programme 2	336.8	8.1%	51.6%	356.8	377.6	398.8	5.8%	53.7%	
Programme 3	156.8	-0.3%	21.3%	169.7	179.3	191.6	6.9%	25.5%	
<b>Total</b>	<b>627.1</b>	<b>2.5%</b>	<b>100.0%</b>	<b>662.6</b>	<b>701.8</b>	<b>743.7</b>	<b>5.9%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				(2.0)	(1.8)	-			
Economic classification									
<b>Current payments</b>	<b>386.0</b>	<b>2.3%</b>	<b>62.9%</b>	<b>393.1</b>	<b>424.3</b>	<b>456.5</b>	<b>5.7%</b>	<b>60.7%</b>	
Compensation of employees	122.3	7.8%	21.5%	131.5	141.4	150.6	7.2%	20.0%	
Goods and services	263.8	0.1%	41.4%	261.5	282.8	305.7	5.0%	40.7%	
Interest and rent on land	-	-	-	0.1	0.1	0.1	-	0.0%	
<b>Transfers and subsidies</b>	<b>234.2</b>	<b>2.3%</b>	<b>35.4%</b>	<b>247.3</b>	<b>260.9</b>	<b>275.2</b>	<b>5.5%</b>	<b>37.2%</b>	
Households	234.2	2.3%	35.4%	247.3	260.9	275.2	5.5%	37.2%	
<b>Payments for capital assets</b>	<b>6.9</b>	<b>31.9%</b>	<b>1.7%</b>	<b>22.2</b>	<b>16.7</b>	<b>12.1</b>	<b>20.8%</b>	<b>2.1%</b>	
Machinery and equipment	4.4	13.5%	1.4%	16.1	8.9	9.2	28.1%	1.4%	
Heritage assets	-	-	0.2%	5.0	5.0	-	-	0.4%	
Software and other intangible assets	2.5	-	0.1%	1.1	2.8	2.9	5.5%	0.3%	
<b>Total</b>	<b>627.1</b>	<b>2.5%</b>	<b>100.0%</b>	<b>662.6</b>	<b>701.9</b>	<b>743.8</b>	<b>5.9%</b>	<b>100.0%</b>	

## Expenditure trends and estimates for significant spending items

**Table 19.20 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Average Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22		
Social benefits	9 199	35 496	26 227	53 908	80.3%	6.0%	55 309	58 351	61 560	4.5%	8.4%	
Contractors	56 949	61 486	55 947	58 544	0.9%	11.2%	57 652	65 794	69 412	5.8%	9.2%	
Infrastructure and planning services	37	—	—	14 779	636.5%	0.7%	—	17 374	18 330	7.4%	1.8%	
Training and development	16 546	24 690	22 382	60 245	53.8%	6.0%	48 829	56 046	59 616	-0.3%	8.2%	
Travel and subsistence	37 307	41 226	43 536	50 271	10.5%	8.3%	57 899	60 297	65 550	9.2%	8.6%	
<b>Total</b>	<b>120 038</b>	<b>162 898</b>	<b>148 092</b>	<b>237 747</b>	<b>782.0%</b>	<b>32.2%</b>	<b>219 689</b>	<b>257 862</b>	<b>274 468</b>	<b>26.6%</b>	<b>36.2%</b>	

## Goods and services expenditure trends and estimates

**Table 19.21 Departmental goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Average Expenditure/ Total Vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total Vote (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22		
Administrative fees	3 669	4 347	5 867	550	-46.9%	1.7%	1 743	165	174	-31.9%	0.2%	
Advertising	12 055	5 972	2 634	1 592	-49.1%	2.6%	9 052	1 553	1 639	1.0%	1.2%	
Minor assets	1 844	374	110	7 308	58.3%	1.1%	4 081	8 478	8 945	7.0%	2.6%	
Audit costs: External	7 891	5 961	6 658	4 736	-15.6%	2.9%	6 543	5 276	5 566	5.5%	2.0%	
Bursaries: Employees	526	592	452	651	7.4%	0.3%	395	726	766	5.6%	0.2%	
Catering: Departmental activities	1 933	1 591	431	5 273	39.7%	1.1%	3 230	5 540	5 845	3.5%	1.8%	
Communication	2 707	2 975	5 824	7 443	40.1%	2.2%	2 556	11 745	12 391	18.5%	3.1%	
Computer services	888	34 640	21 033	2 098	33.2%	6.8%	9 163	2 338	2 467	5.5%	1.4%	
Consultants: Business and advisory services	1 646	1 226	904	10 094	83.0%	1.6%	4 180	10 128	10 684	1.9%	3.2%	
Infrastructure and planning services	37	—	—	14 779	636.5%	1.7%	—	17 374	18 330	7.4%	4.5%	
Legal services	833	1 239	550	4 388	74.0%	0.8%	2 500	4 889	5 158	5.5%	1.5%	
Contractors	56 949	61 486	55 947	58 544	0.9%	27.0%	57 652	65 794	69 412	5.8%	22.6%	
Agency and support/outsourced services	380	735	4 156	469	7.3%	0.7%	5 308	522	5 551	127.9%	1.1%	
Entertainment	—	—	—	105	—	—	81	117	123	5.4%	—	
Fleet services (including government motor transport)	1 512	1 889	1 821	3 364	30.5%	1.0%	3 388	1 520	1 604	-21.9%	0.9%	
Consumable supplies	1 038	1 005	176	5 839	77.8%	0.9%	3 555	6 335	6 695	4.7%	2.0%	
Consumables: Stationery, printing and office supplies	5 162	6 134	2 291	5 447	1.8%	2.2%	5 934	5 513	5 816	2.2%	2.0%	
Operating leases	15 382	16 834	15 459	6 243	-26.0%	6.3%	18 143	1 942	2 048	-31.0%	2.5%	
Rental and hiring	756	337	106	1 308	20.0%	0.3%	504	1 457	1 537	5.5%	0.4%	
Property payments	6 133	2 943	2 740	2 705	-23.9%	1.7%	4 856	3 013	3 179	5.5%	1.2%	
Transport provided: Departmental activity	—	25	—	—	—	—	1 800	—	—	—	0.2%	
Travel and subsistence	37 307	41 226	43 536	50 271	10.5%	20.0%	57 899	60 297	65 550	9.2%	21.0%	
Training and development	16 546	24 690	22 382	60 245	53.8%	14.4%	48 829	56 046	59 616	-0.3%	20.2%	
Operating payments	611	446	77	119	-42.0%	0.1%	783	77	81	-12.0%	0.1%	
Venues and facilities	3 807	1 821	7 089	10 209	38.9%	2.7%	9 337	11 905	12 557	7.1%	4.0%	
<b>Total</b>	<b>179 612</b>	<b>218 488</b>	<b>200 243</b>	<b>263 780</b>	<b>13.7%</b>	<b>100.0%</b>	<b>261 512</b>	<b>282 750</b>	<b>305 734</b>	<b>5.0%</b>	<b>100.0%</b>	

## Transfers and subsidies expenditure trends and estimates

**Table 19.22 Departmental transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22		
<b>Households</b>												
<b>Social benefits</b>												
Current	9 199	35 471	26 203	53 908	80.3%	17.0%	55 309	58 351	61 560	4.5%	22.5%	
Households	9 199	35 471	26 203	53 908	80.3%	17.0%	55 309	58 351	61 560	4.5%	22.5%	
<b>Other transfers to households</b>												
Current	48 371	130 638	252 086	180 258	55.0%	83.0%	191 971	202 529	213 668	5.8%	77.5%	
Households	48 371	130 638	252 086	180 258	55.0%	83.0%	191 971	202 529	213 668	5.8%	77.5%	
<b>Total</b>	<b>57 570</b>	<b>166 109</b>	<b>278 289</b>	<b>234 166</b>	<b>59.6%</b>	<b>100.0%</b>	<b>247 280</b>	<b>260 880</b>	<b>275 228</b>	<b>5.5%</b>	<b>100.0%</b>	

## Personnel information

**Table 19.23 Departmental personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment															Number		
Number of posts estimated for 31 March 2019		Actual 2017/18			Revised estimate 2018/19			Medium-term expenditure estimate 2019/20			2020/21			2021/22			Average growth rate (%)	Average: Salary level/Total (%)	
Number of funded posts	Number of posts additional to the establishment	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2018/19 - 2021/22	2018/19 - 2021/22	
<b>Military Veterans</b>																			
<b>Salary level</b>	<b>169</b>	<b>87</b>	<b>200</b>	<b>116.2</b>	<b>0.6</b>	<b>206</b>	<b>122.3</b>	<b>0.6</b>	<b>208</b>	<b>131.5</b>	<b>0.6</b>	<b>208</b>	<b>141.4</b>	<b>0.7</b>	<b>207</b>	<b>150.6</b>	<b>0.7</b>	<b>0.2%</b>	<b>100.0%</b>
1 – 6	29	71	79	21.7	0.3	75	19.5	0.3	77	21.3	0.3	77	23.1	0.3	75	23.8	0.3	–	36.7%
7 – 10	61	10	57	30.7	0.5	63	35.7	0.6	63	38.4	0.6	63	41.4	0.7	63	44.3	0.7	–	30.4%
11 – 12	48	4	43	38.3	0.9	39	32.3	0.8	39	34.5	0.9	39	37.0	0.9	40	39.9	1.0	0.8%	18.9%
13 – 16	31	2	21	25.5	1.2	29	34.8	1.2	29	37.3	1.3	29	39.9	1.4	29	42.5	1.5	–	14.0%
<b>Programme</b>	<b>169</b>	<b>87</b>	<b>200</b>	<b>116.2</b>	<b>0.6</b>	<b>206</b>	<b>122.3</b>	<b>0.6</b>	<b>208</b>	<b>131.5</b>	<b>0.6</b>	<b>208</b>	<b>141.4</b>	<b>0.7</b>	<b>207</b>	<b>150.6</b>	<b>0.7</b>	<b>0.2%</b>	<b>100.0%</b>
Programme 1	102	50	120	69.8	0.6	85	43.7	0.5	86	47.0	0.5	86	50.5	0.6	86	53.8	0.6	0.4%	41.4%
Programme 2	21	23	41	19.1	0.5	67	40.6	0.6	68	43.7	0.6	68	47.0	0.7	67	50.1	0.7	–	32.6%
Programme 3	46	14	39	27.4	0.7	54	38.0	0.7	54	40.8	0.8	54	43.9	0.8	54	46.7	0.9	–	26.1%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 19.24 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate 2018/19	Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Receipt item/ Total (%) 2015/16 - 2018/19	Medium-term receipts estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Receipt item/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18					2019/20	2020/21	2021/22		
<b>Departmental receipts</b>	<b>789</b>	<b>330</b>	<b>2 758</b>	<b>62</b>	<b>80</b>	<b>-53.4%</b>	<b>100.0%</b>	<b>86</b>	<b>93</b>	<b>100</b>	<b>7.7%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>23</b>	<b>28</b>	<b>32</b>	<b>32</b>	<b>32</b>	<b>11.6%</b>	<b>2.9%</b>	<b>34</b>	<b>37</b>	<b>40</b>	<b>7.7%</b>	<b>39.8%</b>
Other sales of which:												
Other	23	28	32	32	32	11.6%	2.9%	34	37	40	7.7%	39.8%
<b>Transactions in financial assets and liabilities</b>	<b>766</b>	<b>302</b>	<b>2 726</b>	<b>30</b>	<b>48</b>	<b>-60.3%</b>	<b>97.1%</b>	<b>52</b>	<b>56</b>	<b>60</b>	<b>7.7%</b>	<b>60.2%</b>
<b>Total</b>	<b>789</b>	<b>330</b>	<b>2 758</b>	<b>62</b>	<b>80</b>	<b>-53.4%</b>	<b>100.0%</b>	<b>86</b>	<b>93</b>	<b>100</b>	<b>7.7%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 19.25 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Management	8.4	10.2	10.9	12.9	15.1%	7.5%	7.1	7.6	8.1	-14.4%	6.3%
Corporate Services	67.5	94.3	81.4	54.6	-6.8%	52.7%	58.8	62.4	66.1	6.6%	42.6%
Financial Administration	16.4	22.3	18.9	16.7	0.5%	13.2%	17.2	18.3	19.4	5.2%	12.6%
Internal Audit	12.6	10.6	10.0	10.1	-7.2%	7.7%	10.9	11.5	12.2	6.6%	7.9%
Strategic Planning, Policy Development and Monitoring and Evaluation	9.6	9.4	8.3	19.4	26.2%	8.3%	20.6	21.9	23.2	6.2%	15.0%
Office Accommodation	16.7	12.5	11.1	20.0	6.1%	10.7%	21.6	23.2	24.5	6.9%	15.7%
<b>Total</b>	<b>131.3</b>	<b>159.2</b>	<b>140.5</b>	<b>133.6</b>	<b>0.6%</b>	<b>100.0%</b>	<b>136.1</b>	<b>144.9</b>	<b>153.3</b>	<b>4.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				6.0			–	–	–		

**Table 19.25 Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
<b>Current payments</b>	<b>121.9</b>	<b>152.7</b>	<b>134.2</b>	<b>130.0</b>	<b>2.2%</b>	<b>95.5%</b>	<b>126.3</b>	<b>140.9</b>	<b>149.2</b>	<b>4.7%</b>	<b>96.2%</b>
Compensation of employees	57.1	65.1	69.8	43.7	-8.5%	41.7%	47.0	50.5	53.8	7.2%	34.4%
Goods and services <sup>1</sup>	64.8	87.6	64.4	86.3	10.0%	53.7%	79.3	90.4	95.4	3.4%	61.9%
<i>of which:</i>											
<i>Audit costs: External</i>	7.9	6.0	6.3	4.7	-15.6%	4.4%	6.5	5.3	5.6	5.5%	3.9%
<i>Communication</i>	2.7	3.0	5.8	7.3	39.4%	3.3%	2.4	11.6	12.3	18.7%	5.9%
<i>Consultants: Business and advisory services</i>	1.6	1.2	0.9	9.5	79.1%	2.3%	3.1	9.4	9.9	1.7%	5.6%
<i>Infrastructure and planning services</i>	0.0	–	–	14.8	636.5%	2.6%	–	17.4	18.3	7.4%	8.9%
<i>Operating leases</i>	15.3	16.8	15.5	6.0	-26.7%	9.5%	18.0	1.7	1.8	-33.0%	4.9%
<i>Travel and subsistence</i>	6.2	7.0	5.2	7.8	8.0%	4.6%	7.8	8.2	8.6	3.2%	5.7%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.3</b>	<b>0.0</b>	<b>0.2</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Households	0.3	0.0	0.2	–	-100.0%	0.1%	–	–	–	–	–
<b>Payments for capital assets</b>	<b>9.1</b>	<b>6.4</b>	<b>6.1</b>	<b>3.5</b>	<b>-27.0%</b>	<b>4.5%</b>	<b>9.8</b>	<b>3.9</b>	<b>4.1</b>	<b>5.5%</b>	<b>3.8%</b>
Machinery and equipment	9.0	6.4	6.1	3.5	-26.9%	4.5%	9.3	3.9	4.1	5.5%	3.7%
Software and other intangible assets	0.0	–	–	–	-100.0%	–	0.5	–	–	–	0.1%
<b>Total</b>	<b>131.3</b>	<b>159.2</b>	<b>140.5</b>	<b>133.6</b>	<b>0.6%</b>	<b>100.0%</b>	<b>136.1</b>	<b>144.9</b>	<b>153.3</b>	<b>4.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>37.7%</b>	<b>31.5%</b>	<b>23.4%</b>	<b>21.3%</b>	<b>–</b>	<b>–</b>	<b>20.5%</b>	<b>20.6%</b>	<b>20.6%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Socioeconomic Support

### Programme purpose

Develop and monitor the implementation of legislation, policy frameworks and service delivery cooperation agreements on compensation for injury in military service, counselling, education, health care, public transport, pension and housing benefits for military veterans eligible for such support.

### Objectives

- Establish an enabling environment to provide socioeconomic support services to military veterans by:
  - maintaining the credibility and security of the national military veterans' database through consolidating data, updating software and personal files of military veterans on an ongoing basis
  - facilitating access to benefits espoused in section 5 of the Military Veterans Act (2011) for eligible military veterans by 2021/22.
- Advance the delivery of social services to military veterans and their dependants by developing strategic partnerships with other organs of the state and in broader society, where applicable, to ensure that:
  - 1 500 military veterans are provided with newly built houses over the medium term
  - 20 000 military veterans have access to health care services by 2021/22
  - 7 466 eligible military veterans and their dependants across the country are provided with ongoing education support each year over the medium term.
- Provide strategic leadership to the socioeconomic sector by conducting ongoing research on pertinent issues affecting military veterans and developing requisite policies; and implementing norms and standards, strategies, guidelines, and frameworks by 2021/22.

### Subprogrammes

- *Database and Benefits Management* establishes systems for the seamless transition of servicemen and servicewomen from active military service to civilian life. This subprogramme also consolidates and ensures the credibility and security of the national military veterans' database, and exercises oversight on governance obligations and resources allocated to the unit based on the provisions of the Military Veterans Act (2011).
- *Health Care and Wellbeing Support* facilitates the provision of health care services and wellbeing support to military veterans, including initiatives to prevent diseases.

- *Socioeconomic Support Management* develops norms and standards for the provision of education, public transport, pension, housing and social relief of distress for military veterans eligible for such support. This subprogramme also establishes strategic partnerships to advance service delivery, tracks delivery by service providers on agreed targets, ensures continual improvement, and reports on service delivery.

### Expenditure trends and estimates

**Table 19.26 Socioeconomic Support expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Database and Benefits Management	11.7	6.5	5.5	15.6	10.0%	3.7%	14.7	18.1	19.2	7.2%	4.6%
Health Care and Wellbeing Support	67.3	70.5	66.9	80.9	6.3%	26.6%	87.5	91.2	96.4	6.0%	24.2%
Socioeconomic Support Management	57.4	167.0	283.9	240.3	61.2%	69.7%	254.6	268.2	283.2	5.6%	71.2%
<b>Total</b>	<b>136.4</b>	<b>243.9</b>	<b>356.4</b>	<b>336.8</b>	<b>35.1%</b>	<b>100.0%</b>	<b>356.8</b>	<b>377.6</b>	<b>398.8</b>	<b>5.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			-	-	-		
<b>Economic classification</b>											
<b>Current payments</b>	<b>82.5</b>	<b>86.9</b>	<b>83.8</b>	<b>103.3</b>	<b>7.8%</b>	<b>33.2%</b>	<b>110.7</b>	<b>117.5</b>	<b>124.4</b>	<b>6.4%</b>	<b>31.0%</b>
Compensation of employees	19.8	18.6	19.1	40.6	26.9%	9.1%	43.7	47.0	50.1	7.3%	12.3%
Goods and services <sup>1</sup>	62.6	68.3	64.7	62.7	-	24.1%	67.0	70.4	74.3	5.8%	18.7%
of which:											
Catering: Departmental activities	0.2	0.2	0.0	0.9	54.2%	0.1%	0.8	1.0	1.0	5.6%	0.3%
Consultants: Business and advisory services	-	-	-	0.6	-	0.1%	1.1	0.7	0.8	5.4%	0.2%
Contractors	55.6	61.5	55.8	53.7	-1.1%	21.1%	54.5	60.4	63.7	5.9%	15.8%
Travel and subsistence	4.8	3.2	4.6	4.2	-4.1%	1.6%	5.0	4.7	5.0	5.5%	1.3%
Training and development	0.0	0.0	-	1.4	675.8%	0.1%	-	1.0	1.1	-8.0%	0.2%
Venues and facilities	0.0	0.0	0.0	0.4	154.5%	-	0.7	1.0	1.0	36.4%	0.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>53.4</b>	<b>156.9</b>	<b>272.4</b>	<b>230.1</b>	<b>62.7%</b>	<b>66.4%</b>	<b>243.0</b>	<b>256.4</b>	<b>270.5</b>	<b>5.5%</b>	<b>68.0%</b>
Households	53.4	156.9	272.4	230.1	62.7%	66.4%	243.0	256.4	270.5	5.5%	68.0%
<b>Payments for capital assets</b>	<b>0.6</b>	<b>0.1</b>	<b>0.2</b>	<b>3.3</b>	<b>81.6%</b>	<b>0.4%</b>	<b>3.0</b>	<b>3.7</b>	<b>3.9</b>	<b>5.5%</b>	<b>1.0%</b>
Machinery and equipment	0.6	0.1	0.2	0.8	14.6%	0.2%	2.4	0.9	1.0	5.5%	0.3%
Software and other intangible assets	-	-	-	2.5	-	0.2%	0.6	2.8	2.9	5.5%	0.6%
<b>Total</b>	<b>136.4</b>	<b>243.9</b>	<b>356.4</b>	<b>336.8</b>	<b>-</b>	<b>100.0%</b>	<b>356.8</b>	<b>377.6</b>	<b>398.8</b>	<b>-</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>39.2%</b>	<b>48.3%</b>	<b>59.3%</b>	<b>53.7%</b>	<b>-</b>	<b>-</b>	<b>53.8%</b>	<b>53.8%</b>	<b>53.6%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
Households											
<b>Social benefits</b>											
<b>Current</b>	<b>5.2</b>	<b>26.2</b>	<b>26.0</b>	<b>49.9</b>	<b>-</b>	<b>10.0%</b>	<b>51.1</b>	<b>53.9</b>	<b>56.8</b>	<b>-</b>	<b>14.4%</b>
Households	5.2	26.2	26.0	49.9	-	10.0%	51.1	53.9	56.8	-	14.4%
Households											
<b>Other transfers to households</b>											
<b>Current</b>	<b>48.2</b>	<b>130.6</b>	<b>246.4</b>	<b>180.3</b>	<b>-</b>	<b>56.4%</b>	<b>192.0</b>	<b>202.5</b>	<b>213.7</b>	<b>-</b>	<b>53.6%</b>
Households	48.2	130.6	246.4	180.3	-	56.4%	192.0	202.5	213.7	-	53.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Empowerment and Stakeholder Management

### Programme purpose

Manage and facilitate the implementation of military veteran empowerment and stakeholder management programmes.



## Objectives

- Ensure the empowerment of deserving military veterans by:
  - continuing to develop and implement a fully functional special purpose vehicle that will facilitate business opportunities by 2021/22
  - forming partnerships with 12 companies in the private sector and other organs of state, and entering into service level agreements and memorandums of understanding over the medium term
  - monitoring and evaluating the implementation of the agreements and memorandums of understanding to ensure that support is provided annually
  - providing 18 000 military veterans with access to relevant training and skills development, and concluding 12 formal agreements with institutions of higher learning for the provision of skills development over the medium term
  - facilitating the association of military veterans with the international community through the establishment of relevant exchange programmes by 2021/22
  - facilitating the integration of military veterans into the national workforce on an ongoing basis.

## Subprogrammes

- *Provincial Offices and Stakeholder Relations* facilitates and coordinates military veteran stakeholder institutions and provides administrative support to secure stakeholders from public and private institutions willing to contribute towards the wellbeing of military veterans.
- *Empowerment and Skills Development* provides skills programmes and related activities to ensure that military veterans contribute positively to mainstream economic activities.
- *Heritage, Memorials, Burials and Honours* provides services to honour the contributions made by military veterans in the struggle for democracy; and ensures that their memorials are adequately secured, articulated in a dignified manner and captured in historical texts.

## Expenditure trends and estimates

**Table 19.27 Empowerment and Stakeholder Management expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Provincial Offices and Stakeholder Relations	38.8	32.3	34.3	59.6	15.4%	37.2%	63.4	67.5	71.6	6.3%	37.6%
Empowerment and Skills Development	29.3	34.3	42.3	77.7	38.3%	41.4%	80.7	84.9	91.8	5.7%	48.0%
Heritage, Memorials, Burials and Honours	12.1	34.9	27.9	19.5	17.2%	21.3%	25.7	26.9	28.2	13.1%	14.4%
<b>Total</b>	<b>80.2</b>	<b>101.5</b>	<b>104.5</b>	<b>156.8</b>	<b>25.0%</b>	<b>100.0%</b>	<b>169.7</b>	<b>179.3</b>	<b>191.6</b>	<b>6.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(6.0)			(2.0)	(1.8)	-		
<b>Economic classification</b>											
<b>Current payments</b>	<b>75.8</b>	<b>87.3</b>	<b>98.5</b>	<b>152.7</b>	<b>26.3%</b>	<b>93.5%</b>	<b>156.0</b>	<b>165.8</b>	<b>182.8</b>	<b>6.2%</b>	<b>94.3%</b>
Compensation of employees	23.7	24.8	27.4	38.0	17.1%	25.7%	40.8	43.9	46.7	7.1%	24.3%
Goods and services <sup>1</sup>	52.2	62.5	71.1	114.7	30.0%	67.8%	115.2	121.9	136.0	5.8%	70.0%
of which:											
Minor assets	0.4	0.2	0.0	3.8	121.9%	1.0%	1.5	4.3	4.5	5.5%	2.0%
Catering: Departmental activities	1.0	1.0	0.3	3.7	52.5%	1.4%	1.8	4.1	4.3	5.5%	2.0%
Agency and support/outsourced services	0.4	0.7	4.2	0.1	-28.3%	1.2%	5.2	0.2	5.2	232.9%	1.5%
Travel and subsistence	26.3	31.0	33.7	38.2	13.3%	29.2%	45.2	47.4	52.0	10.8%	26.2%
Training and development	15.9	23.3	21.9	55.1	51.3%	26.2%	47.6	50.9	54.1	-0.6%	29.8%
Venues and facilities	3.5	1.4	7.0	7.3	28.0%	4.3%	7.1	8.1	8.6	5.5%	4.5%

**Table 19.27 Empowerment and Stakeholder Management expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
<b>Transfers and subsidies<sup>1</sup></b>	<b>3.9</b>	<b>9.2</b>	<b>5.7</b>	<b>4.0</b>	<b>1.1%</b>	<b>5.2%</b>	<b>4.2</b>	<b>4.5</b>	<b>4.7</b>	<b>5.5%</b>	<b>2.5%</b>
Households	3.9	9.2	5.7	4.0	1.1%	5.2%	4.2	4.5	4.7	5.5%	2.5%
<b>Payments for capital assets</b>	<b>0.5</b>	<b>5.0</b>	<b>0.3</b>	<b>0.0</b>	<b>-68.9%</b>	<b>1.3%</b>	<b>9.5</b>	<b>9.1</b>	<b>4.1</b>	<b>547.7%</b>	<b>3.2%</b>
Machinery and equipment	0.5	0.7	0.3	0.0	-68.9%	0.3%	4.5	4.1	4.1	547.7%	1.8%
Heritage assets	–	4.3	–	–	–	1.0%	5.0	5.0	–	–	1.4%
<b>Total</b>	<b>80.2</b>	<b>101.5</b>	<b>104.5</b>	<b>156.8</b>	<b>–</b>	<b>100.0%</b>	<b>169.7</b>	<b>179.3</b>	<b>191.6</b>	<b>–</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>23.1%</b>	<b>20.1%</b>	<b>17.4%</b>	<b>25.0%</b>	<b>–</b>	<b>–</b>	<b>25.6%</b>	<b>25.6%</b>	<b>25.8%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entity

### Armaments Corporation of South Africa

#### Mandate

The Armaments Corporation of South Africa derives its mandate from the Armscor Act (2003). Its mission is to meet the acquisition, maintenance and disposal needs of the Department of Defence and other clients in terms of defence matériel and related products and services. The corporation maintains strategic capabilities and technologies, and promotes the local defence-related industry, ensuring that the South African National Defence Force receives quality equipment to carry out its mandate.

#### Selected performance indicators

**Table 19.28 Armaments Corporation of South Africa performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of capital requirements from the Department of Defence converted into orders placed per year	Management of defence matériel acquisition	Outcome 3: All people in South Africa are and feel safe	100% (R1.8bn/ R1.8bn)	100% (R597.9m/ R597.9m)	100% (R1.9bn/ R1.9bn)	95% <sup>1</sup>	95% <sup>1</sup>	95% <sup>1</sup>	95% <sup>1</sup>
Percentage of technology requirements executed per year	Management of strategic facilities: Research and development		99.6% (R223.2m/ R224.1m)	96.7% (R219.7m/ R227.3m)	97.2% (R288m/ R296.4m)	95% <sup>1</sup>	95% <sup>1</sup>	95% <sup>1</sup>	95% <sup>1</sup>
Defence industrial participation credits <sup>2</sup> awarded in terms of contractually agreed milestones per year	Management of defence matériel acquisition		R103.8m	R135.5m	R157m	R51.7m	R80.4m <sup>3</sup>	R98.4m <sup>3</sup>	R101.5m <sup>3</sup>

- The corporation cannot project rand values as it is dependent on capital requirements from the Department of Defence. Performance targets are maintained at the same level to align with available budgets.
- Defence industrial participation credits are contracted with foreign suppliers who have been awarded defence contracts to reciprocate defence business in South Africa. This creates a quantified monetary obligation on the foreign party. In the execution of the contract, and subject to the foreign supplier meeting the defence industrial participation requirements, credits are awarded that reduce the liability.
- The 2019 MTEF targets are lower compared to the historical outcome due to the tapering down of most current defence industrial participation agreements based on the contractually agreed milestones of applicable contracts.

#### Expenditure analysis

The Armaments Corporation of South Africa aims to adopt procurement approaches that stimulate the domestic defence industry and job creation through greater investment in research and development. The corporation's focus over the medium term will be on meeting defence matériel requirements and those of the department in technology, research, development analysis, tests and evaluation; improving internal systems and processes; providing support to the local defence industry; and improving revenue generation.

In striving to achieve its strategic goals, the corporation expects to fill only critical vacancies over the medium term, particularly those that would contribute to increased revenue generation in the *management of strategic*

*facilities: research and development* programme. To contain costs over the period ahead, expiring fixed-term contracts for employees, particularly at the Armscor Dockyard, will not be renewed. The corporation's budget for compensation of employees is expected to increase marginally, from R1.25 billion in 2018/19 to R1.32 billion in 2021/22, to improve conditions of service. Personnel headcount is expected to stabilise at 1 705 over the medium term.

Improvements in internal controls over the medium term are expected to ensure adherence and compliance to procurement regulations, resulting in the acquisition of economically efficient capital assets. As a result, the percentage of the department's capital requirements converted into orders placed is expected to be maintained at 95 per cent over the period ahead. The corporation plans to spend R407.8 million over the MTEF period on activities to improve compliance with procurement regulations, which is provided for in the *management of defence matériel acquisition* programme.

The corporation plans to continue providing support to the South African defence industry over the medium term. This involves facilitating participation in international defence exhibitions, promoting the industry, and managing requests from the private sector to use South African National Defence Force equipment, personnel and facilities for marketing purposes. It is expected that R85.1 million will be spent on these activities over the medium term in the *management of strategic facilities: research and development* programme.

Over the MTEF period, the corporation will provide services for operational research and comprehensive testing, and the evaluation of defence systems and capabilities in the military and civilian environments. The corporation intends to acquire the latest technologies to fulfil its mandate effectively and efficiently. Over the period ahead, the execution of technology requirements to achieve agreed contractual milestones will be maintained at 95 per cent. Spending on these activities is projected to be R984.1 million over the medium term in the *management of strategic facilities: research and development* programme.

Transfers from the department account for 69.5 per cent (R4.6 billion) of the corporation's total projected revenue over the medium term. These transfers, however, do not cover the corporation's operational costs, which, along with expenses related to administration, training, the maintenance of buildings, and other goods and services, are covered with interest earned from investments. The aim of the corporation's 2016 turnaround strategy is to transform it into a self-sustaining organisation. To achieve this, the corporation will continue to diversify its revenue sources through the commercialisation of intellectual property and strategic facilities, and the brokering of defence-sector deals in Africa. In 2017/18, new revenue streams assisted the corporation in achieving a surplus of R1.7 million, instead of a budgeted deficit of R25.5 million.

Cabinet has approved budget reductions of R29.9 million in 2019/20, R31.6 million in 2020/21 and R34.8 million in departmental transfers. These reductions are implemented on goods and services, and spending on compensation of employees. Accordingly, a freeze on salary increases for senior management staff earning more than R1.5 million per year and a 2.8 per cent increase for senior managers earning between R1 million and R1.49 million per year have been effected. To mitigate the impact of budget reductions, the corporation expects to increase its own revenue generation, in line with its turnaround strategy, and continue to freeze all non-critical vacancies. Nevertheless, transfers from the department increase at an annual average rate of 5.2 per cent, from R1.5 billion in 2018/19 to R1.6 billion in 2021/22.

## Programmes/Objectives/Activities

Table 19.29 Armaments Corporation of South Africa expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
Administration	392.0	423.0	439.9	504.3	8.8%	24.1%	832.3	885.8	931.8	22.7%	35.8%
Quality assurance	118.5	101.9	108.6	122.5	1.1%	6.2%	110.3	118.2	126.6	1.1%	5.5%
Management of defence matériel acquisition	328.3	337.1	359.1	405.8	7.3%	19.6%	324.5	347.3	372.0	-2.9%	16.6%
Logistics support	217.7	215.5	228.4	276.3	8.3%	12.9%	218.5	230.1	247.3	-3.6%	11.1%
Management of strategic facilities: Armscor Dockyard	250.9	250.5	266.9	302.2	6.4%	14.7%	299.0	320.1	342.7	4.3%	14.4%
Management of strategic facilities: Research and development	371.0	386.2	411.2	470.0	8.2%	22.5%	307.6	327.5	348.7	-9.5%	16.7%
<b>Total</b>	<b>1 678.3</b>	<b>1 714.2</b>	<b>1 814.1</b>	<b>2 081.1</b>	<b>7.4%</b>	<b>100.0%</b>	<b>2 092.1</b>	<b>2 228.9</b>	<b>2 369.1</b>	<b>4.4%</b>	<b>100.0%</b>

## Statements of historical financial performance

Table 19.30 Armaments Corporation of South Africa statements of historical financial performance

R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)	
	Budget	2015/16	Budget	2016/17	Budget	2017/18	2018/19	2015/16 - 2018/19		
<b>Revenue</b>										
<b>Non-tax revenue</b>		<b>383.4</b>	<b>1 006.7</b>	<b>453.6</b>	<b>545.2</b>	<b>554.3</b>	<b>610.0</b>	<b>681.9</b>	<b>681.9</b>	<b>137.2%</b>
Sale of goods and services other than capital assets		291.3	479.5	353.0	403.3	370.9	467.4	525.5	525.5	121.7%
<i>of which:</i>										
<i>Sales by market establishment</i>		291.3	479.5	353.0	403.3	370.9	467.4	525.5	525.5	121.7%
Other non-tax revenue		92.1	527.2	100.6	141.9	183.4	142.6	156.4	156.4	181.8%
<b>Transfers received</b>		<b>1 025.9</b>	<b>858.7</b>	<b>1 042.1</b>	<b>1 042.1</b>	<b>1 325.4</b>	<b>1 205.8</b>	<b>1 399.3</b>	<b>1 399.3</b>	<b>94.0%</b>
<b>Total revenue</b>		<b>1 409.3</b>	<b>1 878.4</b>	<b>1 495.7</b>	<b>1 587.4</b>	<b>1 879.7</b>	<b>1 815.8</b>	<b>2 081.3</b>	<b>2 081.3</b>	<b>107.2%</b>
<b>Expenses</b>										
<b>Current expenses</b>		<b>1 636.0</b>	<b>1 678.3</b>	<b>1 704.4</b>	<b>1 714.2</b>	<b>1 905.2</b>	<b>1 814.1</b>	<b>2 081.1</b>	<b>2 081.1</b>	<b>99.5%</b>
Compensation of employees		1 029.2	940.1	1 049.0	1 049.0	1 202.5	1 118.0	1 251.9	1 251.9	96.2%
Goods and services		535.5	673.2	576.5	586.3	620.8	610.6	746.8	746.8	105.5%
Depreciation		71.3	64.9	78.9	78.9	81.9	85.6	82.4	82.4	99.1%
<b>Total expenses</b>		<b>1 636.0</b>	<b>1 678.3</b>	<b>1 704.4</b>	<b>1 714.2</b>	<b>1 905.2</b>	<b>1 814.1</b>	<b>2 081.1</b>	<b>2 081.1</b>	<b>99.5%</b>
<b>Surplus/(Deficit)</b>		<b>(227.0)</b>	<b>200.0</b>	<b>(209.0)</b>	<b>(127.0)</b>	<b>(25.0)</b>	<b>2.0</b>	<b>-</b>	<b>-</b>	

## Statements of estimates of financial performance

Table 19.31 Armaments Corporation of South Africa statements of estimates of financial performance

R million	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)		
				2018/19	2015/16 - 2018/19	2019/20			2020/21	2021/22
<b>Revenue</b>										
<b>Non-tax revenue</b>	<b>681.9</b>	<b>-12.2%</b>	<b>38.6%</b>			<b>624.3</b>	<b>655.5</b>	<b>688.3</b>	<b>0.3%</b>	<b>30.5%</b>
Sale of goods and services other than capital assets	525.5	3.1%	25.5%			472.6	496.2	521.0	-0.3%	23.2%
<i>of which:</i>										
<i>Sales by market establishment</i>	525.5	3.1%	25.5%			472.6	496.2	521.0	-0.3%	23.2%
Other non-tax revenue	156.4	-33.3%	13.1%			151.7	159.3	167.3	2.3%	7.3%
<b>Transfers received</b>	<b>1 399.3</b>	<b>17.7%</b>	<b>61.3%</b>			<b>1 468.0</b>	<b>1 543.8</b>	<b>1 627.3</b>	<b>5.2%</b>	<b>69.5%</b>
<b>Total revenue</b>	<b>2 081.3</b>	<b>3.5%</b>	<b>100.0%</b>			<b>2 092.3</b>	<b>2 199.4</b>	<b>2 315.6</b>	<b>3.6%</b>	<b>100.0%</b>
<b>Expenses</b>										
<b>Current expenses</b>	<b>2 081.1</b>	<b>7.4%</b>	<b>100.0%</b>			<b>2 092.1</b>	<b>2 228.9</b>	<b>2 369.1</b>	<b>4.4%</b>	<b>100.0%</b>
Compensation of employees	1 251.9	10.0%	59.7%			1 145.8	1 231.7	1 324.1	1.9%	56.5%
Goods and services	746.8	3.5%	36.0%			854.6	900.9	942.5	8.1%	39.2%
Depreciation	82.4	8.3%	4.3%			91.7	96.3	102.5	7.5%	4.2%
<b>Total expenses</b>	<b>2 081.1</b>	<b>7.4%</b>	<b>100.0%</b>			<b>2 092.1</b>	<b>2 228.9</b>	<b>2 369.1</b>	<b>4.4%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>					<b>-</b>	<b>(30.0)</b>	<b>(53.0)</b>		

## Personnel information

**Table 19.32 Armaments Corporation of South Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number						
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost							
Armaments Corporation of South Africa		1 863	1 863	1 689	1 118.0	0.7	1 863	1 251.9	0.7	1 705	1 145.8	0.7	1 705	1 231.7	0.7	1 705	1 324.1	0.8	1.9%	100.0%
Salary level																				
1 – 6	511	511	357	57.8	0.2	511	107.5	0.2	452	84.8	0.2	452	91.2	0.2	452	98.0	0.2	-3.0%	26.7%	
7 – 10	865	865	822	394.5	0.5	865	473.7	0.5	785	414.8	0.5	785	445.9	0.6	785	479.4	0.6	0.4%	46.1%	
11 – 12	241	241	202	191.7	0.9	241	260.7	1.1	228	234.5	1.0	228	252.1	1.1	228	271.0	1.2	1.3%	13.3%	
13 – 16	240	240	301	451.3	1.5	240	389.6	1.6	234	389.7	1.7	234	418.9	1.8	234	450.3	1.9	4.9%	13.5%	
17 – 22	6	6	7	22.7	3.2	6	20.4	3.4	6	21.9	3.7	6	23.6	3.9	6	25.4	4.2	7.5%	0.3%	

1. Rand million.

## Other entity

Comprehensive coverage of the following public entity is provided with the more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Castle Control Board** preserves and protects the military and cultural heritage of the Castle of Good Hope in Cape Town. The board's total budget for 2019/20 is R8.4 million.

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2018/19	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
<b>Departmental infrastructure</b>										
Upgrade and refurbishment of the South African Military Health Training Centre: Phase 2 (nurses college)	Refurbishment of existing brick and concrete buildings (comprising all structures), replacement of mechanical systems and ground works	Design	1 803.2	–	–	22.7	15.0	5.0	85.7	146.7
Refurbishment of military bases and units	Refurbishment of existing brick and concrete buildings (comprising all structures), replacement of mechanical systems and ground works	Construction	3 257.6	0.7	7.3	169.3	(38.7)	71.6	93.6	127.2
Refurbishment of messes	Refurbishment of existing brick and concrete buildings (comprising all structures), replacement of mechanical systems and ground works, as well as replacement of kitchen equipment	Construction	610.0	0.8	2.7	1.9	22.0	12.4	45.6	47.5
Refurbishment of military hospitals	Refurbishment of existing brick and concrete buildings (comprising all structures), replacement of mechanical systems and ground works	Construction	936.2	24.2	36.8	145.7	209.0	48.1	–	–
Construction of medical facilities	Construction of military base health care centres and support capabilities	Construction	581.0	1.6	0.7	3.6	15.5	26.8	26.3	25.2
Demolition of infrastructure	Demolition of infrastructure	Various	80.3	–	–	–	–	–	–	7.6
Refurbishment of military hospitals	Refurbishment of existing brick and concrete buildings (comprising all structures), replacement of mechanical systems and ground works	Various	77.7	–	3.5	7.5	–	–	–	–
Upgrading of medical health facilities	Construction of examination rooms, operating theatres, administration sections, wards and mechanical systems	Various	199.1	0.8	3.3	10.8	20.1	12.4	9.4	0.4
Upgrading of kitchens	Construction and upgrade of kitchens at military bases (capital projects)	Site identification	550.6	4.9	11.2	89.4	75.0	45.9	22.0	10.8
Refurbishment of military bases and units	Refurbishment of existing brick and concrete buildings (comprising all structures), replacement of mechanical systems and ground works	Various	3 277.5	45.7	63.7	171.6	171.5	83.1	79.8	16.5
Refurbishment of messes	Refurbishment of existing brick and concrete buildings (comprising all structures), replacement of mechanical systems and ground works, as well as replacement of kitchen equipment	Various	91.4	0.5	0.2	1.2	20.9	3.7	0.7	–
Construction of office accommodation	Construction of offices and other facilities to accommodate military personnel and equipment	Various	24.2	0.0	–	–	–	–	–	–
Upgrading of infrastructure for disabled members	Upgrade of buildings and pathways through the construction of ramps, installations of water closets and hand wash basins for members with disabilities	Various	8.9	0.0	0.2	–	–	–	–	–
Resurface of access roads	Resurfacing and tarring of access roads to military facilities	Various	30.3	0.0	0.9	13.8	1.0	–	0.2	1.7

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2018/19	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
Fuel tank and pump	Repairs of fuel spillage at Air Force Base Ysterplaat	Site identification	5.0	0.0	–	–	–	–	–	
Security construction	Protection of state assets through the installation of security fences, gates, burglar bars, lights and monitoring systems	Various	48.0	0.1	0.1	6.4	8.7	2.5	0.7	–
Refurbishment of family and single quarters	Refurbishment of existing brick and concrete buildings (comprising all structures), replacement of mechanical systems and ground works	Various	25.4	0.0	1.4	10.8	1.2	–	0.1	–
Training facilities	Construction and upgrades of training facilities	Various	119.1	–	0.4	0.2	(2.0)	2.0	10.7	9.4
Water and electricity systems	Upgrades of water and electricity supply systems and sewerage reticulation	Various	241.2	3.2	15.0	41.5	14.6	10.8	2.3	3.4
Workshops and stores	Construction of workshops and stores	Various	22.5	–	0.0	–	0.3	0.7	–	–
Fences and gates	Replacement or erection of fences	Various	249.8	–	0.2	0.7	(4.4)	27.2	24.5	2.2
Recoverable projects	Upgrades of buildings in military bases	Various	129.4	–	–	–	–	(0.7)	–	11.3
<b>Total</b>			<b>12 368.2</b>	<b>82.6</b>	<b>147.9</b>	<b>697.3</b>	<b>529.7</b>	<b>351.3</b>	<b>401.6</b>	<b>410.0</b>





# Vote 20

## Independent Police Investigative Directorate

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	107.6	103.7	0.7	3.2	113.4	120.8
Investigation and Information Management	206.0	203.7	0.1	2.2	221.2	234.3
Legal and Investigation Advisory Services	7.5	7.5	–	–	8.0	8.6
Compliance Monitoring and Stakeholder Management	15.6	15.6	–	–	16.7	17.9
<b>Total expenditure estimates</b>	<b>336.7</b>	<b>330.5</b>	<b>0.8</b>	<b>5.4</b>	<b>359.4</b>	<b>381.6</b>

Executive authority

Minister of Police

Accounting officer

Executive Director of the Independent Police Investigative Directorate

Website address

[www.ipid.gov.za](http://www.ipid.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Ensure independent oversight of the South African Police Service and the Municipal Police Services. Conduct independent and impartial investigations of identified criminal offences allegedly committed by members of the South African Police Service and the Municipal Police Services; and make appropriate recommendations.*

### Mandate

The Independent Police Investigative Directorate exercises its functions in accordance with the Independent Police Investigative Directorate Act (2011). The act gives effect to the provisions of section 206(6) of the Constitution, which provides for the establishment of an independent police complaints body that must investigate any alleged misconduct of, or offence committed by, a member of the police service. The thrust of the directorate's work is to investigate serious and priority crimes allegedly committed by members of the South African Police Service and Municipal Police Services.

The Independent Police Investigative Directorate Act (2011), which came into effect on 1 April 2012, grants the directorate an extended mandate and changes the focus of the directorate's work from a complaints driven organisation to one that prioritises the investigative function. The act further places stringent obligations on the South African Police Service and Municipal Police Services to report matters that must be investigated by the directorate, and ensures the implementation of disciplinary recommendations made by the directorate.

## Selected performance indicators

**Table 20.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections <sup>1</sup>		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of cases registered and allocated within 72 hours of written notification per year	Investigation and Information Management	Outcome 3: All people in South Africa are and feel safe	93% (5 126/5 519)	79% (5 543/7 014)	79% (4 445/5 651)	79% <sup>3</sup>	80% <sup>3</sup>	80% <sup>3</sup>	80% <sup>3</sup>
Number of investigations of deaths while in police custody that are decision ready per year <sup>4</sup>	Investigation and Information Management		69% (229/333)	46% <sup>5</sup> (140/302)	72% (145/201)	150	150	150	150
Number of investigations of deaths as a result of police action that are decision ready per year <sup>4</sup>	Investigation and Information Management		66% (470/713)	29% (115/394)	30% (130/436)	130	130	130	130
Number of investigations of rape by a police officer that are decision ready per year <sup>4</sup>	Investigation and Information Management		74% (130/176)	54% (61/112)	66% (69/105)	65	69	69	69
Number of investigations of rape while in police custody that are decision ready per year <sup>4</sup>	Investigation and Information Management		89% (25/28)	25% <sup>5</sup> (5/20)	100% (9/9)	10	10	10	10
Number of investigations of corruption that are decision ready per year <sup>4, 6</sup>	Investigation and Information Management		57% (130/227)	41% <sup>5</sup> (66/160)	45% (56/124)	60	60	60	60
Number of community outreach events conducted per year	Compliance Monitoring and Stakeholder Management		Outcome 12: An efficient, effective and development oriented public service	244	98	127	80 <sup>7</sup>	40 <sup>7</sup>	40 <sup>7</sup>

1. The directorate's performance targets remain constant over the MTEF period to align with the available budget, taking into account previous performance outcomes.
2. Actual performance in 2015/16 was higher than 2016/17 and 2017/18 due to the implementation of various interventions intended to improve performance, such as the filling of critical vacant posts, the establishment of the national specialised investigative team and the deployment of the backlog task team to various provinces.
3. No absolute values are provided as the directorate cannot predict the number of cases it will receive.
4. From 2018/19, these indicators are measured as absolute numbers rather than percentages to reflect performance that is within the directorate's control. The absolute numbers reflect the total number of cases that the directorate will be able to investigate based on past performance, and taking into account the available budget and personnel over the MTEF period.
5. The decreased performance in 2016/17 in relation to the number of deaths and rape while in police custody was due to delays in obtaining technical reports such as postmortem, medical and pathology reports, which serve as key evidence when finalising these investigations.
6. This indicator was previously not reported in the Estimates of National Expenditure, but was included in the directorate's annual performance plan.
7. Decrease in the number of community outreach events in 2018/19 and over the MTEF period reflects alignment with projected performance in relation to available budget and personnel. Over the medium term, 4 outreach events will be conducted in each province and nationally each year, in line with available resources.

## Expenditure analysis

Chapter 12 of the National Development Plan calls for building safer communities in South Africa. This is given expression by outcome 3 (all people in South Africa are and feel safe) of government's 2014-2019 medium-term strategic framework. The work of the Independent Police Investigative Directorate is directly aligned with this outcome as the directorate seeks to ensure that all people in South Africa live safely in a society free of

corruption, and with an independent and fair criminal justice system. Over the medium term, the directorate will focus on investigating serious and priority crimes outlined in section 28 of the Independent Police Investigative Directorate Act (2011), and providing the necessary tools of trade for investigators through the strategic reprioritisation of funds.

Compensation of employees is the directorate's largest cost driver, accounting for a projected 67.2 per cent (R935.3 million) of its total budget over the MTEF period. Spending on compensation of employees is expected to increase at an average annual rate of 10 per cent, from R197.4 million in 2018/19 to R262.6 million in 2021/22. This increase is due to cost of living adjustments and the filling of 11 funded vacant posts for investigators by the end of 2018/19, increasing the number of investigators to 171 and the number of personnel to 428 in 2018/19. This number is expected to remain constant over the MTEF period to remain within government's expenditure ceiling for compensation of employees.

### ***Investigating serious and priority crimes***

Serious and priority crimes include, but are not limited to, corruption, systemic corruption, death as a result of police action, death while in police custody, rape by a police officer whether on or off duty, and rape while in police custody. The need for improved oversight by the directorate of the South African Police Service was underscored by the increase in cases of corruption reported to the directorate between 2015/16 and 2017/18. During this period, the directorate received 511 cases of corruption for investigation, of which 252 were decision ready by the end of 2017/18 and handed over to the South African Police Service and the National Prosecuting Authority for action. Based on past average performance, over the medium term, the directorate expects to have 180 investigated cases of corruption decision ready.

Investigations of senior police officials are often met with resistance, including counter-litigation, which increases the directorate's legal costs and places pressure on its operational capacity. Due to limited personnel capacity in the *Legal and Investigation Advisory Services* programme, the directorate makes use of private attorneys to assist with all litigation cases. As a result, and due to the volume of cases being investigated, the directorate's overall expenditure on legal services in the *Investigation and Information Management* programme is expected to increase at an average annual rate of 2.1 per cent, from R5 million in 2018/19 to R5.3 million in 2021/22.

In 2017/18, deaths in police custody and as a result of police action constituted 11.3 per cent (637 out of 5 651) of the total number of cases reported to the directorate. Of these, 275 were decision ready and forwarded to the National Prosecuting Authority and the South African Police Service for processing. Over the medium term, the directorate plans to ensure that at least 450 cases of deaths while in police custody and 390 cases of deaths as a result of police action are decision ready. To achieve these targets, the directorate will strengthen its investigative capacity by filling all 11 vacant funded investigator positions in the *Investigation and Information Management* programme by the end of 2018/19, resulting in an increase of 9.3 per cent (R588.5 million) in spending on compensation of employees in the programme over the MTEF period.

### ***Providing the necessary tools of trade***

Over the MTEF period, the directorate will continue to strengthen its capacity to investigate cases of serious and priority crimes allegedly committed by members of the police service. To this end, the directorate will ensure that investigators have the necessary tools of trade to effectively perform their duties by procuring investigative and transport equipment.

In this regard, the directorate has reprioritised R8.2 million over the MTEF period from spending on travel and subsistence, and other machinery and equipment in the *Administration* programme to spending on minor assets and transport equipment in the *Investigation and Information Management* programme. This will enable the procurement of 30 vehicles and investigation equipment (specialised cameras and recording equipment) over the period ahead. Procuring vehicles rather than renting them is expected to result in cost efficiencies on fuel and maintenance, and yield projected savings of R2.9 million over the MTEF period.

The reprioritised funds are derived from the closing down of 5 satellite offices, in Eastern Cape, Northern Cape,

Free State, KwaZulu-Natal and North West, as the directorate could no longer sustain their operational costs. 15 personnel who were located in these offices were redeployed to the respective provincial offices. As such, performance targets for all cases related to investigation remain constant over the medium term.

## Expenditure trends

**Table 20.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Investigation and Information Management														
3. Legal and Investigation Advisory Services														
4. Compliance Monitoring and Stakeholder Management														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16	2018/19
Programme 1	74.2	74.0	71.6	74.4	73.3	72.4	83.1	83.0	80.5	104.6	102.4	102.4	97.2%	98.2%
Programme 2	150.8	150.8	152.6	157.1	154.6	155.5	155.0	155.4	159.7	187.2	194.5	194.5	101.9%	101.1%
Programme 3	5.1	5.5	5.7	5.7	5.5	5.2	6.2	5.6	4.7	7.3	5.8	5.8	88.5%	96.4%
Programme 4	4.6	4.5	4.2	8.9	8.7	8.6	11.1	11.4	10.4	16.0	12.4	12.4	87.6%	96.3%
<b>Total</b>	<b>234.8</b>	<b>234.8</b>	<b>234.2</b>	<b>246.1</b>	<b>242.1</b>	<b>241.7</b>	<b>255.5</b>	<b>255.5</b>	<b>255.3</b>	<b>315.1</b>	<b>315.1</b>	<b>315.1</b>	<b>99.5%</b>	<b>99.9%</b>
Change to 2018 Budget estimate														
Economic classification														
<b>Current payments</b>	<b>234.4</b>	<b>231.9</b>	<b>231.2</b>	<b>244.7</b>	<b>241.4</b>	<b>239.9</b>	<b>254.7</b>	<b>254.4</b>	<b>254.1</b>	<b>310.0</b>	<b>306.7</b>	<b>306.7</b>	<b>98.9%</b>	<b>99.8%</b>
Compensation of employees	169.8	159.6	149.6	178.5	169.6	169.2	186.2	176.9	168.8	212.3	197.4	197.4	91.7%	97.4%
Goods and services	64.6	72.3	81.6	66.3	71.8	70.7	68.5	77.5	85.3	97.7	109.4	109.4	116.8%	104.9%
<b>Transfers and subsidies</b>	<b>0.4</b>	<b>0.5</b>	<b>0.6</b>	<b>0.5</b>	<b>0.6</b>	<b>1.4</b>	<b>0.6</b>	<b>1.1</b>	<b>1.1</b>	<b>0.6</b>	<b>0.8</b>	<b>0.8</b>	<b>182.3%</b>	<b>130.9%</b>
Departmental agencies and accounts	0.4	0.4	0.4	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.7	0.7	100.7%	99.7%
Households	–	0.2	0.3	–	0.1	0.9	–	0.5	0.5	–	0.1	0.1	–	213.2%
<b>Payments for capital assets</b>	<b>–</b>	<b>2.4</b>	<b>2.4</b>	<b>0.8</b>	<b>0.2</b>	<b>0.3</b>	<b>0.2</b>	<b>–</b>	<b>0.1</b>	<b>4.5</b>	<b>7.6</b>	<b>7.6</b>	<b>187.4%</b>	<b>102.5%</b>
Machinery and equipment	–	2.4	2.4	0.8	0.2	0.3	0.2	–	0.1	4.5	7.6	7.6	187.4%	102.5%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>0.0</b>	<b>–</b>	<b>–</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>0.0</b>	<b>0.0</b>	<b>–</b>	<b>3 300.0%</b>
<b>Total</b>	<b>234.8</b>	<b>234.8</b>	<b>234.2</b>	<b>246.1</b>	<b>242.1</b>	<b>241.7</b>	<b>255.5</b>	<b>255.5</b>	<b>255.3</b>	<b>315.1</b>	<b>315.1</b>	<b>315.1</b>	<b>99.5%</b>	<b>99.9%</b>

## Expenditure estimates

**Table 20.3 Vote expenditure estimates by programme and economic classification**

Programmes								
1. Administration								
2. Investigation and Information Management								
3. Legal and Investigation Advisory Services								
4. Compliance Monitoring and Stakeholder Management								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2018/19	2015/16 - 2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Programme 1	102.4	11.4%	31.2%	107.6	113.4	120.8	5.7%	31.9%
Programme 2	194.5	8.8%	63.3%	206.0	221.2	234.3	6.4%	61.5%
Programme 3	5.8	1.9%	2.1%	7.5	8.0	8.6	14.1%	2.2%
Programme 4	12.4	40.5%	3.4%	15.6	16.7	17.9	12.9%	4.5%
<b>Total</b>	<b>315.1</b>	<b>10.3%</b>	<b>100.0%</b>	<b>336.7</b>	<b>359.4</b>	<b>381.6</b>	<b>6.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate								

**Table 20.3 Vote expenditure estimates by programme and economic classification**

Economic classification	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million								
<b>Current payments</b>	<b>306.7</b>	<b>9.8%</b>	<b>98.6%</b>	<b>330.5</b>	<b>353.1</b>	<b>375.1</b>	<b>6.9%</b>	<b>98.0%</b>
Compensation of employees	197.4	7.3%	65.5%	228.8	246.5	262.6	10.0%	67.2%
Goods and services	109.4	14.8%	33.2%	101.7	106.5	112.5	0.9%	30.9%
<b>Transfers and subsidies</b>	<b>0.8</b>	<b>13.7%</b>	<b>0.4%</b>	<b>0.8</b>	<b>0.8</b>	<b>0.9</b>	<b>4.2%</b>	<b>0.2%</b>
Departmental agencies and accounts	0.7	23.9%	0.2%	0.8	0.8	0.9	7.7%	0.2%
Households	0.1	-22.7%	0.2%	-	-	-	-100.0%	0.0%
<b>Payments for capital assets</b>	<b>7.6</b>	<b>47.5%</b>	<b>1.0%</b>	<b>5.4</b>	<b>5.5</b>	<b>5.7</b>	<b>-9.3%</b>	<b>1.7%</b>
Machinery and equipment	7.6	47.5%	1.0%	5.4	5.5	5.7	-9.3%	1.7%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.0%</b>
<b>Total</b>	<b>315.1</b>	<b>10.3%</b>	<b>100.0%</b>	<b>336.7</b>	<b>359.4</b>	<b>381.6</b>	<b>6.6%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 20.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
Compensation of employees	149 559	169 177	168 761	197 373	9.7%	65.5%	228 759	246 546	262 573	10.0%	67.2%
Travel and subsistence	22 778	19 087	10 560	16 406	-10.4%	6.6%	11 979	12 812	13 564	-6.1%	3.9%
Operating leases	20 400	13 243	26 308	29 369	12.9%	8.5%	30 498	31 637	33 363	4.3%	9.0%
Property payments	9 560	10 129	14 586	17 528	22.4%	5.0%	18 643	19 278	20 112	4.7%	5.4%
<b>Total</b>	<b>202 297</b>	<b>211 636</b>	<b>220 215</b>	<b>260 676</b>	<b>8.8%</b>	<b>85.5%</b>	<b>289 879</b>	<b>310 273</b>	<b>329 612</b>	<b>8.1%</b>	<b>85.5%</b>

## Goods and services expenditure trends and estimates

**Table 20.5 Vote goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
Administrative fees	661	757	357	484	-9.9%	0.7%	506	544	588	6.7%	0.5%
Advertising	520	231	412	469	-3.4%	0.5%	467	495	524	3.8%	0.5%
Minor assets	985	156	10	3 982	59.3%	1.5%	1 299	1 339	1 400	-29.4%	1.9%
Audit costs: External	3 396	2 174	5 172	5 000	13.8%	4.5%	3 393	3 443	3 630	-10.1%	3.6%
Bursaries: Employees	125	155	76	348	40.7%	0.2%	298	324	342	-0.6%	0.3%
Catering: Departmental activities	220	199	74	136	-14.8%	0.2%	158	167	180	9.8%	0.1%
Communication	3 919	5 251	4 375	4 392	3.9%	5.2%	4 344	4 530	4 671	2.1%	4.2%
Computer services	5 637	8 856	8 733	9 780	20.2%	9.5%	8 581	9 158	9 780	-	8.7%
Consultants: Business and advisory services	507	330	337	381	-9.1%	0.4%	499	501	526	11.3%	0.4%
Legal services	1 471	1 016	5 198	5 000	50.4%	3.7%	5 065	5 194	5 328	2.1%	4.8%
Science and technological services	829	-	-	-	-100.0%	0.2%	-	-	-	-	-
Contractors	322	494	248	2 130	87.7%	0.9%	322	339	357	-44.9%	0.7%
Agency and support/outsourced services	44	-	60	90	26.9%	0.1%	30	42	47	-19.5%	-
Fleet services (including government motor transport)	5 726	4 461	5 605	8 437	13.8%	7.0%	9 190	9 899	10 504	7.6%	8.8%
Consumable supplies	839	552	240	288	-30.0%	0.6%	265	290	318	3.4%	0.3%
Consumables: Stationery, printing and office supplies	1 419	757	1 126	1 844	9.1%	1.5%	2 249	2 395	2 500	10.7%	2.1%
Operating leases	20 400	13 243	26 308	29 369	12.9%	25.7%	30 498	31 637	33 363	4.3%	29.0%
Property payments	9 560	10 129	14 586	17 528	22.4%	14.9%	18 643	19 278	20 112	4.7%	17.6%
Travel and subsistence	22 778	19 087	10 560	16 406	-10.4%	19.8%	11 979	12 812	13 564	-6.1%	12.7%
Training and development	524	657	860	1 956	55.1%	1.2%	2 403	2 534	2 960	14.8%	2.3%
Operating payments	1 722	1 804	996	1 354	-7.7%	1.7%	1 557	1 590	1 804	10.0%	1.5%
Venues and facilities	13	421	-	-	-100.0%	0.1%	-	-	-	-	-
<b>Total</b>	<b>81 617</b>	<b>70 730</b>	<b>85 333</b>	<b>109 374</b>	<b>10.2%</b>	<b>100.0%</b>	<b>101 746</b>	<b>106 511</b>	<b>112 498</b>	<b>0.9%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 20.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21			2021/22
<b>Households</b>												
<b>Social benefits</b>												
Current	79	19	–	–	-100.0%	2.5%	–	–	–	–	–	–
Employee social benefits	79	19	–	–	-100.0%	2.5%	–	–	–	–	–	–
<b>Departmental agencies and accounts</b>												
<b>Departmental agencies (non-business entities)</b>												
Current	365	549	568	705	24.5%	55.2%	776	832	881	7.7%	97.8%	
Safety and Security Sector Education and Training Authority	364	537	558	637	20.5%	52.9%	686	740	787	7.3%	87.2%	
Communication	1	12	10	68	308.2%	2.3%	90	92	94	11.4%	10.5%	
<b>Households</b>												
<b>Other transfers to households</b>												
Current	179	876	546	73	-25.8%	42.3%	–	–	–	-100.0%	2.2%	
Employee social benefits	111	308	274	4	-67.0%	17.6%	–	–	–	-100.0%	0.1%	
Claims against the state	68	568	272	69	0.5%	24.7%	–	–	–	-100.0%	2.1%	
<b>Total</b>	<b>623</b>	<b>1 444</b>	<b>1 114</b>	<b>778</b>	<b>7.7%</b>	<b>100.0%</b>	<b>776</b>	<b>832</b>	<b>881</b>	<b>4.2%</b>	<b>100.0%</b>	

## Personnel information

Table 20.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes																			
1. Administration																			
2. Investigation and Information Management																			
3. Legal and Investigation Advisory Services																			
4. Compliance Monitoring and Stakeholder Management																			
Number of posts estimated for 31 March 2019	Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment															Number			
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18		2018/19		2019/20		2020/21		2021/22								
Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
<b>Independent Police Investigative Directorate</b>																			
Salary level	415	12	359	168.8	0.5	428	197.4	0.5	428	228.8	0.5	428	246.5	0.6	428	262.6	0.6	–	100.0%
1 – 6	90	12	85	21.2	0.2	106	25.6	0.2	106	29.0	0.3	106	31.3	0.3	106	33.5	0.3	–	24.8%
7 – 10	242	–	208	90.3	0.4	242	105.2	0.4	242	123.3	0.5	242	133.4	0.6	242	142.1	0.6	–	56.5%
11 – 12	43	–	38	25.3	0.7	41	27.6	0.7	41	32.1	0.8	41	34.3	0.8	41	36.5	0.9	–	9.6%
13 – 16	40	–	28	32.0	1.1	39	39.0	1.0	39	44.4	1.1	39	47.6	1.2	39	50.5	1.3	–	9.1%
<b>Programme</b>	<b>415</b>	<b>12</b>	<b>359</b>	<b>168.8</b>	<b>0.5</b>	<b>428</b>	<b>197.4</b>	<b>0.5</b>	<b>428</b>	<b>228.8</b>	<b>0.5</b>	<b>428</b>	<b>246.5</b>	<b>0.6</b>	<b>428</b>	<b>262.6</b>	<b>0.6</b>	<b>–</b>	<b>100.0%</b>
Programme 1	119	5	97	43.2	0.4	123	55.1	0.4	123	65.7	0.5	123	69.6	0.6	123	74.7	0.6	–	28.7%
Programme 2	266	7	244	113.9	0.5	276	126.0	0.5	276	142.8	0.5	276	155.2	0.6	276	164.5	0.6	–	64.5%
Programme 3	8	–	5	3.1	0.6	8	5.2	0.7	8	6.9	0.9	8	7.4	0.9	8	7.9	1.0	–	1.9%
Programme 4	22	–	13	8.5	0.7	21	11.0	0.5	21	13.4	0.6	21	14.4	0.7	21	15.4	0.7	–	4.9%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

Table 20.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>161</b>	<b>285</b>	<b>259</b>	<b>291</b>	<b>291</b>	<b>21.8%</b>	<b>100.0%</b>	<b>221</b>	<b>226</b>	<b>231</b>	<b>-7.4%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>90</b>	<b>98</b>	<b>108</b>	<b>112</b>	<b>112</b>	<b>7.6%</b>	<b>41.0%</b>	<b>113</b>	<b>115</b>	<b>117</b>	<b>1.5%</b>	<b>47.2%</b>
Sales by market establishments	2	–	–	–	–	-100.0%	0.2%	–	–	–	–	–
of which:												
Market establishment: Rental parking: Covered and open	2	–	–	–	–	-100.0%	0.2%	–	–	–	–	–

Table 20.8 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)	
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21			2021/22
R thousand													
Administrative fees	88	3	3	3	3	-67.6%	9.7%	4	5	6	26.0%	1.9%	
of which:													
Request information: Promotion of Access to Information Act (2000)	88	3	2	3	3	-67.6%	9.6%	3	4	5	18.6%	1.5%	
Request information: Duplicate certificate	-	-	1	-	-	-	0.1%	1	1	1	-	0.3%	
Other sales	-	95	105	109	109	-	31.0%	109	110	111	0.6%	45.3%	
of which:													
Service rendered: Commission insurance and garnishees	-	92	100	107	107	-	30.0%	108	109	110	0.9%	44.8%	
Sales: Tender documents	-	3	5	2	2	-	1.0%	1	1	1	-20.6%	0.5%	
Sales of scrap, waste, arms and other used current goods	-	-	-	46	46	-	4.6%	1	1	1	-72.1%	5.1%	
of which:													
Sales: Scrap	-	-	-	46	46	-	4.6%	1	1	1	-72.1%	5.1%	
Interest, dividends and rent on land	7	11	12	12	12	19.7%	4.2%	14	15	16	10.1%	5.9%	
Interest	7	11	12	12	12	19.7%	4.2%	14	15	16	10.1%	5.9%	
Transactions in financial assets and liabilities	64	176	139	121	121	23.7%	50.2%	93	95	97	-7.1%	41.9%	
<b>Total</b>	<b>161</b>	<b>285</b>	<b>259</b>	<b>291</b>	<b>291</b>	<b>21.8%</b>	<b>100.0%</b>	<b>221</b>	<b>226</b>	<b>231</b>	<b>-7.4%</b>	<b>100.0%</b>	

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

Table 20.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21			2021/22	2018/19 - 2021/22
R million													
Department Management	11.0	13.2	12.4	18.3	18.4%	16.8%	22.7	23.4	25.3	11.5%	20.2%		
Corporate Services	29.9	27.4	33.8	44.1	13.8%	41.3%	42.0	44.4	47.0	2.2%	39.9%		
Office Accommodation	10.6	11.2	11.8	12.5	5.4%	14.1%	13.1	13.9	14.6	5.5%	12.2%		
Internal Audit	3.6	3.9	3.9	4.8	9.8%	5.0%	5.1	5.4	5.8	6.6%	4.7%		
Finance Services	16.4	16.7	18.7	22.9	11.7%	22.8%	24.7	26.4	28.0	7.0%	23.0%		
<b>Total</b>	<b>71.6</b>	<b>72.4</b>	<b>80.5</b>	<b>102.4</b>	<b>12.7%</b>	<b>100.0%</b>	<b>107.6</b>	<b>113.4</b>	<b>120.8</b>	<b>5.7%</b>	<b>100.0%</b>		
Change to 2018 Budget estimate				-			(4.1)	(5.7)	(5.6)				
<b>Economic classification</b>	<b>70.5</b>	<b>71.4</b>	<b>80.0</b>	<b>97.3</b>	<b>11.4%</b>	<b>97.6%</b>	<b>103.7</b>	<b>109.5</b>	<b>116.9</b>	<b>6.3%</b>	<b>96.2%</b>		
<b>Current payments</b>													
Compensation of employees	40.3	45.1	43.2	55.1	11.0%	56.2%	65.7	69.6	74.7	10.7%	59.7%		
Goods and services <sup>1</sup>	30.2	26.3	36.8	42.2	11.8%	41.4%	38.0	39.9	42.1	-	36.5%		
of which:													
Audit costs: External	3.4	2.2	5.2	5.0	13.8%	4.8%	3.4	3.4	3.6	-10.1%	3.5%		
Communication	1.8	1.5	1.2	1.4	-8.2%	1.8%	1.5	1.5	1.6	4.9%	1.4%		
Computer services	2.8	3.4	4.6	6.9	34.1%	5.4%	5.6	5.9	6.2	-3.3%	5.5%		
Operating leases	12.2	9.7	14.3	14.1	5.0%	15.4%	16.1	16.9	17.9	8.1%	14.6%		
Property payments	4.1	4.4	6.5	6.7	17.4%	6.6%	4.0	4.3	4.5	-12.3%	4.4%		
Travel and subsistence	3.0	2.5	1.6	2.0	-13.0%	2.7%	2.2	2.3	2.2	4.3%	1.9%		
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.5</b>	<b>0.8</b>	<b>0.6</b>	<b>0.6</b>	<b>12.1%</b>	<b>0.8%</b>	<b>0.7</b>	<b>0.7</b>	<b>0.8</b>	<b>7.1%</b>	<b>0.6%</b>		
Departmental agencies and accounts	0.4	0.5	0.6	0.6	20.6%	0.6%	0.7	0.7	0.8	7.3%	0.6%		
Households	0.1	0.3	-	0.0	-64.8%	0.1%	-	-	-	-100.0%	-		
<b>Payments for capital assets</b>	<b>0.7</b>	<b>0.1</b>	<b>0.0</b>	<b>4.5</b>	<b>90.4%</b>	<b>1.6%</b>	<b>3.2</b>	<b>3.2</b>	<b>3.2</b>	<b>-11.0%</b>	<b>3.2%</b>		
Machinery and equipment	0.7	0.1	0.0	4.5	90.4%	1.6%	3.2	3.2	3.2	-11.0%	3.2%		
Payments for financial assets	0.0	0.0	-	-	-100.0%	-	-	-	-	-	-	-	
<b>Total</b>	<b>71.6</b>	<b>72.4</b>	<b>80.5</b>	<b>102.4</b>	<b>12.7%</b>	<b>100.0%</b>	<b>107.6</b>	<b>113.4</b>	<b>120.8</b>	<b>5.7%</b>	<b>100.0%</b>		
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>30.6%</b>	<b>29.9%</b>	<b>31.5%</b>	<b>32.5%</b>	<b>-</b>	<b>-</b>	<b>32.0%</b>	<b>31.6%</b>	<b>31.7%</b>	<b>-</b>	<b>-</b>		

**Table 20.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2015/16	2016/17	2017/18		2018/19	Average: Expenditure/ Total (%)		2019/20	2020/21	2021/22	Average: Expenditure/ Total (%)	
						2015/16 - 2018/19	2018/19 - 2021/22				2018/19 - 2021/22	
R million												
<b>Departmental agencies and accounts</b>												
<b>Departmental agencies (non-business entities)</b>												
Current	0.4	0.5	0.6	0.6	20.5%	0.6%	0.7	0.7	0.8	7.3%	0.6%	
Safety and Security Sector	0.4	0.5	0.6	0.6	20.5%	0.6%	0.7	0.7	0.8	7.3%	0.6%	
Education and Training Authority												

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Investigation and Information Management

### Programme purpose

Coordinate and facilitate the directorate's investigation processes through the development of policy and strategic frameworks that guide and report on investigations.

### Objectives

- Strengthen the directorate's oversight role of the police service by:
  - conducting investigations, as per the Independent Police Investigative Directorate Act (2011), on an ongoing basis
  - making appropriate recommendations on investigations in the various investigation categories, as outlined in section 28 of the Independent Police Investigative Directorate Act (2011), within 30 days of finalising investigations
  - submitting feedback to complainants within 30 days of the closure of an investigation.
- Enhance efficiency in case management by maintaining the percentage of cases registered and allocated within 72 hours of receipt at 80 per cent over the medium term.

### Subprogrammes

- Investigation Management* develops and maintains investigation systems, procedures, norms, standards and policies in line with the Independent Police Investigative Directorate Act (2011) and other relevant prescripts.
- Investigation Services* manages and conducts investigations in line with provisions in the Independent Police Investigative Directorate Act (2011).
- Information Management* manages information and knowledge management services through the development and maintenance of a case flow management system and database, and analyses and compiles statistical information.

### Expenditure trends and estimates

**Table 20.10 Investigation and Information Management expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2015/16	2016/17	2017/18		2018/19	Average: Expenditure/ Total (%)		2019/20	2020/21	2021/22	Average: Expenditure/ Total (%)	
						2015/16 - 2018/19	2018/19 - 2021/22				2018/19 - 2021/22	
R million												
Investigation Management	10.9	16.5	15.9	18.1	18.3%	9.3%	19.7	20.9	22.1	7.0%	9.4%	
Investigation Services	137.7	135.4	141.1	171.8	7.7%	88.5%	177.6	190.6	201.9	5.5%	86.7%	
Information Management	4.1	3.6	2.7	4.6	4.6%	2.3%	8.7	9.7	10.3	30.5%	3.9%	
<b>Total</b>	<b>152.6</b>	<b>155.5</b>	<b>159.7</b>	<b>194.5</b>	<b>8.4%</b>	<b>100.0%</b>	<b>206.0</b>	<b>221.2</b>	<b>234.3</b>	<b>6.4%</b>	<b>100.0%</b>	
Change to 2018				-			6.0	7.8	7.6			
Budget estimate												



**Table 20.10 Investigation and Information Management expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
<b>Current payments</b>	<b>150.8</b>	<b>155.2</b>	<b>159.4</b>	<b>191.3</b>	<b>8.2%</b>	<b>99.2%</b>	<b>203.7</b>	<b>218.8</b>	<b>231.7</b>	<b>6.6%</b>	<b>98.8%</b>
Compensation of employees	101.3	113.4	113.9	126.0	7.6%	68.6%	142.8	155.2	164.5	9.3%	68.7%
Goods and services <sup>1</sup>	49.6	41.8	45.5	65.2	9.6%	30.5%	60.9	63.6	67.2	1.0%	30.0%
of which:											
Computer services	2.7	5.2	3.4	2.8	1.7%	2.1%	2.9	3.2	3.5	7.0%	1.4%
Legal services	1.4	0.3	3.8	5.0	52.6%	1.6%	5.1	5.2	5.3	2.1%	2.4%
Fleet services (including government motor transport)	5.4	3.9	4.4	8.0	14.3%	3.3%	8.7	9.4	9.9	7.4%	4.2%
Operating leases	8.2	3.5	12.0	15.2	22.9%	5.9%	14.4	14.7	15.5	0.6%	7.0%
Property payments	5.4	5.7	8.1	10.9	25.9%	4.5%	14.6	15.0	15.6	12.8%	6.6%
Travel and subsistence	19	16	8	13	-11.1%	8.6%	8	9	9	-11.2%	4.6%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.2</b>	<b>0.1</b>	<b>0.3</b>	<b>0.1</b>	<b>-6.8%</b>	<b>0.1%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-12.0%</b>	<b>-</b>
Departmental agencies and accounts	0.0	0.0	0.0	0.1	304.1%	-	0.1	0.1	0.1	11.7%	-
Households	0.2	0.1	0.3	0.1	-25.4%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>1.6</b>	<b>0.2</b>	<b>-</b>	<b>3.1</b>	<b>24.2%</b>	<b>0.7%</b>	<b>2.2</b>	<b>2.3</b>	<b>2.5</b>	<b>-6.9%</b>	<b>1.2%</b>
Machinery and equipment	1.6	0.2	-	3.1	24.2%	0.7%	2.2	2.3	2.5	-6.9%	1.2%
<b>Payments for financial assets</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
<b>Total</b>	<b>152.6</b>	<b>155.5</b>	<b>159.7</b>	<b>194.5</b>	<b>8.4%</b>	<b>100.0%</b>	<b>206.0</b>	<b>221.2</b>	<b>234.3</b>	<b>6.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>65.2%</b>	<b>64.3%</b>	<b>62.5%</b>	<b>61.7%</b>	<b>-</b>	<b>-</b>	<b>61.2%</b>	<b>61.6%</b>	<b>61.4%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Legal and Investigation Advisory Services

### Programme purpose

Manage and facilitate the provision of investigation advisory services. Provide legal, civil and labour litigation services.

### Objective

- Ensure that investigations are conducted efficiently and within the ambit of the law by providing investigators with appropriate legal advice and guidance, during investigations and after their completion, on an ongoing basis.

### Subprogrammes

- *Legal Support and Administration* manages the directorate's legal obligations by developing and maintaining systems, procedures and standards to assist, guide and direct legal support within the directorate.
- *Litigation Advisory Services* coordinates civil and labour litigation, and grants policing powers. Other key activities and outputs include finalising contracts and service level agreements.
- *Investigation Advisory Services* provides support during and after investigations, provides legal advice and guidance to investigators, and ensures that all cases forwarded for prosecution comply with the requirements of the prosecution process.

### Expenditure trends and estimates

**Table 20.11 Legal and Investigation Advisory Services expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
Legal Support and Administration	1.8	1.8	2.4	1.7	-0.3%	35.8%	1.9	2.0	2.1	6.8%	25.8%
Litigation Advisory Services	2.2	1.9	1.5	2.4	2.5%	36.7%	2.8	2.9	3.1	10.1%	37.4%
Investigation Advisory Services	1.8	1.5	0.9	1.7	-1.7%	27.5%	2.9	3.1	3.4	25.4%	36.8%
<b>Total</b>	<b>5.7</b>	<b>5.2</b>	<b>4.7</b>	<b>5.8</b>	<b>0.4%</b>	<b>100.0%</b>	<b>7.5</b>	<b>8.0</b>	<b>8.6</b>	<b>14.1%</b>	<b>100.0%</b>
Change to 2018				-			(0.2)	(0.2)	(0.2)		
Budget estimate											

**Table 20.11 Legal and Investigation Advisory Services expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Current payments</b>	<b>5.7</b>	<b>5.0</b>	<b>4.5</b>	<b>5.8</b>	<b>0.5%</b>	<b>97.3%</b>	<b>7.5</b>	<b>8.0</b>	<b>8.6</b>	<b>14.1%</b>	<b>100.0%</b>
Compensation of employees	4.4	3.6	3.1	5.2	5.6%	76.3%	6.9	7.4	7.9	15.0%	91.6%
Goods and services <sup>1</sup>	1.3	1.3	1.3	0.6	-23.2%	21.0%	0.6	0.7	0.7	5.9%	8.4%
<i>of which:</i>											
Communication	0.0	0.1	0.1	0.1	41.6%	1.3%	0.1	0.1	0.1	-2.3%	1.2%
Consumables: Stationery, printing and office supplies	0.0	-	0.0	0.0	2.1%	0.1%	0.1	0.1	0.1	-5.8%	0.1%
Travel and subsistence	0.3	0.4	0.1	0.3	69.2%	0.4%	0.3	0.3	0.4	34.5%	1.1%
Training and development	0.0	-	0.0	0.1	1.1%	5.4%	0.1	0.1	0.1	5.4%	4.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>-</b>	<b>0.3</b>	<b>0.3</b>	<b>-</b>	<b>-</b>	<b>2.5%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Households	-	0.3	0.3	-	-	2.5%	-	-	-	-	-
<b>Total</b>	<b>5.7</b>	<b>5.2</b>	<b>4.7</b>	<b>5.8</b>	<b>-</b>	<b>100.0%</b>	<b>7.5</b>	<b>8.0</b>	<b>8.6</b>	<b>-</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>2.4%</b>	<b>2.2%</b>	<b>1.9%</b>	<b>1.8%</b>	<b>-</b>	<b>-</b>	<b>2.2%</b>	<b>2.2%</b>	<b>2.3%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Compliance Monitoring and Stakeholder Management

### Programme purpose

Monitor and evaluate the relevance of the recommendations made to the South African Police Service and Municipal Police Services in terms of the Independent Police Investigative Directorate Act, 2011.

### Objectives

- Safeguard the principles of cooperative governance and stakeholder management on an ongoing basis by:
  - monitoring and evaluating the quality of recommendations made to the South African Police Service and Municipal Police Services to ensure successful disciplinary and criminal convictions
  - monitoring and reporting on the police service's compliance with reporting obligations in terms of the Independent Police Investigative Directorate Act (2011).
- Maintain relationships with state security agencies, such as the South African Police Service, the National Prosecuting Authority and the Civilian Secretariat for the Police Service, and community stakeholders through ongoing participation in national and provincial engagement forums.

### Subprogrammes

- *Compliance Monitoring* monitors and evaluates the quality of recommendations made and responses received on such recommendations from the South African Police Service, Municipal Police Services and the National Prosecuting Authority in compliance with reporting obligations in terms of the Independent Police Investigative Directorate Act (2011).
- *Stakeholder Management* manages relations and liaises with the directorate's key stakeholders, such as the South African Police Service, the Municipal Police Services, the Civilian Secretariat for the Police Service, the National Prosecuting Authority, the Special Investigating Unit, the Public Protector of South Africa, the State Security Agency and civil society organisations, in line with the requirements of the Independent Police Investigative Directorate Act (2011).

## Expenditure trends and estimates

Table 20.12 Compliance Monitoring and Stakeholder Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Compliance Monitoring	4.1	4.1	5.9	7.4	21.4%	60.3%	10.2	10.9	11.7	16.7%	64.3%
Stakeholder Management	0.1	4.5	4.5	5.0	250.3%	39.7%	5.4	5.8	6.2	7.0%	35.7%
<b>Total</b>	<b>4.2</b>	<b>8.6</b>	<b>10.4</b>	<b>12.4</b>	<b>43.1%</b>	<b>100.0%</b>	<b>15.6</b>	<b>16.7</b>	<b>17.9</b>	<b>12.9%</b>	<b>100.0%</b>
Change to 2018				-			(1.6)	(1.8)	(1.8)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>4.2</b>	<b>8.4</b>	<b>10.3</b>	<b>12.4</b>	<b>43.8%</b>	<b>98.7%</b>	<b>15.6</b>	<b>16.7</b>	<b>17.9</b>	<b>12.9%</b>	<b>100.0%</b>
Compensation of employees	3.6	7.0	8.5	11.0	45.8%	84.6%	13.4	14.4	15.4	11.8%	86.7%
Goods and services <sup>1</sup>	0.6	1.3	1.7	1.4	30.7%	14.1%	2.2	2.3	2.4	21.3%	13.3%
<i>of which:</i>											
Advertising	0.0	0.0	0.1	0.2	125.2%	0.9%	0.2	0.2	0.2	5.5%	1.1%
Communication	0.0	0.1	0.1	0.2	55.8%	1.3%	0.2	0.2	0.2	-0.6%	1.2%
Computer services	0.1	0.2	0.7	0.1	18.9%	3.1%	0.1	0.1	0.1	6.3%	0.6%
Consumables: Stationery, printing and office supplies	0.0	0.2	0.0	0.1	18.3%	0.8%	0.1	0.1	0.1	36.6%	0.7%
Travel and subsistence	0.4	0.4	0.4	0.7	24.0%	5.4%	1.3	1.4	1.6	30.5%	8.1%
Training and development	0.0	0.0	0.0	0.1	25.4%	0.5%	0.1	0.1	0.1	17.2%	0.6%
<b>Transfers and subsidies<sup>1</sup></b>	<b>-</b>	<b>0.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.8%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Households	-	0.3	-	-	-	0.8%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>0.1</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>-100.0%</b>	<b>0.5%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Machinery and equipment	0.1	-	0.1	-	-100.0%	0.5%	-	-	-	-	-
<b>Total</b>	<b>4.2</b>	<b>8.6</b>	<b>10.4</b>	<b>12.4</b>	<b>43.1%</b>	<b>100.0%</b>	<b>15.6</b>	<b>16.7</b>	<b>17.9</b>	<b>12.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.8%</b>	<b>3.6%</b>	<b>4.1%</b>	<b>3.9%</b>	<b>-</b>	<b>-</b>	<b>4.6%</b>	<b>4.6%</b>	<b>4.7%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.



# Vote 21

## Justice and Constitutional Development

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	2 504.5	2 466.4	17.8	20.4	2 366.9	2 503.1
Court Services	6 824.9	5 852.2	29.3	943.3	7 290.5	7 809.4
State Legal Services	1 349.8	1 308.4	23.2	18.2	1 446.2	1 536.8
National Prosecuting Authority	3 929.1	3 877.3	18.9	32.9	4 214.9	4 484.2
Auxiliary and Associated Services	4 108.8	1 081.4	2 832.0	195.4	4 338.1	4 576.4
<b>Subtotal</b>	<b>18 717.1</b>	<b>14 585.7</b>	<b>2 921.2</b>	<b>1 210.1</b>	<b>19 656.7</b>	<b>20 909.9</b>
<b>Direct charge against the National Revenue Fund</b>						
Magistrates' salaries	2 383.7	2 309.6	74.1	–	2 560.2	2 726.6
<b>Total expenditure estimates</b>	<b>21 100.8</b>	<b>16 895.3</b>	<b>2 995.3</b>	<b>1 210.1</b>	<b>22 216.9</b>	<b>23 636.6</b>
Executive authority	Minister of Justice and Correctional Services					
Accounting officer	Director-General of Justice and Constitutional Development					
Website address	<a href="http://www.justice.gov.za">www.justice.gov.za</a>					

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Uphold and protect the Constitution and the rule of law, and render accessible, fair, speedy and cost-effective administration of justice in the interests of a safer and more secure South Africa.*

### Mandate

The Department of Justice and Constitutional Development derives its mandate from a number of acts, in addition to the mandate it derives from the Constitution. These acts and the constitutional framework assign functions to the department, such as: the establishment of magistrate's courts, and the appointment of magistrates and other judicial officers; the establishment and functioning of the Special Investigating Unit and the National Prosecuting Authority, including the asset forfeiture unit; the conducting of criminal proceedings; the prosecution of organised crime and corruption, and the forfeiture of assets obtained through illicit means; the provision of witness protection to vulnerable and intimidated witnesses and their related persons in judicial proceedings; the establishment and functioning of bodies responsible for legal aid, law reform and rule making; the appointment of masters of the high courts; the management of third-party funds; the administration of the Guardian's Fund and deceased and insolvent estates; the regulation and provision of legal advisory services to government departments; the promotion, protection and enforcement of human rights; the protection of vulnerable groups; and the provision of support to chapter 9 institutions.

## Selected performance indicators

**Table 21.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of criminal cases on the backlog roll in the lower courts per year <sup>1</sup>	Court Services		47 324	30 925	33 732	43 500	30 273	28 760	27 322
Number of courtrooms adapted in line with the sexual offences model per year	Court Services		14	11	17	14	16	18	– <sup>2</sup>
Percentage of letters of appointment issued in deceased estates within 15 days from receipt of all required documents	State Legal Services		93% (139 500/ 150 000)	96% (135 315/ 140 412)	95% (144 928/ 152 540)	92%	92%	93%	93%
Conviction rate <sup>3</sup> :	National Prosecuting Authority	Outcome 3: All people in South Africa are and feel safe							
– High courts			89% (910/ 1 021)	91% (968/ 1 065)	92% (890/ 971)	90%	87%	87%	87%
– Regional courts			78% (24 958/ 31 834)	80% (25 209/ 31 608)	81% (24 976/ 30 837)	78%	74%	74%	74%
– District courts			95% (263 377/ 278 117)	96% (295 013/ 308 688)	96% (291 609/ 303 353)	93%	88%	88%	88%
Conviction rate in cases reported at Thuthuzela care centres <sup>3</sup>	National Prosecuting Authority		72% (1 679/ 2 340)	71% (1 659/ 2 334)	75% (1 899/ 2 549)	70%	70%	70%	70%
Number of victims assisted at Thuthuzela care centres	National Prosecuting Authority		– <sup>4</sup>	– <sup>4</sup>	– <sup>4</sup>	29 800	29 860	29 920	29 930
Total number of persons convicted of corruption or offences related to corruption where the amount involved is more than R5 million	National Prosecuting Authority		48	77	114	147	177	206	235
Value of completed forfeiture cases per year <sup>5</sup>	National Prosecuting Authority	R349.5m	R423.6m	R351m	R6bn	R2.5bn	R3.5bn	R4bn	
Value of freezing orders per year <sup>5</sup>	National Prosecuting Authority	R778.9m	R1.2bn	R4.4bn	R10bn	R6.8bn	R8bn	R10bn	
Success rate of litigated cases <sup>6</sup>	National Prosecuting Authority	96% (393/411)	99% (554/560)	99% (557/562)	93%	93%	93%	93%	

1. Until 2014, backlog cases were described as those matters on the roll awaiting finalisation for longer than 6 months in district courts, 9 months in regional courts and 12 months in higher courts. Following the publication in the Government Gazette on 28 February 2014 of judicial norms and standards issued by the Chief Justice, which are binding on all courts, matters had to be measured from the date of first appearance in the magistrate's court. This required a change in calculation methodology, which led to a large increase in matters to be described as backlogged. The 47 324 cases then formed the new baseline for cases outstanding for a long time on the court roll. To ensure the integrity of data, the department conducted data cleansing and captured backlogged information from 2016/17 onwards. The reduced number of cases in 2016/17 and 2017/18 indicates the cleansed data. Although the target for 2018/19 still reflects a higher baseline number, actual performance is expected to be much lower as further cleansing is undertaken in terms of capturing backlogged data on the system.

2. Target expected to be achieved by 2020/21.

3. Targets for this indicator are based on the National Prosecuting Authority's norms and standards, and not historical performance.

4. No historical data available.

5. Fluctuations in the value of completed forfeiture cases and freezing orders occur depending on when big cases are finalised.

6. The decrease in the annual success rate over the MTEF period is due to a stronger focus on cases with significant impact that the unit has a higher risk of losing.

## Expenditure analysis

Chapter 12 of the National Development Plan sets out a vision for building safer communities in South Africa through, among other things, strengthening the criminal justice system. This vision is expressed in terms of outcome 3 (all people in South Africa are and feel safe) of government's 2014-2019 medium-term strategic framework, with which the work of the Department of Justice and Constitutional Development is closely aligned. The onus is on the department to ensure that courts function appropriately so that civil, family law and criminal cases are resolved efficiently, and that the state is given access to adequate and cost-effective legal advice and services. As such, over the medium term, the department will focus on expediting justice by increasing access to courts, improving criminal justice business processes by modernising and integrating information systems, and strengthening the state's capability to manage litigation by transforming state legal services.

As the administration of justice is labour intensive, spending on compensation of employees remains the department's main cost driver, accounting for an estimated 56.9 per cent of the department's total budget of R67 billion over the medium term. Despite an expected decrease in the department's number of personnel from 22 763 in 2018/19 to 22 583 in 2021/22, in line with government's expenditure ceiling for compensation of employees as well as due to natural attrition, spending on compensation of employees is set to increase at an average annual rate of 7.2 per cent, from R11 billion in 2018/19 to R13.6 billion in 2021/22. This increase is expected to provide for the full cost of renewing contracts that had not been renewed in previous financial years in order to remain within the expenditure ceiling. The reduction in the number of personnel is not expected to significantly affect overall performance as the department will invest in skills development to capacitate divisions in which there is need.

### ***Increasing access to courts***

The department leads a number of ongoing projects to increase access to justice services in previously marginalised communities. The construction of a high court in Mpumalanga is expected to be completed by the end of 2018/19 at a total cost of R1.2 billion. The court is set to be fully operational in 2019/20, ensuring that all provinces have at least 1 high court. Additional court infrastructure projects are expected to be completed in 2019/20 in Chatsworth and Port Shepstone (KwaZulu-Natal); Cape Town and Plettenberg Bay (Western Cape); Booysens (Gauteng); Bityi and Dimbaza (Eastern Cape); Fraserburg (Northern Cape); and Welkom (Free State). These projects are funded through the *Facilities Management* subprogramme in the *Court Services* programme at a total projected cost of R1.5 billion. The construction of additional courts will be supplemented by aligning the districts and jurisdiction of magistrate's courts with municipal boundaries to ensure that all people have equitable access to justice, wherever they live.

Over the MTEF period, the department plans to increase the percentage of victims and witnesses satisfied with support services in lower courts from 50 per cent in 2017/18 to 62 per cent in 2021/22, and maintain conviction rates in high courts at 87 per cent, regional courts at 74 per cent and district courts at 88 per cent from 2019/20 onwards. Activities related to these targets are to be carried out in the *Court Services* programme, in which expenditure is expected to increase at an average annual rate of 6.7 per cent, from R6.4 billion in 2018/19 to R7.8 billion in 2021/22; and the *National Prosecuting Authority* programme, in which expenditure is expected to increase at an average annual rate of 7.1 per cent, from R3.6 billion in 2018/19 to R4.5 billion in 2021/22.

### ***Improving criminal justice business processes***

The department leads the implementation of the integrated justice system programme in the justice, crime prevention and security cluster. The objective of this programme is to digitise and integrate criminal justice business processes, from the reporting of a crime to the release of a convicted person from correctional services, through technology solutions, and to manage the exchange of related interdepartmental information across the criminal justice system.

In recent years, as part of the integrated justice system programme, the department has recorded significant progress in the development of electronic systems to share docket and case information. This includes associated notifications when dockets are ready, docket requests, electronic charge sheets and the sharing of case outcomes, all enabled by a transversal hub that connects 7 national departments and organisations

relevant to the cluster. More than 260 000 cases were processed during the first half of 2018/19, with at least 1.6 million electronic messages exchanged on the platform each month.

The integrated justice system programme is expected to result in expenditure of R753.8 million in 2019/20, R795.3 million in 2020/21 and R839 million in 2021/22. This includes amounts of R269.3 million in 2019/20, R284.1 million in 2020/21 and R299.7 million in 2021/22 transferred from the Department of Police following a decision by the cluster in August 2018 to consolidate allocations for this programme to the Department of Justice and Constitutional Development.

Key projects still to be delivered over the medium term include an automated biometric information system to replace the current fingerprint identification system, linked to the Department of Home Affairs; and an electronic filing system for superior courts, linked to the Office of the Chief Justice. The continued implementation of activities in the integrated justice system programme is expected to lead to an increase in spending from R983.2 million in 2018/19 to R1.4 billion in 2021/22, at an average annual rate of 13.1 per cent, in the *Justice Modernisation* subprogramme in the *Auxiliary and Associated Services* programme.

### Transforming state legal services

Re-engineering the manner in which state legal services are delivered across government and addressing organisational challenges pertaining to state attorneys is a key departmental initiative. This transformation entails finalising policies aimed at lowering the cost of litigation for the state, establishing the state's capacity to handle complex legal matters, and ensuring the efficient management of the offices of the state attorney. Policies to drive this transformation (on mediation, state representation, the management of state litigation and tariffs) have been developed and are expected to be submitted to Cabinet for endorsement in 2019/20, as well as a proposal for the establishment of state legal services as a government component. Activities related to the transformation of state legal services will be carried out in the *State Legal Services* programme, in which expenditure is expected to increase at an average annual rate of 7.2 per cent, from R1.2 billion in 2018/19 to R1.5 billion in 2021/22.

## Expenditure trends

**Table 21.2 Vote expenditure trends by programme and economic classification**

Programmes																				
1. Administration																				
2. Court Services																				
3. State Legal Services																				
4. National Prosecuting Authority																				
5. Auxiliary and Associated Services																				
Programme																				
R million	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	2015/16	2016/17	2017/18	2018/19	2015/16	2016/17	2017/18	2018/19	2015/16	2016/17	2017/18	2018/19	2015/16	2016/17	2017/18	2018/19				
Programme 1	1 857.8	1 864.9	1 812.7	2 079.9	2 130.9	1 952.8	2 129.3	1 786.9	1 958.1	2 117.7	2 502.5	2 502.5	100.5%			99.3%				
Programme 2	5 526.4	5 579.1	5 667.3	6 121.6	6 061.6	6 272.6	6 276.8	6 604.6	6 340.6	6 443.7	6 431.0	6 431.0	101.4%			100.1%				
Programme 3	1 032.2	1 045.7	1 008.6	1 128.0	1 126.5	1 121.2	1 221.2	1 232.3	1 164.9	1 251.5	1 245.8	1 245.8	98.0%			97.6%				
Programme 4	3 374.0	3 402.5	3 374.3	3 557.5	3 557.5	3 554.6	3 684.3	3 684.3	3 742.9	3 648.8	3 648.8	3 648.8	100.4%			100.2%				
Programme 5	3 193.5	3 118.5	3 108.8	3 162.7	3 164.2	3 137.9	3 475.2	3 478.8	3 400.7	3 587.6	3 630.6	3 630.6	98.9%			99.1%				
<b>Subtotal</b>	<b>14 984.0</b>	<b>15 010.8</b>	<b>14 971.8</b>	<b>16 049.7</b>	<b>16 040.7</b>	<b>16 039.0</b>	<b>16 786.8</b>	<b>16 786.8</b>	<b>16 607.2</b>	<b>17 049.4</b>	<b>17 458.8</b>	<b>17 458.8</b>	<b>100.3%</b>			<b>99.7%</b>				
Direct charge against the National Revenue Fund	1 880.8	1 830.8	1 721.8	2 040.2	2 010.2	1 845.7	2 140.5	2 040.5	1 933.5	2 215.5	2 215.5	2 215.5	93.2%			95.3%				
Magistrates' salaries	1 880.8	1 830.8	1 721.8	2 040.2	2 010.2	1 845.7	2 140.5	2 040.5	1 933.5	2 215.5	2 215.5	2 215.5	93.2%			95.3%				
<b>Total</b>	<b>16 864.7</b>	<b>16 841.5</b>	<b>16 693.6</b>	<b>18 089.9</b>	<b>18 050.9</b>	<b>17 884.7</b>	<b>18 927.3</b>	<b>18 827.3</b>	<b>18 540.7</b>	<b>19 265.0</b>	<b>19 674.4</b>	<b>19 674.4</b>	<b>99.5%</b>			<b>99.2%</b>				
Change to 2018 Budget estimate										409.4										



Table 21.2 Vote expenditure trends by programme and economic classification

Economic classification	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Revised estimate			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	2015/16	2016/17	2017/18	2018/19	2015/16	2016/17	2017/18	2018/19	2015/16	2016/17	2017/18	2018/19	2015/16	2016/17	2017/18	2018/19				
R million	13 304.0	13 494.4	13 271.9	14 367.7	14 415.3	14 085.8	15 014.5	14 600.9	14 625.0	15 331.5	15 741.9	15 741.9	99.5%	99.1%						
<b>Current payments</b>																				
Compensation of employees	9 307.3	9 365.3	9 250.2	10 070.2	10 040.2	9 995.4	10 578.0	10 635.0	10 392.2	11 029.4	11 042.8	11 042.8	99.3%	99.0%						
Goods and services	3 996.7	4 129.1	4 021.6	4 297.5	4 375.1	4 090.4	4 436.4	3 965.8	4 232.8	4 302.1	4 699.1	4 699.1	100.1%	99.3%						
<b>Transfers and subsidies</b>																				
Provinces and municipalities	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.7	0.7	0.7	0.8	0.8	119.5%	107.5%						
Departmental agencies and accounts	2 231.4	2 245.2	2 246.4	2 333.2	2 334.7	2 334.7	2 599.6	2 599.6	2 614.3	2 636.9	2 673.4	2 673.4	100.7%	100.2%						
Foreign governments and international organisations	14.4	14.4	15.8	15.2	15.2	13.5	16.0	16.0	14.4	16.9	16.9	16.9	96.9%	96.9%						
Households	89.0	113.0	75.2	93.6	99.5	69.6	101.5	108.1	70.0	110.7	115.0	115.0	83.5%	75.7%						
<b>Payments for capital assets</b>																				
Buildings and other fixed structures	682.0	661.5	739.5	911.1	721.1	1 023.0	769.3	1 078.6	963.8	820.3	823.4	823.4	111.5%	108.1%						
Machinery and equipment	543.3	260.7	283.5	368.5	459.8	347.7	425.9	423.3	215.7	348.0	301.8	301.8	68.1%	79.5%						
Software and other intangible assets	0.1	50.1	40.5	-	0.0	0.2	-	-	14.5	-	-	-	68 088.9%	110.1%						
<b>Payments for financial assets</b>																				
	-	1.8	20.2	-	4.6	9.6	-	0.2	22.3	-	1.1	1.1	-	684.4%						
<b>Total</b>	<b>16 864.7</b>	<b>16 841.5</b>	<b>16 693.6</b>	<b>18 089.9</b>	<b>18 050.9</b>	<b>17 884.7</b>	<b>18 927.3</b>	<b>18 827.3</b>	<b>18 540.7</b>	<b>19 265.0</b>	<b>19 674.4</b>	<b>19 674.4</b>	<b>99.5%</b>	<b>99.2%</b>						

## Expenditure estimates

Table 21.3 Vote expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Court Services									
3. State Legal Services									
4. National Prosecuting Authority									
5. Auxiliary and Associated Services									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
				2018/19	2015/16 - 2018/19	2019/20			2020/21
R million									
Programme 1	2 502.5	10.3%	11.3%	2 504.5	2 366.9	2 503.1	0.0%	11.4%	
Programme 2	6 431.0	4.9%	33.9%	6 824.9	7 290.5	7 809.4	6.7%	32.7%	
Programme 3	1 245.8	6.0%	6.2%	1 349.8	1 446.2	1 536.8	7.2%	6.4%	
Programme 4	3 648.8	2.4%	19.7%	3 929.1	4 214.9	4 484.2	7.1%	18.8%	
Programme 5	3 630.6	5.2%	18.2%	4 108.8	4 338.1	4 576.4	8.0%	19.2%	
<b>Subtotal</b>	<b>17 458.8</b>	<b>5.2%</b>	<b>89.4%</b>	<b>18 717.1</b>	<b>19 656.7</b>	<b>20 909.9</b>	<b>6.2%</b>	<b>88.6%</b>	
<b>Direct charge against the National Revenue Fund</b>	<b>2 215.5</b>	<b>6.6%</b>	<b>10.6%</b>	<b>2 383.7</b>	<b>2 560.2</b>	<b>2 726.6</b>	<b>7.2%</b>	<b>11.4%</b>	
Magistrates' salaries	2 215.5	6.6%	10.6%	2 383.7	2 560.2	2 726.6	7.2%	11.4%	
<b>Total</b>	<b>19 674.4</b>	<b>5.3%</b>	<b>100.0%</b>	<b>21 100.8</b>	<b>22 216.9</b>	<b>23 636.6</b>	<b>6.3%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				534.4	282.5	350.2			

**Table 21.3 Vote expenditure estimates by programme and economic classification**

Economic classification	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
<b>Current payments</b>	<b>15 741.9</b>	<b>5.3%</b>	<b>79.3%</b>	<b>16 895.3</b>	<b>17 795.4</b>	<b>18 973.4</b>	<b>6.4%</b>	<b>80.1%</b>
Compensation of employees	11 042.8	5.6%	55.9%	11 885.7	12 758.1	13 587.3	7.2%	56.9%
Goods and services	4 699.1	4.4%	23.4%	5 009.6	5 037.4	5 386.1	4.7%	23.2%
<b>Transfers and subsidies</b>	<b>2 806.2</b>	<b>5.7%</b>	<b>14.1%</b>	<b>2 995.3</b>	<b>3 160.2</b>	<b>3 333.7</b>	<b>5.9%</b>	<b>14.2%</b>
Provinces and municipalities	0.8	20.5%	0.0%	0.8	0.8	0.9	1.9%	0.0%
Departmental agencies and accounts	2 673.4	6.0%	13.6%	2 859.5	3 017.2	3 182.6	6.0%	13.5%
Foreign governments and international organisations	16.9	5.4%	0.1%	17.9	18.9	19.9	5.6%	0.1%
Households	115.0	0.6%	0.5%	117.1	123.4	130.3	4.3%	0.6%
<b>Payments for capital assets</b>	<b>1 125.2</b>	<b>5.0%</b>	<b>6.5%</b>	<b>1 210.1</b>	<b>1 261.2</b>	<b>1 329.5</b>	<b>5.7%</b>	<b>5.7%</b>
Buildings and other fixed structures	823.4	7.6%	4.9%	855.6	902.7	952.3	5.0%	4.1%
Machinery and equipment	301.8	5.0%	1.6%	354.0	358.5	377.1	7.7%	1.6%
Software and other intangible assets	-	-100.0%	0.1%	0.5	-	-	-	0.0%
<b>Payments for financial assets</b>	<b>1.1</b>	<b>-13.5%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.0%</b>
<b>Total</b>	<b>19 674.4</b>	<b>5.3%</b>	<b>100.0%</b>	<b>21 100.8</b>	<b>22 216.9</b>	<b>23 636.6</b>	<b>6.3%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 21.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R thousand											
Compensation of employees	9 250 210	9 995 427	10 392 205	11 042 795	6.1%	62.5%	11 885 705	12 758 064	13 587 340	7.2%	64.2%
Buildings and other fixed structures	739 502	1 023 045	963 800	823 421	3.6%	5.5%	855 637	902 696	952 344	5.0%	4.6%
Computer services	726 866	731 771	771 223	856 403	5.6%	4.7%	1 025 415	1 081 726	1 141 465	10.1%	5.3%
Operating leases	726 656	842 882	769 526	895 525	7.2%	5.0%	936 362	979 582	1 033 479	4.9%	5.0%
Property payments	849 692	811 352	1 080 226	1 094 465	8.8%	5.9%	1 164 348	1 277 895	1 378 422	8.0%	6.4%
<b>Total</b>	<b>12 292 926</b>	<b>13 404 477</b>	<b>13 976 980</b>	<b>14 712 609</b>	<b>6.2%</b>	<b>83.6%</b>	<b>15 867 467</b>	<b>16 999 963</b>	<b>18 093 050</b>	<b>7.1%</b>	<b>85.6%</b>

## Goods and services expenditure trends and estimates

**Table 21.5 Vote goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R thousand											
Administrative fees	29 283	30 615	29 973	29 904	0.7%	0.7%	33 253	34 603	36 349	6.7%	0.7%
Advertising	37 362	23 649	17 367	25 631	-11.8%	0.6%	26 150	28 422	29 909	5.3%	0.5%
Minor assets	50 560	36 202	31 298	45 149	-3.7%	1.0%	53 362	52 699	55 816	7.3%	1.0%
Audit costs: External	38 958	37 535	43 689	41 392	2.0%	0.9%	43 184	45 054	47 352	4.6%	0.9%
Bursaries: Employees	3 688	3 060	5 194	5 760	16.0%	0.1%	6 076	6 422	6 775	5.6%	0.1%
Catering: Departmental activities	13 142	10 160	6 949	11 521	-4.3%	0.2%	11 290	12 309	13 363	5.1%	0.2%
Communication	145 524	143 741	141 906	139 433	-1.4%	3.3%	151 720	156 407	164 418	5.6%	3.0%
Computer services	726 866	731 771	771 223	856 403	5.6%	18.1%	1 025 415	1 081 726	1 141 465	10.1%	20.4%
Consultants: Business and advisory services	38 458	50 310	40 502	66 537	20.0%	1.1%	62 224	62 405	65 350	-0.6%	1.3%
Laboratory services	1 026	952	968	1 576	15.4%	-	1 650	2 331	1 932	7.0%	-
Legal services	113 885	123 982	132 440	176 340	15.7%	3.2%	183 646	93 213	98 113	-17.8%	2.7%
Science and technological services	-	-	-	1 660	-	-	-	-	-	-100.0%	-
Contractors	70 531	187 524	139 350	209 394	43.7%	3.6%	75 565	22 574	23 810	-51.6%	1.6%
Agency and support/outsourced services	237 585	196 213	187 749	222 909	-2.1%	5.0%	328 706	291 389	290 864	9.3%	5.6%
Entertainment	4	1	1	168	247.6%	-	8	8	8	-63.8%	-
Fleet services (including government motor transport)	64 930	62 468	68 660	70 307	2.7%	1.6%	80 754	83 247	89 328	8.3%	1.6%
Consumable supplies	13 948	18 572	7 968	15 054	2.6%	0.3%	18 840	19 719	21 026	11.8%	0.4%
Consumables: Stationery, printing and office supplies	243 365	192 415	206 761	212 295	-4.5%	5.0%	238 814	248 372	263 999	7.5%	4.8%

Table 21.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
Operating leases	726 656	842 882	769 526	895 525	7.2%	19.0%	936 362	979 582	1 033 479	4.9%	19.1%
Rental and hiring	2 016	3 999	1 915	2 460	6.9%	0.1%	949	1 046	1 101	-23.5%	-
Property payments	849 692	811 352	1 080 226	1 094 465	8.8%	22.5%	1 164 348	1 277 895	1 378 422	8.0%	24.4%
Transport provided: Departmental activity	93	2 321	10	551	80.9%	-	466	314	649	5.6%	-
Travel and subsistence	412 753	382 480	379 621	351 498	-5.2%	9.0%	328 675	336 068	395 117	4.0%	7.0%
Training and development	16 109	5 815	10 095	18 829	5.3%	0.3%	23 863	25 974	26 614	12.2%	0.5%
Operating payments	167 490	176 381	147 413	193 834	5.0%	4.0%	206 589	166 994	193 605	-	3.8%
Venues and facilities	17 720	15 961	12 016	10 470	-16.1%	0.3%	7 711	8 585	7 201	-11.7%	0.2%
<b>Total</b>	<b>4 021 644</b>	<b>4 090 361</b>	<b>4 232 820</b>	<b>4 699 065</b>	<b>5.3%</b>	<b>100.0%</b>	<b>5 009 620</b>	<b>5 037 358</b>	<b>5 386 065</b>	<b>4.7%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 21.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>49 758</b>	<b>59 678</b>	<b>64 669</b>	<b>109 573</b>	<b>30.1%</b>	<b>2.8%</b>	<b>112 850</b>	<b>118 984</b>	<b>125 659</b>	<b>4.7%</b>	<b>3.8%</b>
Employee social benefits	49 758	59 678	64 669	109 573	30.1%	2.8%	112 850	118 984	125 659	4.7%	3.8%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>2 246 439</b>	<b>2 334 686</b>	<b>2 614 310</b>	<b>2 673 403</b>	<b>6.0%</b>	<b>96.2%</b>	<b>2 859 494</b>	<b>3 017 174</b>	<b>3 182 594</b>	<b>6.0%</b>	<b>95.4%</b>
Safety and Security Sector Education and Training Authority	27 176	23 089	24 259	25 955	-1.5%	1.0%	27 409	28 917	30 537	5.6%	0.9%
Communication	11	99	27	46	61.1%	-	54	56	49	2.1%	-
Legal Aid South Africa	1 522 986	1 577 171	1 754 394	1 800 892	5.7%	64.9%	1 958 373	2 066 096	2 179 215	6.6%	65.1%
Special Investigating Unit	304 458	316 732	346 177	357 099	5.5%	12.9%	363 023	382 865	403 922	4.2%	12.3%
Public Protector of South Africa	245 397	264 108	316 093	310 581	8.2%	11.1%	321 430	339 108	357 759	4.8%	10.8%
South African Human Rights Commission	146 411	153 487	173 360	178 830	6.9%	6.4%	189 205	200 132	211 112	5.7%	6.3%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>25 451</b>	<b>9 877</b>	<b>5 312</b>	<b>5 407</b>	<b>-40.3%</b>	<b>0.4%</b>	<b>4 272</b>	<b>4 369</b>	<b>4 614</b>	<b>-5.1%</b>	<b>0.2%</b>
Claims against the state	25 451	9 877	5 312	5 253	-40.9%	0.4%	4 272	4 369	4 614	-4.2%	0.2%
Other transfers to households	-	-	-	154	-	-	-	-	-	-100.0%	-
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>530</b>	<b>615</b>	<b>633</b>	<b>813</b>	<b>15.3%</b>	<b>-</b>	<b>779</b>	<b>815</b>	<b>861</b>	<b>1.9%</b>	<b>-</b>
Vehicle licences	530	615	633	813	15.3%	-	779	815	861	1.9%	-
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>15 833</b>	<b>13 484</b>	<b>14 406</b>	<b>16 928</b>	<b>2.3%</b>	<b>0.6%</b>	<b>17 876</b>	<b>18 859</b>	<b>19 915</b>	<b>5.6%</b>	<b>0.6%</b>
International Criminal Court	14 544	12 161	12 717	15 385	1.9%	0.5%	16 247	17 140	18 100	5.6%	0.5%
Hague conference on private international law	982	985	-	1 157	5.6%	-	1 222	1 289	1 361	5.6%	-
International Institute for the Unification of Private Law	307	338	1 689	386	7.9%	-	407	430	454	5.6%	-
<b>Total</b>	<b>2 338 011</b>	<b>2 418 340</b>	<b>2 699 330</b>	<b>2 806 124</b>	<b>6.3%</b>	<b>100.0%</b>	<b>2 995 271</b>	<b>3 160 201</b>	<b>3 333 643</b>	<b>5.9%</b>	<b>100.0%</b>

## Personnel information

**Table 21.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes																			
1. Administration																			
2. Court Services																			
3. State Legal Services																			
4. National Prosecuting Authority																			
5. Auxiliary and Associated Services																			
Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment										Number							
Number of funded posts	Number of posts additional to the establishment	Actual 2017/18		Revised estimate 2018/19			Medium-term expenditure estimate					Average growth rate (%)	Average: Salary level/Total (%)						
		Number	Unit cost	Number	Cost	Unit cost	2019/20	2020/21	2021/22	2018/19 - 2021/22									
Justice and Constitutional Development		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
Salary level	22 080	21	22 807	10 392.2	0.5	22 763	11 042.7	0.5	22 818	11 885.6	0.5	22 767	12 758.0	0.6	22 583	13 587.3	0.6	-0.3%	100.0%
1 – 6	11 146	19	11 713	2 721.9	0.2	11 768	2 622.8	0.2	11 810	2 842.7	0.2	11 776	3 065.0	0.3	11 717	3 292.4	0.3	-0.1%	51.8%
7 – 10	6 206	–	6 344	2 953.1	0.5	6 300	3 210.8	0.5	6 298	3 454.7	0.5	6 287	3 716.8	0.6	6 193	3 942.2	0.6	-0.6%	27.6%
11 – 12	2 465	2	2 493	2 353.5	0.9	2 431	2 570.1	1.1	2 433	2 751.1	1.1	2 431	2 945.2	1.2	2 411	3 126.5	1.3	-0.3%	10.7%
13 – 16	2 262	–	2 256	2 361.5	1.0	2 263	2 636.6	1.2	2 276	2 834.7	1.2	2 272	3 028.2	1.3	2 261	3 223.2	1.4	-0.0%	10.0%
Other	1	–	1	2.3	2.3	1	2.4	2.4	1	2.6	2.6	1	2.8	2.8	1	3.0	3.0	–	0.0%
Programme	22 080	21	22 807	10 392.2	0.5	22 763	11 042.7	0.5	22 818	11 885.6	0.5	22 767	12 758.0	0.6	22 583	13 587.3	0.6	-0.3%	100.0%
Programme 1	1 043	–	1 076	516.4	0.5	1 068	557.4	0.5	1 086	602.7	0.6	1 072	630.3	0.6	1 056	670.8	0.6	-0.4%	4.7%
Programme 2	12 550	–	13 161	3 783.6	0.3	13 352	4 019.5	0.3	13 338	4 324.6	0.3	13 293	4 648.5	0.3	13 170	4 951.2	0.4	-0.5%	58.5%
Programme 3	2 035	–	2 042	979.5	0.5	2 066	1 080.5	0.5	2 065	1 162.4	0.6	2 057	1 249.3	0.6	2 043	1 329.7	0.7	-0.4%	9.1%
Programme 4	4 535	21	4 626	3 202.8	0.7	4 354	3 240.0	0.7	4 393	3 486.6	0.8	4 403	3 747.6	0.9	4 380	3 991.4	0.9	0.2%	19.3%
Direct charges	1 917	–	1 902	1 910.0	1.0	1 923	2 145.4	1.1	1 936	2 309.3	1.2	1 942	2 482.2	1.3	1 934	2 644.2	1.4	0.2%	8.5%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 21.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>328 627</b>	<b>371 360</b>	<b>339 060</b>	<b>355 651</b>	<b>355 651</b>	<b>2.7%</b>	<b>100.0%</b>	<b>430 352</b>	<b>453 812</b>	<b>478 773</b>	<b>10.4%</b>	<b>100.0%</b>
Tax receipts	1	–	–	–	–	-100.0%	–	–	–	–	–	–
<b>Sales of goods and services produced by department</b>	<b>61 727</b>	<b>53 638</b>	<b>49 943</b>	<b>51 056</b>	<b>51 056</b>	<b>-6.1%</b>	<b>15.5%</b>	<b>74 127</b>	<b>77 995</b>	<b>82 286</b>	<b>17.2%</b>	<b>16.6%</b>
Sales by market establishments	4 992	4 513	4 077	3 867	3 867	-8.2%	1.3%	8 112	8 558	9 029	32.7%	1.7%
of which:												
Market establishment: Rental dwelling	4 992	3 779	3 288	3 000	3 000	-15.6%	1.1%	7 202	7 598	8 016	38.8%	1.5%
Market establishment: Rental parking: Covered and open	–	734	789	867	867	–	0.2%	910	960	1 013	5.3%	0.2%
Administrative fees	12	10	7	2	2	-45.0%	–	37	40	43	178.1%	–
of which:												
Game licences	12	8	3	–	–	-100.0%	–	9	10	11	–	–
Request for information: Promotion of Access to Information Act (2000)	–	2	4	2	2	–	–	28	30	32	152.0%	–
Other sales	56 723	49 115	45 859	47 187	47 187	-6.0%	14.3%	65 978	69 397	73 214	15.8%	14.9%
of which:												
Services rendered: Commission on insurance and garnishee	–	6 542	6 783	6 900	6 900	–	1.5%	7 575	7 992	8 432	6.9%	1.8%
Services rendered: Insolvent estates: Master's office	56 723	36 958	33 046	30 349	30 349	-18.8%	11.3%	44 694	46 941	49 523	17.7%	10.0%
Services rendered: Fee for recovery of debt	–	3 861	4 023	7 431	7 431	–	1.1%	11 468	12 099	12 764	19.8%	2.5%
Services rendered: Photocopies and faxes	–	1 682	1 975	2 421	2 421	–	0.4%	2 176	2 296	2 422	–	0.5%
Sales of assets less than R5 000	–	72	32	86	86	–	–	65	69	73	-5.3%	–

Table 21.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2015/16 - 2018/19	2019/20		
Sales of scrap, waste, arms and other used current goods	434	60	134	552	552	8.3%	0.1%	204	215	227	-25.6%	0.1%
<i>of which:</i>												
Sales: Scrap	434	39	96	548	548	8.1%	0.1%	177	187	197	-28.9%	0.1%
Sales: Wastepaper	-	21	38	4	4	-	-	27	28	30	95.7%	-
Transfers received	5 134	485	9 693	2 691	2 691	-19.4%	1.3%	130	137	145	-62.2%	0.2%
Fines, penalties and forfeits	237 084	254 374	228 439	254 331	254 331	2.4%	69.9%	265 766	280 383	295 804	5.2%	63.8%
Interest, dividends and rent on land	5 221	8 553	12 119	1 958	1 958	-27.9%	2.0%	6 404	6 756	7 128	53.8%	1.3%
Interest	5 221	8 553	12 119	1 958	1 958	-27.9%	2.0%	6 404	6 756	7 128	53.8%	1.3%
Sales of capital assets	4 567	56	2 575	-	-	-100.0%	0.5%	2 454	2 589	2 731	-	0.5%
Transactions in financial assets and liabilities	14 459	54 194	36 157	45 063	45 063	46.1%	10.7%	81 267	85 737	90 452	26.1%	17.6%
<b>Total</b>	<b>328 627</b>	<b>371 360</b>	<b>339 060</b>	<b>355 651</b>	<b>355 651</b>	<b>2.7%</b>	<b>100.0%</b>	<b>430 352</b>	<b>453 812</b>	<b>478 773</b>	<b>10.4%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

Table 21.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20			2020/21
R million												
Ministry	32.6	35.6	34.1	33.6	33.6	1.0%	1.7%	36.6	39.2	41.6	7.4%	1.5%
Management	52.5	47.7	50.2	49.8	49.8	-1.8%	2.4%	56.5	62.0	66.0	9.9%	2.4%
Corporate Services	477.5	513.4	426.1	821.7	821.7	19.8%	27.2%	721.7	479.3	508.5	-14.8%	25.6%
Financial Administration	180.1	196.6	217.6	210.4	210.4	5.3%	9.8%	223.2	237.7	252.4	6.2%	9.4%
Internal Audit	82.2	86.6	83.9	87.2	87.2	2.0%	4.1%	93.8	100.6	106.9	7.0%	3.9%
Office Accommodation	987.9	1 072.9	1 146.1	1 299.9	1 299.9	9.6%	54.8%	1 372.7	1 448.2	1 527.8	5.5%	57.2%
<b>Total</b>	<b>1 812.7</b>	<b>1 952.8</b>	<b>1 958.1</b>	<b>2 502.5</b>	<b>2 502.5</b>	<b>11.3%</b>	<b>100.0%</b>	<b>2 504.5</b>	<b>2 366.9</b>	<b>2 503.1</b>	<b>-</b>	<b>100.0%</b>
Change to 2018 Budget estimate				384.7				257.2	(16.0)	-		
<b>Economic classification</b>												
<b>Current payments</b>	<b>1 784.2</b>	<b>1 926.3</b>	<b>1 916.2</b>	<b>2 470.7</b>	<b>2 470.7</b>	<b>11.5%</b>	<b>98.4%</b>	<b>2 466.4</b>	<b>2 336.2</b>	<b>2 470.1</b>	<b>-</b>	<b>98.6%</b>
Compensation of employees	489.3	532.7	516.4	557.3	557.3	4.4%	25.5%	602.5	630.1	670.7	6.4%	24.9%
Goods and services <sup>1</sup>	1 294.9	1 393.5	1 399.8	1 913.4	1 913.4	13.9%	73.0%	1 863.9	1 706.1	1 799.4	-2.0%	73.7%
<i>of which:</i>												
Audit costs: External	35.5	37.5	43.7	41.4	41.4	5.3%	1.9%	43.2	45.1	47.4	4.6%	1.8%
Legal services	27.1	32.4	8.2	90.0	90.0	49.2%	1.9%	89.7	-	-	-100.0%	1.8%
Agency and support/outsourced services	7.7	1.2	0.0	1.3	1.3	-45.3%	0.1%	102.0	2.0	2.0	16.4%	1.1%
Operating leases	686.4	805.0	732.6	878.6	878.6	8.6%	37.7%	919.3	960.9	1 013.8	4.9%	38.2%
Property payments	302.5	269.4	414.5	438.6	438.6	13.2%	17.3%	463.0	488.5	515.3	5.5%	19.3%
Travel and subsistence	99.1	91.4	94.3	69.4	69.4	-11.2%	4.3%	77.7	75.0	79.7	4.7%	3.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>21.5</b>	<b>17.2</b>	<b>17.7</b>	<b>17.9</b>	<b>17.9</b>	<b>-5.9%</b>	<b>0.9%</b>	<b>17.8</b>	<b>18.6</b>	<b>19.7</b>	<b>3.2%</b>	<b>0.7%</b>
Provinces and municipalities	0.0	0.0	0.0	0.1	0.1	20.7%	-	0.1	0.1	0.1	3.8%	-
Departmental agencies and accounts	20.0	14.5	15.4	16.5	16.5	-6.3%	0.8%	17.4	18.3	19.4	5.6%	0.7%
Households	1.5	2.6	2.3	1.4	1.4	-1.7%	0.1%	0.3	0.3	0.3	-42.2%	-
<b>Payments for capital assets</b>	<b>6.5</b>	<b>8.5</b>	<b>10.0</b>	<b>13.6</b>	<b>13.6</b>	<b>28.0%</b>	<b>0.5%</b>	<b>20.4</b>	<b>12.1</b>	<b>13.3</b>	<b>-0.8%</b>	<b>0.6%</b>
Machinery and equipment	6.5	8.5	10.0	13.6	13.6	28.2%	0.5%	19.9	12.1	13.3	-0.8%	0.6%
Software and other intangible assets	0.0	-	-	-	-	-100.0%	-	0.5	-	-	-	-
<b>Payments for financial assets</b>	<b>0.5</b>	<b>0.8</b>	<b>14.2</b>	<b>0.3</b>	<b>0.3</b>	<b>-20.8%</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
<b>Total</b>	<b>1 812.7</b>	<b>1 952.8</b>	<b>1 958.1</b>	<b>2 502.5</b>	<b>2 502.5</b>	<b>11.3%</b>	<b>100.0%</b>	<b>2 504.5</b>	<b>2 366.9</b>	<b>2 503.1</b>	<b>-</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	12.1%	12.2%	11.8%	14.3%		-	-	13.4%	12.0%	12.0%	-	-

**Table 21.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	20.0	14.5	15.4	16.5	-6.3%	0.8%	17.4	18.3	19.4	5.6%	0.7%
Safety and Security Sector Education and Training Authority	20.0	14.5	15.4	16.4	-6.3%	0.8%	17.4	18.3	19.3	5.6%	0.7%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Court Services

### Programme purpose

Facilitate the resolution of criminal and civil cases, and family law disputes, by providing accessible, efficient and quality administrative support to the lower courts and managing court facilities.

### Objectives

- Ensure an efficient and effective criminal justice system that contributes to the realisation of outcome 3 (all people in South Africa are and feel safe) of government's 2014-2019 medium-term strategic framework by:
  - maintaining the percentage of criminal cases postponed due to the unavailability of court administration staff below 0.3 per cent between 2018/19 and 2021/22
  - increasing the percentage of victims and witnesses satisfied with support services in lower courts from 50 per cent in 2017/18 to 62 per cent in 2021/22.
- Ensure an improved, victim-centric criminal justice system by increasing the percentage of recorded convictions validated on the national register of sex offenders from a projected 50 per cent in 2018/19 to 80 per cent in 2021/22.
- Ensure an improved and integrated family law service by:
  - increasing the percentage of maintenance matters finalised within 90 days from the date of registration, from a projected 70 per cent in 2018/19 to 78 per cent in 2021/22
  - increasing the percentage of family advocate reports filed within 6 months from the date of opening matters, from a projected 52 per cent in 2018/19 to 70 per cent in 2021/22.
- Enhance access to courts for historically marginalised communities by completing at least 1 new court building in each year of the MTEF period.
- Ensure an efficient and effective civil justice system by:
  - increasing the number of courts providing court-annexed mediation from a projected 32 in 2018/19 to 40 in 2021/22
  - increasing the percentage of unopposed taxations processed within 14 working days from the date the matter is set down in district courts, from a projected 95 per cent in 2018/19 to 100 per cent in 2021/22.

### Subprogrammes

- *Lower Courts* funds the activities and operations of various regional and district courts. Regional courts adjudicate serious criminal and civil matters, whereas district courts adjudicate less serious civil and criminal cases. There are more than 2 147 district and regional courts throughout the country.
- *Family Advocate* funds family mediations in non-litigation matters, with the goal of settling parental disputes out of court. In litigation matters, the family advocate files court reports, makes recommendations, and appears in court to promote and protect the best interests of children. This subprogramme also deals with international cases of children who were abducted or retained in foreign countries in terms of the Hague Convention on the Civil Aspects of International Child Abduction.

- *Magistrate's Commission* funds the Magistrate's Commission, which makes recommendations on the appointment and tenure of magistrates.
- *Facilities Management* funds the provision of accommodation for courts and justice service delivery points, including the construction of new and additional accommodation, and the leasing of privately owned premises for use by the department.
- *Administration of Lower Courts* funds the management of courts administration and performance evaluation functions.

## Expenditure trends and estimates

**Table 21.10 Court Services expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Lower Courts	4 143.2	4 400.0	4 585.9	4 663.8	4.0%	72.0%	4 960.7	5 307.8	5 709.0	7.0%	72.8%
Family Advocate	198.7	209.8	211.3	236.1	5.9%	3.5%	253.5	272.0	289.4	7.0%	3.7%
Magistrate's Commission	13.9	12.4	13.3	18.3	9.5%	0.2%	19.6	21.0	22.3	6.7%	0.3%
Facilities Management	812.4	1 101.0	994.2	891.1	3.1%	15.4%	931.4	983.4	1 037.4	5.2%	13.6%
Administration of Lower Courts	499.1	549.4	535.9	621.8	7.6%	8.9%	659.6	706.3	751.3	6.5%	9.7%
<b>Total</b>	<b>5 667.3</b>	<b>6 272.6</b>	<b>6 340.6</b>	<b>6 431.0</b>	<b>4.3%</b>	<b>100.0%</b>	<b>6 824.9</b>	<b>7 290.5</b>	<b>7 809.4</b>	<b>6.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(12.6)			(60.6)	(60.2)	93.0		
<b>Economic classification</b>											
<b>Current payments</b>	<b>4 791.0</b>	<b>5 105.6</b>	<b>5 269.6</b>	<b>5 509.6</b>	<b>4.8%</b>	<b>83.7%</b>	<b>5 852.2</b>	<b>6 270.9</b>	<b>6 734.8</b>	<b>6.9%</b>	<b>85.9%</b>
Compensation of employees	3 382.0	3 667.3	3 783.6	4 019.4	5.9%	60.1%	4 324.8	4 648.7	4 951.3	7.2%	63.3%
Goods and services <sup>1</sup>	1 409.0	1 438.3	1 486.0	1 490.2	1.9%	23.6%	1 527.5	1 622.3	1 783.5	6.2%	22.7%
of which:											
Communication	100.3	101.0	88.9	96.9	-1.1%	1.6%	102.6	105.1	110.1	4.3%	1.5%
Agency and support/outsourced services	180.1	162.9	121.9	106.0	-16.2%	2.3%	95.8	151.9	142.7	10.4%	1.8%
Consumables: Stationery, printing and office supplies	196.6	138.2	142.0	151.2	-8.4%	2.5%	172.4	179.4	189.5	7.8%	2.4%
Property payments	468.7	477.8	593.0	582.2	7.5%	8.6%	621.5	703.4	772.3	9.9%	9.4%
Travel and subsistence	189.7	188.3	188.0	198.4	1.5%	3.1%	165.9	165.8	215.0	2.7%	2.6%
Operating payments	83.1	75.5	67.6	109.1	9.5%	1.4%	103.9	88.7	111.1	0.6%	1.5%
Transfers and subsidies <sup>1</sup>	21.8	24.6	27.6	29.3	10.3%	0.4%	29.3	31.0	32.8	3.8%	0.4%
Provinces and municipalities	0.5	0.6	0.6	0.7	13.9%	–	0.7	0.7	0.8	1.6%	–
Departmental agencies and accounts	0.0	0.1	0.0	0.0	27.4%	–	0.0	0.0	0.0	-3.3%	–
Households	21.3	23.9	26.9	28.5	10.2%	0.4%	28.6	30.2	32.0	3.9%	0.4%
<b>Payments for capital assets</b>	<b>835.0</b>	<b>1 136.3</b>	<b>1 035.9</b>	<b>891.3</b>	<b>2.2%</b>	<b>15.8%</b>	<b>943.3</b>	<b>988.6</b>	<b>1 041.8</b>	<b>5.3%</b>	<b>13.6%</b>
Buildings and other fixed structures	739.5	1 023.0	963.8	823.4	3.6%	14.4%	855.6	902.7	952.3	5.0%	12.5%
Machinery and equipment	95.5	113.1	72.1	67.9	-10.7%	1.4%	87.7	85.9	89.5	9.6%	1.2%
Software and other intangible assets	0.1	0.2	–	–	-100.0%	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>19.4</b>	<b>6.2</b>	<b>7.5</b>	<b>0.8</b>	<b>-64.9%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
<b>Total</b>	<b>5 667.3</b>	<b>6 272.6</b>	<b>6 340.6</b>	<b>6 431.0</b>	<b>4.3%</b>	<b>100.0%</b>	<b>6 824.9</b>	<b>7 290.5</b>	<b>7 809.4</b>	<b>6.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>–</b>	<b>–</b>	<b>36.5%</b>	<b>37.1%</b>	<b>37.3%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>21.3</b>	<b>23.9</b>	<b>26.4</b>	<b>26.7</b>	<b>7.9%</b>	<b>0.4%</b>	<b>26.8</b>	<b>28.4</b>	<b>30.0</b>	<b>3.9%</b>	<b>0.4%</b>
Employee social benefits	21.3	23.9	26.4	26.7	7.9%	0.4%	26.8	28.4	30.0	3.9%	0.4%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>0.0</b>	<b>0.0</b>	<b>0.6</b>	<b>1.8</b>	<b>531.3%</b>	<b>–</b>	<b>1.8</b>	<b>1.9</b>	<b>2.0</b>	<b>3.9%</b>	<b>–</b>
Claims against the state	0.0	0.0	0.6	1.8	531.3%	–	1.8	1.9	2.0	3.9%	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: State Legal Services

### Programme purpose

Provide legal and legislative services to government. Supervise the registration of trusts, and the administration of deceased and insolvent estates and estates undergoing liquidation. Manage the Guardian's Fund. Prepare and promote legislation. Facilitate constitutional development and undertake research in support of this.

### Objectives

- Ensure efficiency in the provision of services by master's offices to all beneficiaries by:
  - maintaining the percentage of liquidation and distribution accounts in large estates (more than R250 000) examined within 15 days of receipt of all required documents at 92 per cent from 2018/19 onwards
  - increasing the percentage of beneficiaries in receipt of Guardian's Fund services within 40 days of receipt of all required documents from a projected 92 per cent in 2018/19 to 94 per cent in 2021/22
  - increasing the percentage of letters of authority issued in trusts within 14 days of receipt of all required documents from 82 per cent in 2017/18 to 87 per cent in 2021/22
  - increasing the percentage of certificates of appointment issued in all bankruptcy matters within 10 days of receipt of all required documents from a projected 91 per cent in 2018/19 to 93 per cent in 2021/22
  - increasing the percentage of letters of appointment issued in curatorship estates within 15 days of receipt of all required documents from a projected 90 per cent in 2019/20 to 92 per cent in 2021/22.
- Improve state litigation services by:
  - increasing the number of high court matters presented by state attorneys (applications and trials only) from a projected 80 in 2018/19 to 120 in 2021/22
  - increasing the percentage of briefs allocated to historically disadvantaged individuals from a projected 80 per cent in 2018/19 to 83 per cent in 2021/22
  - increasing the percentage of briefs allocated to female counsel from a projected 40 per cent in 2018/19 to 41 per cent in 2021/22.
- Ensure the provision of quality legal advisory services that pass constitutional muster by:
  - maintaining the percentage of legal opinions finalised within 40 days of receipt of instruction at 80 per cent between 2018/19 and 2021/22
  - maintaining the percentage of suggested bills completed and subordinate legislation finalised within 40 days of receipt of instruction at 80 per cent between 2018/19 and 2021/22.
- Ensure compliance with international treaty obligations by:
  - maintaining the percentage of country reports and/or state responses tabled with the Department of International Relations and Cooperation for submission to treaty bodies at 100 per cent over the medium term
  - increasing the percentage of valid requests for extradition and mutual legal assistance in criminal matters processed and submitted to the Director-General of Justice and Constitutional Development and/or Minister of Justice and Correctional Services within 25 days of the date of receipt of notification, from a projected 75 per cent in 2018/19 to 85 per cent in 2021/22.

### Subprogrammes

- *State Law Advisors* provides legal advice, representation and legislative drafting services to the executive, state departments, state-owned enterprises and other government bodies through the Office of the Chief State Law Advisor.
- *Litigation and Legal Services* provides attorney, conveyance and notary services to the executive, state departments, state-owned enterprises and other government bodies through the offices of the state attorney, and provides legal support to the department and the ministry.



- *Legislative Development and Law Reform* conducts research, and prepares and promotes new and amended legislation.
- *Master of the High Court* funds the master's offices, which supervise the administration of deceased and insolvent estates, trusts, curatorships and the Guardian's Fund.
- *Constitutional Development* conducts research; coordinates the implementation of constitutionally mandated legislation such as the Promotion of Equality and Prevention of Unfair Discrimination Act (2000) and the Promotion of Administrative Justice Act (2000); promotes the Constitution and its values; assists and protects independent institutions supporting constitutional democracy to ensure their independence and effectiveness; and coordinates, promotes and develops programmes in support of social justice and participatory democracy.

## Expenditure trends and estimates

**Table 21.11 State Legal Services expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million												
State Law Advisors	59.0	61.7	63.0	74.6	8.1%	5.7%	80.4	86.4	92.0	7.2%	6.0%	
Litigation and Legal Services	395.0	447.4	457.8	472.3	6.1%	39.0%	509.7	546.1	580.6	7.1%	37.8%	
Legislative Development and Law Reform	55.9	61.2	73.7	91.6	17.9%	6.2%	100.5	106.5	112.0	7.0%	7.4%	
Master of the High Court	436.7	477.3	503.7	517.9	5.9%	42.6%	557.6	599.0	637.2	7.2%	41.4%	
Constitutional Development	62.1	73.6	66.6	89.4	12.9%	6.4%	101.6	108.3	115.0	8.7%	7.4%	
<b>Total</b>	<b>1 008.6</b>	<b>1 121.2</b>	<b>1 164.9</b>	<b>1 245.8</b>	<b>7.3%</b>	<b>100.0%</b>	<b>1 349.8</b>	<b>1 446.2</b>	<b>1 536.8</b>	<b>7.2%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				(5.7)			6.0	5.7	9.3			
<b>Economic classification</b>												
<b>Current payments</b>	<b>974.4</b>	<b>1 076.4</b>	<b>1 129.6</b>	<b>1 211.2</b>	<b>7.5%</b>	<b>96.7%</b>	<b>1 308.4</b>	<b>1 403.1</b>	<b>1 491.8</b>	<b>7.2%</b>	<b>97.1%</b>	
Compensation of employees	836.3	928.2	979.5	1 080.6	8.9%	84.2%	1 162.5	1 249.5	1 329.9	7.2%	86.4%	
Goods and services <sup>1</sup>	138.1	148.1	150.2	130.6	-1.8%	12.5%	145.9	153.5	161.9	7.4%	10.6%	
<i>of which:</i>												
Communication	13.9	14.1	12.2	12.5	-3.7%	1.2%	13.1	14.7	15.7	8.0%	1.0%	
Consultants: Business and advisory services	0.1	0.1	0.6	0.4	54.0%	-	9.6	9.3	9.4	176.5%	0.5%	
Legal services	45.1	51.3	59.7	42.5	-2.0%	4.4%	45.6	44.1	46.5	3.0%	3.2%	
Consumables: Stationery, printing and office supplies	13.0	14.1	13.9	16.6	8.5%	1.3%	16.7	17.8	18.7	4.2%	1.3%	
Travel and subsistence	41.0	33.4	33.4	29.8	-10.1%	3.0%	26.4	31.6	33.2	3.6%	2.2%	
Operating payments	7.8	7.8	11.4	8.4	2.3%	0.8%	8.4	8.9	9.4	3.8%	0.6%	
Transfers and subsidies <sup>1</sup>	23.6	27.8	24.1	23.5	-0.1%	2.2%	23.2	24.3	25.6	2.9%	1.7%	
Foreign governments and international organisations	15.8	13.5	14.4	16.9	2.3%	1.3%	17.9	18.9	19.9	5.6%	1.3%	
Households	7.7	14.3	9.7	6.5	-5.4%	0.8%	5.2	5.3	5.6	-4.7%	0.4%	
Payments for capital assets	10.7	15.7	10.9	11.1	1.3%	1.1%	18.2	18.9	19.4	20.5%	1.2%	
Machinery and equipment	10.7	15.7	10.9	11.1	1.3%	1.1%	18.2	18.9	19.4	20.5%	1.2%	
Payments for financial assets	0.0	1.4	0.1	0.1	24.5%	-	-	-	-	-100.0%	-	
<b>Total</b>	<b>1 008.6</b>	<b>1 121.2</b>	<b>1 164.9</b>	<b>1 245.8</b>	<b>7.3%</b>	<b>100.0%</b>	<b>1 349.8</b>	<b>1 446.2</b>	<b>1 536.8</b>	<b>7.2%</b>	<b>100.0%</b>	
Proportion of total programme expenditure to vote expenditure	6.7%	7.0%	7.0%	7.1%	-	-	7.2%	7.4%	7.3%	-	-	
<b>Details of selected transfers and subsidies</b>												
<b>Households</b>												
<b>Social benefits</b>												
<b>Current</b>	<b>3.1</b>	<b>4.7</b>	<b>5.0</b>	<b>3.0</b>	<b>-1.0%</b>	<b>0.3%</b>	<b>2.7</b>	<b>2.8</b>	<b>3.0</b>	<b>-0.3%</b>	<b>0.2%</b>	
Employee social benefits	3.1	4.7	5.0	3.0	-1.0%	0.3%	2.7	2.8	3.0	-0.3%	0.2%	
<b>Households</b>												
<b>Other transfers to households</b>												
<b>Current</b>	<b>4.6</b>	<b>9.6</b>	<b>4.7</b>	<b>3.5</b>	<b>-8.7%</b>	<b>0.5%</b>	<b>2.5</b>	<b>2.5</b>	<b>2.6</b>	<b>-8.9%</b>	<b>0.2%</b>	
Claims against the state	4.6	9.6	4.7	3.5	-8.7%	0.5%	2.5	2.5	2.6	-8.9%	0.2%	
<b>Foreign governments and international organisations</b>												
<b>Current</b>	<b>15.8</b>	<b>13.5</b>	<b>14.4</b>	<b>16.9</b>	<b>2.3%</b>	<b>1.3%</b>	<b>17.9</b>	<b>18.9</b>	<b>19.9</b>	<b>5.6%</b>	<b>1.3%</b>	
International Criminal Court	14.5	12.2	12.7	15.4	1.9%	1.2%	16.2	17.1	18.1	5.6%	1.2%	
Hague conference on private international law	1.0	1.0	-	1.2	5.6%	0.1%	1.2	1.3	1.4	5.6%	0.1%	
International Institute for the Unification of Private Law	0.3	0.3	1.7	0.4	7.9%	0.1%	0.4	0.4	0.5	5.6%	-	

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: National Prosecuting Authority

### Programme purpose

Provide a coordinated prosecuting service that ensures that justice is delivered to victims of crime through general and specialised prosecutions. Remove profit from crime. Protect certain witnesses.

### Objectives

- Ensure successful prosecution over the medium term by maintaining a conviction rate of 85 per cent in trio crime cases (carjacking, house robbery and business robbery), 75 per cent in murder cases, 70 per cent in sexual offences cases, 93 per cent in complex commercial crime cases (including cases of racketeering), 90 per cent in organised crime cases, (including cases of environmental crimes, copper theft and rhino poaching), and 95 per cent in cybercrime cases.
- Remove the profit from crime by intensifying the impact of asset forfeiture through:
  - increasing the value of recoveries relating to corruption where the amount involved is more than R5 million, through the proceeds of crime and government losses, from a projected R2.5 billion in 2018/19 to R6.5 billion in 2021/22
  - increasing the value of recoveries in terms of the Prevention of Organised Crime Act (1998) from a projected R5 billion in 2018/19 to R8 billion in 2021/22.
- Contribute to the effectiveness of the criminal justice system on an ongoing basis by ensuring that no witnesses and related persons are threatened, harmed or killed.

### Subprogrammes

- *National Prosecutions Service* is primarily responsible for general and specialised prosecutions, and the appeals that might follow. These include resolving criminal matters outside of the formal trial process through alternative dispute resolution mechanisms, settling admissions of guilt for minor offences, and considering dockets brought by the police where persons have not been charged.
- *Asset Forfeiture Unit* seizes assets that are the proceeds of crime or have been part of an offence through a criminal or civil process.
- *Office for Witness Protection* provides for temporary protection, support and related services to vulnerable and intimidated witnesses and related persons in judicial proceedings in terms of the Witness Protection Act (1998).
- *Support Services* provides corporate support services to the National Prosecuting Authority in terms of finance, human resources, ICT, strategy support, integrity, ethics, security, communications and risk management.

### Expenditure trends and estimates

**Table 21.12 National Prosecuting Authority expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
National Prosecutions Service	2 625.5	2 776.3	2 946.3	2 960.7	4.1%	79.0%	3 186.6	3 422.7	3 643.7	7.2%	81.2%
Asset Forfeiture Unit	133.1	133.0	126.5	130.9	-0.6%	3.7%	141.0	151.3	160.9	7.1%	3.6%
Office for Witness Protection	183.7	183.5	190.0	152.3	-6.0%	5.0%	164.4	175.3	186.0	6.9%	4.2%
Support Services	432.0	461.8	480.1	404.9	-2.1%	12.4%	437.1	465.7	493.6	6.8%	11.1%
<b>Total</b>	<b>3 374.3</b>	<b>3 554.6</b>	<b>3 742.9</b>	<b>3 648.8</b>	<b>2.6%</b>	<b>100.0%</b>	<b>3 929.1</b>	<b>4 214.9</b>	<b>4 484.2</b>	<b>7.1%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			-	-	-		

**Table 21.12 National Prosecuting Authority expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
<b>Current payments</b>	<b>3 298.9</b>	<b>3 502.7</b>	<b>3 698.3</b>	<b>3 600.5</b>	<b>3.0%</b>	<b>98.5%</b>	<b>3 877.3</b>	<b>4 159.4</b>	<b>4 425.7</b>	<b>7.1%</b>	<b>98.7%</b>
Compensation of employees	2 836.0	3 040.0	3 202.8	3 240.1	4.5%	86.0%	3 486.3	3 747.7	3 991.3	7.2%	88.9%
Goods and services <sup>1</sup>	462.9	462.7	495.5	360.4	-8.0%	12.4%	391.0	411.7	434.3	6.4%	9.8%
of which:											
Communication	16.8	14.5	18.2	15.0	-3.7%	0.5%	16.5	18.0	19.0	8.1%	0.4%
Computer services	38.6	74.4	111.7	49.9	8.9%	1.9%	53.7	58.2	61.4	7.2%	1.4%
Consumables: Stationery, printing and office supplies	15.4	20.1	35.4	28.7	23.0%	0.7%	30.7	33.0	34.8	6.6%	0.8%
Property payments	77.6	63.7	72.5	71.1	-2.9%	2.0%	77.2	83.3	87.9	7.3%	2.0%
Travel and subsistence	82.5	69.4	63.9	53.5	-13.4%	1.9%	58.6	63.6	67.1	7.9%	1.5%
Operating payments	71.3	87.4	62.3	51.5	-10.2%	1.9%	56.0	60.5	63.8	7.4%	1.4%
<b>Transfers and subsidies<sup>1</sup></b>	<b>36.8</b>	<b>18.8</b>	<b>16.4</b>	<b>17.9</b>	<b>-21.3%</b>	<b>0.6%</b>	<b>18.9</b>	<b>20.0</b>	<b>21.1</b>	<b>5.6%</b>	<b>0.5%</b>
Departmental agencies and accounts	7.2	8.6	8.9	9.5	9.8%	0.2%	10.0	10.6	11.2	5.6%	0.3%
Households	29.6	10.2	7.5	8.4	-34.3%	0.4%	8.9	9.4	9.9	5.6%	0.2%
<b>Payments for capital assets</b>	<b>38.3</b>	<b>31.9</b>	<b>27.7</b>	<b>30.4</b>	<b>-7.5%</b>	<b>0.9%</b>	<b>32.9</b>	<b>35.5</b>	<b>37.5</b>	<b>7.3%</b>	<b>0.8%</b>
Machinery and equipment	38.3	31.9	27.7	30.4	-7.5%	0.9%	32.9	35.5	37.5	7.3%	0.8%
<b>Payments for financial assets</b>	<b>0.3</b>	<b>1.2</b>	<b>0.5</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 374.3</b>	<b>3 554.6</b>	<b>3 742.9</b>	<b>3 648.8</b>	<b>2.6%</b>	<b>100.0%</b>	<b>3 929.1</b>	<b>4 214.9</b>	<b>4 484.2</b>	<b>7.1%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>22.5%</b>	<b>22.2%</b>	<b>22.5%</b>	<b>20.9%</b>	<b>-</b>	<b>-</b>	<b>21.0%</b>	<b>21.4%</b>	<b>21.4%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
Households											
Social benefits											
Current	8.7	10.1	7.5	8.4	-1.3%	0.2%	8.9	9.4	9.9	5.6%	0.2%
Employee social benefits	8.7	10.1	7.5	8.4	-1.3%	0.2%	8.9	9.4	9.9	5.6%	0.2%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	7.2	8.6	8.9	9.5	9.8%	0.2%	10.0	10.6	11.2	5.6%	0.3%
Safety and Security Sector	7.2	8.6	8.9	9.5	9.8%	0.2%	10.0	10.6	11.2	5.6%	0.3%
Education and Training Authority											

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Auxiliary and Associated Services

### Programme purpose

Provide a variety of auxiliary services associated with the department's purpose. Fund the interdepartmental justice modernisation programme, the President's Fund, and transfer payments to public entities and constitutional institutions.

### Objectives

- Ensure a functional and integrated electronic criminal justice system by:
  - increasing key performance indicator data uploaded to the integrated justice system data warehouse from 22 in 2018/19 to 28 in 2021/22
  - increasing the number of integrated justice system department applications that form part of the integrated laboratory test process from 6 in 2018/19 to 9 in 2021/22.

### Subprogrammes

- *Legal Aid South Africa* funds Legal Aid South Africa, which provides legal aid to indigent people and legal representation at the state's expense, as set out in the Constitution.
- *Special Investigating Unit* funds the Special Investigating Unit, which provides professional forensic investigating and litigation services to all state institutions at national, provincial and local levels to combat maladministration, corruption and fraud; and protects state assets and public funds.

- *Public Protector of South Africa* funds the Public Protector of South Africa, which investigates any alleged improper conduct in state affairs, public administration or any sphere of government, as well as any conduct that results in impropriety or prejudice.
- *South African Human Rights Commission* funds the South African Human Rights Commission, which promotes and monitors the observance of human rights in South Africa.
- *Justice Modernisation* designs and implements IT infrastructure and networks; and re-engineers, automates and integrates business processes for the administration of civil and criminal justice in the integrated justice system.
- *President's Fund* provides funding for reparations flowing from the findings of the Truth and Reconciliation Commission.

## Expenditure trends and estimates

**Table 21.13 Auxiliary and Associated Services expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Legal Aid South Africa	1 523.0	1 577.2	1 754.4	1 800.9	5.7%	50.1%	1 958.4	2 066.1	2 179.2	6.6%	48.1%
Special Investigating Unit	304.5	316.7	346.2	357.1	5.5%	10.0%	363.0	382.9	403.9	4.2%	9.0%
Public Protector of South Africa	245.4	264.1	316.1	310.6	8.2%	8.6%	321.4	339.1	357.8	4.8%	8.0%
South African Human Rights Commission	146.4	153.5	173.4	178.8	6.9%	4.9%	189.2	200.1	211.1	5.7%	4.7%
Justice Modernisation	889.6	826.4	810.7	983.2	3.4%	26.4%	1 276.7	1 349.9	1 424.3	13.1%	30.2%
<b>Total</b>	<b>3 108.8</b>	<b>3 137.9</b>	<b>3 400.7</b>	<b>3 630.6</b>	<b>5.3%</b>	<b>100.0%</b>	<b>4 108.8</b>	<b>4 338.1</b>	<b>4 576.4</b>	<b>8.0%</b>	<b>100.0%</b>
Change to 2018				43.0			331.8	353.1	247.9		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>716.7</b>	<b>647.7</b>	<b>701.4</b>	<b>804.5</b>	<b>3.9%</b>	<b>21.6%</b>	<b>1 081.4</b>	<b>1 143.8</b>	<b>1 206.9</b>	<b>14.5%</b>	<b>25.4%</b>
Goods and services <sup>1</sup>	716.7	647.7	701.4	804.5	3.9%	21.6%	1 081.4	1 143.8	1 206.9	14.5%	25.4%
of which:											
Minor assets	0.7	2.4	0.1	1.8	39.9%	–	5.5	5.8	6.2	50.2%	0.1%
Computer services	672.8	611.2	634.8	688.7	0.8%	19.6%	946.0	1 001.0	1 056.3	15.3%	22.2%
Consultants: Business and advisory services	0.6	10.1	3.1	0.9	12.7%	0.1%	4.2	4.4	4.6	72.8%	0.1%
Agency and support/outsourced services	36.9	9.0	52.1	109.1	43.5%	1.6%	121.7	128.4	135.4	7.5%	3.0%
Consumables: Stationery, printing and office supplies	5.0	8.9	2.6	2.2	-24.0%	0.1%	2.3	2.5	2.6	5.6%	0.1%
Training and development	0.0	0.1	0.2	0.8	265.6%	–	0.8	0.9	0.9	5.5%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>2 219.3</b>	<b>2 311.5</b>	<b>2 590.0</b>	<b>2 647.4</b>	<b>6.1%</b>	<b>73.6%</b>	<b>2 832.0</b>	<b>2 988.2</b>	<b>3 152.0</b>	<b>6.0%</b>	<b>69.8%</b>
Departmental agencies and accounts	2 219.3	2 311.5	2 590.0	2 647.4	6.1%	73.6%	2 832.0	2 988.2	3 152.0	6.0%	69.8%
<b>Payments for capital assets</b>	<b>172.9</b>	<b>178.7</b>	<b>109.3</b>	<b>178.8</b>	<b>1.1%</b>	<b>4.8%</b>	<b>195.4</b>	<b>206.1</b>	<b>217.4</b>	<b>6.7%</b>	<b>4.8%</b>
Machinery and equipment	132.5	178.7	94.8	178.8	10.5%	4.4%	195.4	206.1	217.4	6.7%	4.8%
Software and other intangible assets	40.4	–	14.5	–	-100.0%	0.4%	–	–	–	–	–
<b>Total</b>	<b>3 108.8</b>	<b>3 137.9</b>	<b>3 400.7</b>	<b>3 630.6</b>	<b>5.3%</b>	<b>100.0%</b>	<b>4 108.8</b>	<b>4 338.1</b>	<b>4 576.4</b>	<b>8.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>20.8%</b>	<b>19.6%</b>	<b>20.5%</b>	<b>20.8%</b>	<b>–</b>	<b>–</b>	<b>22.0%</b>	<b>22.1%</b>	<b>21.9%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>2 219.3</b>	<b>2 311.5</b>	<b>2 590.0</b>	<b>2 647.4</b>	<b>6.1%</b>	<b>73.6%</b>	<b>2 832.0</b>	<b>2 988.2</b>	<b>3 152.0</b>	<b>6.0%</b>	<b>69.8%</b>
Legal Aid South Africa	1 523.0	1 577.2	1 754.4	1 800.9	5.7%	50.1%	1 958.4	2 066.1	2 179.2	6.6%	48.1%
Special Investigating Unit	304.5	316.7	346.2	357.1	5.5%	10.0%	363.0	382.9	403.9	4.2%	9.0%
Public Protector of South Africa	245.4	264.1	316.1	310.6	8.2%	8.6%	321.4	339.1	357.8	4.8%	8.0%
South African Human Rights Commission	146.4	153.5	173.4	178.8	6.9%	4.9%	189.2	200.1	211.1	5.7%	4.7%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entity

### Legal Aid South Africa

#### Mandate

Legal Aid South Africa was established in terms of section 2 of the Legal Aid South Africa Act (2014) to provide legal aid and legal advice to eligible people at the state's expense. The entity is mandated to ensure access to justice and the realisation of the people's rights to have legal representation, as envisaged in the Constitution. To this end, Legal Aid South Africa has identified the following priority groups: children; detained persons, including sentenced offenders; accused persons who wish to appeal or review a court's decision in a higher court; women, particularly in divorce, maintenance and domestic violence cases; and the landless, especially in eviction cases.

#### Selected performance indicators

**Table 21.14 Legal Aid South Africa performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of new legal matters approved for legal aid per year:	Legal aid services and special projects	Outcome 3: All people in South Africa are and feel safe	441 056	444 962	426 617 <sup>1</sup>	430 883	435 192	439 544	443 939
– Criminal matters			388 692 (88%)	385 972 (87%)	371 202 (87%)	374 868 (87%)	378 617 (87%)	382 403 (87%)	386 227 (87%)
– Civil matters			52 364 (12%)	58 990 (13%)	44 415 (13%)	56 015 (13%)	56 575 (13%)	57 141 (13%)	57 712 (13%)
Number of finalised legal matters per year:	Legal aid services and special projects	Outcome 3: All people in South Africa are and feel safe	432 210	445 628	420 062 <sup>1</sup>	424 262	428 504	432 789	437 117
– Criminal matters			376 023 (87%)	390 485 (88%)	364 268 (87%)	367 108 (87%)	372 798 (87%)	376 526 (87%)	380 292 (87%)
– Civil matters			56 187 (13%)	55 140 (12%)	55 794 (17%)	55 154 (13%)	55 706 (13%)	56 263 (13%)	56 825 (13%)
Percentage of annual coverage of legal aid practitioners per district court <sup>2</sup>	Legal aid services and special projects		– <sup>3</sup>	– <sup>3</sup>	86%	83%	83%	83%	83%
Percentage of annual coverage of legal aid practitioners per regional court <sup>2</sup>	Legal aid services and special projects		– <sup>3</sup>	– <sup>3</sup>	95%	93%	93%	93%	93%

- <sup>1</sup> The decrease in new and finalised legal matters in 2017/18 can be attributed to the improved prescreening of cases by the National Prosecuting Authority, as well as its strategy to mediate minor offences informally, which keeps these matters out of the court system.
- <sup>2</sup> This percentage is calculated using the total number of days the courts were in session and Legal Aid South Africa's coverage of those days. Targets have been reduced from 2018/19 onwards to afford practitioners an opportunity to better prepare for matters in court.
- <sup>3</sup> No historical data available.

#### Expenditure analysis

Legal Aid South Africa contributes to the National Development Plan's vision of a South Africa in which all people are safe at home, school and work, and enjoy life without fear. Achieving this vision requires a criminal justice system that serves everyone in South Africa fairly and equitably. In support of this objective, over the medium term, the entity will continue providing legal aid and representation at the state's expense to people who cannot afford it. As such, the entity plans to enter into strategic partnerships with legal practitioners in the private sector, non-governmental organisations and university law clinics, and maintain a national footprint of 64 legal aid local offices and 64 satellite offices supported by 6 provincial offices and a national office.

Spending in the *legal aid services* programme accounts for an estimated 78.9 per cent (R6.4 billion) of the entity's total budget between 2018/19 and 2021/22. Compensation for the entity's 2 707 employees is set to continue to be the main driver of spending over the MTEF period, accounting for a projected 82.6 per cent (R5.2 billion) of the total budget. Expenditure on compensation of employees is set to increase at an average annual rate of 6.6 per cent, from R1.5 billion in 2018/19 to R1.8 billion in 2021/22.

The entity's coverage of legal aid practitioners per district court is expected to be maintained at 83 per cent per year over the medium term, and its coverage in regional courts at 93 per cent. To maintain a sufficient number of legal practitioners in the court system over the medium term, the entity is set to receive additional funding of R309.2 million for compensation of employees, of which R104.5 million comprises funding reprioritised from the department.

Legal Aid South Africa funds its operations through transfers from the department. These are expected to increase at an average annual rate of 6.7 per cent, from R1.8 billion in 2018/19 to R2.2 billion in 2021/22.

### Programmes/Objectives/Activities

**Table 21.15 Legal Aid South Africa expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administration	327.4	352.3	334.7	336.6	0.9%	19.6%	334.8	390.5	410.9	6.9%	18.2%
Legal aid services	1 226.8	1 298.7	1 397.9	1 437.9	5.4%	77.6%	1 587.7	1 635.1	1 724.0	6.2%	78.9%
Special projects	44.1	48.3	50.4	52.9	6.2%	2.8%	55.8	59.5	63.3	6.2%	2.9%
<b>Total</b>	<b>1 598.3</b>	<b>1 699.3</b>	<b>1 783.0</b>	<b>1 827.3</b>	<b>4.6%</b>	<b>100.0%</b>	<b>1 978.4</b>	<b>2 085.1</b>	<b>2 198.2</b>	<b>6.4%</b>	<b>100.0%</b>

### Statements of historical financial performance

**Table 21.16 Legal Aid South Africa statements of historical financial performance and position**

Statement of financial performance	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget	2015/16	Budget	2016/17	Budget	2017/18	2018/19	2018/19	
R million									2015/16 - 2018/19
<b>Revenue</b>									
Non-tax revenue	19.6	32.7	114.2	29.3	32.5	25.5	33.0	33.0	60.5%
Other non-tax revenue	19.6	32.7	114.2	29.3	32.5	25.5	33.0	33.0	60.5%
Transfers received	1 523.0	1 523.5	1 577.2	1 577.2	1 754.4	1 754.6	1 764.3	1 794.3	100.5%
<b>Total revenue</b>	<b>1 542.6</b>	<b>1 556.2</b>	<b>1 691.4</b>	<b>1 606.5</b>	<b>1 786.9</b>	<b>1 780.1</b>	<b>1 797.3</b>	<b>1 827.3</b>	<b>99.3%</b>
<b>Expenses</b>									
Current expenses	1 641.2	1 598.3	1 691.4	1 699.3	1 786.9	1 783.0	1 797.3	1 827.3	99.9%
Compensation of employees	1 279.6	1 206.1	1 363.3	1 331.2	1 444.9	1 369.6	1 467.8	1 508.5	97.5%
Goods and services	330.9	363.6	296.9	337.7	311.2	385.4	298.8	288.1	111.1%
Depreciation	30.7	28.2	30.8	30.2	30.8	27.9	30.8	30.8	95.1%
Interest, dividends and rent on land	0.0	0.4	0.4	0.2	-	0.2	-	-	185.2%
<b>Total expenses</b>	<b>1 641.2</b>	<b>1 598.3</b>	<b>1 691.4</b>	<b>1 699.3</b>	<b>1 786.9</b>	<b>1 783.0</b>	<b>1 797.3</b>	<b>1 827.3</b>	<b>99.9%</b>
<b>Surplus/(Deficit)</b>	<b>(99.0)</b>	<b>(42.0)</b>	<b>-</b>	<b>(93.0)</b>	<b>-</b>	<b>(3.0)</b>	<b>-</b>	<b>-</b>	
<b>Statement of financial position</b>									
Carrying value of assets	114.5	171.8	166.2	176.4	186.8	202.9	198.3	198.3	112.6%
of which:									
Acquisition of assets	(24.3)	(47.7)	(20.8)	(39.8)	(35.6)	(55.9)	(33.0)	(40.8)	162.1%
Investments	3.5	1.7	1.7	1.7	1.7	1.6	1.7	1.7	77.3%
Inventory	1.2	1.5	1.6	1.7	1.2	-	1.6	1.6	86.1%
Receivables and prepayments	44.4	41.7	39.8	69.0	69.5	66.5	69.4	69.4	110.5%
Cash and cash equivalents	386.3	373.6	289.6	246.0	246.0	234.6	219.1	219.1	94.1%
<b>Total assets</b>	<b>549.9</b>	<b>590.3</b>	<b>498.8</b>	<b>494.7</b>	<b>505.0</b>	<b>505.5</b>	<b>490.0</b>	<b>490.0</b>	<b>101.8%</b>
Accumulated surplus/(deficit)	282.5	338.3	300.6	249.6	268.0	246.7	311.1	235.0	92.0%
Finance lease	3.7	1.8	1.2	0.6	3.5	0.8	0.9	0.9	44.0%
Trade and other payables	122.5	105.7	115.8	121.1	129.1	148.3	126.7	126.7	101.5%
Provisions	141.2	144.5	81.3	123.4	155.3	109.8	162.4	127.4	93.5%
<b>Total equity and liabilities</b>	<b>549.9</b>	<b>590.3</b>	<b>498.8</b>	<b>494.7</b>	<b>555.8</b>	<b>505.5</b>	<b>601.2</b>	<b>490.0</b>	<b>94.3%</b>

### Statements of estimates of financial performance

**Table 21.17 Legal Aid South Africa statements of estimates of financial performance and position**

Statement of financial performance	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
				2018/19	2019/20	2020/21		
R million								
<b>Revenue</b>								
Non-tax revenue	33.0	0.3%	1.8%	20.0	19.0	19.0	-16.8%	1.1%
Other non-tax revenue	33.0	0.3%	1.8%	20.0	19.0	19.0	-16.8%	1.1%
Transfers received	1 794.3	5.6%	98.2%	1 958.4	2 066.1	2 179.2	6.7%	98.9%
<b>Total revenue</b>	<b>1 827.3</b>	<b>5.5%</b>	<b>100.0%</b>	<b>1 978.4</b>	<b>2 085.1</b>	<b>2 198.2</b>	<b>6.4%</b>	<b>100.0%</b>

**Table 21.17 Legal Aid South Africa statements of estimates of financial performance and position**

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2018/19				2015/16 - 2018/19	2019/20	2020/21		
R million									
<b>Expenses</b>									
<b>Current expenses</b>		<b>1 827.3</b>	<b>4.6%</b>	<b>100.0%</b>	<b>1 978.4</b>	<b>2 085.1</b>	<b>2 198.2</b>	<b>6.4%</b>	<b>100.0%</b>
Compensation of employees		1 508.5	7.7%	78.3%	1 616.6	1 725.4	1 829.0	6.6%	82.6%
Goods and services		288.1	-7.5%	20.0%	331.1	329.0	338.5	5.5%	15.9%
Depreciation		30.8	3.0%	1.7%	30.7	30.7	30.7	-0.1%	1.5%
<b>Total expenses</b>		<b>1 827.3</b>	<b>4.6%</b>	<b>100.0%</b>	<b>1 978.4</b>	<b>2 085.1</b>	<b>2 198.2</b>	<b>6.4%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>		<b>-</b>			<b>-</b>	<b>-</b>	<b>-</b>		
<b>Statement of financial position</b>									
Carrying value of assets		198.3	4.9%	36.3%	198.3	198.3	198.3	-	41.7%
of which:									
Acquisition of assets		(40.8)	-5.1%	-8.9%	(39.8)	(42.1)	(42.5)	1.3%	-8.7%
Investments		1.7	-0.8%	0.3%	1.7	1.7	1.7	-	0.3%
Inventory		1.6	1.2%	0.2%	1.6	1.6	1.6	-	0.3%
Receivables and prepayments		69.4	18.5%	12.1%	69.4	69.4	69.4	-	14.6%
Cash and cash equivalents		219.1	-16.3%	51.0%	207.6	196.2	196.2	-3.6%	43.0%
<b>Total assets</b>		<b>490.0</b>	<b>-6.0%</b>	<b>100.0%</b>	<b>478.6</b>	<b>467.1</b>	<b>467.1</b>	<b>-1.6%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)		235.0	-11.4%	51.1%	230.0	225.0	225.0	-1.4%	48.1%
Finance lease		0.9	-19.6%	0.2%	0.9	0.9	0.9	0.9%	0.2%
Trade and other payables		126.7	6.2%	24.4%	135.1	135.1	135.1	2.2%	28.0%
Provisions		127.4	-4.1%	24.3%	112.5	106.1	106.1	-5.9%	23.7%
<b>Total equity and liabilities</b>		<b>490.0</b>	<b>-6.0%</b>	<b>100.0%</b>	<b>478.6</b>	<b>467.1</b>	<b>467.1</b>	<b>-1.6%</b>	<b>100.0%</b>

**Personnel information****Table 21.18 Legal Aid South Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
Legal Aid South Africa		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	2 755	2 760	2 637	1 369.6	0.5	2 726	1 508.5	0.6	2 707	1 616.6	0.6	2 707	1 725.4	0.6	2 707	1 829.0	0.7	6.6%	100.0%
1 – 6	1 079	1 088	1 029	244.6	0.2	1 055	266.4	0.3	1 043	285.8	0.3	1 043	305.3	0.3	1 043	323.6	0.3	6.7%	38.6%
7 – 10	801	791	760	325.6	0.4	800	366.2	0.5	800	391.4	0.5	800	416.6	0.5	800	441.7	0.6	6.4%	29.5%
11 – 12	561	567	553	531.0	1.0	558	576.4	1.0	551	616.0	1.1	551	658.1	1.2	551	697.6	1.3	6.6%	20.4%
13 – 16	314	314	295	268.5	0.9	313	299.4	1.0	313	323.4	1.0	313	345.4	1.1	313	366.2	1.2	6.9%	11.5%

1. Rand million.

**Other entities**

Comprehensive coverage of the following public entities is provided with the more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Public Protector of South Africa** is mandated to strengthen constitutional democracy by investigating any conduct in state affairs, or in the public administration in any sphere of government, that is alleged or suspected to be improper or to result in any impropriety or prejudice; to report on that conduct; and to take appropriate remedial action. The institution's total budget for 2019/20 is R322.6 million.
- The **South African Human Rights Commission** is an independent statutory body established to support constitutional democracy by promoting, protecting and monitoring matters relating to human rights. The commission's total budget for 2019/20 is R190.2 million.
- The **Special Investigating Unit** investigates and litigates on serious malpractice, maladministration and corruption in connection with the administration of state institutions. The unit is also empowered to institute and conduct civil proceedings in any court of law or special tribunal in its own name or on behalf of other state institutions. Its total budget for 2019/20 is R718.1 million.

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
<b>Departmental infrastructure</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Soweto magistrate's court (formally referred to as Orlando magistrate's court)	Construction of a new building	Identification	1 264.2	–	–	–	–	4.1	10.0	20.0
Nelspruit high court	Construction of a new building for the province	Construction	1 238.4	333.5	234.3	118.0	177.4	15.0	–	–
Polokwane high court	Construction of a new building for the province	Completed	1 011.2	72.7	91.4	77.4	146.9	15.0	–	–
South Gauteng high court	Extension of an existing building	Completed	5 061.7	55.4	41.2	7.9	–	–	–	–
<b>Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)</b>										
Plettenberg Bay magistrate's office	Construction of a new building	Construction	337.0	18.3	98.4	153.0	43.8	10.0	–	–
Soshanguve magistrate's office	Extension of an existing building	Design	424.5	–	22.5	0.2	–	31.3	43.0	59.8
Goodwood magistrate's office	Construction of a new building	Prefeasibility	451.8	–	–	–	–	2.0	2.5	2.6
Port Shepstone magistrate's office	Construction of a new building	Construction	377.9	61.3	94.2	71.8	25.8	15.0	–	–
Katlehong magistrate's office	Construction of a new building	Completed	332.2	–	–	1.3	–	–	–	–
Booyens magistrate's office	Construction of a new building	Construction	288.0	–	64.2	138.5	79.2	10.0	–	–
Durban high court	Expansion of accommodation	Design	902.7	3.0	19.6	27.4	33.9	175.9	180.0	201.3
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Accessibility programme (phase 2)	Accessibility of court facilities	On-going	105.9	36.9	95.0	19.7	22.2	15.3	14.1	14.8
Mamelodi magistrate's office	Construction of a new building	Construction	180.0	26.9	34.2	42.0	20.4	15.0	5.0	3.0
Fort Beaufort magistrate's office	Upgrade of electricity systems	Completed	1.5	0.8	–	0.1	–	–	–	–
Richards Bay magistrate's office	Construction of a new building	Design	207.1	8.4	4.9	–	–	19.7	63.0	66.4
Kagiso magistrate's office	Construction of a new building	Handed over	110.6	–	0.2	5.9	–	–	–	–
Jan Kempdorp magistrate's office	Construction of a new building	Design	88.8	–	0.9	0.1	–	25.9	26.2	27.6
Sibasa regional court	Refurbishment of an existing building	Design	4.1	–	0.1	–	1.1	1.0	1.0	–
Tsakane magistrate's office	Construction of a new building	Handed over	16.2	–	0.3	–	–	–	–	–
Nkomazi magistrate's office	Construction of a new building	Completed	0.8	0.3	–	0.0	–	–	–	–
Garies magistrate's office	Construction of a new building	Design	97.0	–	–	–	–	5.6	27.0	28.5
Lothair periodical court	Construction of a new building	Design	31.7	–	0.5	3.8	–	10.0	30.8	2.5
Boksburg magistrate's office	Upgrade of electricity systems	Design	0.2	–	–	–	1.0	0.5	–	–
Bityi periodical court	Construction of a new building	Construction	73.0	0.7	7.5	44.1	11.3	5.0	–	–
Dimbaza periodical court	Construction of a new building	Construction	110.2	26.1	25.2	26.6	22.1	5.4	–	–
Supreme Court of Appeal (Bloemfontein)	Extension of an existing building	Handed over	129.8	0.8	1.0	–	–	–	–	–
Various magistrate's offices: Air conditioners	Installation of air conditioners	On-going	12.8	0.2	3.1	1.9	5.0	20.0	10.0	2.3
Rouxville magistrate's office	Expansion of accommodation	Construction	10.7	–	1.7	3.9	0.2	0.4	0.1	0.1
Stanger magistrate's office	Extension of an existing building	Handed over	52.8	–	–	–	–	–	–	–



**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
Vanrhynsdorp magistrate's office	Extension of an existing building	Handed over	2.9	1.1	–	–	–	–	–	–
Port Elizabeth high court	Extension of an existing building	Construction	194.8	11.5	43.3	33.5	–	–	–	–
Various service points: Payment of final accounts	Construction of a new building and extensions of existing buildings	On-going	150.0	–	12.6	17.4	36.3	55.0	30.0	31.6
Humansdorp magistrate's office	Extension of an existing building	Design	28.7	–	–	–	–	0.3	2.4	2.6
Oberholzer magistrate's office	Upgrade of security measures	Construction	8.7	0.4	0.0	2.3	–	–	–	–
KwaMbonambi periodical court	Extension of an existing building	Design	61.4	–	–	–	–	1.0	0.2	0.2
Mthatha magistrate's office	Extension of an existing building	Design	162.4	–	3.4	1.1	5.0	23.5	45.9	48.3
Cala magistrate's office	Extension of an existing building	Design	12.2	–	–	–	–	1.0	2.4	2.6
Tarkastad magistrate's office	Extension of an existing building	Handed over	9.4	–	–	–	–	–	–	–
Schweizer-Reneke magistrate's office	Extension of an existing building	Handed over	11.3	0.1	0.8	–	–	–	–	–
Mqanduli magistrate's office	Extension of an existing building	Design	3.9	–	0.4	–	1.0	10.0	15.8	16.7
Nyoni periodical court	Extension of an existing building	Design	23.7	0.5	–	–	–	1.0	0.3	0.3
Wolmaransstad magistrate's office	Extension of an existing building	Design	29.9	–	–	–	–	7.2	7.1	7.5
Bhisho high court	Extension of an existing building	Feasibility	28.3	–	–	–	–	0.3	12.2	12.8
Mount Ayliff magistrate's office	Extension of an existing building	Design	65.1	–	–	–	–	1.0	1.8	1.9
Barkley East magistrate's office	Extension of an existing building	Design	8.8	–	–	–	–	1.0	1.8	1.9
Whittlesea magistrate's office	Extension of an existing building	Design	102.1	1.0	0.0	–	–	0.3	26.6	28.0
Christiana magistrate's office	Extension of an existing building	Design	18.2	–	–	–	–	1.5	2.3	2.5
Fraserburg magistrate's office	Extension of an existing building	Construction	30.9	1.2	2.1	7.8	16.6	1.5	–	–
Various magistrate offices: Standby generators	Installation of standby generators	Design	4.0	–	–	0.3	5.0	40.0	5.0	5.3
Umbumbulu magistrate's office	Extension of an existing building	Construction	50.6	13.9	10.7	5.4	5.2	2.0	5.8	6.1
Thohoyandou high court	Extension of an existing building	Construction	1.7	0.1	0.8	–	–	2.0	–	–
Gelvandale magistrate's office	Extension of an existing building	Handed over	54.1	–	–	–	–	–	–	–
Lephalale local seat	Construction of a new building	Feasibility	150.0	–	–	–	–	10.8	20.0	21.1
Tshilwavhusiku magistrate's office	Construction of a new building	Design	40.7	0.0	–	0.0	–	1.1	8.2	8.7
Tsineng magistrate's office	Construction of a new building	Identification	49.2	–	–	–	–	–	0.7	0.7
Second Gelvandale magistrate's office	Upgrade of various offices	Handed over	6.8	–	–	–	–	–	–	–
Odendaalsrus magistrate's office	Extension of an existing building	Feasibility	7.5	–	–	–	–	5.0	0.0	0.0
Villiers magistrate's office	Extension of an existing building	Feasibility	8.8	–	–	–	–	1.0	0.0	0.0
Elliot magistrate's office	Extension of an existing building	Design	4.7	0.3	0.6	–	–	1.0	–	–
Bloemfontein high court	Extension of an existing building	Design	1.6	–	–	0.4	8.5	12.4	–	–
Upington local seat	Construction of a new building	Feasibility	150.0	–	–	–	–	5.8	20.0	21.1
Welkom magistrate's office	Extension of an existing building	Construction	26.7	4.7	6.9	6.3	3.6	0.7	–	–
Caledon magistrate's office	Extension of an existing building	Handed over	19.1	0.2	–	–	–	–	–	–
Ladismith magistrate's office (Western Cape)	Extension of an existing building	Design	17.5	–	6.6	3.1	–	1.0	–	–

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
Grabouw magistrate's office	Extension of an existing building	Design	8.5	0.9	0.7	–	–	1.0	–	–
Clanwilliam magistrate's office	Extension of an existing building	Design	9.4	1.5	0.0	–	–	1.0	–	–
Cape Town magistrate's office	Extension of an existing building	Construction	24.2	1.1	–	0.6	4.3	0.5	–	–
Justitia Building (Cape Town)	Extension of an existing building	Construction	192.7	41.6	61.3	21.1	7.5	–	–	–
Msinga magistrate's office	Extension of an existing building	Design	86.9	–	–	–	–	1.0	0.4	0.4
Umzimkulu magistrate's office	Extension of an existing building	Design	176.0	0.1	1.3	5.4	–	5.0	0.4	0.4
Ixopo justice cluster	Extension of an existing building	Design	53.1	–	–	–	–	0.2	–	–
Ingwavuma justice cluster	Extension of an existing building	Design	42.6	0.5	0.2	–	–	0.2	0.2	0.3
Kranskop justice cluster	Extension of an existing building	Design	11.3	–	–	–	–	1.0	0.1	0.1
Greytown justice cluster	Extension of an existing building	Design	26.7	–	–	–	–	0.1	0.1	0.1
Bergville justice cluster	Extension of an existing building	Design	37.8	–	–	0.1	–	0.1	0.1	0.1
Paulpietersburg justice cluster	Extension of an existing building	Design	37.3	0.1	–	0.0	–	0.1	0.4	0.4
Magudu justice cluster	Extension of an existing building	Design	22.6	0.1	–	–	–	1.0	0.5	0.5
Sundumbili magistrate's office	Extension of an existing building	Design	56.9	–	1.0	5.0	–	0.1	3.1	3.2
Newcastle magistrate's office	Extension of an existing building	Design	128.6	2.2	0.1	1.6	–	2.0	0.7	0.8
Chatsworth (Durban) magistrate's office	Extension of an existing building	Construction	204.5	3.0	13.0	52.3	70.6	9.9	–	–
Vulamehlo magistrate's office	Extension of an existing building	Design	40.4	–	3.7	2.2	8.9	4.0	–	–
Pofadder magistrate's office	Extension of an existing building	Design	232.5	1.2	–	0.1	–	11.1	21.2	22.4
Hopetown magistrate's office	Extension of an existing building	Design	34.0	–	–	–	–	1.0	1.8	1.9
Kakamas magistrate's office	Extension of an existing building	Design	95.0	–	–	–	–	1.0	11.8	12.5
Keimoes magistrate's office	Construction of a new building	Design	19.1	–	–	–	–	1.0	4.3	4.5
Mankwe magistrate's office	Extension of an existing building	Handed over	2.4	–	–	–	–	–	–	–
Klerksdorp magistrate's office	Extension of an existing building	Design	29.8	1.4	0.7	–	–	10.0	19.3	20.3
Evander magistrate's office	Extension of an existing building	Design	75.0	1.2	1.3	16.2	19.2	2.2	2.3	2.5
Tzaneen magistrate's office	Extension of an existing building	Design	85.0	–	–	–	–	1.0	5.0	5.3
Dzanani magistrate's office	Extension of an existing building	Design	182.0	0.8	2.6	–	–	27.0	22.4	23.6
Naboomspruit magistrate's office	Extension of an existing building	Design	30.8	0.3	–	–	–	1.8	6.2	6.5
Ezibeleni magistrate's office	Extension of an existing building	Design	24.0	–	–	–	–	2.5	1.2	1.3
King William's Town magistrate's office	Extension of an existing building	Design	18.6	0.1	0.0	1.0	–	5.0	2.4	2.6
Grahamstown magistrate's office	Extension of an existing building	Design	5.1	–	–	–	–	1.0	1.6	1.7
Seymour magistrate's office	Extension of an existing building	Design	30.2	0.0	–	–	–	0.5	4.3	4.5
Middelburg magistrate's office (Eastern Cape)	Extension of an existing building	Design	47.4	0.2	–	–	–	0.3	8.6	9.1
Port Elizabeth magistrate's office	Extension of an existing building	Design	58.3	–	–	–	–	1.0	19.8	20.8
Bedford magistrate's office	Extension of an existing building	Design	17.0	–	–	–	–	1.7	1.6	1.7
Odi magistrate's office	Extension of an existing building	Design	165.7	–	–	–	–	2.0	35.7	37.6
Palace of Justice (Pretoria)	Extension of an existing building	Construction	53.0	1.5	4.6	3.1	–	1.5	–	–
Rustenburg magistrate's office	Extension of an existing building	Design	182.5	1.8	1.3	0.6	6.2	12.6	59.4	62.6
Virginia magistrate's office	Extension of an existing building	Design	4.0	–	–	–	–	0.5	0.0	0.0
Hennenman magistrate's office	Extension of an existing building	Design	8.5	–	–	–	–	5.3	0.0	0.0

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
Gariep Dam magistrate's office	Extension of an existing building	Design	7.4	–	–	–	–	1.9	0.0	0.0
Bothaville magistrate's office	Extension of an existing building	Design	5.0	–	–	–	–	1.0	0.0	0.0
Colonial Building magistrate's office	Expansion of accommodation	Design	178.1	–	–	–	–	0.5	0.1	0.1
Kuils River magistrate's office	Construction of a new building	Feasibility	196.0	–	–	0.1	–	1.0	0.2	0.2
Hermanus magistrate's office	Construction of a new building	Design	179.0	–	–	–	–	1.0	0.2	0.2
Phillippi magistrate's office	Construction of a new building	Feasibility	200.0	–	–	–	–	1.0	0.2	0.2
Darling magistrate's office	Extension of an existing building	Feasibility	30.0	–	–	–	–	1.0	0.0	0.0
Somerset West magistrate's office	Extension of an existing building	Feasibility	30.0	–	–	–	–	1.0	0.0	0.0
Worcester magistrate's office	Extension of an existing building	Feasibility	40.0	–	–	–	–	1.0	0.0	0.0
Howick magistrate's office	Upgrade of security measures	Design	4.0	–	–	–	–	1.1	0.0	0.0
Various magistrate's offices: Water tanks	Installation of water tanks	Design	–	–	–	–	5.0	20.0	5.0	5.3
Ulundi magistrate's office	Upgrade of security measures	Design	6.4	–	–	–	–	1.0	0.3	0.4
Mahlabathini magistrate's office	Upgrade of security measures	Design	10.1	–	–	–	–	1.0	0.0	0.0
Dannhauser magistrate's office	Upgrade of security measures	Design	8.9	–	–	–	–	0.4	0.0	0.0
Ubombo magistrate's office	Expansion of accommodation	Design	50.0	–	–	–	–	1.0	0.0	0.0
Gingindlovu magistrate's office	Expansion of accommodation	Design	3.5	–	–	–	–	0.2	0.0	0.0
Ngome magistrate's office	Construction of a new building	Design	20.0	–	–	–	–	0.1	0.0	0.0
Louwsburg magistrate's office	Upgrades and refurbishment	Design	0.7	–	–	–	–	3.1	0.0	0.0
Pongola magistrate's office	Repairs and renovations of offices	Design	1.2	–	–	–	–	1.0	0.0	0.0
Lichtenburg magistrate's office	Extension of an existing building	Design	200.0	–	–	–	–	1.0	5.3	5.6
Various service points: Refurbishment, additions and upgrade of security measures	Refurbishment, additions to existing buildings and upgrading of security measures	Construction	190.0	–	–	21.7	26.5	109.9	34.8	43.7
Mobile office	Procurement of mobile offices	Completed	13.6	–	2.5	11.5	3.7	–	–	–
Leases of office building	Rental of office building	On-going	10.6	–	–	–	–	–	–	–
<b>Total</b>			<b>18 412.2</b>	<b>739.5</b>	<b>1 023.0</b>	<b>963.8</b>	<b>823.4</b>	<b>855.6</b>	<b>902.7</b>	<b>952.3</b>



# Vote 22

## Office of the Chief Justice and Judicial Administration

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	214.6	206.0	–	8.6	227.9	237.5
Superior Court Services	900.1	804.5	1.2	94.5	965.8	1 029.8
Judicial Education and Support	83.0	81.5	–	1.5	88.2	91.8
<b>Subtotal</b>	<b>1 197.7</b>	<b>1 092.0</b>	<b>1.2</b>	<b>104.5</b>	<b>1 281.9</b>	<b>1 359.1</b>
<b>Direct charge against the National Revenue Fund</b>						
Judges' salaries	1 098.5	1 004.1	94.5	–	1 180.9	1 257.7
<b>Total expenditure estimates</b>	<b>2 296.2</b>	<b>2 096.1</b>	<b>95.6</b>	<b>104.5</b>	<b>2 462.8</b>	<b>2 616.8</b>

Executive authority Minister of Justice and Correctional Services  
 Accounting officer Secretary-General of the Office of the Chief Justice  
 Website address [www.judiciary.org.za](http://www.judiciary.org.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Strengthen judicial governance and independence by rendering effective support to the Chief Justice in executing administrative and judicial powers and duties as both head of the Judiciary and the Constitutional Court.*

### Mandate

The Office of the Chief Justice and Judicial Administration derives its mandate of providing support to the Chief Justice as the head of the Judiciary from section 165 (6) of the Constitution, read together with the Superior Courts Act (2013). The Office of the Chief Justice also has the following functions supplementary to its mandate: provide and coordinate legal and administrative support to the Chief Justice; provide communication and relationship management services; provide intergovernmental and internal coordination services; develop administration policies for courts; support the development of judicial policy, norms and standards; support the judicial function of the Constitutional Court; and support the Judicial Service Commission and South African Judicial Education Institute in the execution of their mandates.

### Selected performance indicators

**Table 22.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19 <sup>1</sup>	2019/20	2020/21	2021/22
Percentage of default judgments finalised by registrars per year	Superior Court Services	Outcome 3: All people in South Africa are and feel safe	70% (33 252/ 47 814)	85% (49 252/ 57 656)	89% (48 509/ 54 563)	90%	100%	100%	100%
Percentage of taxations of legal costs <sup>2</sup> finalised per year	Superior Court Services		84% (18 109/ 21 550)	87% (19 510/ 22 414)	96% (33 961/ 35 261)	90% <sup>3</sup>	100%	100%	100%

**Table 22.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19 <sup>1</sup>	2019/20	2020/21	2021/22
Percentage of warrants of release (J1) delivered within 1 day of the release issued	Superior Court Services	Outcome 3: All people in South Africa are and feel safe	– <sup>4</sup>	88% (79/90)	98% (109/111)	98%	98%	98%	98%
Number of judicial education courses conducted per year	Judicial Education and Support		59	90	91	78 <sup>3</sup>	80	82	84

1. Performance targets for 2018/19 are aligned with the targets captured in the department's 2018/19 annual performance plan.

2. Taxation of legal costs refers to the formal quasi-judicial review of a bill of costs or another determination of costs payable by one litigant to another.

3. The usual reason for taxing a bill of costs is to obtain the right to execute for costs to which the party is already entitled. Taxation is the process of ascertaining specific amounts.

4. The estimated performance is lower than the actual performance achieved in 2017/18 as the target was set before the outcome was reported.

5. No historical data available.

## Expenditure analysis

The Office of the Chief Justice and Judicial Administration supports the Judiciary in contributing to the fight against corruption. In accelerating reforms to ensure that courts are administered efficiently, the department strengthens judicial governance and the rule of law. This is in line with chapter 14 of the National Development Plan and outcome 3 (all people in South Africa are and feel safe) of government's 2014-2019 medium-term strategic framework. Over the medium term, the Office of the Chief Justice will focus on: broadening access to justice and the services of the superior courts, ensuring an efficient court system and judicial accountability by training judicial officers, reducing inefficiencies in court administration through the use of technology, and supporting the Chief Justice in ensuring judicial accountability.

As each province is expected to have at least 1 high court by the end of 2019/20, the number of personnel in the department is expected to increase from 2 601 in 2018/19 to 2 611 in 2021/22. As such, spending on compensation of employees increases at an average annual rate of 6.4 per cent, from R1.6 billion in 2018/19 to R2 billion in 2021/22. The *High Courts* subprogramme in the *Superior Court Services* programme is the department's largest driver of costs, accounting for 30.5 per cent (R2.2 billion) of the department's total budget of R7.4 billion over the MTEF period.

### **Broadening access to justice**

The National Development Plan asserts that high legal costs present a significant barrier to justice, especially for the poor, which can lead to a failure of the justice system. To increase access to the system, the department expects the high court in Mpumalanga to be fully operational in 2019/20. Funding for the court is expected to increase from R28.1 million in 2019/20 to R33.4 million in 2021/22, in the *Superior Court Services* programme. Similarly, allocations for the operations of the Polokwane high court, which opened in 2016/17, are expected to increase by 13.6 per cent, from R27.2 million in 2019/20 to R30.9 million in 2021/22. Operationalising these courts is expected to lead to an increase in the overall percentage of default judgments finalised by registrars from 89 per cent in 2017/18 to 100 per cent in 2021/22.

### **Ensuring an efficient court system and judicial accountability by training judicial officers**

Over the MTEF period, the South African Judicial Education Institute plans to provide 246 judicial education courses on case flow management and constitutional imperatives. The institute also expects to conduct courses on record keeping and general issues in pleadings, debt collections and debt reviews related to the National Credit Act (2005), criminal court skills, child justice skills, new legislation on domestic violence and spousal and child maintenance, immigration and other topics. As such, expenditure in the *South African Judicial Education Institute* subprogramme is expected to increase from R51.4 million in 2018/19 to R53.8 million in 2021/22, accounting for 61.2 per cent (R205.6 million) of expenditure in the *Judicial Education and Support* programme.

### Reducing court administration inefficiencies through the use of technology

To respond to the growing need for court services and to stay abreast of technological developments, it is imperative that the department modernises its systems and processes. To improve efficiency, the department has prioritised the implementation of an electronic filing system for superior courts by 2020/21. The system will enable all records linked to a case to be easily managed, secured and shared, and will contribute to cases being finalised more effectively. Implementing the system forms part of the broader implementation of the integrated justice system programme, led by the Department of Justice and Constitutional Development, in the justice, crime prevention and security cluster. The Office of the Chief Justice has allocated R14.3 million over the medium term for the system in the *Administration* programme.

### Supporting the Chief Justice in ensuring judicial accountability

The judicial norms and standards were developed and gazetted in February 2014 with the aim of strengthening access to justice for all; affirming the dignity of all users of the court system; and ensuring the effective, efficient and expeditious application and resolution of all disputes through the courts. In implementing these norms and standards, the department supports the Chief Justice in monitoring and reporting on compliance, while the Judiciary reports on court performance. These activities are carried out in the *Superior Court Services* programme, spending in which accounts for a projected 39.2 per cent (R2.9 billion) of the department's total budget over the period ahead. Due to the labour-intensive nature of the work in this programme, the bulk of this expenditure is on compensation of employees, which is expected to increase from R575.3 million in 2018/19 to R718.7 million in 2021/22. The department plans to further improve the quality of its performance information by implementing an automated system to monitor court performance, which, in addition to the electronic filing system for superior courts, is expected to simplify the monitoring and evaluation of norms and standards.

The department also ensures judicial accountability by administering a register of judges' registrable interests, as informed by section 13 of the Judicial Service Commission Act (1994). The budget for this work is within the *Judicial Policy, Research and Support* subprogramme, which has a budget of R84 million over the MTEF period in the *Judicial Education and Support* programme.

## Expenditure trends

**Table 22.2 Vote expenditure trends by programme and economic classification**

Programmes																															
1. Administration																															
2. Superior Court Services																															
3. Judicial Education and Support																															
Programme	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Revised estimate			Average: Annual Outcome/Annual budget (%)		Average: Adjusted Outcome/Adjusted appropriation (%)	
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19			2015/16 - 2018/19															
Programme 1	69.4	99.5	88.8	161.2	145.0	139.1	199.0	183.7	167.7	201.9	201.4	199.3				94.2%		94.5%													
Programme 2	640.4	649.5	641.9	640.7	679.1	675.6	737.5	758.7	748.2	838.9	845.3	836.6				101.6%		99.0%													
Programme 3	32.6	34.4	36.9	63.2	49.9	40.9	82.1	76.9	81.6	79.0	73.1	74.1				90.9%		99.7%													
<b>Subtotal</b>	<b>742.4</b>	<b>783.4</b>	<b>767.7</b>	<b>865.0</b>	<b>874.0</b>	<b>855.6</b>	<b>1 018.6</b>	<b>1 019.3</b>	<b>997.5</b>	<b>1 119.7</b>	<b>1 119.7</b>	<b>1 110.0</b>				<b>99.6%</b>		<b>98.3%</b>													
<b>Direct charge against the National Revenue Fund</b>	<b>873.7</b>	<b>873.7</b>	<b>887.7</b>	<b>920.1</b>	<b>950.1</b>	<b>930.7</b>	<b>966.1</b>	<b>966.1</b>	<b>998.4</b>	<b>1 022.1</b>	<b>1 022.1</b>	<b>1 039.8</b>				<b>102.0%</b>		<b>101.2%</b>													
Judges' salaries	873.7	873.7	887.7	920.1	950.1	930.7	966.1	966.1	998.4	1 022.1	1 022.1	1 039.8				102.0%		101.2%													
<b>Total</b>	<b>1 616.2</b>	<b>1 657.1</b>	<b>1 655.4</b>	<b>1 785.0</b>	<b>1 824.0</b>	<b>1 786.3</b>	<b>1 984.6</b>	<b>1 985.4</b>	<b>1 995.9</b>	<b>2 141.8</b>	<b>2 141.8</b>	<b>2 149.9</b>				<b>100.8%</b>		<b>99.7%</b>													
Change to 2018 Budget estimate													-																		

**Table 22.2 Vote expenditure trends by programme and economic classification**

Economic classification	Annual budget			Annual budget			Annual budget			Annual budget			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate		
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
<b>Current payments</b>	<b>1 547.1</b>	<b>1 576.6</b>	<b>1 501.2</b>	<b>1 702.0</b>	<b>1 681.3</b>	<b>1 636.8</b>	<b>1 844.4</b>	<b>1 821.7</b>	<b>1 795.0</b>	<b>1 976.9</b>	<b>1 958.5</b>	<b>1 962.3</b>	<b>97.5%</b>	<b>98.0%</b>
Compensation of employees	1 279.5	1 323.8	1 303.7	1 411.9	1 423.4	1 418.6	1 524.0	1 524.0	1 519.0	1 644.0	1 644.0	1 647.9	100.5%	99.6%
Goods and services	267.6	252.8	197.5	290.2	257.9	218.1	320.4	297.7	276.0	332.8	314.4	314.4	83.1%	89.6%
Interest and rent on land	–	–	0.0	–	–	0.0	–	0.0	0.0	–	–	–	–	1 175.0%
<b>Transfers and subsidies</b>	<b>55.3</b>	<b>53.7</b>	<b>56.2</b>	<b>57.7</b>	<b>83.3</b>	<b>50.6</b>	<b>59.3</b>	<b>59.0</b>	<b>76.0</b>	<b>67.3</b>	<b>67.6</b>	<b>71.8</b>	<b>106.3%</b>	<b>96.6%</b>
Provinces and municipalities	0.1	0.1	–	0.1	0.0	0.0	0.1	–	0.0	–	0.0	0.0	10.9%	22.0%
Households	55.2	53.6	56.2	57.5	83.3	50.6	59.2	59.0	76.0	67.3	67.6	71.8	106.4%	96.6%
<b>Payments for capital assets</b>	<b>13.8</b>	<b>26.9</b>	<b>97.9</b>	<b>25.4</b>	<b>59.4</b>	<b>99.0</b>	<b>80.9</b>	<b>104.6</b>	<b>124.8</b>	<b>97.7</b>	<b>115.7</b>	<b>115.7</b>	<b>200.9%</b>	<b>142.7%</b>
Buildings and other fixed structures	–	–	–	–	–	0.1	–	–	–	–	–	–	–	–
Machinery and equipment	13.8	26.9	97.5	25.4	59.4	98.9	65.9	89.6	124.6	97.7	115.7	115.7	215.4%	149.7%
Software and other intangible assets	–	–	0.5	–	–	–	15.0	15.0	0.2	–	–	–	4.2%	4.2%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>0.0</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>1 616.2</b>	<b>1 657.1</b>	<b>1 655.4</b>	<b>1 785.0</b>	<b>1 824.0</b>	<b>1 786.3</b>	<b>1 984.6</b>	<b>1 985.4</b>	<b>1 995.9</b>	<b>2 141.8</b>	<b>2 141.8</b>	<b>2 149.9</b>	<b>100.8%</b>	<b>99.7%</b>

## Expenditure estimates

**Table 22.3 Vote expenditure estimates by programme and economic classification**

Programmes								
1. Administration								
2. Superior Court Services								
3. Judicial Education and Support								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	199.3	26.1%	7.8%	214.6	227.9	237.5	6.0%	9.2%
Programme 2	836.6	8.8%	38.3%	900.1	965.8	1 029.8	7.2%	39.2%
Programme 3	74.1	29.2%	3.1%	83.0	88.2	91.8	7.4%	3.5%
<b>Subtotal</b>	<b>1 110.0</b>	<b>12.3%</b>	<b>49.2%</b>	<b>1 197.7</b>	<b>1 281.9</b>	<b>1 359.1</b>	<b>7.0%</b>	<b>52.0%</b>
<b>Direct charge against the National Revenue Fund</b>	<b>1 039.8</b>	<b>6.0%</b>	<b>50.8%</b>	<b>1 098.5</b>	<b>1 180.9</b>	<b>1 257.7</b>	<b>6.5%</b>	<b>48.0%</b>
Judges' salaries	1 039.8	6.0%	50.8%	1 098.5	1 180.9	1 257.7	6.5%	48.0%
<b>Total</b>	<b>2 149.9</b>	<b>9.1%</b>	<b>100.0%</b>	<b>2 296.2</b>	<b>2 462.8</b>	<b>2 616.8</b>	<b>6.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–	–	–		
Economic classification								
<b>Current payments</b>	<b>1 962.3</b>	<b>7.6%</b>	<b>90.9%</b>	<b>2 096.1</b>	<b>2 224.6</b>	<b>2 367.1</b>	<b>6.5%</b>	<b>90.8%</b>
Compensation of employees	1 647.9	7.6%	77.6%	1 755.4	1 865.7	1 987.1	6.4%	76.2%
Goods and services	314.4	7.5%	13.3%	340.7	358.9	380.0	6.5%	14.6%
<b>Transfers and subsidies</b>	<b>71.8</b>	<b>10.2%</b>	<b>3.4%</b>	<b>95.6</b>	<b>127.9</b>	<b>136.2</b>	<b>23.8%</b>	<b>4.5%</b>
Provinces and municipalities	0.0	-35.4%	0.0%	0.0	0.0	0.0	-29.3%	0.0%
Departmental agencies and accounts	0.0	–	0.0%	0.0	0.0	0.0	26.0%	0.0%
Households	71.8	10.2%	3.4%	95.6	127.9	136.2	23.8%	4.5%
<b>Payments for capital assets</b>	<b>115.7</b>	<b>62.7%</b>	<b>5.8%</b>	<b>104.5</b>	<b>110.3</b>	<b>113.6</b>	<b>-0.6%</b>	<b>4.7%</b>
Machinery and equipment	115.7	62.7%	5.8%	104.5	110.3	113.6	-0.6%	4.7%
<b>Total</b>	<b>2 149.9</b>	<b>9.1%</b>	<b>100.0%</b>	<b>2 296.2</b>	<b>2 462.8</b>	<b>2 616.8</b>	<b>6.8%</b>	<b>100.0%</b>



## Expenditure trends and estimates for significant spending items

**Table 22.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total vote (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total vote (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Compensation of employees (excluding direct charges)	470 872	536 947	594 300	687 919	13.5%	61.4%	751 332	811 485	864 364	7.9%	62.9%
Direct charges	887 682	930 704	998 355	1 022 091	4.8%	102.9%	1 098 546	1 180 937	1 257 698	7.2%	92.1%
Travel and subsistence	89 008	84 860	113 627	116 901	9.5%	10.8%	118 525	125 715	129 388	3.4%	9.9%
<b>Total</b>	<b>1 447 562</b>	<b>1 552 511</b>	<b>1 706 282</b>	<b>1 826 911</b>	<b>8.1%</b>	<b>175.1%</b>	<b>1 968 403</b>	<b>2 118 137</b>	<b>2 251 450</b>	<b>7.2%</b>	<b>165.0%</b>

## Goods and services expenditure trends and estimates

**Table 22.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total Vote (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total Vote (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administrative fees	2 115	2 790	4 828	3 540	18.7%	1.3%	3 556	3 861	3 969	3.9%	1.1%
Advertising	1 447	1 058	1 476	1 526	1.8%	0.5%	1 316	1 389	1 432	-2.1%	0.4%
Minor assets	6 845	6 530	3 348	7 386	2.6%	2.4%	8 805	7 372	7 588	0.9%	2.2%
Audit costs: External	2 311	5 100	6 268	5 273	31.6%	1.9%	5 546	5 847	6 022	4.5%	1.6%
Bursaries: Employees	2	125	454	1 637	835.4%	0.2%	1 705	1 790	1 844	4.0%	0.5%
Catering: Departmental activities	911	2 567	4 078	4 417	69.3%	1.2%	5 015	5 454	6 359	12.9%	1.5%
Communication	10 448	12 856	17 457	17 008	17.6%	5.7%	20 883	22 915	23 601	11.5%	6.1%
Computer services	17 968	32 386	46 310	57 664	47.5%	15.3%	58 656	63 382	64 903	4.0%	17.5%
Consultants: Business and advisory services	9 054	12 455	12 352	12 747	12.1%	4.6%	13 478	13 277	13 676	2.4%	3.8%
Legal services	1 721	570	1 347	3 349	24.8%	0.7%	4 442	5 164	5 318	16.7%	1.3%
Science and technological services	621	-	-	-	-100.0%	0.1%	-	-	-	-	-
Contractors	9 651	2 253	1 912	5 587	-16.7%	1.9%	4 887	4 131	4 257	-8.7%	1.4%
Agency and support/outsourced services	628	3 549	2 353	3 167	71.5%	1.0%	4 396	4 506	4 640	13.6%	1.2%
Entertainment	13 684	128	97	129	-78.9%	1.4%	325	352	365	41.4%	0.1%
Fleet services (including government motor transport)	4 705	21 348	24 965	24 502	73.3%	7.5%	29 647	31 217	32 146	9.5%	8.4%
Inventory: Other supplies	-	-	-	-	-	-	-	55	-	-	-
Consumable supplies	1 771	3 091	3 144	17 659	115.2%	2.6%	3 975	4 114	4 036	-38.9%	2.1%
Consumables: Stationery, printing and office supplies	12 124	9 703	9 044	-	-100.0%	3.1%	12 858	12 974	13 604	-	2.8%
Operating leases	47	147	-	3 858	334.6%	0.4%	10 080	10 772	11 096	42.2%	2.6%
Rental and hiring	-	11	274	132	-	-	209	240	247	23.2%	0.1%
Property payments	1 313	2 654	2 466	2 864	29.7%	0.9%	4 341	4 426	4 562	16.8%	1.2%
Travel and subsistence	89 008	84 860	113 627	116 901	9.5%	40.2%	118 525	125 715	129 388	3.4%	35.2%
Training and development	1 109	1 922	4 450	7 743	91.1%	1.5%	8 144	8 583	8 839	4.5%	2.4%
Operating payments	4 760	5 378	5 481	8 594	21.8%	2.4%	9 351	10 262	10 579	7.2%	2.8%
Venues and facilities	5 269	6 652	10 239	8 759	18.5%	3.1%	10 516	11 125	21 481	34.9%	3.7%
<b>Total</b>	<b>197 512</b>	<b>218 133</b>	<b>275 970</b>	<b>314 442</b>	<b>16.8%</b>	<b>100.0%</b>	<b>340 656</b>	<b>358 923</b>	<b>379 952</b>	<b>6.5%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 22.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>56 137</b>	<b>50 573</b>	<b>76 004</b>	<b>67 627</b>	<b>6.4%</b>	<b>100.0%</b>	<b>95 585</b>	<b>127 895</b>	<b>136 168</b>	<b>26.3%</b>	<b>100.0%</b>
Employee social benefits	1 277	1 568	2 352	1 654	9.0%	2.7%	1 135	1 176	1 212	-9.8%	1.2%
Judges' salaries	54 860	49 005	73 652	65 973	6.3%	97.3%	94 450	126 719	134 956	26.9%	98.8%
<b>Total</b>	<b>56 137</b>	<b>50 573</b>	<b>76 004</b>	<b>67 627</b>	<b>6.4%</b>	<b>100.0%</b>	<b>95 585</b>	<b>127 895</b>	<b>136 168</b>	<b>26.3%</b>	<b>100.0%</b>

## Personnel information

**Table 22.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes																			
1. Administration																			
2. Superior Court Services																			
3. Judicial Education and Support																			
Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment										Number							
Number of funded posts	Number of posts additional to the establishment	Actual		Revised estimate		Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)						
		2017/18		2018/19		2019/20		2020/21		2021/22									
Office of the Chief Justice and Judicial Administration		Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost								
<b>Salary level</b>	<b>1 894</b>	<b>2</b>	<b>2 321</b>	<b>1 519.0</b>	<b>0.7</b>	<b>2 601</b>	<b>1 647.9</b>	<b>0.6</b>	<b>2 634</b>	<b>1 755.4</b>	<b>0.7</b>	<b>2 620</b>	<b>1 865.7</b>	<b>0.7</b>	<b>2 611</b>	<b>1 987.1</b>	<b>0.8</b>	<b>0.1%</b>	<b>100.0%</b>
1 – 6	1 025	–	976	213.8	0.2	1 054	235.3	0.2	1 070	257.0	0.2	1 060	275.9	0.3	1 065	298.5	0.3	0.3%	40.6%
7 – 10	748	1	744	285.6	0.4	857	321.0	0.4	869	361.1	0.4	870	390.9	0.4	854	413.6	0.5	-0.1%	33.0%
11 – 12	83	–	122	111.5	0.9	130	72.5	0.6	132	79.2	0.6	133	85.8	0.6	132	90.9	0.7	0.5%	5.0%
13 – 16	38	1	463	908.1	2.0	543	1 018.4	1.9	536	1 057.4	2.0	528	1 112.1	2.1	525	1 183.3	2.3	-1.1%	20.4%
Other	–	–	16	–	–	17	0.7	0.0	27	0.8	0.0	29	0.9	0.0	35	0.9	0.0	27.2%	1.0%
<b>Programme</b>	<b>1 894</b>	<b>2</b>	<b>2 321</b>	<b>1 519.0</b>	<b>0.7</b>	<b>2 601</b>	<b>1 647.9</b>	<b>0.6</b>	<b>2 634</b>	<b>1 755.4</b>	<b>0.7</b>	<b>2 620</b>	<b>1 865.7</b>	<b>0.7</b>	<b>2 611</b>	<b>1 987.1</b>	<b>0.8</b>	<b>0.1%</b>	<b>100.0%</b>
Programme 1	165	–	165	74.0	0.4	183	87.5	0.5	202	101.5	0.5	198	109.0	0.6	197	115.5	0.6	2.5%	7.5%
Programme 2	1 694	–	1 635	499.9	0.3	1 807	566.6	0.3	1 818	623.4	0.3	1 821	674.1	0.4	1 806	718.7	0.4	-0.0%	69.3%
Programme 3	35	–	43	20.5	0.5	49	24.1	0.5	51	26.4	0.5	53	28.4	0.5	59	30.2	0.5	6.4%	2.0%
Direct charges	–	2	478	924.7	1.9	562	969.6	1.7	563	1 004.1	1.8	548	1 054.2	1.9	549	1 122.7	2.0	-0.8%	21.2%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.  
 2. Rand million.

## Departmental receipts

**Table 22.8 Departmental receipts by economic classification**

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
R thousand												
<b>Departmental receipts</b>	<b>778</b>	<b>929</b>	<b>2 754</b>	<b>1 178</b>	<b>1 178</b>	<b>14.8%</b>	<b>100.0%</b>	<b>891</b>	<b>995</b>	<b>1 053</b>	<b>-3.7%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>532</b>	<b>673</b>	<b>584</b>	<b>422</b>	<b>422</b>	<b>-7.4%</b>	<b>39.2%</b>	<b>162</b>	<b>230</b>	<b>249</b>	<b>-16.1%</b>	<b>25.8%</b>
Sales by market establishments	84	59	58	58	58	-11.6%	4.6%	61	64	67	4.9%	6.1%
of which:												
Rental dwellings	40	–	–	58	58	13.2%	1.7%	61	64	67	4.9%	6.1%
Rental parking: Covered and open	44	59	58	–	–	-100.0%	2.9%	–	–	–	–	–
Administrative fees	–	8	3	–	–	–	0.2%	–	–	–	–	–
of which:												
Telecommunication services	–	8	3	–	–	–	0.2%	–	–	–	–	–
Other sales	448	606	523	364	364	-6.7%	34.4%	101	166	182	-20.6%	19.7%
of which:												
Services rendered: Commission on insurance and garnishees	319	344	375	–	–	-100.0%	18.4%	–	–	–	–	–
Services rendered: Photocopies and faxes	118	176	136	364	364	45.6%	14.1%	101	166	182	-20.6%	19.7%
Sales of assets less than R5 000	11	86	10	–	–	-100.0%	1.9%	–	–	–	–	–
Replacement-lost office property	–	–	2	–	–	–	–	–	–	–	–	–
Sales of scrap, waste, arms and other used current goods	1	23	6	–	–	-100.0%	0.5%	–	–	–	–	–
of which:												
Sales: Scrap	1	23	6	–	–	-100.0%	0.5%	–	–	–	–	–
Transfers received	–	–	753	–	–	–	13.4%	–	–	–	–	–
Fines, penalties and forfeits	30	50	20	–	–	-100.0%	1.8%	–	–	–	–	–
Interest, dividends and rent on land	21	21	21	62	62	43.5%	2.2%	–	–	–	-100.0%	1.5%
Interest	21	21	21	62	62	43.5%	2.2%	–	–	–	-100.0%	1.5%
Sales of capital assets	–	–	126	–	–	–	2.2%	–	–	–	–	–
Transactions in financial assets and liabilities	194	162	1 244	694	694	52.9%	40.7%	729	765	804	5.0%	72.7%
<b>Total</b>	<b>778</b>	<b>929</b>	<b>2 754</b>	<b>1 178</b>	<b>1 178</b>	<b>14.8%</b>	<b>100.0%</b>	<b>891</b>	<b>995</b>	<b>1 053</b>	<b>-3.7%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 22.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Management	22.0	28.5	27.1	33.2	14.7%	18.6%	40.3	43.3	45.6	11.2%	18.4%
Corporate Services	43.1	76.5	98.4	118.9	40.3%	56.4%	115.2	121.5	125.8	1.9%	54.6%
Financial Administration	14.4	20.2	25.7	29.8	27.4%	15.1%	31.2	33.4	35.3	5.9%	14.7%
Internal Audit	9.4	14.0	16.4	15.6	18.6%	9.3%	17.0	18.1	18.9	6.5%	7.9%
Office Accommodation	–	–	–	3.9	–	0.6%	10.9	11.6	11.9	45.6%	4.3%
<b>Total</b>	<b>88.8</b>	<b>139.1</b>	<b>167.7</b>	<b>201.4</b>	<b>31.4%</b>	<b>100.0%</b>	<b>214.6</b>	<b>227.9</b>	<b>237.5</b>	<b>5.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			–	–	–		
<b>Economic classification</b>											
<b>Current payments</b>	<b>80.3</b>	<b>133.3</b>	<b>146.9</b>	<b>183.5</b>	<b>31.7%</b>	<b>91.1%</b>	<b>206.0</b>	<b>218.8</b>	<b>228.2</b>	<b>7.6%</b>	<b>94.9%</b>
Compensation of employees	38.0	67.7	74.0	89.5	33.0%	45.1%	101.5	109.0	115.5	8.9%	47.1%
Goods and services <sup>1</sup>	42.3	65.6	72.9	93.9	30.5%	46.0%	104.5	109.9	112.8	6.3%	47.8%
of which:											
Audit costs: External	2.3	5.1	6.3	5.3	31.6%	3.2%	5.5	5.8	6.0	4.5%	2.6%
Computer services	17.0	31.1	43.8	54.6	47.6%	24.5%	55.9	60.0	61.4	4.0%	26.3%
Contractors	3.3	1.5	0.4	2.5	-8.8%	1.3%	3.7	2.8	2.9	4.9%	1.3%
Operating leases	–	–	–	3.9	–	0.6%	10.0	10.6	10.9	41.4%	4.0%
Travel and subsistence	6.1	7.0	7.9	9.8	17.2%	5.1%	9.5	10.1	10.4	2.0%	4.5%
Training and development	0.4	1.3	3.6	6.6	160.8%	2.0%	6.9	7.2	7.4	3.8%	3.2%
Interest and rent on land	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Transfers and subsidies <sup>1</sup>	0.1	0.0	0.0	0.0	-65.0%	–	–	–	–	-100.0%	–
Households	0.1	0.0	0.0	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>8.4</b>	<b>5.8</b>	<b>20.8</b>	<b>17.9</b>	<b>28.7%</b>	<b>8.9%</b>	<b>8.6</b>	<b>9.0</b>	<b>9.3</b>	<b>-19.7%</b>	<b>5.1%</b>
Machinery and equipment	8.3	5.8	20.8	17.9	29.2%	8.8%	8.6	9.0	9.3	-19.7%	5.1%
Software and other intangible assets	0.1	–	–	–	-100.0%	–	–	–	–	–	–
<b>Total</b>	<b>88.8</b>	<b>139.1</b>	<b>167.7</b>	<b>201.4</b>	<b>31.4%</b>	<b>100.0%</b>	<b>214.6</b>	<b>227.9</b>	<b>237.5</b>	<b>5.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>11.6%</b>	<b>16.3%</b>	<b>16.8%</b>	<b>18.0%</b>	–	–	<b>17.9%</b>	<b>17.8%</b>	<b>17.5%</b>	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Superior Court Services

### Programme purpose

Provide court administration services to the superior courts.

### Objectives

- Ensure the effective and efficient administration of the superior courts by:
  - increasing compliance with quasi-judicial targets from a projected 90 per cent in 2018/19 to 100 per cent in 2021/22
  - monitoring the court order integrity project, guided by the court order integrity committee, to produce 4 reports per year over the medium term on the work of the committee
  - conducting 2 case management workshops for court officials per year over the medium term
  - delivering 98 per cent of all issued warrants of release to correctional facilities within 1 day of the release issued per year over the medium term.

## Subprogrammes

- *Administration of Superior Courts* provides administrative and technical support to the superior courts, monitors the overall performance of the superior courts and enhances judicial stakeholder relations.
- *Constitutional Court* funds the activities and operations of the Constitutional Court, which has jurisdiction over constitutional matters and any matter that is of general public importance. The Constitutional Court has 11 judges, including the Chief Justice.
- *Supreme Court of Appeal* funds the activities and operations of the Supreme Court of Appeal, which adjudicates appeals in any matters arising from the high courts or courts of similar status. The court has 26 judges, including a president and a deputy president.
- *High Courts* funds the activities and operations of the various high court divisions, which have jurisdiction over defined geographical areas. When the Mpumalanga division of the high court is proclaimed, there will be at least 1 high court in each province, and 240 high court judges. These courts adjudicate and provide resolutions on serious criminal and civil disputes. They also hear appeals and reviews from the lower courts.
- *Specialised Courts* funds the activities and operations of labour and labour appeal courts, the Land Claims Court, the Competition Appeal Court and the Electoral Court. These courts adjudicate various types of matters excluded from the jurisdiction of the various high court divisions and lower courts.

## Expenditure trends and estimates

**Table 22.10 Superior Court Services expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Administration of Superior Courts	7.6	11.1	11.3	16.2	28.4%	1.6%	30.4	34.8	35.7	30.1%	3.1%
Constitutional Court	52.3	45.2	68.6	61.4	5.5%	7.8%	64.7	69.1	83.1	10.6%	7.4%
Supreme Court of Appeal	23.1	32.4	32.5	37.0	17.0%	4.3%	38.6	41.3	43.3	5.4%	4.3%
High Courts	509.4	542.8	581.2	672.6	9.7%	79.2%	702.3	751.9	795.2	5.7%	78.1%
Specialised Courts	49.5	44.2	54.7	58.1	5.5%	7.1%	64.1	68.7	72.5	7.7%	7.0%
<b>Total</b>	<b>641.9</b>	<b>675.6</b>	<b>748.2</b>	<b>845.3</b>	<b>9.6%</b>	<b>100.0%</b>	<b>900.1</b>	<b>965.8</b>	<b>1 029.8</b>	<b>6.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			-	-	-		
<b>Economic classification</b>											
<b>Current payments</b>	<b>551.4</b>	<b>581.7</b>	<b>654.4</b>	<b>746.9</b>	<b>10.6%</b>	<b>87.1%</b>	<b>804</b>	<b>865</b>	<b>926</b>	<b>7.4%</b>	<b>89.3%</b>
Compensation of employees	421.7	451.8	499.9	575.3	10.9%	66.9%	623.4	674.1	718.7	7.7%	69.3%
Goods and services <sup>1</sup>	129.7	129.9	154.6	171.7	9.8%	20.1%	181.1	190.9	207.2	6.5%	20.1%
of which:											
Minor assets	4.4	6.0	3.0	6.0	10.7%	0.7%	8.0	6.9	7.1	5.9%	0.7%
Communication	3.4	4.1	15.6	16.2	68.0%	1.4%	19.6	21.6	22.2	11.1%	2.1%
Consultants: Business and advisory services	8.0	7.5	10.3	10.0	7.8%	1.2%	10.2	9.9	10.2	0.7%	1.1%
Fleet services (including government motor transport)	4.7	21.3	21.2	23.9	72.5%	2.4%	29.6	31.2	32.1	10.3%	3.1%
Consumables: Stationery, printing and office supplies	10.2	8.3	8.1	-	-100.0%	0.9%	11.2	11.6	11.9	-	0.9%
Travel and subsistence	67.3	64.1	73.9	75.5	3.9%	9.6%	74.5	79.3	81.6	2.6%	8.3%
Transfers and subsidies <sup>1</sup>	1.3	1.5	2.2	1.7	9.8%	0.2%	1.2	1.2	1.2	-9.9%	0.1%
Households	1.3	1.5	2.2	1.7	9.5%	0.2%	1.1	1.2	1.2	-9.8%	0.1%
<b>Payments for capital assets</b>	<b>89.2</b>	<b>92.4</b>	<b>91.5</b>	<b>96.7</b>	<b>2.7%</b>	<b>12.7%</b>	<b>94.5</b>	<b>99.7</b>	<b>102.6</b>	<b>2.0%</b>	<b>10.5%</b>
Buildings and other fixed structures	-	0.1	-	-	-	-	-	-	-	-	-
Machinery and equipment	88.9	92.3	91.5	96.7	2.9%	12.7%	94.5	99.7	102.6	2.0%	10.5%
Software and other intangible assets	0.4	-	0.1	-	-100.0%	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>641.9</b>	<b>675.6</b>	<b>748.2</b>	<b>845.3</b>	<b>9.6%</b>	<b>100.0%</b>	<b>900.1</b>	<b>965.8</b>	<b>1 029.8</b>	<b>6.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>83.6%</b>	<b>79.0%</b>	<b>75.0%</b>	<b>75.5%</b>	<b>-</b>	<b>-</b>	<b>75.2%</b>	<b>75.3%</b>	<b>75.8%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Judicial Education and Support

### Programme purpose

Provide education programmes to judicial officers, support services to the Judicial Service Commission, and policy development and research services to the department and the Judiciary, for the optimal administration of justice.

### Objectives

- Enhance the judicial skills of serving and aspiring judicial officers to perform optimally by increasing the number of judicial education training courses from a projected 80 in 2019/20 to 84 in 2021/22.
- Enhance the governance of the Judiciary and the department by producing 2 research monographs for judicial education per year.
- Ensure that 100 per cent of legal advisory opinions on policy development and research services are provided within 15 working days of receipt per year over the medium term.

### Subprogrammes

- *South African Judicial Education Institute* funds the activities of the South African Judicial Education Institute to provide continuing judicial education for judicial officers and training for aspirant judicial officers.
- *Judicial Policy, Research and Support* provides advisory opinions on policy development, undertakes research and offers legal support services to enhance the functioning of the Judiciary.
- *Judicial Service Commission* provides secretariat and administrative support services to the Judicial Service Commission so that it can effectively fulfil its constitutional and legislative mandates.

### Expenditure trends and estimates

**Table 22.11 Judicial Education and Support expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
South African Judicial Education Institute	26.0	26.5	41.0	51.4	25.6%	62.3%	48.6	51.7	53.8	1.5%	61.2%
Judicial Policy, Research and Support	4.7	4.5	24.7	13.4	41.9%	20.3%	26.5	28.2	29.3	29.7%	29.0%
Judicial Service Commission	6.3	9.9	15.9	8.3	9.8%	17.4%	7.9	8.3	8.6	1.4%	9.9%
<b>Total</b>	<b>36.9</b>	<b>40.9</b>	<b>81.6</b>	<b>73.1</b>	<b>25.6%</b>	<b>100.0%</b>	<b>83.0</b>	<b>88.2</b>	<b>91.8</b>	<b>7.9%</b>	<b>100.0%</b>
Change to 2018				-			-	-	-		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>36.6</b>	<b>40.1</b>	<b>69.0</b>	<b>72.0</b>	<b>25.3%</b>	<b>93.6%</b>	<b>81.5</b>	<b>86.6</b>	<b>90.1</b>	<b>7.8%</b>	<b>98.3%</b>
Compensation of employees	11.1	17.5	20.5	23.1	27.8%	31.0%	26.4	28.4	30.2	9.3%	32.2%
Goods and services <sup>1</sup>	25.5	22.6	48.5	48.9	24.2%	62.6%	55.1	58.2	59.9	7.1%	66.1%
of which:											
Consultants: Business and advisory services	0.6	0.3	0.8	1.2	27.0%	1.3%	2.5	2.5	2.6	28.3%	2.6%
Legal services	1.7	0.5	1.3	3.3	24.3%	3.0%	4.4	5.1	5.3	16.9%	5.4%
Travel and subsistence	15.7	13.8	31.9	31.6	26.3%	40.0%	34.5	36.4	37.4	5.8%	41.6%
Training and development	0.7	0.5	0.8	1.1	17.3%	1.3%	1.2	1.3	1.3	5.6%	1.4%
Operating payments	0.3	0.2	0.7	1.4	70.5%	1.1%	1.3	1.4	1.5	2.0%	1.7%
Venues and facilities	4.3	4.9	6.0	4.5	1.4%	8.4%	7.9	8.0	8.3	22.6%	8.5%
Transfers and subsidies <sup>1</sup>	-	0.1	0.1	-	-	0.1%	-	-	-	-	-
Households	-	0.1	0.1	-	-	0.1%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>0.3</b>	<b>0.8</b>	<b>12.5</b>	<b>1.1</b>	<b>58.0%</b>	<b>6.3%</b>	<b>1.5</b>	<b>1.6</b>	<b>1.6</b>	<b>13.9%</b>	<b>1.7%</b>
Machinery and equipment	0.3	0.8	12.4	1.1	58.0%	6.3%	1.5	1.6	1.6	13.9%	1.7%
Software and other intangible assets	-	-	0.1	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>36.9</b>	<b>40.9</b>	<b>81.6</b>	<b>73.1</b>	<b>25.6%</b>	<b>100.0%</b>	<b>83.0</b>	<b>88.2</b>	<b>91.8</b>	<b>7.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>4.8%</b>	<b>4.8%</b>	<b>8.2%</b>	<b>6.5%</b>	<b>-</b>	<b>-</b>	<b>6.9%</b>	<b>6.9%</b>	<b>6.8%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.



# Vote 23

## Police

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	20 446.5	18 438.3	779.9	1 228.3	21 853.1	23 245.1
Visible Policing	49 912.5	48 308.6	282.8	1 321.2	53 286.0	56 794.1
Detective Services	19 994.6	19 185.3	123.0	686.3	21 416.2	22 867.8
Crime Intelligence	4 092.7	4 019.0	19.8	53.9	4 389.0	4 676.2
Protection and Security Services	3 148.9	3 065.1	6.0	77.8	3 379.0	3 597.0
<b>Total expenditure estimates</b>	<b>97 595.3</b>	<b>93 016.4</b>	<b>1 211.6</b>	<b>3 367.4</b>	<b>104 323.3</b>	<b>111 180.2</b>

Executive authority: Minister of Police  
 Accounting officer: National Commissioner of the South African Police Service  
 Website address: [www.saps.gov.za](http://www.saps.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Prevent, combat and investigate crime, maintain public order, protect and secure the inhabitants of South Africa and their property, and uphold and enforce the law.*

### Mandate

The South African Police Service derives its powers and functions from section 205 of the Constitution and from the South African Police Service Act (1995). This legislation regulates the police service in terms of its core functions, which are to prevent, investigate and combat crime; maintain public order; protect and secure the inhabitants of South Africa and their property; and uphold and enforce the law.

### Selected performance indicators

**Table 23.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of serious crimes reported per year <sup>1</sup>	Visible Policing	Outcome 3: All people in South Africa are and feel safe	1 788 139	1 745 385	1 670 574	1 651 436	1 618 407	1 586 039	1 554 318
Number of crimes reported for unlawful possession of, and dealing in, drugs per year <sup>2</sup>	Visible Policing		259 229	292 689	323 547	480 385	707 895	1 043 155	1 537 193
Percentage of incidents of public disorder and crowd management policed and stabilised per year <sup>3</sup>	Visible Policing		100% (14 693)	100% (14 693)	100% (14 393)	100%	100%	100%	100%

**Table 23.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of crime-related hits <sup>4</sup> reacted to per year as a result of the movement control system screening of: – wanted persons  – stolen or robbed vehicles	Visible Policing	Outcome 3: All people in South Africa are and feel safe	100% (2 717)	100% (2 723)	100% (2 879)	100%	100%	100%	100%
			100% (3 644)	100% (3 411)	100% (3 661)	100%	100%	100%	100%
Percentage of medium- to high-risk incidents responded to <sup>5</sup> in relation to requests received per year	Visible Policing		100% (16 922)	100% (17 113)	100% (2 629 <sup>5</sup> )	100%	100%	100%	100%
Detection rate <sup>6</sup> for serious crimes per year	Detective Services		36.9% (805 158/ 2 182 044)	36.2% (781 830/ 2 158 281)	36% (747 890/ 2 079 300)	37%	37.25%	37.5%	38%
Percentage of trial-ready case dockets for serious crimes per year <sup>7</sup>	Detective Services		69.63% (266 581/ 382 872)	84.21% (313 981/ 372 835)	– <sup>7</sup>	84.21%	84.34%	84.90%	84.90%
Percentage of trial-ready case dockets for serious commercial crime-related charges per year <sup>8</sup>	Detective Services		58.6% (2 745/ 4 685)	66.4% (2 750/ 4 140)	70% (2 270/ 3 241)	53%	65%	65%	65%
Percentage of original previous conviction reports for formally charged individuals generated within 15 calendar days <sup>9</sup> per year	Detective Services		97.02% (1 123 475/ 1 158 030)	97.89% (1 178 912/ 1 204 379)	97.92% (1 185 210/ 1 210 422)	95%	95%	95%	95%
Percentage of network operations <sup>10</sup> successfully terminated per year	Crime Intelligence		859	855	887	65%	65%	65%	65%
Percentage of national key points evaluated in compliance with the National Key Points Act (1980) per year <sup>11</sup>	Protection and Security Services		100.5% (192/191)	100% (194/194)	100% (196/196)	100%	100%	100%	100%

- Indicator measures serious crimes reported, excluding crime detected as a result of police action. Serious crimes include contact crimes, contact-related crimes and property-related crimes. As the number of serious crimes reported cannot be predicted, targets over the MTEF period are estimates based on past average performance and measures to combat crime to be implemented over the medium term.
- Indicator measures crime uncovered as a result of police activities such as roadblocks, cordon and search operations, and intelligence gathering. Over the MTEF period, the department will engage in focused, intelligence-led policing operations to target the manufacturers and distributors of illicit drugs; and implement Operation Fiela Reclaim II, which entails high-density clampdown policing targeted at confiscating illicit substances and goods. This accounts for the increase in performance targets.
- Indicator was not previously reported in the Estimates of National Expenditure, but in the department's annual performance plan.
- Crime-related hits are tip-offs generated from the movement control system. Reaction to hits includes the arrest of wanted persons and the confiscation of stolen or robbed vehicles.
- "Responded to" means physical and human resources being activated, deployed and mobilised to respond to a specific medium- to high-risk incident. Prior to 2017/18, targets and performance outcomes for this indicator included those in relation to the percentage of peaceful crowd management incidents policed and the percentage of unrest crowd management incidents stabilised, hence the increased performance in 2015/16 and 2016/17 when compared to 2017/18.
- Calculation of the detection rate takes into account the total number of charges referred to court, plus charges withdrawn before court, plus charges closed as unfounded, divided by the total number of charges investigated. Performance targets for this indicator over the MTEF period are estimates based on past average performance and measures to combat crime to be implemented over the medium term.
- This indicator was reported in the Estimates of National Expenditure and the department's annual performance plan until 2017/18, when the department decided to remove it as a performance indicator. The department decided to reinstate the indicator from 2018/19. The targets for 2018/19 and over the medium term are based on past average performance, using 2016/17 as the baseline.
- Due to the unpredictable and complex nature of serious commercial crimes, targets for this indicator over the MTEF period are constant and based on the baseline for the current year (2018/19) and available budget.
- Although the 2018 Estimates of National Expenditure stated that the number of calendar days had been reduced from 15 to 12 from 2018/19, the department decided to retain the number of calendar days at 15. The indicator has been adjusted. Targets over the MTEF period remain constant as the department is in the process of upgrading the automated fingerprint identification system, which is ageing, resulting in delays in fingerprint searches. The system was expected to be upgraded by 30 September 2018, but the process is ongoing. The upgrade is now expected to be completed in 2019/20.
- Network operations are operations undertaken by the crime intelligence division at provincial and cluster level to gather intelligence information so that a situation can be better understood, or to generate intelligence on criminal organisations, groups or individuals that could be turned into evidence for use in court. From 2018/19, this indicator will be measured as a percentage in line with the recommendation made by the auditor-general in 2016/17. No absolute values are provided for targets over the MTEF period as the department cannot predict the number of threats it will receive.
- Total number of national key points varies as national key points are revised and declared annually. In 2015/16, the department was requested to evaluate an additional national key point declared during that year. This explains the overachievement in 2015/16.



## Expenditure analysis

Over the medium term, the department will continue to focus on implementing the Back to Basics approach to policing, which entails establishing a collaborative and consultative approach, thorough and responsive investigation of every crime, effective use of resources in the investigation of crime, and using crime intelligence to support proactive and reactive policing. In support of this, the department will implement multidisciplinary crime fighting operations such as Operation Fiela Reclaim II to stabilise identified high-crime and hotspot areas, maintain public order and safety to ensure safe and secure elections, and implement the integrated crime detection framework to improve the overall detection and investigation of crime.

An estimated 78.1 per cent (R316.2 billion) of the department's budget over the medium term is allocated to compensation of employees. The department has a funded establishment of 192 431 personnel in 2018/19. This number is expected to decrease by 1 000 in 2019/20 due to natural attrition, and remain constant over the period ahead to remain within government's expenditure ceiling for compensation of employees. To minimise the impact of the expenditure ceiling on core service delivery, critical vacant funded posts, such as visible policing, forensic analysts, detectives and senior management, are still expected to be filled. The department will also continue to prioritise its rejuvenation programme, which entails the recruitment of younger police officials at the entry level, by appointing at least 3 000 trainees each year over the MTEF period.

Cabinet has approved reductions to the department's baseline amounting to R1.5 billion over the medium term. Of this: R853 million over the period is transferred from the *Administration* programme to the Department of Justice and Constitutional Development in support of the migration of the integrated justice system programme to the Department of Justice and Constitutional Development to centralise the management and coordination of the programme; R570 million over the medium term is reduced across all programmes from non-core goods and services items, mainly communications (R242.8 million), fleet services (R97.3 million), operating leases (R87.2 million), and travel and subsistence (R61.5 million) due to the implementation of cost-containment measures; R60 million over the MTEF period is reprioritised from computer services in the *Detective Services* programme to the Department of Home Affairs to support the establishment of the Border Management Authority; and R20.3 million over the medium term is reprioritised from operating leases in the *Visible Policing* programme to the Civilian Secretariat for the Police Service for office accommodation. As a large portion of the reductions is on non-core goods and services, the department's ability to deliver services will not be affected. In addition, the department will still have access to funds transferred to the integrated justice system programme when needed, provided project plans are submitted to the integrated justice system board for approval.

### ***Preventing, combating and investigating crime***

Over the medium term, the department will implement various multidisciplinary operations, including Operation Fiela Reclaim II, which is intended to assert the authority of the state by stabilising identified high-crime and hotspot areas. High-density clampdown policing will be the cornerstone of these operations, comprising intelligence-led roadblocks, cordon and search operations, vehicle checkpoints, stop-and-search operations, and vehicle and foot patrols. These operations will also involve confiscating typical crime generators such as illegal firearms and ammunition, drugs, alcohol and stolen goods. The implementation of operations such as Fiela Reclaim II is expected to lead to an increase in the number of stolen or lost illegal firearms recovered from 5 350 in 2018/19 to 5 513 in 2021/22, and in the number of crimes reported for the unlawful possession of, and dealing in, drugs per year from 480 385 in 2018/19 to 1 537 193 in 2021/22. The percentage of hits reacted to as a result of the movement control system screening of stolen or robbed vehicles is expected to be maintained at 100 per cent over the medium term.

In support of these operational approaches, expenditure in the *Crime Prevention* subprogramme in the *Visible Policing* programme is projected to increase at an average annual rate of 7.1 per cent, from R36.3 billion in 2018/19 to R44.5 billion in 2021/22. The number of personnel in the *Crime Prevention* subprogramme is

expected to remain at 86 512 over the medium term. As such, spending on compensation of employees in the subprogramme increases at an average annual rate of 7.3 per cent, from R31.5 billion in 2018/19 to R38.9 billion in 2021/22, in line with cost of living adjustments.

Over the medium term, the department aims to finalise and implement the integrated crime detection framework, which includes the specialised investigation of serious crime. This framework aims to define the crime detection value chain, from the time a crime is reported until prosecution; and enable the department to effectively combat and investigate crime through adequate training and resourcing for crime detection. The implementation of the framework is expected to lead to a slight increase in the percentage of trial-ready case dockets for serious crime from 84.2 per cent in 2018/19 to 84.9 per cent in 2021/22, and in the detection rate for serious crimes from 37 per cent in 2018/19 to 38 per cent in 2021/22. In support of this, expenditure in the *Detective Services* programme, which includes an allocation of R5.4 billion over the medium term to the Directorate for Priority Crime Investigation, is expected to increase at an average annual rate of 7 per cent, from R18.7 billion in 2018/19 to R22.9 billion in 2021/22. No decreases in the number of personnel are expected in this programme over the period ahead.

#### ***Maintaining public order during elections***

The South African Police Service has an obligation to maintain peace and public order before, during and after all elections. Accordingly, additional funding of R180 million for compensation of employees across all programmes has been made available to the department in 2019/20 to support its activities during the 2019 national and provincial elections. These include escorting voting material and Electoral Commission employees, static protection at voting stations, and mobilising reaction teams especially at medium- and high-risk areas. As elections are generally classified as high risk, the department will increase deployments with personnel from all programmes. The department's activities during the elections will be critical towards ensuring safe and secure elections, and that all medium- to high-risk incidents in relation to requests received during the elections are responded to.

#### ***Using crime intelligence to support policing***

Over the medium term, the department will focus on the effective use of crime intelligence to support policing initiatives. This approach includes optimising the collection of intelligence, enhancing its analysis and coordination, ensuring effective counterintelligence, establishing security intelligence to uphold the authority of the state, and establishing a culture of performance management within the crime intelligence environment. In support of this, the department aims to ensure that 65 per cent of all network operations are successfully terminated per year over the medium term. The department's work in this regard will be implemented through funding allocated in the *Crime Intelligence* programme, which has a total budget of R13.2 billion over the medium term. The number of personnel in this programme is expected remain at 8 937 over the medium term.



## Expenditure estimates

**Table 23.3 Vote expenditure estimates by programme and economic classification**

Programmes								
1. Administration 2. Visible Policing 3. Detective Services 4. Crime Intelligence 5. Protection and Security Services								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	19 403.1	5.3%	21.6%	20 446.5	21 853.1	23 245.1	6.2%	21.0%
Programme 2	46 872.3	6.8%	50.5%	49 912.5	53 286.0	56 794.1	6.6%	51.1%
Programme 3	18 661.6	5.1%	20.5%	19 994.6	21 416.2	22 867.8	7.0%	20.5%
Programme 4	3 804.7	6.5%	4.2%	4 092.7	4 389.0	4 676.2	7.1%	4.2%
Programme 5	2 942.4	6.6%	3.2%	3 148.9	3 379.0	3 597.0	6.9%	3.2%
<b>Total</b>	<b>91 684.2</b>	<b>6.1%</b>	<b>100.0%</b>	<b>97 595.3</b>	<b>104 323.3</b>	<b>111 180.2</b>	<b>6.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(574.7)	(578.7)	(329.7)		
Economic classification								
<b>Current payments</b>	<b>87 084.0</b>	<b>6.1%</b>	<b>95.1%</b>	<b>93 016.4</b>	<b>99 488.8</b>	<b>106 060.0</b>	<b>6.8%</b>	<b>95.3%</b>
Compensation of employees	70 801.9	6.7%	76.6%	76 357.7	81 883.2	87 205.7	7.2%	78.1%
Goods and services	16 282.1	3.6%	18.5%	16 658.6	17 605.5	18 854.3	5.0%	17.1%
<b>Transfers and subsidies</b>	<b>1 145.4</b>	<b>6.3%</b>	<b>1.3%</b>	<b>1 211.6</b>	<b>1 274.7</b>	<b>1 346.2</b>	<b>5.5%</b>	<b>1.2%</b>
Provinces and municipalities	47.6	8.8%	0.1%	50.4	53.2	56.1	5.7%	0.1%
Departmental agencies and accounts	176.8	5.6%	0.2%	195.0	208.0	220.8	7.7%	0.2%
Non-profit institutions	1.0	–	0.0%	1.0	–	–	-100.0%	0.0%
Households	920.0	6.4%	1.1%	965.2	1 013.5	1 069.3	5.1%	1.0%
<b>Payments for capital assets</b>	<b>3 454.8</b>	<b>6.4%</b>	<b>3.6%</b>	<b>3 367.4</b>	<b>3 559.8</b>	<b>3 774.0</b>	<b>3.0%</b>	<b>3.5%</b>
Buildings and other fixed structures	824.9	-6.2%	1.1%	870.7	921.4	990.5	6.3%	0.9%
Machinery and equipment	2 623.0	12.2%	2.5%	2 489.7	2 631.4	2 776.1	1.9%	2.6%
Biological assets	6.9	-11.5%	0.0%	7.0	7.1	7.5	2.5%	0.0%
<b>Total</b>	<b>91 684.2</b>	<b>6.1%</b>	<b>100.0%</b>	<b>97 595.3</b>	<b>104 323.3</b>	<b>111 180.2</b>	<b>6.6%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 23.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
Fleet services (including government motor transport)	3 753 107	3 472 164	4 038 683	4 141 775	3.3%	4.6%	4 258 179	4 516 436	4 867 316	5.5%	4.4%
Operating leases	2 577 256	2 712 866	2 791 274	3 053 155	5.8%	3.3%	3 193 494	3 369 264	3 553 126	5.2%	3.3%
Property payments	1 044 282	1 070 118	1 173 681	1 208 011	5.0%	1.3%	1 275 682	1 345 871	1 419 894	5.5%	1.3%
Compensation of employees	57 478 371	62 038 112	67 124 496	70 801 896	7.2%	76.6%	76 357 717	81 883 243	87 205 655	7.2%	78.1%
Computer services	3 149 413	3 392 651	2 808 670	2 914 053	-2.6%	3.7%	2 851 747	2 988 067	3 143 506	2.6%	2.9%
Transport equipment	1 205 379	1 086 316	1 802 679	1 873 494	15.8%	1.8%	1 709 381	1 805 131	1 904 413	0.5%	1.8%
<b>Total</b>	<b>69 207 808</b>	<b>73 772 227</b>	<b>79 739 483</b>	<b>83 992 384</b>	<b>6.7%</b>	<b>91.3%</b>	<b>89 646 200</b>	<b>95 908 012</b>	<b>102 093 910</b>	<b>6.7%</b>	<b>91.8%</b>

## Goods and services expenditure trends and estimates

**Table 23.5 Vote goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
Administrative fees	57 394	52 562	57 507	62 806	3.0%	0.4%	66 344	70 003	73 855	5.6%	0.4%
Advertising	39 821	31 296	16 828	29 453	-9.6%	0.2%	26 422	29 559	34 650	5.6%	0.2%
Minor assets	239 949	216 740	230 622	281 524	5.5%	1.6%	303 777	320 485	338 114	6.3%	1.8%
Audit costs: External	33 266	31 559	29 292	37 280	3.9%	0.2%	36 884	39 813	43 907	5.6%	0.2%
Bursaries: Employees	8 252	2 303	4 735	9 032	3.1%	–	9 538	10 063	10 616	5.5%	0.1%
Catering: Departmental activities	39 531	30 698	33 080	38 738	-0.7%	0.2%	40 855	43 046	45 413	5.4%	0.2%
Communication	714 118	584 071	496 250	620 487	-4.6%	3.9%	521 013	565 910	715 462	4.9%	3.5%

Table 23.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
Computer services	3 149 413	3 392 651	2 808 670	2 914 053	-2.6%	19.8%	2 851 747	2 988 067	3 143 506	2.6%	17.1%
Consultants: Business and advisory services	27 402	28 589	26 620	19 973	-10.0%	0.2%	21 086	22 247	23 470	5.5%	0.1%
Infrastructure and planning services	73	37	-	-	-100.0%	-	-	-	-	-	-
Laboratory services	4 407	4 621	6 363	6 751	15.3%	-	7 129	7 520	7 933	5.5%	-
Legal services	293 913	302 059	333 124	344 300	5.4%	2.1%	363 245	383 226	404 304	5.5%	2.2%
Contractors	568 491	399 133	423 230	466 451	-6.4%	3.0%	514 004	542 200	573 468	7.1%	3.0%
Agency and support/outsourced services	344 667	389 427	415 073	414 823	6.4%	2.5%	425 135	443 288	467 670	4.1%	2.5%
Entertainment	1 412	1 033	707	2 168	15.4%	-	2 287	2 410	2 541	5.4%	-
Fleet services (including government motor transport)	3 753 107	3 472 164	4 038 683	4 141 775	3.3%	24.8%	4 258 179	4 516 436	4 867 316	5.5%	25.6%
Inventory: Clothing material and accessories	245 436	223 171	191 230	271 902	3.5%	1.5%	286 995	302 768	319 420	5.5%	1.7%
Inventory: Other supplies	63 499	70 961	39 046	85 141	10.3%	0.4%	87 956	92 830	97 934	4.8%	0.5%
Consumable supplies	492 570	597 571	548 593	515 827	1.5%	3.5%	536 273	569 772	625 354	6.6%	3.2%
Consumables: Stationery, printing and office supplies	310 834	382 057	416 711	423 102	10.8%	2.5%	446 648	470 792	496 686	5.5%	2.6%
Operating leases	2 577 256	2 712 866	2 791 274	3 053 155	5.8%	17.9%	3 193 494	3 369 264	3 553 126	5.2%	19.0%
Property payments	1 044 282	1 070 118	1 173 681	1 208 011	5.0%	7.2%	1 275 682	1 345 871	1 419 894	5.5%	7.6%
Transport provided: Departmental activity	1 317	2 220	954	2 091	16.7%	-	2 208	2 329	2 458	5.5%	-
Travel and subsistence	917 885	969 267	1 008 201	1 054 377	4.7%	6.4%	1 089 513	1 163 583	1 257 773	6.1%	6.6%
Training and development	95 245	75 365	77 221	82 900	-4.5%	0.5%	91 382	92 744	102 664	7.4%	0.5%
Operating payments	177 231	150 787	145 127	163 529	-2.6%	1.0%	167 787	176 259	188 684	4.9%	1.0%
Venues and facilities	34 880	35 583	31 983	32 452	-2.4%	0.2%	33 055	35 047	38 120	5.5%	0.2%
<b>Total</b>	<b>15 235 651</b>	<b>15 228 909</b>	<b>15 344 805</b>	<b>16 282 101</b>	<b>2.2%</b>	<b>100.0%</b>	<b>16 658 638</b>	<b>17 605 532</b>	<b>18 854 338</b>	<b>5.0%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 23.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>417 914</b>	<b>432 928</b>	<b>522 777</b>	<b>483 647</b>	<b>5.0%</b>	<b>42.6%</b>	<b>508 002</b>	<b>534 612</b>	<b>564 017</b>	<b>5.3%</b>	<b>42.0%</b>
Employee social benefits	417 914	432 928	522 777	483 647	5.0%	42.6%	508 002	534 612	564 017	5.3%	42.0%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>155 682</b>	<b>150 501</b>	<b>164 399</b>	<b>176 799</b>	<b>4.3%</b>	<b>14.8%</b>	<b>194 984</b>	<b>207 963</b>	<b>220 830</b>	<b>7.7%</b>	<b>16.1%</b>
Safety and Security Sector	42 498	39 909	39 726	45 580	2.4%	3.8%	48 315	50 975	53 779	5.7%	4.0%
Education and Training Authority											
Civilian Secretariat for the Police Service	113 184	110 592	124 673	131 219	5.1%	11.0%	146 669	156 988	167 051	8.4%	12.1%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>376 219</b>	<b>426 386</b>	<b>442 282</b>	<b>436 354</b>	<b>5.1%</b>	<b>38.5%</b>	<b>457 159</b>	<b>478 897</b>	<b>505 236</b>	<b>5.0%</b>	<b>37.7%</b>
Claims against the state	334 899	372 284	396 700	379 800	4.3%	34.0%	397 200	415 400	438 247	4.9%	32.8%
Detainee medical expenses	41 320	54 102	45 582	56 554	11.0%	4.5%	59 959	63 497	66 989	5.8%	5.0%
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>40 051</b>	<b>42 564</b>	<b>44 518</b>	<b>47 596</b>	<b>5.9%</b>	<b>4.0%</b>	<b>50 415</b>	<b>53 205</b>	<b>56 132</b>	<b>5.7%</b>	<b>4.2%</b>
Vehicle licences	40 051	42 564	44 518	47 596	5.9%	4.0%	50 415	53 205	56 132	5.7%	4.2%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>1 000</b>	<b>-</b>	<b>-</b>	<b>1 000</b>	<b>-</b>	<b>-</b>	<b>1 000</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
South African Police Service Education Trust	1 000	-	-	1 000	-	-	1 000	-	-	-100.0%	-
<b>Total</b>	<b>990 866</b>	<b>1 052 379</b>	<b>1 173 976</b>	<b>1 145 396</b>	<b>4.9%</b>	<b>100.0%</b>	<b>1 211 560</b>	<b>1 274 677</b>	<b>1 346 215</b>	<b>5.5%</b>	<b>100.0%</b>

## Personnel information

**Table 23.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment															Number	
Number of posts estimated for 31 March 2019																	Average growth rate (%)	Average: Salary level/Total (%)
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						2018/19 - 2021/22				
		2017/18			2018/19			2019/20		2020/21		2021/22						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Police		190 000			192 431	70 801.9	0.4	191 431	76 357.7	0.4	191 431	81 883.2	0.4	191 431	87 205.7	0.5	-0.2%	100.0%
Salary level		190 000			192 431	70 801.9	0.4	191 431	76 357.7	0.4	191 431	81 883.2	0.4	191 431	87 205.7	0.5	-0.2%	100.0%
1 – 6		131 482			132 765	34 158.8	0.3	132 550	37 516.7	0.3	132 550	40 175.6	0.3	132 550	43 024.2	0.3	-0.1%	69.2%
7 – 10		55 286			56 531	26 614.0	0.5	55 846	28 053.9	0.5	55 846	30 366.4	0.5	55 846	32 085.7	0.6	-0.4%	29.2%
11 – 12		2 328			2 207	1 930.6	0.9	2 142	2 017.1	0.9	2 142	2 159.3	1.0	2 142	2 307.3	1.1	-1.0%	1.1%
13 – 16		902			926	1 042.7	1.1	891	1 090.3	1.2	891	1 165.5	1.3	891	1 243.6	1.4	-1.3%	0.5%
Other		2			2	7 055.7	3 527.9	2	7 679.7	3 839.9	2	8 016.4	4 008.2	2	8 544.8	4 272.4		0.0%
Programme		190 000			192 431	70 801.9	0.4	191 431	76 357.7	0.4	191 431	81 883.2	0.4	191 431	87 205.7	0.5	-0.2%	100.0%
Programme 1		37 071			37 473	12 793.5	0.3	36 473	13 764.7	0.4	36 473	14 796.5	0.4	36 473	15 758.3	0.4	-0.9%	19.2%
Programme 2		98 577			99 925	36 797.8	0.4	99 925	39 804.8	0.4	99 925	42 596.7	0.4	99 925	45 365.5	0.5		52.1%
Programme 3		38 827			39 374	15 120.1	0.4	39 374	16 230.9	0.4	39 374	17 445.7	0.4	39 374	18 579.7	0.5		20.5%
Programme 4		8 912			8 937	3 482.9	0.4	8 937	3 758.3	0.4	8 937	4 035.0	0.5	8 937	4 297.2	0.5		4.7%
Programme 5		6 613			6 722	2 607.6	0.4	6 722	2 798.9	0.4	6 722	3 009.4	0.4	6 722	3 205.0	0.5		3.5%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 23.8 Departmental receipts by economic classification**

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
R thousand												
<b>Departmental receipts</b>	<b>478 192</b>	<b>756 016</b>	<b>677 686</b>	<b>540 378</b>	<b>540 378</b>	<b>4.2%</b>	<b>100.0%</b>	<b>530 406</b>	<b>541 765</b>	<b>552 566</b>	<b>0.7%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>205 250</b>	<b>220 942</b>	<b>325 005</b>	<b>300 552</b>	<b>300 552</b>	<b>13.6%</b>	<b>42.9%</b>	<b>286 422</b>	<b>291 410</b>	<b>297 238</b>	<b>-0.4%</b>	<b>54.3%</b>
Administrative fees	34 942	35 754	31 599	30 197	30 197	-4.7%	5.4%	29 130	29 750	30 345	0.2%	5.5%
of which:												
Firearm licences	34 942	35 754	31 599	29 575	30 197	-4.7%	5.4%	29 130	29 750	30 345	0.2%	5.5%
Other	-	-	-	622	-	-	-	-	-	-	-	-
Other sales	170 308	185 188	293 406	270 355	270 355	16.7%	37.5%	257 292	261 660	266 893	-0.4%	48.8%
of which:												
House rentals	31 157	32 388	127 359	116 925	116 925	55.4%	12.6%	110 303	110 303	112 509	-1.3%	20.8%
Commission on insurance	62 144	70 643	77 361	78 974	78 974	8.3%	11.8%	74 300	76 500	78 030	-0.4%	14.2%
Other	77 007	82 157	88 686	74 456	74 456	-1.1%	13.1%	72 689	74 857	76 354	0.8%	13.8%
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>32 370</b>	<b>44 566</b>	<b>8 129</b>	<b>4 800</b>	<b>4 800</b>	<b>-47.1%</b>	<b>3.7%</b>	<b>5 100</b>	<b>5 400</b>	<b>5 508</b>	<b>4.7%</b>	<b>1.0%</b>
of which:												
Sales of scrap, waste and other used goods	32 370	44 566	8 129	4 800	4 800	-47.1%	3.7%	5 100	5 400	5 508	4.7%	1.0%
Fines, penalties and forfeits	11 184	9 740	31 354	7 338	7 338	-13.1%	2.4%	7 150	7 890	8 020	3.0%	1.4%
Interest, dividends and rent on land	1 128	1 375	1 366	1 125	1 125	-0.1%	0.2%	1 040	1 065	1 080	-1.4%	0.2%
Interest	1 128	1 375	1 366	1 125	1 125	-0.1%	0.2%	1 040	1 065	1 080	-1.4%	0.2%
Sales of capital assets	62 650	89 539	160 439	82 500	82 500	9.6%	16.1%	85 100	87 700	89 454	2.7%	15.9%
Transactions in financial assets and liabilities	165 610	389 854	151 393	144 063	144 063	-4.5%	34.7%	145 594	148 300	151 266	1.6%	27.2%
<b>Total</b>	<b>478 192</b>	<b>756 016</b>	<b>677 686</b>	<b>540 378</b>	<b>540 378</b>	<b>4.2%</b>	<b>100.0%</b>	<b>530 406</b>	<b>541 765</b>	<b>552 566</b>	<b>0.7%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the South African Police Service; and provide for the functions of the Civilian Secretariat for the Police Service.

## Expenditure trends and estimates

**Table 23.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Ministry	39.0	56.6	67.2	61.6	16.5%	0.3%	65.1	69.1	73.2	5.9%	0.3%
Management	59.7	59.0	47.3	80.9	10.7%	0.3%	86.5	92.3	98.0	6.6%	0.4%
Corporate Services	16 724.4	17 488.8	18 202.7	19 129.4	4.6%	98.7%	20 148.3	21 534.7	22 906.8	6.2%	98.6%
Civilian Secretariat	113.2	110.6	124.7	131.2	5.1%	0.7%	146.7	157.0	167.1	8.4%	0.7%
<b>Total</b>	<b>16 936.3</b>	<b>17 715.1</b>	<b>18 442.0</b>	<b>19 403.1</b>	<b>4.6%</b>	<b>100.0%</b>	<b>20 446.5</b>	<b>21 853.1</b>	<b>23 245.1</b>	<b>6.2%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			(288.8)	(298.4)	(292.3)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>14 755.8</b>	<b>15 780.3</b>	<b>16 775.6</b>	<b>17 503.9</b>	<b>5.9%</b>	<b>89.4%</b>	<b>18 438.3</b>	<b>19 734.0</b>	<b>20 989.5</b>	<b>6.2%</b>	<b>90.3%</b>
Compensation of employees	10 279.6	11 237.9	12 245.7	12 793.5	7.6%	64.2%	13 764.7	14 796.5	15 758.3	7.2%	67.2%
Goods and services <sup>1</sup>	4 476.2	4 542.4	4 529.9	4 710.4	1.7%	25.2%	4 673.5	4 937.5	5 231.2	3.6%	23.0%
<i>of which:</i>											
Computer services	2 572.7	2 624.9	2 428.5	2 580.9	0.1%	14.1%	2 462.2	2 597.5	2 740.4	2.0%	12.2%
Legal services	293.9	293.3	332.1	343.2	5.3%	1.7%	362.1	382.1	403.1	5.5%	1.8%
Contractors	140.4	129.0	173.7	165.4	5.6%	0.8%	183.6	193.6	204.3	7.3%	0.9%
Fleet services (including government motor transport)	275.6	262.4	326.6	294.9	2.3%	1.6%	311.0	328.0	352.0	6.1%	1.5%
Inventory: Clothing material and accessories	236.1	223.2	191.2	271.9	4.8%	1.3%	287.0	302.8	319.4	5.5%	1.4%
Travel and subsistence	229.0	250.5	254.4	247.7	2.7%	1.4%	251.9	275.9	291.1	5.5%	1.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>652.7</b>	<b>675.0</b>	<b>734.2</b>	<b>735.4</b>	<b>4.1%</b>	<b>3.9%</b>	<b>779.9</b>	<b>820.8</b>	<b>867.3</b>	<b>5.7%</b>	<b>3.8%</b>
Provinces and municipalities	6.9	6.1	6.2	7.8	4.1%	–	8.2	8.7	9.1	5.5%	–
Departmental agencies and accounts	155.7	150.5	164.4	176.8	4.3%	0.9%	195.0	208.0	220.8	7.7%	0.9%
Households	490.1	518.4	563.6	550.8	4.0%	2.9%	576.8	604.1	637.4	5.0%	2.8%
<b>Payments for capital assets</b>	<b>1 515.9</b>	<b>1 247.4</b>	<b>918.3</b>	<b>1 163.9</b>	<b>-8.4%</b>	<b>6.7%</b>	<b>1 228.3</b>	<b>1 298.4</b>	<b>1 388.2</b>	<b>6.1%</b>	<b>6.0%</b>
Buildings and other fixed structures	1 190.3	999.8	565.1	824.9	-11.5%	4.9%	870.7	921.4	990.5	6.3%	4.2%
Machinery and equipment	322.0	242.7	347.3	332.1	1.0%	1.7%	350.7	369.9	390.3	5.5%	1.7%
Biological assets	3.6	4.4	5.9	6.9	24.2%	–	7.0	7.1	7.5	2.5%	–
Software and other intangible assets	–	0.5	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>11.9</b>	<b>12.3</b>	<b>13.9</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>16 936.3</b>	<b>17 715.1</b>	<b>18 442.0</b>	<b>19 403.1</b>	<b>4.6%</b>	<b>100.0%</b>	<b>20 446.5</b>	<b>21 853.1</b>	<b>23 245.1</b>	<b>6.2%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>22.1%</b>	<b>21.9%</b>	<b>21.3%</b>	<b>21.2%</b>	<b>–</b>	<b>–</b>	<b>21.0%</b>	<b>20.9%</b>	<b>20.9%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>155.6</b>	<b>148.5</b>	<b>168.1</b>	<b>171.0</b>	<b>3.2%</b>	<b>0.9%</b>	<b>179.6</b>	<b>188.7</b>	<b>199.1</b>	<b>5.2%</b>	<b>0.9%</b>
Employee social benefits	155.6	148.5	168.1	171.0	3.2%	0.9%	179.6	188.7	199.1	5.2%	0.9%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>155.7</b>	<b>150.5</b>	<b>164.4</b>	<b>176.8</b>	<b>4.3%</b>	<b>0.9%</b>	<b>195.0</b>	<b>208.0</b>	<b>220.8</b>	<b>7.7%</b>	<b>0.9%</b>
Safety and Security Sector	42.5	39.9	39.7	45.6	2.4%	0.2%	48.3	51.0	53.8	5.7%	0.2%
Education and Training Authority											
Civilian Secretariat for the Police Service	113.2	110.6	124.7	131.2	5.1%	0.7%	146.7	157.0	167.1	8.4%	0.7%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>334.5</b>	<b>369.8</b>	<b>395.5</b>	<b>379.8</b>	<b>4.3%</b>	<b>2.0%</b>	<b>397.2</b>	<b>415.4</b>	<b>438.2</b>	<b>4.9%</b>	<b>1.9%</b>
Claims against the state	334.5	369.8	395.5	379.8	4.3%	2.0%	397.2	415.4	438.2	4.9%	1.9%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Visible Policing

### Programme purpose

Enable police stations to institute and preserve safety and security, and provide for specialised interventions and the policing of South Africa's borders.

## Objectives

- Provide a proactive and responsive policing service to discourage and prevent serious crime by:
  - reducing the number of serious crimes reported from 1 670 574 in 2017/18 to 1 554 318 in 2021/22 by addressing contributors to crime such as illegal firearms, drugs and liquor outlets; enhancing partnership policing and crime prevention operations in identified hotspots; and providing enhanced training for detectives and forensic specialists
  - increasing the number of reported crimes for the unlawful possession of, and dealing in, drugs from 323 547 in 2017/18 to 1 537 193 in 2021/22 through focused crime prevention and intelligence-led police operations
  - reacting to 100 per cent of crime-related hits over the medium term through the screening of wanted persons and circulated stolen vehicles crossing South Africa's borders, using the movement control system
  - responding to 100 per cent of medium- to high-risk incidents over the medium term by maintaining public order through effective crowd management and the provision of a rapid response capability for intervening in incidents that require specialised skills and equipment.

## Subprogrammes

- *Crime Prevention* provides for basic crime prevention and visible policing services at police stations and community service centres.
- *Border Security* provides for the policing of South Africa's borders.
- *Specialised Interventions* provides for interventions in medium- to high-risk operations, including the air wing, the special task force and crime combating units, and the protection of valuable and dangerous cargo.
- *Facilities* provides for office accommodation budgets and related expenditure devolved to the department by the Department of Public Works.

## Expenditure trends and estimates

**Table 23.10 Visible Policing expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Crime Prevention	30 011.8	31 754.9	34 101.4	36 278.9	6.5%	77.9%	39 048.0	41 743.4	44 538.9	7.1%	78.1%
Border Security	1 695.6	1 808.4	1 923.6	2 101.1	7.4%	4.4%	2 183.0	2 403.5	2 575.8	7.0%	4.5%
Specialised Interventions	3 115.0	3 428.2	4 117.9	4 383.7	12.1%	8.9%	4 374.7	4 595.5	4 885.9	3.7%	8.8%
Facilities	3 498.7	3 621.0	3 789.7	4 108.6	5.5%	8.8%	4 306.8	4 543.6	4 793.5	5.3%	8.6%
<b>Total</b>	<b>38 321.1</b>	<b>40 612.4</b>	<b>43 932.7</b>	<b>46 872.3</b>	<b>6.9%</b>	<b>100.0%</b>	<b>49 912.5</b>	<b>53 286.0</b>	<b>56 794.1</b>	<b>6.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			(170.2)	(165.7)	(23.4)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>37 338.7</b>	<b>39 483.1</b>	<b>42 261.3</b>	<b>45 082.3</b>	<b>6.5%</b>	<b>96.7%</b>	<b>48 308.6</b>	<b>51 594.7</b>	<b>55 009.8</b>	<b>6.9%</b>	<b>96.7%</b>
Compensation of employees	30 067.5	32 262.8	34 588.0	36 797.8	7.0%	78.8%	39 804.8	42 596.7	45 365.5	7.2%	79.6%
Goods and services <sup>1</sup>	7 271.2	7 220.3	7 673.3	8 284.6	4.4%	17.9%	8 503.8	8 998.0	9 644.3	5.2%	17.1%
of which:											
Communication	354.7	315.2	261.5	323.8	-3.0%	0.7%	266.4	289.0	377.3	5.2%	0.6%
Contractors	286.0	191.9	206.2	241.2	-5.5%	0.5%	253.5	267.5	283.6	5.5%	0.5%
Fleet services (including government motor transport)	2 128.1	1 970.3	2 280.1	2 368.2	3.6%	5.2%	2 392.8	2 545.7	2 759.5	5.2%	4.9%
Operating leases	2 498.4	2 632.3	2 683.3	2 960.2	5.8%	6.3%	3 095.3	3 265.6	3 443.8	5.2%	6.2%
Property payments	1 031.4	1 057.5	1 159.8	1 190.0	4.9%	2.6%	1 256.6	1 325.8	1 398.7	5.5%	2.5%
Travel and subsistence	308.9	334.8	371.1	377.1	6.9%	0.8%	409.2	429.1	457.9	6.7%	0.8%
<b>Transfers and subsidies<sup>1</sup></b>	<b>220.6</b>	<b>240.5</b>	<b>276.5</b>	<b>268.5</b>	<b>6.8%</b>	<b>0.6%</b>	<b>282.8</b>	<b>297.5</b>	<b>313.9</b>	<b>5.3%</b>	<b>0.6%</b>
Provinces and municipalities	21.7	23.3	25.8	27.1	7.7%	0.1%	28.7	30.3	32.0	5.7%	0.1%
Non-profit institutions	1.0	–	–	1.0	–	–	1.0	–	–	-100.0%	–
Households	197.9	217.2	250.8	240.4	6.7%	0.5%	253.1	267.2	281.9	5.4%	0.5%



**Table 23.10 Visible Policing expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Payments for capital assets</b>	<b>761.8</b>	<b>888.8</b>	<b>1 394.9</b>	<b>1 521.5</b>	<b>25.9%</b>	<b>2.7%</b>	<b>1 321.2</b>	<b>1 393.8</b>	<b>1 470.5</b>	<b>-1.1%</b>	<b>2.8%</b>
Buildings and other fixed structures	1.2	1.3	0.3	–	-100.0%	–	–	–	–	–	–
Machinery and equipment	760.5	887.5	1 394.6	1 521.5	26.0%	2.7%	1 321.2	1 393.8	1 470.5	-1.1%	2.8%
<b>Total</b>	<b>38 321.1</b>	<b>40 612.4</b>	<b>43 932.7</b>	<b>46 872.3</b>	<b>6.9%</b>	<b>100.0%</b>	<b>49 912.5</b>	<b>53 286.0</b>	<b>56 794.1</b>	<b>6.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>49.9%</b>	<b>50.1%</b>	<b>50.7%</b>	<b>51.1%</b>	<b>–</b>	<b>–</b>	<b>51.1%</b>	<b>51.1%</b>	<b>51.1%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>156.3</b>	<b>161.0</b>	<b>204.9</b>	<b>183.8</b>	<b>5.6%</b>	<b>0.4%</b>	<b>193.1</b>	<b>203.7</b>	<b>214.9</b>	<b>5.3%</b>	<b>0.4%</b>
Employee social benefits	156.3	161.0	204.9	183.8	5.6%	0.4%	193.1	203.7	214.9	5.3%	0.4%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>41.7</b>	<b>56.2</b>	<b>45.8</b>	<b>56.6</b>	<b>10.7%</b>	<b>0.1%</b>	<b>60.0</b>	<b>63.5</b>	<b>67.0</b>	<b>5.8%</b>	<b>0.1%</b>
Claims against the state	0.3	2.1	0.3	–	-100.0%	–	–	–	–	–	–
Detainee medical expenses	41.3	54.1	45.6	56.6	11.0%	0.1%	60.0	63.5	67.0	5.8%	0.1%
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>21.7</b>	<b>23.3</b>	<b>25.8</b>	<b>27.1</b>	<b>7.7%</b>	<b>0.1%</b>	<b>28.7</b>	<b>30.3</b>	<b>32.0</b>	<b>5.7%</b>	<b>0.1%</b>
Vehicle licences	21.7	23.3	25.8	27.1	7.7%	0.1%	28.7	30.3	32.0	5.7%	0.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Detective Services

### Programme purpose

Enable the investigative work of the South African Police Service, including providing support to investigators in terms of forensic evidence and criminal records.

### Objectives

- Contribute to the successful prosecution of offenders by:
  - increasing the detection rate for serious crimes from 36 per cent in 2017/18 to 38 per cent in 2021/22 by providing specialised training to detectives and enhancing dedicated specialised capabilities in different detective services units
  - maintaining the percentage of trial-ready case dockets for serious commercial crime-related charges at 65 per cent over the medium term through the timeous submission of case dockets for prosecution
  - generating 95 per cent of original previous conviction reports for formally charged individuals within 15 calendar days by 2021/22.

### Subprogrammes

- *Crime Investigations* provides for detectives at police stations who investigate crimes, including crimes against women and children.
- *Criminal Record Centre* provides for effective and credible criminal record centres in respect of crime scene management or processing, and provides criminal records and related information.
- *Forensic Science Laboratory* funds forensic science laboratories, which provide specialised, evidence-related technical analysis and support to investigators.
- *Specialised Investigations* provides for the prevention, combatting and investigation of national priority offences, including the investigation of organised crime syndicates, serious and violent crime, commercial crime, and corruption.

## Expenditure trends and estimates

Table 23.11 Detective Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
R million											
Crime Investigations	10 626.0	10 964.0	12 092.0	12 789.9	6.4%	67.3%	13 595.7	14 637.7	15 633.5	6.9%	68.3%
Criminal Record Centre	2 043.9	2 233.0	2 359.2	2 551.8	7.7%	13.3%	2 734.2	2 907.6	3 109.2	6.8%	13.6%
Forensic Science Laboratory	1 916.9	2 091.6	1 682.7	1 702.4	-3.9%	10.7%	1 931.7	2 015.8	2 152.8	8.1%	9.4%
Specialised Investigations	1 360.5	1 434.5	1 552.8	1 617.5	5.9%	8.6%	1 733.0	1 855.1	1 972.4	6.8%	8.7%
<b>Total</b>	<b>15 947.3</b>	<b>16 723.1</b>	<b>17 686.7</b>	<b>18 661.6</b>	<b>5.4%</b>	<b>100.0%</b>	<b>19 994.6</b>	<b>21 416.2</b>	<b>22 867.8</b>	<b>7.0%</b>	<b>100.0%</b>
Change to 2018				(150.0)			(107.9)	(107.4)	(14.0)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>15 243.0</b>	<b>16 173.6</b>	<b>17 075.4</b>	<b>17 899.9</b>	<b>5.5%</b>	<b>96.2%</b>	<b>19 185.3</b>	<b>20 558.2</b>	<b>21 962.6</b>	<b>7.1%</b>	<b>96.0%</b>
Compensation of employees	12 241.4	13 150.0	14 397.1	15 120.1	7.3%	79.6%	16 230.9	17 445.7	18 579.7	7.1%	81.2%
Goods and services <sup>1</sup>	3 001.5	3 023.5	2 678.3	2 779.8	-2.5%	16.6%	2 954.4	3 112.5	3 383.0	6.8%	14.7%
<i>of which:</i>											
Communication	187.9	139.7	115.8	154.3	-6.4%	0.9%	119.1	130.1	174.9	4.3%	0.7%
Computer services	573.0	764.2	378.1	329.1	-16.9%	3.0%	385.3	386.0	398.3	6.6%	1.8%
Fleet services (including government motor transport)	1 173.8	1 087.0	1 252.9	1 292.3	3.3%	7.0%	1 358.8	1 435.4	1 535.7	5.9%	6.8%
Consumable supplies	342.8	428.7	334.8	326.0	-1.7%	2.1%	335.9	358.6	402.6	7.3%	1.7%
Consumables: Stationery, printing and office supplies	88.5	89.0	87.0	108.9	7.1%	0.5%	114.4	120.3	126.9	5.2%	0.6%
Travel and subsistence	190.5	202.8	203.9	233.2	7.0%	1.2%	222.7	241.9	280.1	6.3%	1.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>93.6</b>	<b>107.7</b>	<b>117.7</b>	<b>117.0</b>	<b>7.7%</b>	<b>0.6%</b>	<b>123.0</b>	<b>129.2</b>	<b>136.3</b>	<b>5.2%</b>	<b>0.6%</b>
Provinces and municipalities	9.6	11.2	10.2	10.4	3.0%	0.1%	11.1	11.6	12.3	5.5%	0.1%
Households	84.0	96.5	107.5	106.5	8.2%	0.6%	111.9	117.6	124.1	5.2%	0.6%
<b>Payments for capital assets</b>	<b>610.7</b>	<b>441.9</b>	<b>493.6</b>	<b>644.7</b>	<b>1.8%</b>	<b>3.2%</b>	<b>686.3</b>	<b>728.8</b>	<b>768.8</b>	<b>6.0%</b>	<b>3.4%</b>
Buildings and other fixed structures	0.7	0.1	10.0	-	-100.0%	-	-	-	-	-	-
Machinery and equipment	610.0	429.5	457.3	644.7	1.9%	3.1%	686.3	728.8	768.8	6.0%	3.4%
Software and other intangible assets	-	12.3	26.2	-	-	0.1%	-	-	-	-	-
<b>Total</b>	<b>15 947.3</b>	<b>16 723.1</b>	<b>17 686.7</b>	<b>18 661.6</b>	<b>5.4%</b>	<b>100.0%</b>	<b>19 994.6</b>	<b>21 416.2</b>	<b>22 867.8</b>	<b>7.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>20.8%</b>	<b>20.6%</b>	<b>20.4%</b>	<b>20.4%</b>	-	-	<b>20.5%</b>	<b>20.5%</b>	<b>20.6%</b>	-	-
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>83.9</b>	<b>96.2</b>	<b>107.0</b>	<b>106.5</b>	<b>8.3%</b>	<b>0.6%</b>	<b>111.9</b>	<b>117.6</b>	<b>124.1</b>	<b>5.2%</b>	<b>0.6%</b>
Employee social benefits	83.9	96.2	107.0	106.5	8.3%	0.6%	111.9	117.6	124.1	5.2%	0.6%
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>9.6</b>	<b>11.2</b>	<b>10.2</b>	<b>10.4</b>	<b>3.0%</b>	<b>0.1%</b>	<b>11.1</b>	<b>11.6</b>	<b>12.3</b>	<b>5.5%</b>	<b>0.1%</b>
Vehicle licences	9.6	11.2	10.2	10.4	3.0%	0.1%	11.1	11.6	12.3	5.5%	0.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Crime Intelligence

## Programme purpose

Manage crime intelligence and analyse crime information, and provide technical support for investigations and crime prevention operations.

## Objectives

- Contribute to combating crime on an ongoing basis by:
  - ensuring that 65 per cent of network operations are successfully executed in support of crime prevention, investigation and prosecution
  - maintaining tactical and operational intelligence products at 36 200 over the medium term in support of policing activities.

## Subprogrammes

- *Crime Intelligence Operations* provides for intelligence-based criminal investigations.
- *Intelligence and Information Management* provides for the analysis of crime intelligence patterns that will facilitate crime detection in support of crime prevention and crime investigation.

## Expenditure trends and estimates

**Table 23.12 Crime Intelligence expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average Expenditure/ Total (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
Crime Intelligence Operations	1 268.5	1 362.3	1 499.1	1 567.5	7.3%	40.7%	1 689.8	1 809.6	1 928.9	7.2%	41.2%
Intelligence and Information Management	1 833.6	2 025.6	2 205.7	2 237.2	6.9%	59.3%	2 402.9	2 579.4	2 747.3	7.1%	58.8%
<b>Total</b>	<b>3 102.0</b>	<b>3 387.9</b>	<b>3 704.8</b>	<b>3 804.7</b>	<b>7.0%</b>	<b>100.0%</b>	<b>4 092.7</b>	<b>4 389.0</b>	<b>4 676.2</b>	<b>7.1%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			(5.6)	(5.2)	-		
<b>Economic classification</b>											
<b>Current payments</b>	<b>3 054.3</b>	<b>3 326.7</b>	<b>3 600.2</b>	<b>3 735.8</b>	<b>6.9%</b>	<b>98.0%</b>	<b>4 019.0</b>	<b>4 311.4</b>	<b>4 594.3</b>	<b>7.1%</b>	<b>98.2%</b>
Compensation of employees	2 819.3	3 106.8	3 366.3	3 482.9	7.3%	91.3%	3 758.3	4 035.0	4 297.2	7.3%	91.8%
Goods and services <sup>1</sup>	235.0	219.8	233.9	252.9	2.5%	6.7%	260.7	276.4	297.1	5.5%	6.4%
<i>of which:</i>											
<i>Communication</i>	29.5	22.1	16.6	25.2	-5.1%	0.7%	21.2	23.3	30.0	5.9%	0.6%
<i>Fleet services (including government motor transport)</i>	103.5	91.2	103.0	109.6	2.0%	2.9%	116.0	123.1	129.9	5.8%	2.8%
<i>Consumables: Stationery, printing and office supplies</i>	10.7	13.6	14.0	14.5	10.8%	0.4%	15.3	16.1	17.0	5.5%	0.4%
<i>Operating leases</i>	16.2	14.0	14.1	16.6	0.8%	0.4%	17.5	18.5	19.5	5.6%	0.4%
<i>Travel and subsistence</i>	46.5	53.2	57.7	54.5	5.5%	1.5%	56.2	58.9	62.2	4.5%	1.4%
<i>Operating payments</i>	12.9	9.3	8.5	11.5	-3.7%	0.3%	12.4	13.1	13.8	6.3%	0.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>17.0</b>	<b>23.1</b>	<b>34.3</b>	<b>18.9</b>	<b>3.5%</b>	<b>0.7%</b>	<b>19.8</b>	<b>20.9</b>	<b>22.0</b>	<b>5.2%</b>	<b>0.5%</b>
Provinces and municipalities	1.1	1.1	1.2	1.2	4.6%	-	1.3	1.4	1.4	5.6%	-
Households	16.0	22.0	33.1	17.7	3.5%	0.6%	18.6	19.5	20.6	5.2%	0.4%
<b>Payments for capital assets</b>	<b>30.7</b>	<b>38.2</b>	<b>70.3</b>	<b>50.0</b>	<b>17.6%</b>	<b>1.4%</b>	<b>53.9</b>	<b>56.8</b>	<b>59.9</b>	<b>6.2%</b>	<b>1.3%</b>
Buildings and other fixed structures	0.1	-	-	-	-100.0%	-	-	-	-	-	-
Machinery and equipment	30.6	38.2	70.3	50.0	17.8%	1.4%	53.9	56.8	59.9	6.2%	1.3%
<b>Total</b>	<b>3 102.0</b>	<b>3 387.9</b>	<b>3 704.8</b>	<b>3 804.7</b>	<b>7.0%</b>	<b>100.0%</b>	<b>4 092.7</b>	<b>4 389.0</b>	<b>4 676.2</b>	<b>7.1%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>4.0%</b>	<b>4.2%</b>	<b>4.3%</b>	<b>4.1%</b>	<b>-</b>	<b>-</b>	<b>4.2%</b>	<b>4.2%</b>	<b>4.2%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>15.9</b>	<b>22.0</b>	<b>32.8</b>	<b>17.7</b>	<b>3.5%</b>	<b>0.6%</b>	<b>18.6</b>	<b>19.5</b>	<b>20.6</b>	<b>5.2%</b>	<b>0.4%</b>
Employee social benefits	15.9	22.0	32.8	17.7	3.5%	0.6%	18.6	19.5	20.6	5.2%	0.4%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Protection and Security Services

### Programme purpose

Provide protection and security services to all identified dignitaries and government interests.

### Objectives

- Minimise security violations by:
  - protecting all identified local and foreign dignitaries while in transit, without any security breaches, on an ongoing basis
  - protecting the locations in which dignitaries, including persons related to the president and deputy president, are present, without security breaches, on an ongoing basis
  - auditing 50.8 per cent of strategic installations per year over the medium term
  - evaluating 100 per cent of national key points per year over the medium term.

## Subprogrammes

- *VIP Protection Services* provides for the protection of the president, deputy president, former presidents, their spouses, and other identified dignitaries while in transit.
- *Static and Mobile Security* provides for the protection of other local and foreign dignitaries and the places in which all dignitaries, including persons related to the president and deputy president, are present.
- *Government Security Regulator* provides for security regulations and evaluations, the administration of national key points, and strategic installations.
- *Operational Support* provides administrative support to the programme, including personnel development.

## Expenditure trends and estimates

**Table 23.13 Protection and Security Services expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
VIP Protection Services	1 158.1	1 222.5	1 472.8	1 528.3	9.7%	50.1%	1 626.5	1 742.6	1 852.9	6.6%	51.7%
Static and Mobile Security	913.0	969.7	1 026.6	1 062.1	5.2%	37.0%	1 132.6	1 216.4	1 294.9	6.8%	36.0%
Government Security Regulator	113.6	101.7	91.8	84.7	-9.3%	3.6%	101.2	110.1	119.4	12.1%	3.2%
Operational Support	229.3	252.4	247.8	267.2	5.2%	9.3%	288.6	309.8	329.8	7.3%	9.1%
<b>Total</b>	<b>2 414.1</b>	<b>2 546.3</b>	<b>2 838.9</b>	<b>2 942.4</b>	<b>6.8%</b>	<b>100.0%</b>	<b>3 148.9</b>	<b>3 379.0</b>	<b>3 597.0</b>	<b>6.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate							(2.2)	(2.0)	-		
<b>Economic classification</b>											
<b>Current payments</b>	<b>2 322.2</b>	<b>2 503.4</b>	<b>2 756.9</b>	<b>2 862.0</b>	<b>7.2%</b>	<b>97.2%</b>	<b>3 065.1</b>	<b>3 290.6</b>	<b>3 503.8</b>	<b>7.0%</b>	<b>97.4%</b>
Compensation of employees	2 070.5	2 280.6	2 527.4	2 607.6	8.0%	88.3%	2 798.9	3 009.4	3 205.0	7.1%	88.9%
Goods and services <sup>1</sup>	251.7	222.8	229.5	254.4	0.4%	8.9%	266.2	281.2	298.8	5.5%	8.4%
<i>of which:</i>											
<i>Minor assets</i>	3.4	2.9	6.3	4.6	10.8%	0.2%	4.9	5.1	5.4	5.5%	0.2%
<i>Communication</i>	8.4	5.9	4.6	6.7	-7.6%	0.2%	6.2	6.7	7.9	5.8%	0.2%
<i>Fleet services (including government motor transport)</i>	72.2	61.3	76.0	76.7	2.1%	2.7%	79.7	84.2	90.2	5.5%	2.5%
<i>Consumable supplies</i>	3.3	4.2	4.7	3.8	5.1%	0.2%	4.1	4.3	4.5	5.4%	0.1%
<i>Consumables: Stationery, printing and office supplies</i>	6.1	7.4	7.1	7.0	4.7%	0.3%	7.3	7.8	8.2	5.5%	0.2%
<i>Travel and subsistence</i>	143.1	128.0	121.1	141.8	-0.3%	5.0%	149.5	157.7	166.4	5.5%	4.7%
<b>Transfers and subsidies<sup>1</sup></b>	<b>7.0</b>	<b>6.0</b>	<b>11.2</b>	<b>5.7</b>	<b>-6.7%</b>	<b>0.3%</b>	<b>6.0</b>	<b>6.3</b>	<b>6.7</b>	<b>5.5%</b>	<b>0.2%</b>
Provinces and municipalities	0.8	0.8	1.1	1.1	8.9%	-	1.1	1.2	1.3	5.5%	-
Households	6.2	5.2	10.2	4.6	-9.3%	0.2%	4.8	5.1	5.4	5.5%	0.2%
<b>Payments for capital assets</b>	<b>84.9</b>	<b>36.9</b>	<b>70.8</b>	<b>74.7</b>	<b>-4.2%</b>	<b>2.5%</b>	<b>77.8</b>	<b>82.1</b>	<b>86.6</b>	<b>5.1%</b>	<b>2.5%</b>
Machinery and equipment	84.9	36.9	70.8	74.7	-4.2%	2.5%	77.8	82.1	86.6	5.1%	2.5%
<b>Total</b>	<b>2 414.1</b>	<b>2 546.3</b>	<b>2 838.9</b>	<b>2 942.4</b>	<b>6.8%</b>	<b>100.0%</b>	<b>3 148.9</b>	<b>3 379.0</b>	<b>3 597.0</b>	<b>6.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>3.1%</b>	<b>3.1%</b>	<b>3.3%</b>	<b>3.2%</b>	<b>-</b>	<b>-</b>	<b>3.2%</b>	<b>3.2%</b>	<b>3.2%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>6.2</b>	<b>5.2</b>	<b>9.9</b>	<b>4.6</b>	<b>-9.3%</b>	<b>0.2%</b>	<b>4.8</b>	<b>5.1</b>	<b>5.4</b>	<b>5.5%</b>	<b>0.2%</b>
Employee social benefits	6.2	5.2	9.9	4.6	-9.3%	0.2%	4.8	5.1	5.4	5.5%	0.2%
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>0.8</b>	<b>0.8</b>	<b>1.1</b>	<b>1.1</b>	<b>8.9%</b>	<b>-</b>	<b>1.1</b>	<b>1.2</b>	<b>1.3</b>	<b>5.5%</b>	<b>-</b>
Vehicle licences	0.8	0.8	1.1	1.1	8.9%	-	1.1	1.2	1.3	5.5%	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

# Other department within the vote

## Civilian Secretariat for the Police Service

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	65.0	64.1	0.2	0.7	69.7	74.4
Intersectoral Coordination and Strategic Partnerships	25.0	24.7	–	0.3	26.7	28.5
Legislation and Policy Development	22.7	22.4	–	0.3	24.2	25.3
Civilian Oversight, Monitoring and Evaluations	34.0	33.6	–	0.4	36.4	38.8
<b>Total expenditure estimates</b>	<b>146.7</b>	<b>144.8</b>	<b>0.2</b>	<b>1.7</b>	<b>157.0</b>	<b>167.1</b>

Executive authority Minister of Police  
 Accounting officer Secretary for the Police Service  
 Website address [www.policesecretariat.gov.za](http://www.policesecretariat.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Department purpose

*Provide strategic advice and support to the Minister of Police. Exercise civilian oversight of the South African Police Service to ensure a transformed and accountable police service that reflects the values of a developmental state.*

### Mandate

The Civilian Secretariat for the Police Service was established in terms of the Civilian Secretariat for Police Service Act (2011) and section 208 of the Constitution, which provides for the establishment of a civilian secretariat for the police service to function under the direction of the Minister of Police. In terms of the act, the secretariat's mandate is to conduct civilian oversight of the police service and provide policy and strategic support to the minister, including administrative support in relation to his international obligations. The act also mandates responsibility on the secretariat to monitor the implementation of the Domestic Violence Act (1998) by the South African Police Service.

### Selected performance indicators

**Table 23.14 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of anti-crime campaigns conducted per year	Intersectoral Coordination and Strategic Partnerships		2 <sup>1</sup>	1	3	3 <sup>1</sup>	3 <sup>1</sup>	3 <sup>1</sup>	3 <sup>1</sup>
Number of policies on policing submitted to the Secretary for the Police Service for approval per year <sup>2</sup>	Legislation and Policy Development	Outcome 3: All people in South Africa are and feel safe	3	2	2	2 <sup>2</sup>	2 <sup>2</sup>	2 <sup>2</sup>	2 <sup>2</sup>
Number of bills on policing submitted to the Minister of Police for approval per year	Legislation and Policy Development		– <sup>3</sup>	1	4 <sup>3</sup>	3 <sup>3</sup>	1 <sup>3</sup>	1 <sup>3</sup>	1 <sup>3</sup>

**Table 23.14 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of reports on oversight visits conducted in police stations approved by the Secretary for the Police Service per year <sup>4</sup>	Civilian Oversight, Monitoring and Evaluations	Outcome 3: All people in South Africa are and feel safe	– <sup>4</sup>	– <sup>4</sup>	– <sup>4</sup>	1	2	2	2
Number of compliance reports on the implementation of the Domestic Violence Act (1998) by the South African Police Service approved by the Secretary for the Police Service per year <sup>5</sup>	Civilian Oversight, Monitoring and Evaluations		2	2	2	2	2	2	2

1. High performance in 2015/16 relative to 2016/17 was due to the department conducting the We Are One Humanity campaign in 2015/16, which had not been planned for but was considered necessary to condemn the xenophobic attacks in April 2015. The 2018/19 and medium-term targets remain constant as the department plans to implement a minimum of 3 campaigns per year over the period taking into account the available budget.
2. With effect from 2019/20, the indicator measurement will be revised from submission to the Minister of Police to the Secretary for the Police Service. In 2018/19 and over the medium term, the targets will remain constant at 2 policies per year in line with the department's strategic plan.
3. No bills were submitted to the minister for approval in 2015/16 to allow for the finalisation of policies and research affecting the planned bills. In 2017/18, the department submitted 4 bills to the minister in line with the target that had been set for that year. In 2018/19, the department plans to submit the Second-hand Goods Amendment Bill, the Animal Movement and Animal Produce Bill, and the South African Police Service Amendment Bill to the minister for approval. Over the medium term, only 1 bill per year will be submitted to the minister for approval: the Regulation of Gatherings Bill, the Civilian Secretariat for the Police Service Bill and the Explosives Bill.
4. New indicator, which the department started reporting on in 2018/19. The department will compile 1 consolidated report in 2018/19 as it plans to conduct visits to all police stations in South Africa as part of the census. Thereafter, reports will be compiled biannually based on a sample of police stations. The medium-term targets remain constant at 2 reports per year.
5. The actual outcome and targets for compliance reports in relation to the implementation of the Domestic Violence Act (1998) remain constant as they have been aligned with the number of reports (2 per year) to be submitted to Parliament as per agreement with the police portfolio committee.

## Expenditure analysis

Over the medium term, the Civilian Secretariat for the Police Service will continue to focus on building safer communities through the establishment of community safety forums at the municipal level, and the implementation of anti-crime campaigns and imbizos in provinces. The department will further focus on piloting the implementation of the 2016 White Paper on Safety and Security, finalising the implementation plan for the 2016 White Paper on Policing, reviewing governing legislation for the police service, and monitoring compliance by the police service with relevant legal prescripts. The department's spending on compensation of employees is expected to increase at an average annual rate of 7.2 per cent, from R97.5 million in 2018/19 to R120 million in 2021/22, to remain within government's expenditure ceiling for compensation of employees. The number of personnel in the department is expected to increase from 158 in 2018/19 to 160 in 2021/22.

### Building safer communities

The department encourages national dialogue on community safety and crime prevention through initiatives such as community safety forums, provincial imbizos and anti-crime campaigns. Community safety forums are critical to building safer communities as they coordinate and promote the implementation of national and provincial community safety initiatives and priorities at the municipal level. As at the end of 2017/18, 141 community safety forums had been established in municipalities across the country, of which 100 were functional. In each year over the MTEF period, the department aims to facilitate the establishment of 20 new community safety forums across the country, specifically in those municipalities where there are none; and revitalise 15 of those that are not functional. Travel and subsistence to facilitate the establishment of these forums is the largest spending area in the *Intersectoral Coordination and Strategic Partnerships* programme. As such, spending on travel and subsistence accounts for 11.1 per cent (R11.6 million) of the programme's budget over the period ahead.

The department plans to host 8 imbizos in 8 provinces, and implement 3 crime prevention campaigns per year over the MTEF period. Through the imbizos, communities will be allowed to raise concerns with the Minister of Police on issues such as crime prevention, police service delivery, substance abuse, gang-related activities and stock theft. Advertising to promote crime prevention campaigns and invite communities to imbizos is expected to be the major cost driver in the *Intersectoral Coordination and Strategic Partnerships* programme, constituting 3.8 per cent (R3.9 million) of the programme's budget over the medium term.

### ***Piloting and implementing recommendations of the 2016 White Paper on Safety and Security***

The implementation plan for the 2016 White Paper on Safety and Security was finalised in 2018/19. Over the medium term, the department plans to pilot the white paper's implementation in the 5 areas with the highest incidence of crime in the country, as identified in the annual crime statistics report, before implementing it nationally. Piloting the white paper will entail facilitating effective and integrated service delivery for safety, security, violence and crime prevention in the identified areas, as well as ensuring active public and community participation, among other things.

The implementation plan for the 2016 White Paper on Policing is expected to be finalised by 2021/22. The plan is aimed at developing a business case to outline how the department and the South African Police Service ought to be restructured to ensure an effective police service, and on developing a plan to transform and professionalise the police service.

Activities carried out by the *Policy Development and Research* subprogramme in the *Legislation and Policy Development* programme account for 67.8 per cent (R63.4 million) of the programme's budget. The subprogramme has 11 personnel and its spending is expected to increase at an average annual rate of 5.8 per cent, from R14.5 million in 2018/19 to R17.2 million in 2021/22.

### ***Reviewing legislation***

In 2019/20, the department plans to publish the following for public comment: the South African Police Service Bill; the Firearms Control Amendment Bill; the Second-hand Goods Amendment Bill; the Movement of Animals and Animal Produce Bill; the Criminal Law (Forensic Procedures) Amendment Bill; the Independent Police Investigative Directorate Bill; and the Protection of Constitutional Democracy against Terrorist and Related Activities Amendment Bill. As a result, spending on printing, stationery and office supplies in the *Legislation* subprogramme is expected to increase by 169.4 per cent, from R98 000 in 2018/19 to R264 000 in 2019/20. Over the medium term, the department aims to finalise the Regulation of Gatherings Bill, the Civilian Secretariat for the Police Service Bill and the Explosives Bill. These activities are carried out by the *Legislation* subprogramme, which has 5 highly skilled personnel. As such, compensation of employees is expected to be the subprogramme's main cost driver, spending on which accounts for 26.3 per cent (R24.6 million) of the *Legislation and Policy Development* programme's budget over the medium term.

### ***Monitoring compliance***

Over the medium term, the department aims to conduct oversight visits in 1 147 police stations across the country in collaboration with provincial departments of community safety. These visits are intended to assess the department's implementation of, and compliance with, policing regulations such as the Domestic Violence Act (1998). A targeted 2 reports per year over the MTEF period will be prepared for the minister's approval on the outcome of these visits. To gauge the public's level of satisfaction with the services rendered by the police, the department is conducting customer satisfaction surveys. These are expected to be finalised by the end of 2019/20, after which the findings and recommendations will be sent to the Minister of Police and the South African Police Service for implementation. This work will be carried out in the *Civilian Oversight, Monitoring and Evaluations* programme, which has a total budget of R109.2 million over the medium term.

## Expenditure trends

**Table 23.15 Departmental expenditure trends by programme and economic classification**

<b>Programmes</b>																																	
1. Administration																																	
2. Intersectoral Coordination and Strategic Partnerships																																	
3. Legislation and Policy Development																																	
4. Civilian Oversight, Monitoring and Evaluations																																	
<b>Programme</b>	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Average: Outcome/Annual budget (%)			Average: Outcome/Adjusted appropriation (%)		
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19			2015/16 - 2018/19			2015/16 - 2018/19			2015/16 - 2018/19			2015/16 - 2018/19			2015/16 - 2018/19					
Programme 1	36.5	41.8	46.7	42.9	42.9	40.5	48.1	52.7	52.0	54.7	54.4	54.8	106.5%	101.1%																			
Programme 2	22.5	23.9	26.6	22.2	22.2	22.0	24.9	23.3	20.9	24.5	24.4	23.4	98.7%	99.1%																			
Programme 3	23.4	24.8	18.9	15.4	17.8	13.4	20.8	18.9	18.6	21.4	21.4	21.2	89.1%	87.0%																			
Programme 4	22.7	22.7	25.4	30.1	27.7	23.5	30.9	29.8	26.8	30.7	31.0	31.8	94.1%	96.8%																			
<b>Total</b>	<b>105.1</b>	<b>113.2</b>	<b>117.6</b>	<b>110.6</b>	<b>110.6</b>	<b>99.4</b>	<b>124.7</b>	<b>124.7</b>	<b>118.3</b>	<b>131.2</b>	<b>131.2</b>	<b>131.2</b>	<b>98.9%</b>	<b>97.3%</b>																			
Change to 2018 Budget estimate																																	
<b>Economic classification</b>																																	
<b>Current payments</b>	<b>103.2</b>	<b>111.3</b>	<b>116.2</b>	<b>108.8</b>	<b>108.9</b>	<b>98.3</b>	<b>123.0</b>	<b>120.5</b>	<b>114.3</b>	<b>129.4</b>	<b>129.4</b>	<b>129.4</b>	<b>98.6%</b>	<b>97.5%</b>																			
Compensation of employees	68.3	68.3	65.3	79.4	79.4	66.3	88.8	88.5	82.7	97.5	97.5	97.5	93.3%	93.4%																			
Goods and services	34.9	43.0	50.9	29.4	29.4	32.0	34.2	31.8	31.4	32.0	31.9	31.9	112.1%	107.4%																			
Interest and rent on land	–	–	0.0	–	–	–	–	0.2	0.2	–	–	–	–	100.6%																			
<b>Transfers and subsidies</b>	<b>0.2</b>	<b>0.2</b>	<b>0.0</b>	<b>0.2</b>	<b>0.2</b>	<b>0.3</b>	<b>0.1</b>	<b>1.1</b>	<b>0.9</b>	<b>0.1</b>	<b>0.2</b>	<b>0.2</b>	<b>218.8%</b>	<b>87.5%</b>																			
Provinces and municipalities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	83.3%	76.9%																			
Departmental agencies and accounts	0.2	0.2	–	0.2	0.1	–	0.1	0.1	–	0.1	0.2	0.2	27.7%	30.6%																			
Households	–	–	–	–	0.1	0.3	–	0.9	0.9	–	–	–	–	119.1%																			
<b>Payments for capital assets</b>	<b>1.7</b>	<b>1.7</b>	<b>1.4</b>	<b>1.5</b>	<b>1.5</b>	<b>0.9</b>	<b>1.6</b>	<b>3.1</b>	<b>3.1</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>	<b>108.9%</b>	<b>88.0%</b>																			
Machinery and equipment	1.6	1.6	1.4	1.5	1.5	0.8	1.5	2.4	2.4	1.6	1.6	1.6	100.2%	87.9%																			
Software and other intangible assets	0.1	0.1	–	0.1	0.1	–	0.1	0.7	0.7	0.1	0.1	0.1	336.1%	86.9%																			
<b>Total</b>	<b>105.1</b>	<b>113.2</b>	<b>117.6</b>	<b>110.6</b>	<b>110.6</b>	<b>99.4</b>	<b>124.7</b>	<b>124.7</b>	<b>118.3</b>	<b>131.2</b>	<b>131.2</b>	<b>131.2</b>	<b>98.9%</b>	<b>97.3%</b>																			

## Expenditure estimates

**Table 23.16 Departmental expenditure estimates by programme and economic classification**

<b>Programmes</b>									
1. Administration									
2. Intersectoral Coordination and Strategic Partnerships									
3. Legislation and Policy Development									
4. Civilian Oversight, Monitoring and Evaluations									
<b>Programme</b>	Revised estimate		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2018/19		2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	54.8		9.4%	41.6%	65.0	69.7	74.4	10.7%	43.8%
Programme 2	23.4		-0.7%	19.9%	25.0	26.7	28.5	6.8%	17.2%
Programme 3	21.2		-5.0%	15.5%	22.7	24.2	25.3	6.1%	15.5%
Programme 4	31.8		12.0%	23.1%	34.0	36.4	38.8	6.9%	23.4%
<b>Total</b>	<b>131.2</b>		<b>5.1%</b>	<b>100.0%</b>	<b>146.7</b>	<b>157.0</b>	<b>167.1</b>	<b>8.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate					6.2	6.7	7.4		



**Table 23.16 Departmental expenditure estimates by programme and economic classification**

Economic classification	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
<b>Current payments</b>	<b>129.4</b>	<b>5.1%</b>	<b>98.2%</b>	<b>144.8</b>	<b>155.0</b>	<b>164.9</b>	<b>8.4%</b>	<b>98.7%</b>
Compensation of employees	97.5	12.6%	66.8%	104.9	112.7	120.0	7.2%	72.3%
Goods and services	31.9	-9.4%	31.3%	39.9	42.2	44.9	12.0%	26.4%
<b>Transfers and subsidies</b>	<b>0.2</b>	<b>-4.5%</b>	<b>0.3%</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>4.9%</b>	<b>0.1%</b>
Departmental agencies and accounts	0.2	-4.6%	0.0%	0.2	0.2	0.2	5.0%	0.1%
<b>Payments for capital assets</b>	<b>1.7</b>	<b>-0.1%</b>	<b>1.5%</b>	<b>1.7</b>	<b>1.8</b>	<b>1.9</b>	<b>5.1%</b>	<b>1.2%</b>
Machinery and equipment	1.6	-0.1%	1.3%	1.4	1.5	1.6	-0.2%	1.0%
Software and other intangible assets	0.1	0.6%	0.2%	0.3	0.3	0.3	78.4%	0.2%
<b>Total</b>	<b>131.2</b>	<b>5.1%</b>	<b>100.0%</b>	<b>146.7</b>	<b>157.0</b>	<b>167.1</b>	<b>8.4%</b>	<b>100.0%</b>

**Expenditure trends and estimates for significant spending items****Table 23.17 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18		2018/19	2015/16	2018/19	2019/20	2020/21		
R thousand											
Compensation of employees	65 294	66 290	82 685	97 452	14.3%	66.8%	104 859	112 723	120 049	7.2%	72.3%
Computer services	9 014	6 270	8 343	5 407	-15.7%	6.2%	7 938	9 213	10 475	24.7%	5.5%
Travel and subsistence	15 651	10 394	9 375	12 604	-7.0%	10.3%	10 658	11 265	11 868	-2.0%	7.7%
<b>Total</b>	<b>89 959</b>	<b>82 954</b>	<b>100 403</b>	<b>115 463</b>	<b>8.7%</b>	<b>83.3%</b>	<b>123 455</b>	<b>133 201</b>	<b>142 392</b>	<b>7.2%</b>	<b>85.5%</b>

**Goods and services expenditure trends and estimates****Table 23.18 Departmental goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16	2018/19	2019/20	2020/21		
R thousand											
Administrative fees	12	124	22	57	68.1%	0.1%	51	49	56	-0.6%	0.1%
Advertising	3 571	2 071	829	1 249	-29.5%	5.3%	1 360	1 459	1 541	7.3%	3.5%
Minor assets	456	85	419	989	29.4%	1.3%	403	493	437	-23.8%	1.5%
Audit costs: External	1 967	1 940	2 145	1 131	-16.8%	4.9%	3 000	2 782	2 932	37.4%	6.2%
Bursaries: Employees	287	245	395	480	18.7%	1.0%	400	420	273	-17.1%	1.0%
Catering: Departmental activities	1 491	826	533	1 875	7.9%	3.2%	1 759	1 870	1 950	1.3%	4.7%
Communication	1 740	1 553	1 315	1 623	-2.3%	4.3%	2 024	2 042	1 999	7.2%	4.8%
Computer services	9 014	6 270	8 343	5 407	-15.7%	19.9%	7 938	9 213	10 475	24.7%	20.8%
Consultants: Business and advisory services	1 878	1 155	2 027	1 479	-7.7%	4.5%	1 304	799	838	-17.3%	2.8%
Legal services	5 696	2 322	938	-	-100.0%	6.1%	-	-	-	-	-
Contractors	641	682	137	467	-10.0%	1.3%	381	407	462	-0.4%	1.1%
Fleet services (including government motor transport)	124	181	346	155	7.7%	0.6%	274	289	303	25.0%	0.6%
Inventory: Food and food supplies	22	-	-	-	-100.0%	-	-	-	-	-	-
Inventory: Fuel, oil and gas	21	-	-	-	-100.0%	-	-	-	-	-	-
Consumable supplies	94	287	200	219	32.6%	0.5%	218	229	237	2.7%	0.6%
Consumables: Stationery, printing and office supplies	1 364	867	1 751	1 100	-6.9%	3.5%	1 451	1 529	1 533	11.7%	3.5%
Operating leases	686	301	732	907	9.8%	1.8%	6 857	7 427	8 298	109.1%	14.8%
Rental and hiring	-	43	7	4	-	-	-	-	-	-100.0%	-
Transport provided: Departmental activity	637	320	-	148	-38.5%	0.8%	-	-	-	-100.0%	0.1%
Travel and subsistence	15 651	10 394	9 375	12 604	-7.0%	32.8%	10 658	11 265	11 868	-2.0%	29.2%
Training and development	1 461	651	644	796	-18.3%	2.4%	538	589	204	-36.5%	1.3%
Operating payments	836	366	471	596	-10.7%	1.6%	431	457	598	0.1%	1.3%
Venues and facilities	3 253	1 297	817	646	-41.7%	4.1%	845	925	866	10.3%	2.1%
<b>Total</b>	<b>50 902</b>	<b>31 980</b>	<b>31 446</b>	<b>31 932</b>	<b>-14.4%</b>	<b>100.0%</b>	<b>39 892</b>	<b>42 244</b>	<b>44 870</b>	<b>12.0%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 23.19 Departmental transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
Current	-	229	312	-	-	40.7%	-	-	-	-	-
Employee social benefits	-	229	312	-	-	40.7%	-	-	-	-	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
Current	-	-	-	176	-	13.2%	185	194	204	5.0%	100.0%
Safety and Security Sector Education and Training Authority	-	-	-	176	-	13.2%	185	194	204	5.0%	100.0%
<b>Households</b>											
<b>Other transfers to households</b>											
Current	-	-	612	-	-	46.0%	-	-	-	-	-
Other transfers to households	-	-	612	-	-	46.0%	-	-	-	-	-
<b>Total</b>	-	229	924	176	-	100.0%	185	194	204	5.0%	100.0%

## Personnel information

**Table 23.20 Departmental personnel numbers and cost by salary level and programme<sup>1</sup>**

Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>Civilian Secretariat for the Police Service</b>																			
<b>Salary level</b>	<b>153</b>	<b>5</b>	<b>140</b>	<b>82.7</b>	<b>0.6</b>	<b>158</b>	<b>97.5</b>	<b>0.6</b>	<b>161</b>	<b>104.9</b>	<b>0.7</b>	<b>164</b>	<b>112.7</b>	<b>0.7</b>	<b>160</b>	<b>120.0</b>	<b>0.8</b>	<b>0.4%</b>	<b>100.0%</b>
1 – 6	33	1	33	6.6	0.2	35	7.7	0.2	37	8.7	0.2	37	9.4	0.3	36	9.9	0.3	0.9%	22.6%
7 – 10	60	1	53	25.9	0.5	61	29.8	0.5	61	32.0	0.5	61	34.5	0.6	62	37.9	0.6	0.5%	38.1%
11 – 12	29	-	26	20.6	0.8	29	24.1	0.8	29	25.8	0.9	29	27.6	1.0	29	29.6	1.0	-	18.0%
13 – 16	31	1	28	29.6	1.1	33	35.7	1.1	33	38.2	1.2	33	40.9	1.2	32	42.5	1.3	-1.0%	20.4%
Other	-	2	-	-	-	-	0.1	-	1	0.2	0.2	4	0.2	0.1	1	0.2	0.2	-	0.9%
<b>Programme</b>	<b>153</b>	<b>5</b>	<b>140</b>	<b>82.7</b>	<b>0.6</b>	<b>158</b>	<b>97.5</b>	<b>0.6</b>	<b>161</b>	<b>104.9</b>	<b>0.7</b>	<b>164</b>	<b>112.7</b>	<b>0.7</b>	<b>160</b>	<b>120.0</b>	<b>0.8</b>	<b>0.4%</b>	<b>100.0%</b>
Programme 1	73	2	70	36.6	0.5	73	41.0	0.6	76	44.4	0.6	79	47.8	0.6	75	51.0	0.7	0.9%	47.1%
Programme 2	21	-	20	15.3	0.8	21	16.3	0.8	21	17.4	0.8	21	18.7	0.9	21	20.0	1.0	-	13.1%
Programme 3	20	1	26	12.5	0.5	31	16.0	0.5	31	17.2	0.6	31	18.4	0.6	31	19.2	0.6	-	19.3%
Programme 4	39	2	24	18.2	0.8	33	24.1	0.7	33	25.9	0.8	33	27.8	0.8	33	29.8	0.9	-	20.5%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.  
 2. Rand million.

## Departmental receipts

**Table 23.21 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	–	72	126	168	168	–	100.0%	172	187	200	6.0%	100.0%
<b>Sales of goods and services produced by department</b>	–	51	62	66	66	–	48.9%	83	87	89	10.5%	44.7%
Sales by market establishments	–	30	35	36	36	–	27.6%	55	57	58	17.2%	28.3%
<i>of which:</i>												
Market establishment: Rental parking (covered and open)	–	30	35	36	36	–	27.6%	55	57	58	17.2%	28.3%
Other sales	–	21	27	30	30	–	21.3%	28	30	31	1.1%	16.4%
<i>of which:</i>												
Commission on insurance and garnishee	–	21	27	30	30	–	21.3%	28	30	31	1.1%	16.4%
<b>Transactions in financial assets and liabilities</b>	–	21	64	102	102	–	51.1%	89	100	111	2.9%	55.3%
<b>Total</b>	–	72	126	168	168	–	100.0%	172	187	200	6.0%	100.0%

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 23.22 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Department Management	17.4	10.5	9.3	10.6	-15.3%	24.7%	12.0	12.9	13.7	9.0%	18.7%
Corporate Services	10.2	10.6	22.0	21.9	28.8%	33.4%	22.8	25.2	26.8	7.0%	36.7%
Finance Administration	15.7	15.7	15.8	17.0	2.8%	33.2%	18.2	19.2	20.5	6.3%	28.5%
Office Accommodation	–	–	0.7	0.8	–	0.8%	6.9	7.4	8.1	118.5%	8.8%
Internal Audit	3.3	3.7	4.1	4.1	7.7%	7.9%	5.1	5.0	5.3	8.7%	7.4%
<b>Total</b>	<b>46.7</b>	<b>40.5</b>	<b>52.0</b>	<b>54.4</b>	<b>5.3%</b>	<b>100.0%</b>	<b>65.0</b>	<b>69.7</b>	<b>74.4</b>	<b>11.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(0.3)			6.5	7.1	7.9		
<b>Economic classification</b>											
<b>Current payments</b>	<b>46.1</b>	<b>39.8</b>	<b>50.7</b>	<b>53.5</b>	<b>5.1%</b>	<b>98.2%</b>	<b>64.1</b>	<b>68.7</b>	<b>73.3</b>	<b>11.1%</b>	<b>98.6%</b>
Compensation of employees	27.5	29.0	36.6	40.7	14.0%	69.1%	44.4	47.8	51.0	7.8%	69.8%
Goods and services <sup>1</sup>	18.6	10.9	13.9	12.9	-11.6%	29.1%	19.7	20.9	22.4	20.3%	28.8%
<i>of which:</i>											
Audit costs: External	1.0	1.3	1.2	1.1	5.3%	2.4%	1.5	1.2	1.3	4.0%	1.9%
Communication	0.8	1.1	0.6	0.6	-10.5%	1.6%	0.9	0.9	0.7	8.0%	1.2%
Computer services	4.1	2.6	5.8	5.3	9.1%	9.1%	4.2	5.3	6.4	6.6%	8.1%
Consumables: Stationery, printing and office supplies	0.4	0.2	0.6	0.5	6.1%	0.9%	0.7	0.7	0.7	10.1%	0.9%
Operating leases	0.3	0.3	0.7	0.9	36.4%	1.1%	6.9	7.4	8.3	113.1%	8.9%
Travel and subsistence	3.9	1.2	1.6	2.5	-13.5%	4.7%	2.5	2.6	2.8	3.6%	4.0%
Interest and rent on land	0.0	–	0.2	–	-100.0%	0.1%	–	–	–	–	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.0</b>	<b>0.2</b>	<b>0.1</b>	<b>0.2</b>	<b>257.0%</b>	<b>0.2%</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>4.9%</b>	<b>0.3%</b>
Departmental agencies and accounts	–	–	–	0.2	–	0.1%	0.2	0.2	0.2	5.0%	0.3%
Households	–	0.2	0.0	–	–	0.1%	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.6</b>	<b>0.5</b>	<b>1.3</b>	<b>0.7</b>	<b>8.1%</b>	<b>1.6%</b>	<b>0.7</b>	<b>0.8</b>	<b>0.8</b>	<b>5.1%</b>	<b>1.1%</b>
Machinery and equipment	0.6	0.5	1.0	0.7	8.1%	1.4%	0.5	0.5	0.6	-7.8%	0.9%
Software and other intangible assets	–	–	0.3	–	–	0.2%	0.2	0.3	0.3	–	0.3%
<b>Total</b>	<b>46.7</b>	<b>40.5</b>	<b>52.0</b>	<b>54.4</b>	<b>5.3%</b>	<b>100.0%</b>	<b>65.0</b>	<b>69.7</b>	<b>74.4</b>	<b>11.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>39.7%</b>	<b>40.7%</b>	<b>43.9%</b>	<b>41.5%</b>	–	–	<b>44.3%</b>	<b>44.4%</b>	<b>44.5%</b>	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Intersectoral Coordination and Strategic Partnerships

### Programme purpose

Manage and encourage national dialogue on community safety and crime prevention.

### Objectives

- Contribute towards creating a safe and secure environment for society through ongoing partnerships with stakeholders such as community safety forums and community policing forums by:
  - conducting at least 3 anti-crime campaigns per year over the medium term
  - conducting 24 imbizos and public participation programmes with communities over the medium term to promote community safety.

### Subprogrammes

- *Intergovernmental, Civil Society and Public-Private Partnerships* manages and facilitates intergovernmental, civil society and public partnerships.
- *Community Outreach* promotes, encourages and facilitates community participation in safety programmes.

### Expenditure trends and estimates

**Table 23.23 Intersectoral Coordination and Strategic Partnerships expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Intergovernmental, Civil Society and Public-Private Partnerships	23.9	18.2	17.6	20.3	-5.3%	85.1%	21.5	23.0	24.6	6.6%	85.4%
Community Outreach	2.7	3.8	3.4	4.1	15.7%	14.9%	3.5	3.7	3.9	-1.9%	14.6%
<b>Total</b>	<b>26.6</b>	<b>22.0</b>	<b>20.9</b>	<b>24.4</b>	<b>-2.8%</b>	<b>100.0%</b>	<b>25.0</b>	<b>26.7</b>	<b>28.5</b>	<b>5.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				1.0			(1.2)	(1.3)	(1.3)		
<b>Economic classification</b>	<b>26.4</b>	<b>21.8</b>	<b>20.6</b>	<b>24.1</b>	<b>-3.0%</b>	<b>99.0%</b>	<b>24.7</b>	<b>26.4</b>	<b>28.2</b>	<b>5.3%</b>	<b>98.8%</b>
<b>Current payments</b>											
Compensation of employees	13.2	13.3	15.3	17.3	9.3%	62.9%	17.4	18.7	20.0	5.1%	70.2%
Goods and services <sup>1</sup>	13.2	8.5	5.3	6.8	-19.7%	36.0%	7.3	7.7	8.1	5.9%	28.6%
of which:											
Advertising	2.1	1.7	0.7	0.8	-28.5%	5.7%	1.0	1.1	1.1	13.0%	3.8%
Audit costs: External	0.3	–	0.3	–	-100.0%	0.6%	0.5	0.5	0.6	–	1.5%
Catering: Departmental activities	1.2	0.5	0.3	1.3	1.7%	3.5%	1.1	1.2	1.2	-1.0%	4.6%
Computer services	0.9	0.5	0.7	–	-100.0%	2.2%	1.0	1.1	1.1	–	3.0%
Contractors	0.5	0.7	0.1	0.2	-24.7%	1.5%	0.3	0.3	0.3	18.2%	1.1%
Travel and subsistence	4.5	3.9	2.4	3.1	-11.2%	14.8%	2.7	2.9	2.9	-2.0%	11.1%
Transfers and subsidies <sup>1</sup>	–	0.0	0.2	–	–	0.2%	–	–	–	–	–
Households	–	0.0	0.2	–	–	0.2%	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.2</b>	<b>0.1</b>	<b>0.2</b>	<b>0.3</b>	<b>25.0%</b>	<b>0.8%</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>5.1%</b>	<b>1.2%</b>
Machinery and equipment	0.2	0.1	0.1	0.3	25.0%	0.7%	0.3	0.3	0.3	5.1%	1.2%
Software and other intangible assets	–	–	0.1	–	–	0.1%	–	–	–	–	–
<b>Total</b>	<b>26.6</b>	<b>22.0</b>	<b>20.9</b>	<b>24.4</b>	<b>-2.8%</b>	<b>100.0%</b>	<b>25.0</b>	<b>26.7</b>	<b>28.5</b>	<b>-100.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>22.6%</b>	<b>22.1%</b>	<b>17.7%</b>	<b>18.6%</b>	–	–	<b>17.1%</b>	<b>17.0%</b>	<b>17.1%</b>	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Legislation and Policy Development

### Programme purpose

Develop policy and legislation for the police sector, and conduct research on policing and crime.

## Objectives

- Provide for constitutionally compliant legislation, research and evidence-led policies for policing and public safety over the medium term by:
  - finalising at least 2 policies per year on policing for approval by the Secretary for the Police Service
  - submitting 3 bills to the Minister of Police for approval.

## Subprogrammes

- *Policy Development and Research* develops policies and undertakes research in various areas of policing and crime.
- *Legislation* produces legislation for effective policing and provides legislative support services to the Minister of Police.

## Expenditure trends and estimates

**Table 23.24 Legislation and Policy Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
R million											
Policy Development and Research	13.4	9.0	12.3	14.5	2.6%	68.2%	15.3	16.4	17.2	5.8%	67.8%
Legislation	5.5	4.4	6.2	6.9	7.8%	31.8%	7.3	7.8	8.2	5.9%	32.2%
<b>Total</b>	<b>18.9</b>	<b>13.4</b>	<b>18.6</b>	<b>21.4</b>	<b>4.2%</b>	<b>100.0%</b>	<b>22.7</b>	<b>24.2</b>	<b>25.3</b>	<b>5.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				0.2			(0.2)	(0.3)	(0.7)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>18.6</b>	<b>13.3</b>	<b>17.6</b>	<b>21.1</b>	<b>4.3%</b>	<b>97.7%</b>	<b>22.4</b>	<b>23.9</b>	<b>25.0</b>	<b>5.8%</b>	<b>98.8%</b>
Compensation of employees	10.9	10.2	12.5	16.2	14.2%	68.9%	17.2	18.4	19.2	5.9%	76.0%
Goods and services <sup>1</sup>	7.8	3.0	5.1	4.9	-14.1%	28.8%	5.2	5.5	5.8	5.5%	22.8%
of which:											
Audit costs: External	0.4	–	0.4	–	-100.0%	1.0%	0.5	0.5	0.6	–	1.7%
Communication	0.3	0.1	0.2	0.3	0.5%	1.2%	0.5	0.5	0.5	19.9%	1.9%
Computer services	1.4	0.6	0.7	–	-100.0%	3.6%	1.0	1.1	1.1	–	3.4%
Consultants: Business and advisory services	1.6	0.4	0.5	0.7	-24.3%	4.4%	0.3	0.3	0.4	-19.7%	1.8%
Consumables: Stationery, printing and office supplies	0.4	0.4	0.4	0.4	0.5%	2.1%	0.4	0.4	0.4	2.6%	1.6%
Travel and subsistence	2.3	1.2	1.3	2.3	-0.3%	9.9%	2.0	2.1	2.3	-0.6%	9.3%
Transfers and subsidies <sup>1</sup>	–	0.0	0.6	–	–	0.8%	–	–	–	–	–
Households	–	0.0	0.6	–	–	0.8%	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.3</b>	<b>0.1</b>	<b>0.4</b>	<b>0.3</b>	<b>-3.9%</b>	<b>1.5%</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>5.1%</b>	<b>1.2%</b>
Machinery and equipment	0.3	0.1	0.3	0.3	-3.9%	1.3%	0.3	0.3	0.3	5.1%	1.2%
Software and other intangible assets	–	–	0.1	–	–	0.1%	–	–	–	–	–
<b>Total</b>	<b>18.9</b>	<b>13.4</b>	<b>18.6</b>	<b>21.4</b>	<b>4.2%</b>	<b>100.0%</b>	<b>22.7</b>	<b>24.2</b>	<b>25.3</b>	<b>–</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>16.1%</b>	<b>13.5%</b>	<b>15.7%</b>	<b>16.3%</b>	<b>–</b>	<b>–</b>	<b>15.4%</b>	<b>15.4%</b>	<b>15.2%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Civilian Oversight, Monitoring and Evaluations

### Programme purpose

Oversee, monitor and report on the performance of the South African Police Service. Provide for the functions of the Office of the Judge for the Directorate for Priority Crime Investigation, and the National Forensic Oversight and Ethics Board.

## Objectives

- Provide effective oversight, monitoring and evaluation that contributes towards an accountable and transformed police service by:
  - conducting regular police oversight visits at selected police stations and compiling biannual reports for the approval of the Secretary for the Police Service over the medium term
  - compiling 2 compliance reports per year over the medium term on the implementation of the Domestic Violence Act (1998), as required by Parliament for approval by the Secretary for the Police Service
  - submitting 2 reports per year over the medium term to the Minister of Police on the implementation of the Independent Police Investigative Directorate's recommendations for the South African Police Service.

## Subprogrammes

- *Police Performance, Conduct and Compliance* monitors the performance, conduct and transformation of, and compliance with policing legislation and regulations by the South African Police Service.
- *Policy and Programme Evaluations* evaluates the effectiveness of all crime prevention and other programmes implemented by the South African Police Service.
- *Information Management* provides reliable, accurate and timely information to management that informs evidence-based decision-making.
- *Office of the Directorate for Priority Crime Investigation Judge* funds the operations of the Office of the Judge for the Directorate for Priority Crime Investigation, which investigates complaints by any member of the public and/or the Directorate for Priority Crime Investigation, in terms of section 17L(4)(a) and 17L(4)(b) of the South African Police Service Amendment Act (2012).
- *National Forensic Oversight and Ethics Board* funds the operations of the National Forensic Oversight and Ethics Board, which provides oversight of processes relating to the collection, retention, storage, destruction and disposal of DNA samples.

## Expenditure trends and estimates

**Table 23.25 Civilian Oversight, Monitoring and Evaluations expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Police Performance, Conduct and Compliance	15.9	13.4	15.2	14.7	-2.5%	55.5%	14.3	15.3	16.4	3.6%	43.4%
Policy and Programme Evaluations	3.1	3.7	4.9	5.2	18.4%	15.8%	5.4	5.8	6.2	6.3%	16.1%
Information Management	1.0	0.5	–	1.8	20.9%	3.1%	3.4	3.7	3.9	30.4%	9.1%
Office of the Directorate for Priority Crime Investigation Judge	5.1	5.2	4.7	5.5	2.5%	19.1%	6.8	7.3	7.8	12.7%	19.6%
National Forensic Oversight and Ethics Board	0.3	0.7	2.0	3.9	124.7%	6.5%	3.9	4.2	4.5	5.1%	11.8%
<b>Total</b>	<b>25.4</b>	<b>23.5</b>	<b>26.8</b>	<b>31.0</b>	<b>6.8%</b>	<b>100.0%</b>	<b>34.0</b>	<b>36.4</b>	<b>38.8</b>	<b>7.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(0.8)			1.1	1.1	1.4		
<b>Economic classification</b>											
<b>Current payments</b>	<b>25.0</b>	<b>23.3</b>	<b>25.4</b>	<b>30.6</b>	<b>6.9%</b>	<b>97.8%</b>	<b>33.6</b>	<b>35.9</b>	<b>38.4</b>	<b>7.8%</b>	<b>98.8%</b>
Compensation of employees	13.7	13.8	18.2	23.3	19.3%	64.6%	25.9	27.8	29.8	8.6%	76.2%
Goods and services <sup>1</sup>	11.3	9.6	7.2	7.3	-13.6%	33.1%	7.7	8.1	8.6	5.5%	22.6%
of which:											
Advertising	0.7	0.2	–	0.3	-26.2%	1.1%	0.3	0.3	0.3	7.5%	0.9%
Audit costs: External	0.4	0.6	0.3	–	-100.0%	1.2%	0.5	0.5	0.6	–	1.1%
Communication	0.4	0.3	0.4	0.5	5.3%	1.5%	0.5	0.5	0.5	2.8%	1.3%
Computer services	2.7	2.6	1.2	0.1	-63.0%	6.2%	1.7	1.8	1.9	140.3%	3.9%
Travel and subsistence	5.0	4.2	4.0	4.7	-2.2%	16.7%	3.4	3.6	3.9	-6.0%	11.1%
Venues and facilities	0.5	0.3	0.3	0.3	-22.3%	1.3%	0.3	0.4	0.4	14.7%	1.0%

**Table 23.25 Civilian Oversight, Monitoring and Evaluations expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.0</b>	<b>0.1</b>	<b>0.2</b>	–	–100.0%	0.2%	–	–	–	–	–
Households	–	0.1	0.2	–	–	0.2%	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.4</b>	<b>0.2</b>	<b>1.2</b>	<b>0.4</b>	<b>0.8%</b>	<b>2.0%</b>	<b>0.4</b>	<b>0.4</b>	<b>0.5</b>	<b>5.1%</b>	<b>1.2%</b>
Machinery and equipment	0.4	0.2	1.1	0.3	-4.5%	1.8%	0.4	0.4	0.4	5.1%	1.0%
Software and other intangible assets	–	–	0.2	0.1	–	0.2%	0.1	0.1	0.1	5.4%	0.2%
<b>Total</b>	<b>25.4</b>	<b>23.5</b>	<b>26.8</b>	<b>31.0</b>	<b>6.8%</b>	<b>100.0%</b>	<b>34.0</b>	<b>36.4</b>	<b>38.8</b>	–	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>21.6%</b>	<b>23.7%</b>	<b>22.7%</b>	<b>23.6%</b>	–	–	<b>23.2%</b>	<b>23.2%</b>	<b>23.3%</b>	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entity

Comprehensive coverage of the following public entity is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Private Security Industry Regulatory Authority** was established in terms of section 2 of the Private Security Industry Regulation Act (2001), which replaced the Security Officers Act (1987). The authority is mandated to regulate the private security industry, and exercise control over the practice of the occupation of security service providers in the public and national interest, as well as in the interest of the private security industry itself. The authority's total budget for 2019/20 is R291.5 million.

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
<b>Departmental infrastructure</b>										
<b>Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)</b>										
Parow forensic laboratory	Construction of a forensic laboratory	Complete	659.6	0.2	–	–	–	–	–	–
Telkom Towers	Construction of office accommodation	Complete	694.3	544.0	–	–	–	–	–	–
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Police stations	Construction of new and re-established police stations	Various	4 315.1	516.1	733.3	494.5	605.9	627.6	644.7	693.1
Member and office accommodation	Construction of living quarters and offices	Construction	756.1	70.0	32.9	42.1	131.2	142.8	162.5	174.7
Small infrastructure projects	Repairs and renovation of infrastructure	Construction	202.8	13.7	1.9	2.5	34.5	44.7	50.8	54.6
Forensic science laboratory	Repairs and renovation of infrastructure	Hand over	2.3	0.1	–	0.2	0.4	0.5	0.5	0.6
Shooting ranges	Construction of facilities to improve shooting competency of police officers	Construction	256.1	29.0	3.2	8.5	47.8	49.9	56.7	61.0
Training facilities	Construction of facilities to improve police personnel capabilities	Construction	71.1	19.4	26.0	17.7	1.8	1.9	2.1	2.3
Mobile homes and storage facilities	Implementation of basic services for accommodation and storage	Various	15.1	–	–	–	3.2	3.5	4.0	4.3
Network infrastructure	Installation of network infrastructure	Construction	9.8	–	–	9.8	–	–	–	–
Network infrastructure	Installation of network infrastructure	Construction	204.0	–	204.0	–	–	–	–	–
<b>Total</b>			<b>7 186.2</b>	<b>1 192.4</b>	<b>1 001.3</b>	<b>575.4</b>	<b>824.9</b>	<b>870.7</b>	<b>921.4</b>	<b>990.5</b>



# Vote 24

## Agriculture, Forestry and Fisheries

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	935.7	908.4	1.9	25.4	942.4	1 001.1
Agricultural Production, Health and Food Safety	2 642.5	812.9	1 807.4	22.2	2 741.2	2 885.2
Food Security and Agrarian Reform	2 237.0	277.7	1 921.8	37.5	2 331.7	2 515.7
Trade Promotion and Market Access	290.9	156.9	133.7	0.3	309.1	327.4
Forestry and Natural Resources Management	1 039.1	849.4	144.4	45.2	1 045.6	1 109.9
Fisheries	519.7	245.4	274.3	–	553.2	586.3
<b>Total expenditure estimates</b>	<b>7 664.9</b>	<b>3 250.8</b>	<b>4 283.5</b>	<b>130.6</b>	<b>7 923.2</b>	<b>8 425.6</b>
Executive authority	Minister of Agriculture, Forestry and Fisheries					
Accounting officer	Director-General of Agriculture, Forestry and Fisheries					
Website address	<a href="http://www.daff.gov.za">www.daff.gov.za</a>					

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

### Vote purpose

Lead, support and promote agricultural, forestry and fisheries resources management through policies, strategies and programmes to enhance sustainable use and achieve economic growth, job creation, food security, rural development and transformation.

### Mandate

The mandate of the Department of Agriculture, Forestry and Fisheries includes value chains, inputs, production and consumption in the agriculture, forestry and fisheries sectors. The department's mandate is derived from a range of legislation, including the Sea Fisheries Act (1988), the National Forests Act (1998), the Agricultural Products Standards Act (1990) and the Conservation of Agricultural Resources Act (1983).

### Selected performance indicators

**Table 24.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current 2018/19	Projections		
			2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
Number of animal and plant improvement schemes for prioritised value chain commodities monitored per year	Agricultural Production, Health and Food Safety	Outcome 7: Comprehensive rural development and land reform	4	4	4	4	4	4	4
Number of surveillances on plant diseases conducted per year	Agricultural Production, Health and Food Safety		1	1	1	1	1	1	1
Number of surveillances on animal diseases conducted per year	Agricultural Production, Health and Food Safety		2	2	2	2	2	2	2

**Table 24.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of veterinary graduates deployed for the compulsory veterinary services programme per year	Agricultural Production, Health and Food Safety	Outcome 7: Comprehensive rural development and land reform	126	127	127	150	150	150	150
Number of subsistence and smallholder producers supported per year	Food Security and Agrarian Reform		30 679	36 795	145 000	145 000	145 000	145 000	145 000
Number of hectares cultivated in underutilised communal areas per year	Food Security and Agrarian Reform		0 <sup>1</sup>	35 213	37 300	120 000	120 000	120 000	120 000
Number of agro-processing entrepreneurs trained on processing norms and standards per year	Trade Promotion and Market Access		– <sup>2</sup>	16	14	45	60	85	100
Number of hectares of land restored through reforestation and land rehabilitation per year	Forestry and Natural Resources Management	Outcome 10: Protect and enhance our environmental assets and natural resources	25 207	26 311	16 300	16 300	16 300	16 300	16 300
Number of hectares of temporary unplanted areas planted per year	Forestry and Natural Resources Management		2 279	1 992	1 725	550	945	1 155	1 570

1. Target not achieved in 2015/16 due to drought.

2. No historical data available.

## Expenditure analysis

Over the medium term, the Department of Agriculture, Forestry and Fisheries will focus on improving food security and safety; creating jobs; increasing the contribution of the agriculture, forestry and fisheries sectors to GDP; and upgrading infrastructure. In its efforts to facilitate the revitalisation of the agriculture and agro-processing value chain, the focus areas of the department are aligned with policies, strategies and interventions for the implementation of the agriculture policy action plan, and Operation Phakisa.

### *Improving food security and safety*

Over the medium term, the allocation for the *Ilima/Letsema projects grant* will be used to promote the Fetsa Tlala food production initiative, which forms part of national policy on food and nutrition. Accordingly, the department plans to make R1.9 billion available through the grant to support 145 000 subsistence and smallholder producers each year of the MTEF period; and, by 2030, as per the National Development Plan, ensure that 1 million hectares are used to produce crops including fruit and livestock, and provide superior breeding animals to targeted smallholder and subsistence farmers. In 2019/20, the department plans to finalise a register of farmers and agriculture statistics at a projected cost of R51 million. The project, which is conducted in collaboration with Statistics South Africa, is aimed at improving the accuracy of agricultural statistics, including information on smallholder farmers across South Africa.

One of the outcomes of Operation Phakisa is to provide support to 435 000 subsistence farmers over the medium term. This entails facilitating access to markets for targeted smallholder farmers, repairing infrastructure damaged by floods, providing drought relief, and revitalising provincial agricultural colleges. A projected R5 billion over the medium term is earmarked for these initiatives through the *comprehensive agriculture support programme grant*. This funding will also provide for the recruitment and training of extension officers to enhance their technical capacity/expertise to support farmers, and the placement of 1 000 unemployed agricultural graduates on commercial farms across South Africa over the period ahead.

Aquaculture is expected to contribute significantly to food production, with production in the sector expected to increase from 4 000 tons of fish in 2018/19 to 20 000 tons per year over the medium term. To derive the most value from South Africa's coastal and inland aquaculture, a projected R137.9 million has been budgeted in the *Aquaculture* subprogramme in the *Fisheries* programme.

To increase animal health care services, a targeted 150 veterinary graduates are expected to be deployed per

year to rural areas over the medium term as part of their compulsory community service. To this effect, R456 million is allocated over the same period in the *Agricultural Production, Health and Food Safety* programme for the deployment of newly qualified veterinarians and other veterinarians registering for the first time with the South African Veterinary Council.

Informed by the agricultural policy action plan, animal improvement schemes are aimed at increasing the quality and yield of livestock. Over the medium term, the department plans to monitor 2 animal improvement schemes that produce commodities in prioritised value chains: the Kaonafatso ya Dikgomo national animal recording and improvement scheme, which focuses on beef production; and the poultry production improvement scheme. These monitoring activities are carried out in the *Animal Production and Health* subprogramme in the *Agricultural Production, Health and Food Safety* programme at an expected cost of R842.3 million over the MTEF period.

### **Creating decent jobs**

The agriculture, forestry and fisheries sectors have undergone major structural changes driven, respectively, by drought, underinvestment, and depleted stocks. In response to challenges in the agriculture sector, over the medium term, the department plans to promote sustainable land and soil management practices, prevent land degradation and desertification in rural areas. Accordingly, R260.5 million will be made available through the *land care programme grant* to rehabilitate 48 900 hectares of land and create a projected 2 400 full-time equivalent jobs over the period.

The Working for Forests programme, which is part of the expanded public works programme, will focus on the revitalisation of state nurseries in QwaQwa (Free State), Rustplaas (Limpopo), Upington (Northern Cape), Bloemhof and Mahikeng (North West), and Wolseley (Western Cape). The programme is allocated R7.6 million over the medium term and is expected to create 315 full-time equivalent jobs. In an attempt to revive the forestry sector, the department plans to plant 5 175 hectares of state-owned forests over the medium term, creating an estimated 1 725 full-time equivalent jobs. These activities, including those carried out in the Working for Forests programme, are carried out in the *Forestry Operations* subprogramme in the *Forestry and Natural Resources Management* programme. The subprogramme is allocated R1.7 billion over the MTEF period.

To address the challenge faced by fisheries, R264.4 million is expected to be transferred to the Marine Living Resource Fund as part of the Working for Fisheries programme. The aim of the programme, which is also part of the broader expanded public works programme, is to alleviate poverty while empowering beneficiaries to participate in the mainstream fishing economy. Projects include conserving fish stocks, constructing and maintaining aquaculture production systems, and cleaning coastal areas. This investment is expected to result in the creation of 1 683 full-time equivalent jobs over the medium term.

### **Increasing the contribution of the agriculture, forestry and fisheries sectors to GDP**

The real value added by the agricultural sector expanded by 17.7 per cent in 2017, the highest increase since 2008, contributing 0.4 per cent to real GDP growth. This turnaround was brought about by the end of a prolonged drought in northern South Africa, which led to increases in crop yields with positive knock-on effects for other sectors. To capitalise on the increased production of field crops, the department plans to spend R330.5 million over the MTEF period in the *Trade Promotion and Market Access* programme to facilitate greater exports to Africa, China and other parts of the world, mainly of apples, grapes, pears, wine, sugar, maize and fish.

To streamline the provision of agricultural finance, the department will transfer R1.2 billion over the medium term to the Land and Agricultural Development Bank of South Africa. This transfer will enable the bank to offer blended finance (a combination of government grants and loans at cheaper rates) to emerging black farmers in the black producer commercialisation programme with the aim of creating a projected 450 black commercial farmers over the period ahead.

The South African good agricultural practice certification and accreditation programme is aimed at enabling market access and trade for black smallholder and commercial producers. To implement the certification and

accreditation programme, R21.5 million is allocated in the *Agro-processing and Marketing* subprogramme in the *Trade Promotion and Market Access* programme.

### Upgrading infrastructure

The department's planned infrastructure projects amount to an estimated R768 million over the medium term, mainly in the *Agricultural Production, Health and Food Safety* programme; and the *Food Security and Agrarian Reform* programme. Spending on these projects through these programmes includes: transfer payments to the *Agricultural Research Council* amounting to R400 million over the MTEF period for the construction and establishment of a foot-and-mouth disease vaccine production facility; R73.4 million for the erection of boundary fences to prevent the spread of foot-and-mouth disease in Kruger National Park; R65.6 million in 2019/20 through the *comprehensive agriculture support programme grant* to repair infrastructure damaged by floods in Western Cape, Limpopo and Mpumalanga; R33.6 million for the drilling and fitting of boreholes in various provinces; R15 million for the upgrading of infrastructure at the Grootfontein Agricultural Development Institute in Eastern Cape; and R10 million for the construction of water reservoirs in all provinces.

## Expenditure trends

**Table 24.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Agricultural Production, Health and Food Safety														
3. Food Security and Agrarian Reform														
4. Trade Promotion and Market Access														
5. Forestry and Natural Resources Management														
6. Fisheries														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	729.9	739.4	785.8	788.1	781.4	828.5	902.5	906.8	828.0	923.2	951.7	951.7	101.5%	100.4%
Programme 2	2 134.8	2 144.5	2 143.0	1 953.4	1 944.6	1 927.0	2 197.2	2 236.9	2 230.7	2 367.1	2 364.5	2 364.5	100.1%	99.7%
Programme 3	1 930.3	1 919.4	1 906.8	1 889.7	1 888.7	1 879.0	1 946.8	1 944.1	1 925.6	2 037.9	2 037.8	2 037.8	99.3%	99.5%
Programme 4	238.2	233.9	236.8	297.6	304.0	310.5	261.7	261.7	278.7	273.9	273.9	273.9	102.7%	102.4%
Programme 5	906.6	906.2	862.3	945.6	1 137.7	1 077.7	1 016.7	1 015.7	960.5	1 075.1	1 617.1	1 617.1	114.5%	96.6%
Programme 6	443.3	465.3	465.9	458.6	458.6	468.1	482.2	481.9	504.7	487.8	487.8	487.8	102.9%	101.7%
<b>Total</b>	<b>6 383.0</b>	<b>6 408.8</b>	<b>6 400.5</b>	<b>6 333.0</b>	<b>6 515.0</b>	<b>6 490.8</b>	<b>6 807.0</b>	<b>6 847.0</b>	<b>6 728.1</b>	<b>7 165.0</b>	<b>7 732.8</b>	<b>7 732.8</b>	<b>102.5%</b>	<b>99.5%</b>
Change to 2018 Budget estimate											567.8			
Economic classification														
<b>Current payments</b>	<b>2 594.1</b>	<b>2 540.2</b>	<b>2 518.0</b>	<b>2 724.6</b>	<b>2 846.2</b>	<b>2 861.0</b>	<b>2 921.5</b>	<b>2 906.2</b>	<b>2 790.6</b>	<b>3 080.3</b>	<b>3 165.3</b>	<b>3 165.3</b>	<b>100.1%</b>	<b>98.9%</b>
Compensation of employees	1 737.8	1 763.0	1 761.1	2 055.4	1 992.6	1 938.3	2 105.8	2 100.2	2 072.8	2 182.3	2 176.1	2 176.1	98.4%	99.0%
Goods and services	854.8	775.6	756.9	668.2	852.5	922.4	814.4	804.1	716.8	896.6	987.8	987.8	104.6%	98.9%
Interest and rent on land	1.5	1.5	-	1.0	1.1	0.3	1.3	1.9	1.0	1.4	1.4	1.4	50.9%	45.5%
<b>Transfers and subsidies</b>	<b>3 692.7</b>	<b>3 691.6</b>	<b>3 662.7</b>	<b>3 487.6</b>	<b>3 501.7</b>	<b>3 475.0</b>	<b>3 774.6</b>	<b>3 821.3</b>	<b>3 789.0</b>	<b>3 956.1</b>	<b>4 430.6</b>	<b>4 430.6</b>	<b>103.0%</b>	<b>99.4%</b>
Provinces and municipalities	2 189.2	2 172.6	2 172.7	2 203.5	2 203.7	2 203.7	2 242.8	2 242.9	2 243.1	2 382.3	2 850.2	2 850.2	105.0%	100.0%
Departmental agencies and accounts	1 132.5	1 138.1	1 101.0	1 113.7	1 110.2	1 091.9	1 300.3	1 300.0	1 280.1	1 336.0	1 336.0	1 336.0	98.5%	98.5%
Foreign governments and international organisations	29.5	32.4	31.9	34.5	42.4	42.3	36.3	36.6	35.6	38.5	38.5	38.5	106.8%	98.9%
Public corporations and private enterprises	312.9	314.7	314.8	98.3	98.3	98.5	150.8	150.8	150.8	173.8	173.8	173.8	100.3%	100.0%
Non-profit institutions	26.7	25.9	9.3	17.2	17.0	0.2	19.8	20.1	0.2	0.4	0.6	0.6	16.0%	16.1%
Households	1.9	7.9	33.0	20.2	30.0	38.4	24.6	70.8	79.2	25.2	31.6	31.6	253.1%	129.9%
<b>Payments for capital assets</b>	<b>96.2</b>	<b>176.9</b>	<b>218.5</b>	<b>120.8</b>	<b>167.2</b>	<b>153.8</b>	<b>111.0</b>	<b>119.5</b>	<b>147.9</b>	<b>128.6</b>	<b>136.9</b>	<b>136.9</b>	<b>143.9%</b>	<b>109.4%</b>
Buildings and other fixed structures	42.5	48.6	40.3	67.4	78.3	51.7	63.8	69.2	53.9	55.4	54.6	54.6	87.5%	79.9%
Machinery and equipment	53.2	128.2	178.0	53.3	88.5	99.8	47.0	49.8	74.3	73.1	82.3	82.3	191.7%	124.6%
Biological assets	0.5	0.2	-	0.1	0.1	0.2	0.1	0.2	0.0	0.0	0.0	0.0	29.9%	53.7%
Software and other intangible assets	-	-	0.2	0.1	0.3	2.2	0.1	0.4	19.8	-	0.1	0.1	22 194.0%	3 166.0%
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>1.4</b>	<b>-</b>	<b>-</b>	<b>0.9</b>	<b>-</b>	<b>-</b>	<b>0.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>6 383.0</b>	<b>6 408.8</b>	<b>6 400.5</b>	<b>6 333.0</b>	<b>6 515.0</b>	<b>6 490.8</b>	<b>6 807.0</b>	<b>6 847.0</b>	<b>6 728.1</b>	<b>7 165.0</b>	<b>7 732.8</b>	<b>7 732.8</b>	<b>102.5%</b>	<b>99.5%</b>

## Expenditure estimates

**Table 24.3 Vote expenditure estimates by programme and economic classification**

Programmes								
1. Administration								
2. Agricultural Production, Health and Food Safety								
3. Food Security and Agrarian Reform								
4. Trade Promotion and Market Access								
5. Forestry and Natural Resources Management								
6. Fisheries								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	951.7	8.8%	12.4%	935.7	942.4	1 001.1	1.7%	12.1%
Programme 2	2 364.5	3.3%	31.7%	2 642.5	2 741.2	2 885.2	6.9%	33.5%
Programme 3	2 037.8	2.0%	28.3%	2 237.0	2 331.7	2 515.7	7.3%	28.7%
Programme 4	273.9	5.4%	4.0%	290.9	309.1	327.4	6.1%	3.8%
Programme 5	1 617.1	21.3%	16.5%	1 039.1	1 045.6	1 109.9	-11.8%	15.2%
Programme 6	487.8	1.6%	7.0%	519.7	553.2	586.3	6.3%	6.8%
<b>Total</b>	<b>7 732.8</b>	<b>6.5%</b>	<b>100.0%</b>	<b>7 664.9</b>	<b>7 923.2</b>	<b>8 425.6</b>	<b>2.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				63.6	109.9	119.9		
Economic classification								
<b>Current payments</b>	<b>3 165.3</b>	<b>7.6%</b>	<b>41.4%</b>	<b>3 250.8</b>	<b>3 374.9</b>	<b>3 587.0</b>	<b>4.3%</b>	<b>42.1%</b>
Compensation of employees	2 176.1	7.3%	29.1%	2 351.2	2 522.4	2 686.3	7.3%	30.7%
Goods and services	987.8	8.4%	12.4%	898.1	851.0	899.0	-3.1%	11.5%
Interest and rent on land	1.4	-2.2%	0.0%	1.5	1.6	1.7	5.2%	0.0%
<b>Transfers and subsidies</b>	<b>4 430.6</b>	<b>6.3%</b>	<b>56.1%</b>	<b>4 283.5</b>	<b>4 429.9</b>	<b>4 713.1</b>	<b>2.1%</b>	<b>56.2%</b>
Provinces and municipalities	2 850.2	9.5%	34.6%	2 205.2	2 379.5	2 559.5	-3.5%	31.5%
Departmental agencies and accounts	1 336.0	5.5%	17.6%	1 545.4	1 633.2	1 705.4	8.5%	19.6%
Foreign governments and international organisations	38.5	5.9%	0.5%	39.7	41.9	44.2	4.7%	0.5%
Public corporations and private enterprises	173.8	-18.0%	2.7%	466.4	347.1	374.3	29.1%	4.3%
Non-profit institutions	0.6	-72.3%	0.0%	0.4	0.4	0.4	-10.1%	0.0%
Households	31.6	58.5%	0.7%	26.4	27.8	29.3	-2.4%	0.4%
<b>Payments for capital assets</b>	<b>136.9</b>	<b>-8.2%</b>	<b>2.4%</b>	<b>130.6</b>	<b>118.4</b>	<b>125.5</b>	<b>-2.9%</b>	<b>1.6%</b>
Buildings and other fixed structures	54.6	3.9%	0.7%	66.2	61.4	65.3	6.1%	0.8%
Machinery and equipment	82.3	-13.7%	1.6%	64.4	56.9	60.2	-9.9%	0.8%
Software and other intangible assets	0.1	-	0.1%	-	-	-	-100.0%	0.0%
<b>Total</b>	<b>7 732.8</b>	<b>6.5%</b>	<b>100.0%</b>	<b>7 664.9</b>	<b>7 923.2</b>	<b>8 425.6</b>	<b>2.9%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 24.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R thousand											
Agricultural Research Council	804 133	813 189	974 783	1 031 329	8.6%	13.2%	1 223 948	1 294 115	1 347 586	9.3%	15.4%
Ilima/Letsema projects grant	466 713	491 363	522 139	552 423	5.8%	7.4%	583 359	615 444	652 986	5.7%	7.6%
Comprehensive agricultural support programme grant: Infrastructure	1 167 779	1 148 115	1 112 138	1 164 766	-0.1%	16.8%	1 032 853	1 190 645	1 288 487	3.4%	14.7%
Comprehensive agricultural support programme grant: Extension recovery planning service	343 873	346 149	337 906	355 648	1.1%	5.1%	368 558	398 813	431 586	6.7%	4.9%
Comprehensive agricultural support programme grant: Disasters (flood damaged infrastructure)	58 601	76 734	139 071	155 935	38.6%	1.6%	60 349	-	-	-100.0%	0.7%
Marine Living Resources Fund	258 623	241 759	261 666	259 733	0.1%	3.7%	274 278	289 363	305 278	5.5%	3.6%
<b>Total</b>	<b>3 099 722</b>	<b>3 117 309</b>	<b>3 347 703</b>	<b>3 519 834</b>	<b>4.3%</b>	<b>47.8%</b>	<b>3 543 345</b>	<b>3 788 380</b>	<b>4 025 923</b>	<b>4.6%</b>	<b>46.9%</b>

## Goods and services expenditure trends and estimates

**Table 24.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2019/20	2020/21	2021/22			
Administrative fees	10 647	9 576	9 327	9 256	-4.6%	1.1%	13 293	10 238	10 801	5.3%	1.2%
Advertising	8 104	7 514	6 198	8 370	1.1%	0.9%	6 059	6 465	6 820	-6.6%	0.8%
Minor assets	7 178	3 697	2 990	8 178	4.4%	0.7%	3 370	3 539	3 733	-23.0%	0.5%
Audit costs: External	10 816	10 146	13 988	13 424	7.5%	1.4%	15 204	16 060	16 944	8.1%	1.7%
Bursaries: Employees	2 417	2 671	2 782	4 141	19.7%	0.4%	4 991	5 223	5 511	10.0%	0.5%
Catering: Departmental activities	740	837	786	612	-6.1%	0.1%	382	403	425	-11.4%	0.1%
Communication	29 115	29 846	27 131	21 829	-9.2%	3.2%	30 126	29 633	31 166	12.6%	3.1%
Computer services	11 530	28 869	26 892	58 672	72.0%	3.7%	52 437	55 852	58 896	0.1%	6.2%
Consultants: Business and advisory services	61 244	57 455	55 700	117 329	24.2%	8.6%	56 064	57 695	59 980	-20.0%	8.0%
Infrastructure and planning services	3 708	2 069	436	601	-45.5%	0.2%	649	619	653	2.8%	0.1%
Laboratory services	219	206	139	1 573	92.9%	0.1%	211	213	226	-47.6%	0.1%
Legal services	5 334	6 139	12 467	6 601	7.4%	0.9%	7 243	7 097	7 488	4.3%	0.8%
Contractors	9 505	15 459	10 972	20 425	29.0%	1.7%	8 440	8 674	9 154	-23.5%	1.3%
Agency and support/outsourced services	24 636	22 995	19 312	121 577	70.3%	5.6%	107 504	57 583	60 586	-20.7%	9.6%
Entertainment	306	287	236	351	4.7%	-	350	350	358	0.7%	-
Fleet services (including government motor transport)	21 936	17 575	24 341	26 979	7.1%	2.7%	33 569	25 267	26 657	-0.4%	3.1%
Inventory: Clothing material and accessories	823	3 095	4 930	10 974	137.1%	0.6%	12 957	9 145	9 646	-4.2%	1.2%
Inventory: Farming supplies	17 959	219 753	23 409	27 904	15.8%	8.5%	32 688	33 739	35 858	8.7%	3.6%
Inventory: Food and food supplies	1 132	1 437	1 403	1 447	8.5%	0.2%	1 299	1 364	1 439	-0.2%	0.2%
Inventory: Fuel, oil and gas	952	1 211	1 200	2 597	39.7%	0.2%	2 479	2 097	2 213	-5.2%	0.3%
Inventory: Materials and supplies	922	210	1 385	214	-38.5%	0.1%	256	283	297	11.5%	-
Inventory: Medical supplies	31	89	7	652	176.0%	-	1 078	660	696	2.2%	0.1%
Inventory: Medicine	49	1 307	13 417	5 450	380.9%	0.6%	3 666	4 109	4 335	-7.3%	0.5%
Inventory: Other supplies	1 123	719	626	2 578	31.9%	0.1%	6 724	3 420	3 608	11.9%	0.4%
Consumable supplies	20 814	7 989	7 376	16 806	-6.9%	1.6%	19 495	15 422	16 267	-1.1%	1.9%
Consumables: Stationery, printing and office supplies	8 826	8 901	9 536	18 271	27.4%	1.3%	22 631	20 551	22 287	6.8%	2.3%
Operating leases	90 460	108 384	116 442	49 104	-18.4%	10.8%	27 265	16 323	17 209	-29.5%	3.0%
Rental and hiring	10	-	115	1 530	434.8%	-	1 530	1 311	1 384	-3.3%	0.2%
Property payments	155 660	145 341	129 845	188 903	6.7%	18.3%	205 281	228 410	240 976	8.5%	23.8%
Transport provided: Departmental activity	-	-	-	20	-	-	21	22	23	4.8%	-
Travel and subsistence	131 940	120 095	105 483	145 203	3.2%	14.9%	142 679	146 394	156 055	2.4%	16.2%
Training and development	30 972	38 177	45 398	58 118	23.3%	5.1%	48 293	51 368	54 182	-2.3%	5.8%
Operating payments	18 420	17 475	19 236	17 973	-0.8%	2.2%	17 189	18 063	19 043	1.9%	2.0%
Venues and facilities	69 393	32 889	23 268	20 101	-33.8%	4.3%	12 684	13 380	14 120	-11.1%	1.7%
<b>Total</b>	<b>756 921</b>	<b>922 413</b>	<b>716 773</b>	<b>987 763</b>	<b>9.3%</b>	<b>100.0%</b>	<b>898 107</b>	<b>850 972</b>	<b>899 036</b>	<b>-3.1%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 24.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2019/20	2020/21	2021/22			
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>14 131</b>	<b>16 302</b>	<b>13 153</b>	<b>6 839</b>	<b>-21.5%</b>	<b>0.3%</b>	<b>692</b>	<b>733</b>	<b>773</b>	<b>-51.7%</b>	<b>0.1%</b>
Employee social benefits	14 131	16 302	13 153	6 839	-21.5%	0.3%	692	733	773	-51.7%	0.1%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>988 330</b>	<b>973 299</b>	<b>1 155 509</b>	<b>1 204 245</b>	<b>6.8%</b>	<b>28.1%</b>	<b>1 276 212</b>	<b>1 346 434</b>	<b>1 420 502</b>	<b>5.7%</b>	<b>29.4%</b>
Communication	27	24	23	28	1.2%	-	25	26	27	-1.2%	-
Public Service Sector Education and Training Authority	370	-	-	-	-100.0%	-	-	-	-	-	-
Primary Agriculture Sector Education and Training Authority	937	1 175	1 207	1 223	9.3%	-	1 345	1 441	1 535	7.9%	-
Fibre Processing and Manufacturing Sector Education and Training Authority	429	462	464	468	2.9%	-	520	559	595	8.3%	-

Table 24.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Agricultural Research Council	691 484	694 570	850 232	899 554	9.2%	20.4%	954 793	1 007 306	1 062 703	5.7%	22.0%
National Agricultural Marketing Council	34 635	35 005	41 917	43 239	7.7%	1.0%	45 251	47 739	50 364	5.2%	1.0%
Small Enterprise Development Agency	1 825	304	–	–	-100.0%	–	–	–	–	–	–
Marine Living Resources Fund	258 623	241 759	261 666	259 733	0.1%	6.7%	274 278	289 363	305 278	5.5%	6.3%
<b>Capital</b>	<b>112 649</b>	<b>118 619</b>	<b>124 551</b>	<b>131 775</b>	<b>5.4%</b>	<b>3.2%</b>	<b>269 155</b>	<b>286 809</b>	<b>284 883</b>	<b>29.3%</b>	<b>5.4%</b>
Agricultural Research Council	112 649	118 619	124 551	131 775	5.4%	3.2%	269 155	286 809	284 883	29.3%	5.4%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>18 852</b>	<b>22 062</b>	<b>66 034</b>	<b>24 721</b>	<b>9.5%</b>	<b>0.9%</b>	<b>25 698</b>	<b>27 084</b>	<b>28 537</b>	<b>4.9%</b>	<b>0.6%</b>
Claims against the state	511	301	1 606	–	-100.0%	–	–	–	–	–	–
Agricultural colleges	1 905	1 499	1 773	1 800	-1.9%	–	1 900	2 005	2 115	5.5%	–
Grootfontein Agricultural Development Institute: Studies	1 391	1 400	1 500	1 600	4.8%	–	1 690	1 783	1 872	5.4%	–
Female entrepreneur of the year awards	550	–	900	300	-18.3%	–	250	250	250	-5.9%	–
National Student Financial Aid Scheme	14 495	18 862	19 955	20 621	12.5%	0.5%	21 608	22 796	24 050	5.3%	0.5%
Avian Influenza Outbreak: Farmer support	–	–	40 000	–	–	0.3%	–	–	–	–	–
Gifts and donations: Youth in Agriculture, Forestry and Fisheries Awards	–	–	300	400	–	–	250	250	250	-14.5%	–
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>1 273</b>	<b>1 276</b>	<b>1 394</b>	<b>1 327</b>	<b>1.4%</b>	<b>–</b>	<b>1 251</b>	<b>1 273</b>	<b>1 308</b>	<b>-0.5%</b>	<b>–</b>
Vehicle licences	773	776	894	727	-2.0%	–	651	673	708	-0.9%	–
National Arbor City Awards	500	500	500	600	6.3%	–	600	600	600	–	–
<b>Public corporations and private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>86</b>	<b>173</b>	<b>20</b>	<b>1</b>	<b>-77.3%</b>	<b>–</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>–</b>	<b>–</b>
Claims against the state	85	173	19	–	-100.0%	–	–	–	–	–	–
Red Meat Industry Forum	1	–	1	1	–	–	1	1	1	–	–
<b>Non-profit institutions</b>											
<b>Current</b>	<b>9 267</b>	<b>200</b>	<b>220</b>	<b>550</b>	<b>-61.0%</b>	<b>0.1%</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>-10.1%</b>	<b>–</b>
Citrus Growers' Association of Southern Africa	986	–	–	–	-100.0%	–	–	–	–	–	–
Wine and Spirit Board	–	–	170	–	–	–	–	–	–	–	–
Food and Trees for Africa	200	200	–	400	26.0%	–	400	400	400	–	–
Lima Rural Development Foundation	8 081	–	–	–	-100.0%	0.1%	–	–	–	–	–
Institute for Commercial Forestry Research	–	–	50	–	–	–	–	–	–	–	–
South African Wood Preservers Association	–	–	–	100	–	–	–	–	–	-100.0%	–
Nelson Mandela Metropolitan University	–	–	–	50	–	–	–	–	–	-100.0%	–
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>314 714</b>	<b>98 333</b>	<b>150 828</b>	<b>173 776</b>	<b>-18.0%</b>	<b>4.8%</b>	<b>466 408</b>	<b>347 129</b>	<b>374 259</b>	<b>29.1%</b>	<b>7.6%</b>
Onderstepoort Biological Products	268 400	–	–	–	-100.0%	1.7%	–	–	–	–	–
Land and Agricultural Development Bank of South Africa	36 762	88 232	140 166	162 496	64.1%	2.8%	461 473	341 923	368 767	31.4%	7.5%
Forest Sector Charter Council	3 930	4 166	4 416	4 672	5.9%	0.1%	4 935	5 206	5 492	5.5%	0.1%
Ncera Farms	5 622	5 935	6 246	6 608	5.5%	0.2%	–	–	–	-100.0%	–
<b>Provinces and municipalities</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>2 171 450</b>	<b>2 202 452</b>	<b>2 241 689</b>	<b>2 848 911</b>	<b>9.5%</b>	<b>61.6%</b>	<b>2 203 918</b>	<b>2 378 190</b>	<b>2 558 233</b>	<b>-3.5%</b>	<b>55.9%</b>
Ilima/Letsema projects grant	466 713	491 363	522 139	552 423	5.8%	13.2%	583 359	615 444	652 986	5.7%	13.5%
Comprehensive agricultural support programme grant: Infrastructure	1 167 779	1 148 115	1 112 138	1 164 766	-0.1%	29.9%	1 032 853	1 190 645	1 288 487	3.4%	26.2%
Comprehensive agricultural support programme grant: Extension recovery planning services	343 873	346 149	337 906	355 648	1.1%	9.0%	368 558	398 813	431 586	6.7%	8.7%

Table 24.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average Expenditure/Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/Total (%)
Comprehensive agricultural support programme grant: Upgrading of provincial agricultural colleges	69 473	70 826	56 831	74 461	2.3%	1.8%	76 565	86 531	93 645	7.9%	1.9%
Land care programme grant	65 011	69 265	73 604	277 873	62.3%	3.2%	82 234	86 757	91 529	-30.9%	3.0%
Comprehensive agricultural support programme grant: Disasters (Flood damaged infrastructure)	58 601	76 734	139 071	155 935	38.6%	2.8%	60 349	-	-	-100.0%	1.2%
Comprehensive agricultural support programme grant: Disasters (Drought relief)	-	-	-	266 500	-	1.7%	-	-	-	-100.0%	1.5%
Comprehensive agricultural support programme grant: Disasters (Fire damaged infrastructure)	-	-	-	1 305	-	-	-	-	-	-100.0%	-
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>31 911</b>	<b>42 306</b>	<b>35 616</b>	<b>38 466</b>	<b>6.4%</b>	<b>1.0%</b>	<b>39 715</b>	<b>41 889</b>	<b>44 192</b>	<b>4.7%</b>	<b>0.9%</b>
Consultative Group on International Agricultural Research	6 375	7 020	6 045	7 300	4.6%	0.2%	8 400	8 527	8 996	7.2%	0.2%
International Union for the Protection of New Varieties of Plants	677	789	724	880	9.1%	-	890	980	1 034	5.5%	-
International Commission of Agricultural Engineering	-	21	-	20	-	-	20	20	21	1.6%	-
Food and Agriculture Organisation of the United Nations	21 029	30 140	24 363	24 800	5.7%	0.7%	25 500	26 800	28 277	4.5%	0.6%
Foreign rates and taxes	306	457	520	593	24.7%	-	700	789	832	11.9%	-
International Cotton Advisory Council	301	374	303	290	-1.2%	-	300	330	348	6.3%	-
International Dairy Federation	50	50	50	50	-	-	50	50	50	-	-
International Grains Council	215	212	193	200	-2.4%	-	212	250	264	9.7%	-
International Seed Testing Association	97	120	158	180	22.9%	-	200	330	348	24.6%	-
International Organisation of Vine and Wine	789	977	823	852	2.6%	-	830	880	928	2.9%	-
World Organisation for Animal Health	1 624	1 616	1 832	1 700	1.5%	-	1 852	2 000	2 110	7.5%	-
Organisation for Economic Cooperation and Development	161	183	328	1 311	101.2%	-	450	571	602	-22.9%	-
International Union of Forest Research Organisations	11	10	9	10	-3.1%	-	11	12	13	9.1%	-
Commonwealth Agricultural Bureau International	276	337	268	280	0.5%	-	300	350	369	9.6%	-
<b>Total</b>	<b>3 662 663</b>	<b>3 475 022</b>	<b>3 789 014</b>	<b>4 430 611</b>	<b>6.6%</b>	<b>100.0%</b>	<b>4 283 450</b>	<b>4 429 942</b>	<b>4 713 088</b>	<b>2.1%</b>	<b>100.0%</b>

## Personnel information

Table 24.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes													Number						
Number of posts estimated for 31 March 2019													Average growth rate (%)	Average Salary level/Total (%)					
Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment																			
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate											
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
<b>Agriculture, Forestry and Fisheries</b>																			
1-6	3 398	231	2 779	578.0	0.2	2 749	577.0	0.2	2 765	625.2	0.2	2 757	672.4	0.2	2 734	719.3	0.3	-0.2%	50.7%
7-10	2 313	10	1 995	954.9	0.5	1 983	964.1	0.5	1 989	1 041.9	0.5	1 974	1 115.1	0.6	1 947	1 183.1	0.6	-0.6%	36.3%
11-12	645	147	547	343.4	0.6	541	418.2	0.8	544	450.1	0.8	546	484.0	0.9	544	515.7	0.9	0.2%	10.0%
13-16	157	7	136	192.0	1.4	159	211.6	1.3	160	228.7	1.4	160	245.1	1.5	160	262.0	1.6	0.2%	2.9%
Other	2	-	2	4.5	2.3	2	5.1	2.5	2	5.4	2.7	2	5.8	2.9	2	6.2	3.1	-	0.0%
<b>Programme</b>	<b>6 515</b>	<b>395</b>	<b>5 459</b>	<b>2 072.8</b>	<b>0.4</b>	<b>5 434</b>	<b>2 176.1</b>	<b>0.4</b>	<b>5 460</b>	<b>2 351.2</b>	<b>0.4</b>	<b>5 439</b>	<b>2 522.4</b>	<b>0.5</b>	<b>5 387</b>	<b>2 686.3</b>	<b>0.5</b>	<b>-0.3%</b>	<b>100.0%</b>
Programme 1	1 142	6	978	440.4	0.5	970	464.9	0.5	966	501.7	0.5	959	539.5	0.6	949	574.5	0.6	-0.7%	17.7%
Programme 2	1 588	144	1 403	588.4	0.4	1 388	630.7	0.5	1 394	679.6	0.5	1 380	725.2	0.5	1 366	772.4	0.6	-0.5%	25.5%
Programme 3	629	218	567	151.8	0.3	563	168.1	0.3	563	184.6	0.3	558	198.3	0.4	555	211.2	0.4	-0.5%	10.3%
Programme 4	165	4	141	116.8	0.8	161	110.0	0.7	161	118.3	0.7	162	127.4	0.8	160	135.7	0.8	-0.2%	3.0%
Programme 5	2 405	-	1 893	533.0	0.3	1 879	574.8	0.3	1 902	621.5	0.3	1 907	668.1	0.4	1 889	711.6	0.4	0.2%	34.9%
Programme 6	586	23	477	242.4	0.5	473	227.6	0.5	474	245.4	0.5	473	263.9	0.6	468	281.0	0.6	-0.4%	8.7%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.



## Departmental receipts

**Table 24.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>212 414</b>	<b>202 706</b>	<b>228 106</b>	<b>251 092</b>	<b>251 092</b>	<b>5.7%</b>	<b>100.0%</b>	<b>262 140</b>	<b>273 674</b>	<b>285 716</b>	<b>4.4%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>185 974</b>	<b>190 625</b>	<b>208 860</b>	<b>229 641</b>	<b>229 641</b>	<b>7.3%</b>	<b>91.1%</b>	<b>239 751</b>	<b>250 301</b>	<b>261 314</b>	<b>4.4%</b>	<b>91.5%</b>
Sales by market establishments	2 347	2 279	1 908	2 295	2 295	-0.7%	1.0%	2 396	2 501	2 611	4.4%	0.9%
<i>of which:</i>												
<i>Dwellings</i>	1 748	1 677	1 582	1 918	1 918	3.1%	0.8%	2 002	2 090	2 182	4.4%	0.8%
<i>Rental parking: Covered and open</i>	322	323	321	356	356	3.4%	0.1%	372	388	405	4.4%	0.1%
<i>Wool and skin</i>	277	279	5	21	21	-57.7%	0.1%	22	23	24	4.6%	-
Administrative fees	149 966	134 822	160 927	165 903	165 903	3.4%	68.4%	173 209	180 831	188 780	4.4%	66.1%
<i>of which:</i>												
<i>Farm feeds registration</i>	12 600	8 970	7 579	8 000	8 000	-14.1%	4.2%	8 352	8 719	9 103	4.4%	3.2%
<i>Plant breeders rights</i>	3 713	2 889	3 021	4 000	4 000	2.5%	1.5%	4 176	4 360	4 552	4.4%	1.6%
<i>Stock remedy</i>	1 260	861	4 000	1 170	1 170	-2.4%	0.8%	1 221	1 275	1 331	4.4%	0.5%
<i>Inspection fees: Statutory services</i>	85 216	76 306	94 181	103 256	103 256	6.6%	40.1%	107 800	112 542	117 494	4.4%	41.1%
<i>Other</i>	47 177	45 796	52 146	49 477	49 477	1.6%	21.8%	51 660	53 935	56 300	4.4%	19.7%
Other sales	33 661	53 524	46 025	61 443	61 443	22.2%	21.8%	64 146	66 969	69 923	4.4%	24.5%
<i>of which:</i>												
<i>Service rendered: Boarding services: (private)</i>	1 285	1 625	1 731	10	10	-80.2%	0.5%	10	11	11	3.2%	-
<i>Service rendered: Commission insurance</i>	1 432	1 442	1 494	1 614	1 614	4.1%	0.7%	1 685	1 759	1 837	4.4%	0.6%
<i>Service rendered: Course fees</i>	1 823	2 011	1 321	2 097	2 097	4.8%	0.8%	2 189	2 286	2 386	4.4%	0.8%
<i>Laboratory services: Plant</i>	905	884	824	1 066	1 066	5.6%	0.4%	1 113	1 162	1 213	4.4%	0.4%
<i>Other</i>	28 216	47 562	40 655	56 656	56 656	26.2%	19.4%	59 149	61 751	64 476	4.4%	22.6%
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>53</b>	<b>124</b>	<b>4</b>	<b>748</b>	<b>748</b>	<b>141.7%</b>	<b>0.1%</b>	<b>781</b>	<b>815</b>	<b>852</b>	<b>4.4%</b>	<b>0.3%</b>
<i>of which:</i>												
<i>Wastepaper</i>	53	8	3	26	26	-21.1%	-	27	28	30	4.9%	-
<i>Sales scrap</i>	-	116	1	722	722	-	0.1%	754	787	822	4.4%	0.3%
Transfers received	355	274	155	468	468	9.6%	0.1%	489	510	533	4.4%	0.2%
Fines, penalties and forfeits	270	45	19	52	52	-42.3%	-	48	50	52	-	-
Interest, dividends and rent on land	5 143	4 738	6 220	5 172	5 172	0.2%	2.4%	5 400	5 637	5 885	4.4%	2.1%
Interest	4 111	3 791	5 691	4 018	4 018	-0.8%	2.0%	4 195	4 379	4 572	4.4%	1.6%
Rent on land	1 032	947	529	1 154	1 154	3.8%	0.4%	1 205	1 258	1 313	4.4%	0.5%
Sales of capital assets	1 720	868	2 408	1 505	1 505	-4.4%	0.7%	1 571	1 640	1 712	4.4%	0.6%
Transactions in financial assets and liabilities	18 899	6 032	10 440	13 506	13 506	-10.6%	5.5%	14 100	14 721	15 368	4.4%	5.4%
<b>Total</b>	<b>212 414</b>	<b>202 706</b>	<b>228 106</b>	<b>251 092</b>	<b>251 092</b>	<b>5.7%</b>	<b>100.0%</b>	<b>262 140</b>	<b>273 674</b>	<b>285 716</b>	<b>4.4%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 24.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	39.6	40.5	40.1	46.5	5.5%	4.9%	48.6	52.0	55.1	5.8%	5.3%
Department Management	19.2	32.8	30.9	30.5	16.6%	3.3%	31.2	33.4	35.5	5.2%	3.4%
Financial Administration	163.1	177.8	191.3	201.0	7.2%	21.6%	221.8	237.3	253.1	8.0%	23.8%
Internal Audit	5.0	7.1	9.4	10.5	28.5%	0.9%	11.3	12.0	12.8	6.8%	1.2%
Corporate Services	162.9	187.8	190.5	191.0	5.5%	21.6%	202.3	216.5	230.0	6.4%	21.9%
Stakeholder Relations, Communication and Legal Services	117.5	92.6	81.9	68.3	-16.5%	10.6%	73.2	78.5	83.5	6.9%	7.9%
Policy, Planning, Monitoring and Evaluation	79.5	78.5	82.0	187.6	33.1%	12.6%	144.7	100.1	106.3	-17.3%	14.1%
Office Accommodation	199.0	211.4	202.1	216.3	2.8%	24.4%	202.6	212.6	224.7	1.3%	22.4%
<b>Total</b>	<b>785.8</b>	<b>828.5</b>	<b>828.0</b>	<b>951.7</b>	<b>6.6%</b>	<b>100.0%</b>	<b>935.7</b>	<b>942.4</b>	<b>1 001.1</b>	<b>1.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				28.5			4.2	4.4	5.7		

**Table 24.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
<b>Current payments</b>	<b>764.0</b>	<b>806.8</b>	<b>793.5</b>	<b>921.4</b>	<b>6.4%</b>	<b>96.8%</b>	<b>908.4</b>	<b>913.6</b>	<b>970.2</b>	<b>1.7%</b>	<b>96.9%</b>
Compensation of employees	380.5	409.6	440.4	464.9	6.9%	50.0%	501.7	539.5	574.5	7.3%	54.3%
Goods and services <sup>1</sup>	383.5	397.1	352.8	456.4	6.0%	46.8%	406.7	374.1	395.7	-4.6%	42.6%
of which:											
Audit costs: External	9.9	10.1	13.8	13.4	10.5%	1.4%	15.2	16.1	16.9	8.1%	1.6%
Computer services	9.8	25.4	21.8	26.6	39.4%	2.5%	24.6	26.5	27.9	1.7%	2.8%
Consultants: Business and advisory services	27.3	29.8	28.5	21.4	-7.9%	3.2%	22.5	23.7	25.0	5.4%	2.4%
Agency and support/outsource services	2.7	2.9	3.7	85.4	215.5%	2.8%	55.5	4.6	4.9	-61.5%	3.9%
Property payments	117.0	116.6	87.4	163.6	11.8%	14.3%	172.2	194.0	204.7	7.8%	19.2%
Travel and subsistence	39.2	44.4	33.9	54.4	11.5%	5.1%	48.8	51.7	54.9	0.3%	5.5%
Interest and rent on land	-	0.0	0.3	0.0	-	-	-	-	-	-100.0%	-
<b>Transfers and subsidies<sup>1</sup></b>	<b>3.4</b>	<b>4.6</b>	<b>4.2</b>	<b>3.0</b>	<b>-4.0%</b>	<b>0.4%</b>	<b>1.9</b>	<b>2.1</b>	<b>2.2</b>	<b>-9.5%</b>	<b>0.2%</b>
Provinces and municipalities	0.0	0.1	0.1	0.1	2.0%	-	0.1	0.1	0.1	1.9%	-
Departmental agencies and accounts	1.8	1.7	1.7	1.7	-0.8%	0.2%	1.9	2.0	2.2	7.9%	0.2%
Public corporations and private enterprises	0.1	0.0	-	-	-100.0%	-	-	-	-	-	-
Households	1.5	2.9	2.4	1.2	-6.8%	0.2%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>18.1</b>	<b>17.1</b>	<b>30.2</b>	<b>27.3</b>	<b>14.6%</b>	<b>2.7%</b>	<b>25.4</b>	<b>26.8</b>	<b>28.7</b>	<b>1.7%</b>	<b>2.8%</b>
Buildings and other fixed structures	6.0	5.8	18.9	19.0	47.1%	1.5%	21.1	22.3	23.9	8.0%	2.3%
Machinery and equipment	12.2	9.2	9.8	8.3	-12.0%	1.2%	4.3	4.5	4.8	-16.8%	0.6%
Software and other intangible assets	0.0	2.1	1.5	0.0	28.6%	0.1%	-	-	-	-100.0%	-
<b>Payments for financial assets</b>	<b>0.3</b>	<b>0.0</b>	<b>0.2</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>785.8</b>	<b>828.5</b>	<b>828.0</b>	<b>951.7</b>	<b>6.6%</b>	<b>100.0%</b>	<b>935.7</b>	<b>942.4</b>	<b>1 001.1</b>	<b>1.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>12.3%</b>	<b>12.8%</b>	<b>12.3%</b>	<b>12.3%</b>	<b>-</b>	<b>-</b>	<b>12.2%</b>	<b>11.9%</b>	<b>11.9%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Agricultural Production, Health and Food Safety

### Programme purpose

Manage the risks associated with animal diseases, plant pests and genetically modified organisms. Register products used in agriculture. Promote food safety. Create an enabling environment for increased and sustainable agricultural production.

### Objectives

- Promote productivity in prioritised value chains by March 2022 by:
  - implementing 6 animal improvement schemes, such as Kaonafatso ya Dikgomo, a programme that assists farmers without resources by providing breeding technical support; and the poultry scheme, which assists poultry farmers to identify and manage risks associated with poultry diseases
  - implementing 6 plant improvement schemes, such as seed, crop and fruit schemes, to ensure that all categories of producers have access to quality propagating material.
- Manage biosecurity and related sector risks by conducting 3 countrywide surveys of plant pests, in particular the exotic fruit fly, to manage the spread and/or incursion of these pests, and eradicate them by March 2022.
- Implement national plans to conserve the diversity of plant genetic resources through the collection of 2 prioritised crops (pearl millet and sorghum) by March 2022.
- Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources by implementing national plans to conserve the diversity of the animal genetic resources, in particular through the collection of 2 prioritised plant taxa, and promoting the sustainable use of indigenous animal breeds in the country by March 2022.
- Enforce an agricultural animal disease regulatory framework to reduce the level of disease outbreaks and

interception at export channels in production areas to a minimum level by conducting 2 planned animal risk surveillance exercises per year on foot-and-mouth disease and goat plague over the medium term.

- Implement regulatory compliance and monitoring interventions to prevent plant and animal pest and disease outbreaks through quarantine inspections, surveillance and testing by March 2022.
- Ensure access to primary animal health care services through the implementation of compulsory community services over the medium term by:
  - deploying 450 veterinary graduates to rural areas
  - implementing a policy to provide more effective control of bovine brucellosis (a chronic herd disease that affects cattle reproduction) and thereby support the implementation of a veterinary strategy.

## Subprogrammes

- *Management* oversees and manages the programme.
- *Inspection and Laboratory Services* provides leadership, guidance and support in ensuring compliance with agricultural legislation and regulatory frameworks; and oversees the effective implementation of risk management strategies and plans for regulated agricultural products.
- *Plant Production and Health* focuses on increasing agricultural productivity with emphasis on a sustainable plant production system; the efficient use of genetic resources for food and agriculture; and the management of risks associated with plant pests and diseases, and genetically modified organisms.
- *Animal Production and Health* improves livestock production, and the health and safety of animal products. This entails implementing strategies, projects and programmes for animal production, health and public health that are founded on effective animal health and production management principles, an informed extension service, and the sustainable management of natural resources.
- *Agriculture Research* manages monthly transfers to the Agricultural Research Council.

## Expenditure trends and estimates

**Table 24.10 Agricultural Production, Health and Food Safety expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19 - 2021/22	2019/20	2020/21	2021/22		
R million											
Management	2.2	3.1	2.8	3.0	11.5%	0.1%	3.2	3.5	3.7	6.9%	0.1%
Inspection and Laboratory Services	322.5	330.1	377.6	442.3	11.1%	17.0%	472.6	442.8	471.0	2.1%	17.2%
Plant Production and Health	543.9	575.8	627.4	644.3	5.8%	27.6%	681.0	720.0	764.1	5.8%	26.4%
Animal Production and Health	470.5	205.1	248.3	243.7	-19.7%	13.5%	262.0	281.2	299.1	7.1%	10.2%
Agriculture Research	803.9	813.0	974.6	1 031.1	8.6%	41.8%	1 223.7	1 293.9	1 347.3	9.3%	46.0%
<b>Total</b>	<b>2 143.0</b>	<b>1 927.0</b>	<b>2 230.7</b>	<b>2 364.5</b>	<b>3.3%</b>	<b>100.0%</b>	<b>2 642.5</b>	<b>2 741.2</b>	<b>2 885.2</b>	<b>6.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(2.6)			134.8	145.1	134.9		
<b>Economic classification</b>											
<b>Current payments</b>	<b>519.0</b>	<b>596.5</b>	<b>664.9</b>	<b>749.7</b>	<b>13.0%</b>	<b>29.2%</b>	<b>812.9</b>	<b>829.3</b>	<b>882.1</b>	<b>5.6%</b>	<b>30.8%</b>
Compensation of employees	444.4	537.3	588.4	630.7	12.4%	25.4%	679.6	725.2	772.4	7.0%	26.4%
Goods and services <sup>1</sup>	74.6	59.1	76.6	119.0	16.8%	3.8%	133.3	104.1	109.8	-2.6%	4.4%
<i>of which:</i>											
Communication	4.0	3.6	3.7	4.6	4.4%	0.2%	7.0	5.6	5.8	8.3%	0.2%
Computer services	0.2	0.5	0.3	24.7	376.5%	0.3%	25.0	26.4	27.8	4.1%	1.0%
Consultants: Business and advisory services	10.5	13.7	15.2	16.6	16.6%	0.6%	16.6	15.9	15.9	-1.3%	0.6%
Fleet services (including government motor transport)	8.0	6.1	7.5	10.6	9.8%	0.4%	15.4	5.1	5.4	-19.9%	0.3%
Consumables: Stationery, printing and office supplies	2.3	2.4	2.8	5.4	32.8%	0.1%	7.4	4.2	4.4	-6.4%	0.2%
Travel and subsistence	25.5	15.3	12.7	18.8	-9.8%	0.8%	21.1	17.6	19.5	1.2%	0.7%

**Table 24.10 Agricultural Production, Health and Food Safety expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19					2018/19 - 2021/22	
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 541.3</b>	<b>1 306.1</b>	<b>1 538.5</b>	<b>1 585.2</b>	<b>0.9%</b>	<b>68.9%</b>	<b>1 807.4</b>	<b>1 909.7</b>	<b>2 000.7</b>	<b>8.1%</b>	<b>68.7%</b>
Provinces and municipalities	466.9	491.5	522.3	552.5	5.8%	23.5%	583.4	615.5	653.0	5.7%	22.6%
Departmental agencies and accounts	804.1	813.2	974.8	1 031.3	8.6%	41.8%	1 223.9	1 294.1	1 347.6	9.3%	46.1%
Public corporations and private enterprises	268.4	0.0	0.0	–	-100.0%	3.1%	–	–	–	–	–
Households	1.9	1.3	41.4	1.3	-10.5%	0.5%	0.1	0.1	0.1	-57.9%	–
<b>Payments for capital assets</b>	<b>82.4</b>	<b>24.4</b>	<b>26.9</b>	<b>29.7</b>	<b>-28.8%</b>	<b>1.9%</b>	<b>22.2</b>	<b>2.3</b>	<b>2.4</b>	<b>-56.9%</b>	<b>0.5%</b>
Buildings and other fixed structures	–	–	–	–	–	–	8.5	–	–	–	0.1%
Machinery and equipment	82.4	24.4	8.7	29.7	-28.8%	1.7%	13.7	2.3	2.4	-56.9%	0.5%
Software and other intangible assets	–	–	18.2	–	–	0.2%	–	–	–	–	–
<b>Payments for financial assets</b>	<b>0.4</b>	<b>0.1</b>	<b>0.3</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>2 143.0</b>	<b>1 927.0</b>	<b>2 230.7</b>	<b>2 364.5</b>	<b>3.3%</b>	<b>100.0%</b>	<b>2 642.5</b>	<b>2 741.2</b>	<b>2 885.2</b>	<b>6.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>33.5%</b>	<b>29.7%</b>	<b>33.2%</b>	<b>30.6%</b>	<b>13.0%</b>	<b>29.2%</b>	<b>34.5%</b>	<b>34.6%</b>	<b>34.2%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>691.5</b>	<b>694.6</b>	<b>850.2</b>	<b>899.6</b>	<b>9.2%</b>	<b>36.2%</b>	<b>954.8</b>	<b>1 007.3</b>	<b>1 062.7</b>	<b>5.7%</b>	<b>36.9%</b>
Agricultural Research Council	691.5	694.6	850.2	899.6	9.2%	36.2%	954.8	1 007.3	1 062.7	5.7%	36.9%
<b>Capital</b>	<b>112.6</b>	<b>118.6</b>	<b>124.6</b>	<b>131.8</b>	<b>5.4%</b>	<b>5.6%</b>	<b>269.2</b>	<b>286.8</b>	<b>284.9</b>	<b>29.3%</b>	<b>9.1%</b>
Agricultural Research Council	112.6	118.6	124.6	131.8	5.4%	5.6%	269.2	286.8	284.9	29.3%	9.1%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>–</b>	<b>–</b>	<b>40.0</b>	<b>–</b>	<b>-100.0%</b>	<b>0.5%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Avian Influenza Outbreak: Farmer support	–	–	40.0	–	–	0.5%	–	–	–	–	–
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>268.4</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>3.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Onderstepoort Biological Products	268.4	–	–	–	-100.0%	3.1%	–	–	–	–	–
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>466.7</b>	<b>491.4</b>	<b>522.1</b>	<b>552.4</b>	<b>5.8%</b>	<b>23.5%</b>	<b>583.4</b>	<b>615.4</b>	<b>653.0</b>	<b>5.7%</b>	<b>22.6%</b>
Ilhima/Letsema projects grant	466.7	491.4	522.1	552.4	5.8%	23.5%	583.4	615.4	653.0	5.7%	22.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Food Security and Agrarian Reform

### Programme purpose

Facilitate and promote food security and agrarian reform programmes and initiatives.

### Objectives

- Coordinate the implementation of the national policy on food and nutrition security by March 2022 by:
  - providing production inputs such as seeds and fertilisers to increase the number of households benefitting from food production initiatives to 200 000
  - cultivating 360 000 hectares of underutilised land in communal areas and land reform projects for food production.

- Improve delivery capacity in support of sustainable growth in the agriculture, forestry and fisheries sectors by:
  - implementing policies to develop capacity in the sectors, such as the national agriculture, forestry and fisheries training and education strategy, and the national policy on extension and advisory services on an ongoing basis
  - facilitating collaborations with commodity organisations to build the capacity of 100 extension practitioners (which entails providing technical support/advice to farmers on farming activities to assist them with making efficient, productive and sustainable use of their land and other agrarian resources) by March 2022
  - providing strategic leadership and support, such as research, training and extension services, to targeted subsistence and smallholder producers in the agriculture, forestry and fisheries sectors by transforming all agricultural colleges into agricultural training institutions by March 2022.
- Coordinate comprehensive support systems and programmes provided to producers by:
  - providing support to 145 000 subsistence and smallholder producers per year
  - supporting the commercialisation of 450 smallholder producers per year
  - placing 255 unemployed agricultural graduates in farms annually
  - providing support through access to resources for agribusiness development on an ongoing basis.

### Subprogrammes

- *Management* oversees and manages the programme.
- *Food Security* provides national frameworks to promote the sustainable household food security programme by improving the production systems of subsistence and smallholder producers in the agriculture, forestry and fisheries sectors; and facilitates the provision of production inputs, tools and infrastructure support.
- *Sector Capacity Development* provides education and training to promote the transformation of colleges of agriculture into centres of excellence. This is achieved by implementing the agriculture, forestry and fisheries national education and training strategy; promoting the development of agriculture training institutes as centres of excellence; and implementing a coordinated plan to track sector transformation in line with government objectives.
- *National Extension Support Services* develops and coordinates the implementation of national extension policies, and norms and standards on the transfer of technology. This subprogramme also provides strategic leadership and guidance for the planning, coordination and implementation of extension and advisory services in the sector.

### Expenditure trends and estimates

**Table 24.11 Food Security and Agrarian Reform expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Management	4.0	4.7	4.5	15.0	55.1%	0.4%	16.4	17.3	18.3	6.8%	0.7%
Food Security	1 270.8	1 250.2	1 314.6	1 419.2	3.8%	67.8%	1 593.9	1 635.4	1 766.8	7.6%	70.3%
Sector Capacity Development	260.2	247.4	230.9	216.8	-5.9%	12.3%	225.2	245.1	262.0	6.5%	10.4%
National Extension Support Services	371.8	376.8	375.6	386.8	1.3%	19.5%	401.6	433.9	468.7	6.6%	18.5%
<b>Total</b>	<b>1 906.8</b>	<b>1 879.0</b>	<b>1 925.6</b>	<b>2 037.8</b>	<b>2.2%</b>	<b>100.0%</b>	<b>2 237.0</b>	<b>2 331.7</b>	<b>2 515.7</b>	<b>7.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(0.1)			(68.0)	(37.4)	(18.4)		

**Table 24.11 Food Security and Agrarian Reform expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2015/16	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22			2018/19 - 2021/22
	R million							2018/19	2021/22				
<b>Current payments</b>	<b>229.9</b>	<b>218.9</b>	<b>239.2</b>	<b>256.6</b>	<b>3.7%</b>	<b>12.2%</b>	<b>277.7</b>	<b>292.8</b>	<b>310.9</b>	<b>6.6%</b>	<b>12.5%</b>		
Compensation of employees	131.1	142.6	151.8	168.1	8.6%	7.7%	184.6	198.3	211.2	7.9%	8.4%		
Goods and services <sup>1</sup>	98.7	76.3	87.4	88.5	-3.6%	4.5%	93.1	94.5	99.8	4.1%	4.1%		
<i>of which:</i>													
Communication	2.0	1.8	2.0	2.0	1.0%	0.1%	2.2	2.3	2.4	5.4%	0.1%		
Fleet services (including government motor transport)	2.0	1.8	2.3	1.9	-1.2%	0.1%	1.9	2.1	2.2	3.9%	0.1%		
Inventory: Farming supplies	1.3	1.9	1.6	1.7	8.4%	0.1%	2.1	2.3	2.4	12.8%	0.1%		
Travel and subsistence	18.8	15.9	15.7	28.5	14.9%	1.0%	25.2	26.1	27.6	-1.0%	1.2%		
Training and development	23.4	30.6	37.0	31.7	10.7%	1.6%	35.6	38.1	40.2	8.2%	1.6%		
Venues and facilities	1.2	2.1	0.7	12.2	117.1%	0.2%	12.7	13.4	14.1	5.0%	0.6%		
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 606.3</b>	<b>1 594.2</b>	<b>1 639.3</b>	<b>1 747.0</b>	<b>2.8%</b>	<b>85.0%</b>	<b>1 921.8</b>	<b>1 999.2</b>	<b>2 162.7</b>	<b>7.4%</b>	<b>85.8%</b>		
Provinces and municipalities	1 581.4	1 565.4	1 507.2	1 595.2	0.3%	80.6%	1 478.3	1 676.3	1 814.1	4.4%	72.0%		
Public corporations and private enterprises	5.6	6.0	106.2	126.6	182.2%	3.2%	417.7	295.8	320.1	36.2%	12.7%		
Households	19.2	22.9	25.9	25.1	9.3%	1.2%	25.7	27.1	28.6	4.4%	1.2%		
<b>Payments for capital assets</b>	<b>70.3</b>	<b>65.5</b>	<b>46.9</b>	<b>34.3</b>	<b>-21.3%</b>	<b>2.8%</b>	<b>37.5</b>	<b>39.7</b>	<b>42.0</b>	<b>7.0%</b>	<b>1.7%</b>		
Buildings and other fixed structures	34.3	43.3	32.8	32.2	-2.1%	1.8%	33.6	35.7	37.8	5.5%	1.5%		
Machinery and equipment	35.9	22.0	14.0	2.0	-61.6%	1.0%	4.0	4.0	4.2	27.7%	0.2%		
Biological assets	-	0.2	0.0	-	-	-	-	-	-	-	-		
Software and other intangible assets	0.1	0.0	0.1	0.0	-60.0%	-	-	-	-	-100.0%	-		
<b>Payments for financial assets</b>	<b>0.3</b>	<b>0.4</b>	<b>0.1</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Total</b>	<b>1 906.8</b>	<b>1 879.0</b>	<b>1 925.6</b>	<b>2 037.8</b>	<b>-21.3%</b>	<b>2.8%</b>	<b>2 237.0</b>	<b>2 331.7</b>	<b>2 515.7</b>	<b>7.3%</b>	<b>100.0%</b>		
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>29.8%</b>	<b>28.9%</b>	<b>28.6%</b>	<b>26.4%</b>	<b>-</b>	<b>-</b>	<b>29.2%</b>	<b>29.4%</b>	<b>29.9%</b>	<b>-</b>	<b>-</b>		
<b>Details of selected transfers and subsidies</b>													
<b>Households</b>													
<b>Other transfers to households</b>													
<b>Current</b>	<b>18.3</b>	<b>21.8</b>	<b>24.6</b>	<b>24.7</b>	<b>10.5%</b>	<b>1.2%</b>	<b>25.7</b>	<b>27.1</b>	<b>28.5</b>	<b>4.9%</b>	<b>1.2%</b>		
Claims against the state	0.0	0.0	0.2	-	-100.0%	-	-	-	-	-	-		
Agricultural colleges	1.9	1.5	1.8	1.8	-1.9%	0.1%	1.9	2.0	2.1	5.5%	0.1%		
Grootfontein Agricultural Development Institute: Studies	1.4	1.4	1.5	1.6	4.8%	0.1%	1.7	1.8	1.9	5.4%	0.1%		
Female entrepreneur of the year awards	0.6	-	0.9	0.3	-18.3%	-	0.3	0.3	0.3	-5.9%	-		
National Student Financial Aid Scheme	14.5	18.9	20.0	20.6	12.5%	1.0%	21.6	22.8	24.1	5.3%	1.0%		
Gifts and donations: Youth in Agriculture, Forestry and Fisheries Awards	-	-	0.3	0.4	-	-	0.3	0.3	0.3	-14.5%	-		
<b>Public corporations and private enterprises</b>													
<b>Public corporations</b>													
<b>Other transfers to public corporations</b>													
<b>Current</b>	<b>5.6</b>	<b>5.9</b>	<b>106.2</b>	<b>126.6</b>	<b>182.4%</b>	<b>3.2%</b>	<b>417.7</b>	<b>295.8</b>	<b>320.1</b>	<b>36.2%</b>	<b>12.7%</b>		
Land and Agricultural Development Bank of South Africa	-	-	100.0	120.0	-	2.8%	417.7	295.8	320.1	38.7%	12.6%		
Ncera Farms	5.6	5.9	6.2	6.6	5.5%	0.3%	-	-	-	-100.0%	0.1%		
<b>Provinces and municipalities</b>													
<b>Provinces</b>													
<b>Provincial revenue funds</b>													
<b>Current</b>	<b>1 581.1</b>	<b>1 565.1</b>	<b>1 506.9</b>	<b>1 594.9</b>	<b>0.3%</b>	<b>80.6%</b>	<b>1 478.0</b>	<b>1 676.0</b>	<b>1 813.7</b>	<b>4.4%</b>	<b>71.9%</b>		
Comprehensive agricultural support programme grant: Infrastructure	1 167.8	1 148.1	1 112.1	1 164.8	-0.1%	59.3%	1 032.9	1 190.6	1 288.5	3.4%	51.3%		
Comprehensive agricultural support programme grant: Extension recovery planning services	343.9	346.1	337.9	355.6	1.1%	17.9%	368.6	398.8	431.6	6.7%	17.0%		
Comprehensive agricultural support programme grant: Upgrading of provincial agricultural colleges	69.5	70.8	56.8	74.5	2.3%	3.5%	76.6	86.5	93.6	7.9%	3.6%		

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Trade Promotion and Market Access

### Programme purpose

Promote economic development, trade and market access for agricultural, forestry and fisheries products; and foster international relations for the sector.

### Objectives

- Promote and facilitate market access and the processing of agriculture, forestry and fisheries products by upskilling 245 agro-processing entrepreneurs on norms and standards for agro-processing by March 2022.
- Provide technical sector leadership in trade negotiations and implement trade agreements to improve market access by linking producers to high-value markets by March 2022.
- Build national skills capabilities in international market research by providing for the transfer of marketing skills to small and medium agro-processing entrepreneurs by March 2022.

### Subprogrammes

- *Management* oversees and manages the programme.
- *International Relations and Trade* facilitates and coordinates international relations and trade through negotiations, and the development and implementation of appropriate policies and programmes.
- *Cooperatives and Rural Enterprise Development* facilitates and supports the development of businesses to ensure the transformation of the agriculture, forestry and fisheries sectors.
- *Agro-processing and Marketing* develops and implements support programmes to promote market access and value addition for agriculture, forestry and fisheries products.

### Expenditure trends and estimates

**Table 24.12 Trade Promotion and Market Access expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Management	3.1	3.3	1.0	5.2	17.9%	1.1%	5.7	6.0	6.4	7.4%	1.9%
International Relations and Trade	114.0	136.5	144.4	127.4	3.8%	47.5%	135.6	144.5	153.2	6.4%	46.7%
Cooperatives and Rural Enterprise Development	64.3	114.8	68.8	74.5	5.0%	29.3%	79.1	83.9	88.8	6.0%	27.2%
Agro-processing and Marketing	55.3	55.9	64.4	66.9	6.5%	22.1%	70.5	74.7	79.0	5.7%	24.2%
<b>Total</b>	<b>236.8</b>	<b>310.5</b>	<b>278.7</b>	<b>273.9</b>	<b>5.0%</b>	<b>100.0%</b>	<b>290.9</b>	<b>309.1</b>	<b>327.4</b>	<b>6.1%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			(0.4)	(0.4)	(0.5)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>125.8</b>	<b>139.6</b>	<b>155.6</b>	<b>144.4</b>	<b>4.7%</b>	<b>51.4%</b>	<b>156.9</b>	<b>167.8</b>	<b>178.3</b>	<b>7.3%</b>	<b>53.9%</b>
Compensation of employees	94.4	106.4	116.8	110.0	5.2%	38.9%	118.3	127.4	135.7	7.3%	40.9%
Goods and services <sup>1</sup>	31.5	33.3	38.7	34.5	3.1%	12.5%	38.6	40.4	42.6	7.3%	13.0%
<i>of which:</i>											
<i>Administrative fees</i>	0.7	1.0	0.8	0.7	4.2%	0.3%	2.1	2.2	2.3	45.1%	0.6%
<i>Agency and support/outsourced services</i>	1.7	0.7	0.8	8.2	70.0%	1.0%	10.2	10.7	11.3	11.5%	3.4%
<i>Consumables: Stationery, printing and office supplies</i>	0.6	0.6	0.7	1.2	24.6%	0.3%	1.4	1.5	1.6	9.1%	0.5%
<i>Operating leases</i>	6.0	9.3	12.0	2.0	-30.9%	2.6%	2.3	1.8	1.9	-0.9%	0.7%
<i>Travel and subsistence</i>	11.4	11.0	11.5	13.2	5.0%	4.3%	14.6	15.2	16.0	6.7%	4.9%
<i>Operating payments</i>	6.8	6.7	8.1	3.8	-17.4%	2.3%	3.3	3.6	3.8	-0.8%	1.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>110.3</b>	<b>170.2</b>	<b>122.6</b>	<b>129.0</b>	<b>5.4%</b>	<b>48.4%</b>	<b>133.7</b>	<b>141.0</b>	<b>148.8</b>	<b>4.9%</b>	<b>46.0%</b>
Departmental agencies and accounts	36.5	35.3	41.9	43.2	5.8%	14.3%	45.3	47.7	50.4	5.2%	15.5%
Foreign governments and international organisations	31.9	42.3	35.6	38.5	6.4%	13.5%	39.7	41.9	44.2	4.7%	13.7%
Public corporations and private enterprises	40.7	92.4	44.6	47.2	5.0%	20.4%	48.7	51.4	54.2	4.7%	16.8%
Non-profit institutions	1.0	-	0.2	-	-100.0%	0.1%	-	-	-	-	-
Households	0.3	0.2	0.4	0.1	-25.9%	0.1%	-	-	-	-100.0%	-

**Table 24.12 Trade Promotion and Market Access expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
<b>Payments for capital assets</b>	<b>0.6</b>	<b>0.6</b>	<b>0.5</b>	<b>0.5</b>	<b>-5.5%</b>	<b>0.2%</b>	<b>0.3</b>	<b>0.4</b>	<b>0.4</b>	<b>-9.2%</b>	<b>0.1%</b>
Machinery and equipment	0.6	0.6	0.5	0.5	-5.5%	0.2%	0.3	0.4	0.4	-9.2%	0.1%
<b>Total</b>	<b>236.8</b>	<b>310.5</b>	<b>278.7</b>	<b>273.9</b>	<b>5.0%</b>	<b>100.0%</b>	<b>290.9</b>	<b>309.1</b>	<b>327.4</b>	<b>6.1%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>3.7%</b>	<b>4.8%</b>	<b>4.1%</b>	<b>3.5%</b>	<b>-</b>	<b>-</b>	<b>3.8%</b>	<b>3.9%</b>	<b>3.9%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>36.5</b>	<b>35.3</b>	<b>41.9</b>	<b>43.2</b>	<b>5.8%</b>	<b>14.3%</b>	<b>45.3</b>	<b>47.7</b>	<b>50.4</b>	<b>5.2%</b>	<b>15.5%</b>
National Agricultural Marketing Council	34.6	35.0	41.9	43.2	7.7%	14.1%	45.3	47.7	50.4	5.2%	15.5%
Small Enterprise Development Agency	1.8	0.3	-	-	-100.0%	0.2%	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>	<b>40.7</b>	<b>92.4</b>	<b>44.6</b>	<b>47.2</b>	<b>5.0%</b>	<b>20.4%</b>	<b>48.7</b>	<b>51.4</b>	<b>54.2</b>	<b>4.7%</b>	<b>16.8%</b>
Land and Agricultural Development Bank of South Africa	36.8	88.2	40.2	42.5	5.0%	18.9%	43.8	46.2	48.7	4.6%	15.1%
Forest Sector Charter Council	3.9	4.2	4.4	4.7	5.9%	1.6%	4.9	5.2	5.5	5.5%	1.7%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>31.9</b>	<b>42.3</b>	<b>35.6</b>	<b>38.5</b>	<b>6.4%</b>	<b>13.5%</b>	<b>39.7</b>	<b>41.9</b>	<b>44.2</b>	<b>4.7%</b>	<b>13.7%</b>
Consultative Group on International Agricultural Research	6.4	7.0	6.0	7.3	4.6%	2.4%	8.4	8.5	9.0	7.2%	2.8%
International Union for the Protection of New Varieties of Plants	0.7	0.8	0.7	0.9	9.1%	0.3%	0.9	1.0	1.0	5.5%	0.3%
International Commission of Agricultural Engineering	-	0.0	-	0.0	-	-	0.0	0.0	0.0	1.6%	-
Food and Agriculture Organisation of the United Nations	21.0	30.1	24.4	24.8	5.7%	9.1%	25.5	26.8	28.3	4.5%	8.8%
Foreign rates and taxes	0.3	0.5	0.5	0.6	24.7%	0.2%	0.7	0.8	0.8	11.9%	0.2%
International Cotton Advisory Council	0.3	0.4	0.3	0.3	-1.2%	0.1%	0.3	0.3	0.3	6.3%	0.1%
International Dairy Federation	0.1	0.1	0.1	0.1	-	-	0.1	0.1	0.1	-	-
International Grains Council	0.2	0.2	0.2	0.2	-2.4%	0.1%	0.2	0.3	0.3	9.7%	0.1%
International Seed Testing Association	0.1	0.1	0.2	0.2	22.9%	0.1%	0.2	0.3	0.3	24.6%	0.1%
International Organisation of Vine and Wine	0.8	1.0	0.8	0.9	2.6%	0.3%	0.8	0.9	0.9	2.9%	0.3%
World Organisation for Animal Health	1.6	1.6	1.8	1.7	1.5%	0.6%	1.9	2.0	2.1	7.5%	0.6%
Organisation for Economic Cooperation and Development	0.2	0.2	0.3	1.3	101.2%	0.2%	0.5	0.6	0.6	-22.9%	0.2%
Commonwealth Agricultural Bureau International	0.3	0.3	0.3	0.3	-3.1%	-	0.3	0.4	0.4	9.1%	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.



## Programme 5: Forestry and Natural Resources Management

### Programme purpose

Develop and facilitate the implementation of policies and targeted programmes to ensure the proper management of forests, and the sustainable use and protection of land and water. Manage agricultural risks and disasters.

### Objectives

- Ensure increased production and productivity in prioritised areas and value chains over the medium term by:
  - replanting 3 670 hectares of temporary unplanted areas
  - recommissioning Western Cape state forest plantations.
- Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources by March 2022 by:
  - restoring and rehabilitating 48 900 hectares
  - restoring and rehabilitating 1 500 hectares of state indigenous forests and woodlands
  - implementing 3 projects to support the revitalisation of irrigation schemes.
- Ensure adaptation to climate change and the mitigation of its effects through the effective implementation of prescribed frameworks by:
  - implementing and reviewing the climate change mitigation and adaptation plan for agriculture, forestry and fisheries by 2021/22
  - monitoring the implementation of the climate smart agriculture strategic framework for agriculture, forestry and fisheries on an ongoing basis.

### Subprogrammes

- *Management* oversees and manages the programme.
- *Forestry Operations* ensures the sustainable management of state forests and other assets, such as state nurseries, to optimise social and economic benefits in rural areas and promote the sector's growth throughout South Africa.
- *Forestry Oversight and Regulation* provides leadership, advice and direction in the formulation of forestry development and regulation policies, strategies and frameworks; and ensures the effective promotion and development of small-scale and commercial forestry.
- *Natural Resources Management* facilitates the development of infrastructure and the sustainable use of natural resources through an enabling framework for the sustainable management of woodlands and indigenous forests, and the efficient development and revitalisation of irrigation schemes and water use. This subprogramme also facilitates climate change mitigation and adaptation, risk and disaster management; and promotes, regulates and coordinates the sustainable use of natural resources, particularly land and water.

### Expenditure trends and estimates

**Table 24.13 Forestry and Natural Resources Management expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Management	25.4	4.8	3.2	9.1	-29.1%	0.9%	9.6	10.2	10.8	6.1%	0.8%
Forestry Operations	440.2	438.8	449.9	485.7	3.3%	40.2%	536.5	573.8	609.6	7.9%	45.8%
Forestry Oversight and Regulation	52.9	52.9	55.8	59.2	3.8%	4.9%	63.1	67.3	71.5	6.5%	5.4%
Natural Resources Management	343.7	581.2	451.7	1 063.2	45.7%	54.0%	429.8	394.2	418.0	-26.7%	47.9%
<b>Total</b>	<b>862.3</b>	<b>1 077.7</b>	<b>960.5</b>	<b>1 617.1</b>	<b>23.3%</b>	<b>100.0%</b>	<b>1 039.1</b>	<b>1 045.6</b>	<b>1 109.9</b>	<b>-11.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				542.0			(7.0)	(1.8)	(1.9)		

**Table 24.13 Forestry and Natural Resources Management expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Current payments</b>	<b>672.3</b>	<b>873.1</b>	<b>695.0</b>	<b>865.7</b>	<b>8.8%</b>	<b>68.8%</b>	<b>849.4</b>	<b>907.6</b>	<b>964.5</b>	<b>3.7%</b>	<b>74.6%</b>
Compensation of employees	503.7	516.3	533.0	574.8	4.5%	47.1%	621.5	668.1	711.6	7.4%	53.5%
Goods and services <sup>1</sup>	168.7	356.6	161.3	289.4	19.7%	21.6%	226.4	237.9	251.2	-4.6%	20.9%
<i>of which:</i>											
<i>Consultants: Business and advisory services</i>	15.5	12.0	8.6	79.3	72.2%	2.6%	16.9	18.0	18.9	-37.9%	2.8%
<i>Agency and support/outsourced services</i>	17.7	18.2	14.6	27.2	15.4%	1.7%	40.4	41.4	43.5	17.0%	3.2%
<i>Fleet services (including government motor transport)</i>	8.1	6.3	10.8	10.8	9.7%	0.8%	13.0	14.6	15.4	12.6%	1.1%
<i>Inventory: Farming supplies</i>	16.2	217.7	21.7	22.4	11.4%	6.2%	29.8	31.1	33.1	14.0%	2.4%
<i>Property payments</i>	13.5	20.1	29.3	20.9	15.7%	1.9%	29.2	29.8	31.5	14.6%	2.3%
<i>Travel and subsistence</i>	37.0	33.5	31.7	30.4	-6.4%	2.9%	33.1	35.8	38.0	7.8%	2.9%
<i>Interest and rent on land</i>	-	0.3	0.7	1.4	-	0.1%	1.5	1.6	1.7	5.3%	0.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>142.5</b>	<b>158.0</b>	<b>222.1</b>	<b>706.3</b>	<b>70.5%</b>	<b>27.2%</b>	<b>144.4</b>	<b>88.6</b>	<b>93.5</b>	<b>-49.0%</b>	<b>21.5%</b>
Provinces and municipalities	124.3	146.8	213.5	702.5	78.1%	26.3%	143.4	87.6	92.4	-49.1%	21.3%
Public corporations and private enterprises	0.0	0.1	-	-	-100.0%	-	-	-	-	-	-
Non-profit institutions	8.3	0.2	0.1	0.6	-100.0%	-	0.4	0.4	0.4	-	-
Households	9.9	10.9	8.5	3.3	-59.5%	0.2%	0.6	0.6	0.6	-10.1%	-
<b>Payments for capital assets</b>	<b>47.0</b>	<b>46.2</b>	<b>43.4</b>	<b>45.2</b>	<b>-1.3%</b>	<b>4.0%</b>	<b>45.2</b>	<b>49.3</b>	<b>52.0</b>	<b>4.8%</b>	<b>4.0%</b>
Buildings and other fixed structures	-	2.6	2.2	3.3	-	0.2%	3.0	3.5	3.5	1.8%	0.3%
Machinery and equipment	47.0	43.6	41.3	41.8	-3.8%	3.8%	42.2	45.8	48.5	5.1%	3.7%
Software and other intangible assets	-	0.1	0.0	0.0	-	-	-	-	-	-100.0%	-
<b>Payments for financial assets</b>	<b>0.4</b>	<b>0.3</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>862.3</b>	<b>1 077.7</b>	<b>960.5</b>	<b>1 617.1</b>	<b>23.3%</b>	<b>100.0%</b>	<b>1 039.1</b>	<b>1 045.6</b>	<b>1 109.9</b>	<b>-11.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>13.5%</b>	<b>16.6%</b>	<b>14.3%</b>	<b>20.9%</b>	<b>-</b>	<b>-</b>	<b>13.6%</b>	<b>13.2%</b>	<b>13.2%</b>	<b>-</b>	<b>-</b>

**Details of selected transfers and subsidies**

<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>0.7</b>	<b>0.8</b>	<b>0.8</b>	<b>0.9</b>	<b>6.1%</b>	<b>0.1%</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9%</b>	<b>0.1%</b>
Vehicle licences	0.2	0.3	0.3	0.3	5.9%	-	0.3	0.3	0.3	2.8%	-
National Arbor City Awards	0.5	0.5	0.5	0.6	6.3%	-	0.6	0.6	0.6	-	-
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>123.6</b>	<b>146.0</b>	<b>212.7</b>	<b>701.6</b>	<b>78.4%</b>	<b>26.2%</b>	<b>142.6</b>	<b>86.8</b>	<b>91.5</b>	<b>-49.3%</b>	<b>21.3%</b>
Land care programme grant	65.0	69.3	73.6	277.9	62.3%	10.8%	82.2	86.8	91.5	-30.9%	11.2%
Comprehensive agricultural support programme grant: Disasters (Flood damaged infrastructure)	58.6	76.7	139.1	155.9	38.6%	9.5%	60.3	-	-	-100.0%	4.5%
Comprehensive agricultural support programme grant: Disasters (Drought relief)	-	-	-	266.5	-	5.9%	-	-	-	-100.0%	5.5%
Comprehensive agricultural support programme grant: Disasters (Fire damaged infrastructure)	-	-	-	1.3	-	-	-	-	-	-100.0%	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

**Programme 6: Fisheries****Programme purpose**

- Promote the development, management, monitoring and sustainable use of marine living resources and the development of the fisheries sector.

## Objectives

- Ensure increased production and productivity in prioritised areas and value chains over the medium term by:
  - supporting 36 Operation Phakisa aquaculture projects
  - conducting 2 new research studies on the reproduction of species used in aquaculture
  - supporting 4 catalyst aquaculture projects under Operation Phakisa.
- Ensure the development and regulation of aquaculture as an agricultural enterprise by coordinating the implementation of the Aquaculture Development Act, once enacted, by March 2022.
- Lead and coordinate government food security initiatives over the medium term by:
  - developing sector-specific policies and allocating rights in the abalone sector
  - reviewing policies and application forms for 12 fishing sectors
  - allocating rights to registered small-scale fisheries cooperatives.
- Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources by:
  - developing recovery plans in priority fish stocks, such as abalone and West Coast rock lobster, by March 2022
  - compiling 2 research reports on the conservation, protection and rehabilitation of fish stocks for abalone and West Coast rock lobster by March 2022
  - conducting 4 500 compliance and enforcement measures in the 6 prioritised fisheries sectors (abalone, West Coast rock lobster, line fish, deep water hake, pelagic and squid) over the medium term
  - creating 1 085 job opportunities (544 full-time equivalent jobs) in the Working for Fisheries programme by March 2022.

## Subprogrammes

- *Management* oversees and manages the programme.
- *Aquaculture* ensures the growth and economic development of the aquaculture and fisheries industries for sustainable livelihoods by providing public support and an integrated platform for the management of aquaculture.
- *Monitoring Control and Surveillance* ensures the protection, promotion and sustainable use of marine living resources by intensifying enforcement and compliance.
- *Marine Resources Management* ensures the sustainable, equitable and orderly use of and access to marine living resources through improved management and regulation.
- *Fisheries Research and Development* ensures the promotion of the sustainable development of fisheries resources and ecosystems by conducting and supporting appropriate research.
- *Marine Living Resources Fund* receives transfers for the management and sustainable use of marine living resources to supplement the revenue received from levies on fish and fish products, permits, licences and application fees, as well as proceeds from the sale of confiscated fish and fish products.

## Expenditure trends and estimates

**Table 24.14 Fisheries expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average Expenditure/ Total (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22
R million											
Management	2.1	2.8	3.1	3.2	14.6%	0.6%	3.5	3.7	4.0	7.2%	0.7%
Aquaculture	33.8	40.7	43.9	39.8	5.6%	8.2%	42.8	46.1	49.0	7.2%	8.3%
Monitoring Control and Surveillance	87.2	93.3	102.3	89.2	0.8%	19.3%	96.0	103.2	109.9	7.2%	18.6%
Marine Resources Management	20.3	21.4	21.7	23.5	4.9%	4.5%	25.3	27.2	28.9	7.2%	4.9%
Fisheries Research and Development	63.8	68.2	72.1	72.3	4.3%	14.3%	77.8	83.7	89.1	7.2%	15.0%
Marine Living Resources Fund	258.6	241.8	261.7	259.7	0.1%	53.0%	274.3	289.4	305.3	5.5%	52.6%
<b>Total</b>	<b>465.9</b>	<b>468.1</b>	<b>504.7</b>	<b>487.8</b>	<b>1.5%</b>	<b>100.0%</b>	<b>519.7</b>	<b>553.2</b>	<b>586.3</b>	<b>6.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			–	–	–		

**Table 24.14 Fisheries expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Current payments</b>	<b>207.0</b>	<b>226.1</b>	<b>242.4</b>	<b>227.6</b>	<b>3.2%</b>	<b>46.9%</b>	<b>245.4</b>	<b>263.9</b>	<b>281.0</b>	<b>7.3%</b>	<b>47.4%</b>
Compensation of employees	207.0	226.1	242.4	227.6	3.2%	46.9%	245.4	263.9	281.0	7.3%	47.4%
<b>Transfers and subsidies<sup>1</sup></b>	<b>258.8</b>	<b>241.9</b>	<b>262.3</b>	<b>260.2</b>	<b>0.2%</b>	<b>53.1%</b>	<b>274.3</b>	<b>289.4</b>	<b>305.3</b>	<b>5.5%</b>	<b>52.6%</b>
Departmental agencies and accounts	258.6	241.8	261.7	259.7	0.1%	53.0%	274.3	289.4	305.3	5.5%	52.6%
Households	0.2	0.2	0.6	0.5	31.0%	0.1%	–	–	–	-100.0%	–
<b>Total</b>	<b>465.9</b>	<b>468.1</b>	<b>504.7</b>	<b>487.8</b>	<b>-100.0%</b>	<b>–</b>	<b>519.7</b>	<b>553.2</b>	<b>586.3</b>	<b>–</b>	<b>–</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>7.3%</b>	<b>7.2%</b>	<b>7.5%</b>	<b>6.3%</b>	<b>–</b>	<b>–</b>	<b>6.8%</b>	<b>7.0%</b>	<b>7.0%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>258.6</b>	<b>241.8</b>	<b>261.7</b>	<b>259.7</b>	<b>0.1%</b>	<b>53.0%</b>	<b>274.3</b>	<b>289.4</b>	<b>305.3</b>	<b>5.5%</b>	<b>52.6%</b>
Marine Living Resources Fund	258.6	241.8	261.7	259.7	0.1%	53.0%	274.3	289.4	305.3	5.5%	52.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entity

### Agricultural Research Council

#### Mandate

The Agricultural Research Council was established in terms of the Agricultural Research Act (1990) and is the main agricultural research institution in South Africa. In terms of the act, the council's primary mandate is to conduct research and development, and effect the transfer of technology to promote agriculture and industry, contribute to a better quality of life, and facilitate and ensure conservation of natural resources.

#### Selected performance indicators

**Table 24.15 Agricultural Research Council performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of peer reviewed scientific publications in crop production per year	Crop production, improvement and protection	Outcome 7: Comprehensive rural development and land reform	94	160	153	111	114	98	98
Number of cultivars registered per year	Crop production, improvement and protection		23	5	7	9	6	9	9
Number of diagnostic and analytical services rendered per year	Crop production, improvement and protection		802	741	723	861	906	948	948
Number of technical reports produced per year	Agro-processing, food technology and safety		67	100	110	97	87	85	85
Number of scientific publications per year <sup>1</sup>	Agriculture economics and commercialisation		6	8	13	10	16	16	16
Number of smallholder farmers supported per year	Smallholder agricultural development		730	1 577	1 271	813	907	967	967
Number of smallholder farmers participating in the Kaonafatso ya Dikgomo animal improvement scheme per year	Smallholder agricultural development		8 430	8 404	8 676	9 000	9 500	10 450	10 450

1. Old indicator selected for publication in the 2019 Estimates of National Expenditure.

#### Expenditure analysis

Over the medium term, the Agricultural Research Council will focus on generating knowledge and technologies to enhance crop production, and animal production and health; managing natural resources; and conducting research and development. In line with its mandate, the council provides training, transfers technological innovations and shares the knowledge it generates through research with farmers and other interested stakeholders.

Over the next three years, the council plans to construct a foot-and-mouth disease vaccine production facility, for which R400 million has been allocated

This facility is expected to improve the country's vaccine research capacity and biosecurity against the disease, and ultimately improve the red meat industry and increase employment in the sector. It will include a biosafety level-3 diagnostics laboratory for controlling virus strains, and offer young scientists skills development training in the management of highly contagious animal diseases. In addition to work on vaccines for foot-and-mouth disease, this facility will enable the council to conduct clinical trials for the development of vaccines for tick-borne heart-water disease, lumpy skin disease, goat pox, sheep pox and goat plague.

The council aims to support the participation of at least 1 240 farmers in animal production, nutrition and health improvement schemes over the medium term, for which it has set aside an estimated R90 million of its operational budget. A further R68 million over the period is allocated to conduct a projected 2 802 diagnostic and analytical services in the crop production and improvement schemes, and producing 310 peer reviewed scientific publications per year.

To support its research functions and international agriculture research and development obligations, the council plans to spend an estimated R3.9 million on maintaining national assets such as gene banks for vaccine development and pest identification; and providing diagnostic and analytical services on behalf of the department and industry stakeholders. The council's total projected expenditure over the medium term is R4.7 billion.

As its work is labour intensive, requiring research and technical experts, spending on the compensation of employees accounts for an estimated 61.3 per cent (R2.9 billion) of expenditure over the medium term, increasing at an average annual rate of 5.1 per cent, from R867.4 million in 2018/19 to R1 billion in 2021/22. Transfers from the Department of Agriculture, Forestry and Fisheries, and the Department of Science and Technology amount to 67.6 per cent (R3.4 billion) of the council's total revenue over the medium term. The remaining revenue is generated from services rendered, sales and rent.

### Programmes/Objectives/Activities

**Table 24.16 Agricultural Research Council expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22		
R million											
Administration	171.0	188.0	203.2	207.6	6.7%	14.3%	212.6	220.1	230.7	3.6%	14.2%
Crop production, improvement and protection	360.5	344.3	373.4	385.1	2.2%	27.1%	400.6	422.9	445.0	4.9%	27.0%
Animal health, improvement and protection	299.0	309.3	332.2	342.7	4.7%	23.8%	361.5	379.4	399.8	5.3%	24.2%
Natural resource management and Mechanisation and Engineering	160.3	136.2	138.4	173.4	2.6%	11.3%	187.4	197.0	207.8	6.2%	12.5%
Mechanisation and engineering	15.9	18.8	20.1	-	-100.0%	1.0%	-	-	-	-	-
Agro-processing, food technology and safety	53.8	57.1	60.5	62.3	5.0%	4.3%	65.1	68.5	72.3	5.1%	4.4%
Smallholder agricultural development	145.1	148.3	155.5	161.3	3.6%	11.3%	168.5	177.4	187.2	5.1%	11.4%
Agricultural economics and commercialisation	48.6	53.2	56.4	58.1	6.1%	4.0%	60.7	63.9	67.4	5.1%	4.1%
Training and extension	25.3	27.1	29.5	30.5	6.4%	2.1%	31.8	33.4	35.3	5.0%	2.1%
Other projects	37.6	-	-	-	-100.0%	0.7%	-	-	-	-	-
<b>Total</b>	<b>1 317.2</b>	<b>1 282.2</b>	<b>1 369.3</b>	<b>1 421.1</b>	<b>2.6%</b>	<b>100.0%</b>	<b>1 488.1</b>	<b>1 562.6</b>	<b>1 645.4</b>	<b>5.0%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

### Table 24.17 Agricultural Research Council statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>413.6</b>	<b>461.5</b>	<b>445.3</b>	<b>437.5</b>	<b>432.5</b>	<b>410.5</b>	<b>489.0</b>	<b>489.0</b>	<b>101.0%</b>
Sale of goods and services other than capital assets	386.7	411.7	409.9	421.2	389.2	386.5	456.0	456.0	102.0%
<i>of which:</i>									
<i>Sales by market establishment</i>									
Other non-tax revenue	27.0	49.8	35.4	16.3	43.3	24.0	32.9	33.0	88.8%
<b>Transfers received</b>	<b>744.7</b>	<b>787.4</b>	<b>739.5</b>	<b>758.6</b>	<b>882.5</b>	<b>895.5</b>	<b>932.1</b>	<b>932.1</b>	<b>102.3%</b>
<b>Total revenue</b>	<b>1 158.3</b>	<b>1 248.9</b>	<b>1 184.7</b>	<b>1 196.1</b>	<b>1 315.0</b>	<b>1 306.0</b>	<b>1 421.1</b>	<b>1 421.1</b>	<b>101.8%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 075.7</b>	<b>1 317.2</b>	<b>1 290.5</b>	<b>1 282.2</b>	<b>1 369.0</b>	<b>1 369.3</b>	<b>1 421.1</b>	<b>1 421.1</b>	<b>104.5%</b>
Compensation of employees	779.3	766.9	818.3	744.5	826.0	816.8	867.3	867.4	97.1%
Goods and services	261.4	509.8	432.0	495.2	498.3	507.6	508.2	508.1	118.9%
Depreciation	35.0	40.4	40.2	42.5	44.7	45.0	45.6	45.6	104.9%
<b>Total expenses</b>	<b>1 075.7</b>	<b>1 317.2</b>	<b>1 290.5</b>	<b>1 282.2</b>	<b>1 369.0</b>	<b>1 369.3</b>	<b>1 421.1</b>	<b>1 421.1</b>	<b>104.5%</b>
<b>Surplus/(Deficit)</b>	<b>83.0</b>	<b>(68.0)</b>	<b>(106.0)</b>	<b>(86.0)</b>	<b>(54.0)</b>	<b>(63.0)</b>	<b>-</b>	<b>-</b>	
<b>Statement of financial position</b>									
Carrying value of assets	991.8	1 006.4	1 104.0	1 049.1	1 150.7	1 079.2	1 201.5	1 201.5	97.5%
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(141.0)</i>	<i>(103.3)</i>	<i>(87.0)</i>	<i>(100.0)</i>	<i>(90.3)</i>	<i>(89.8)</i>	<i>(95.9)</i>	<i>(111.1)</i>	<i>97.6%</i>
Investments	4.3	5.0	4.3	5.2	4.3	5.2	4.3	4.3	114.4%
Inventory	14.7	7.5	15.4	15.4	16.5	22.2	16.5	16.5	97.6%
Receivables and prepayments	98.8	273.3	151.5	258.5	176.0	197.7	164.0	164.0	151.4%
Cash and cash equivalents	316.9	301.5	187.6	97.4	9.1	68.3	-	-	91.0%
<b>Total assets</b>	<b>1 426.4</b>	<b>1 593.7</b>	<b>1 462.8</b>	<b>1 425.6</b>	<b>1 356.5</b>	<b>1 372.6</b>	<b>1 386.2</b>	<b>1 386.2</b>	<b>102.6%</b>
Accumulated surplus/(deficit)	888.9	851.1	739.0	765.1	684.5	689.0	684.5	684.5	99.8%
Capital and reserves	2.4	2.6	2.4	2.4	2.4	3.0	2.4	3.0	116.8%
Capital reserve fund	109.6	112.0	112.0	112.0	112.0	112.0	112.0	112.0	100.5%
Borrowings	-	-	-	-	-	-	-	112.1	-
Deferred income	192.6	138.1	192.6	132.9	192.6	126.8	112.6	112.6	73.9%
Trade and other payables	163.9	375.8	348.8	328.9	293.1	419.7	333.8	293.8	124.4%
Taxation	-	5.7	-	5.3	-	6.8	-	-	-
Provisions	69.1	108.4	68.1	79.1	71.9	15.4	68.3	68.3	97.8%
<b>Total equity and liabilities</b>	<b>1 426.4</b>	<b>1 593.7</b>	<b>1 462.8</b>	<b>1 425.6</b>	<b>1 356.5</b>	<b>1 372.6</b>	<b>1 313.6</b>	<b>1 386.2</b>	<b>103.9%</b>

## Statements of estimates of financial performance and position

### Table 24.18 Agricultural Research Council statements of estimates of financial performance and position

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>489.0</b>	<b>1.9%</b>	<b>34.8%</b>	<b>509.2</b>	<b>531.2</b>	<b>557.7</b>	<b>4.5%</b>	<b>32.4%</b>	
Sale of goods and services other than capital assets	456.0	3.5%	32.5%	475.2	495.2	519.7	4.5%	30.2%	
<i>of which:</i>									
<i>Sales by market establishment</i>									
Other non-tax revenue	33.0	-12.8%	2.4%	34.0	36.0	38.0	4.8%	2.2%	
<b>Transfers received</b>	<b>932.1</b>	<b>5.8%</b>	<b>65.2%</b>	<b>1 092.0</b>	<b>1 153.1</b>	<b>1 200.7</b>	<b>8.8%</b>	<b>67.6%</b>	
<b>Total revenue</b>	<b>1 421.1</b>	<b>4.4%</b>	<b>100.0%</b>	<b>1 601.2</b>	<b>1 684.3</b>	<b>1 758.5</b>	<b>7.4%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 421.1</b>	<b>2.6%</b>	<b>100.0%</b>	<b>1 488.1</b>	<b>1 562.6</b>	<b>1 645.4</b>	<b>5.0%</b>	<b>100.0%</b>	
Compensation of employees	867.4	4.2%	59.2%	908.9	953.6	1 006.1	5.1%	61.1%	
Goods and services	508.1	-0.1%	37.5%	532.8	562.5	591.9	5.2%	35.9%	
Depreciation	45.6	4.1%	3.2%	46.5	46.5	47.4	1.3%	3.0%	
<b>Total expenses</b>	<b>1 421.1</b>	<b>2.6%</b>	<b>100.0%</b>	<b>1 488.1</b>	<b>1 562.6</b>	<b>1 645.4</b>	<b>5.0%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>-</b>			<b>113.0</b>	<b>122.0</b>	<b>113.0</b>			
<b>Statement of financial position</b>									
Carrying value of assets	1 201.5	6.1%	75.5%	1 369.3	1 552.7	1 731.4	13.0%	88.6%	
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(111.1)</i>	<i>2.4%</i>	<i>-7.0%</i>	<i>(215.1)</i>	<i>(229.4)</i>	<i>(226.1)</i>	<i>26.7%</i>	<i>-11.7%</i>	
Investments	4.3	-4.8%	0.3%	4.6	4.3	4.5	1.6%	0.3%	
Inventory	16.5	30.1%	1.1%	17.4	19.0	19.9	6.5%	1.1%	
Receivables and prepayments	164.0	-15.7%	15.4%	152.4	162.3	172.0	1.6%	10.0%	
<b>Total assets</b>	<b>1 386.2</b>	<b>-4.5%</b>	<b>100.0%</b>	<b>1 543.7</b>	<b>1 738.3</b>	<b>1 927.9</b>	<b>11.6%</b>	<b>100.0%</b>	

**Table 24.18 Agricultural Research Council statements of estimates of financial performance and position**

Statement of financial position	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
Accumulated surplus/(deficit)	684.5	-7.0%	51.7%	797.6	919.3	1 032.4	14.7%	51.9%
Capital and reserves	3.0	4.4%	0.2%	3.0	3.0	3.0	-0.0%	0.2%
Capital reserve fund	112.0	-	7.8%	112.0	112.0	112.0	-	6.9%
Borrowings	112.1	-	2.0%	167.2	228.4	246.7	30.1%	11.2%
Deferred income	112.6	-6.6%	8.8%	102.6	92.6	82.6	-9.8%	6.1%
Trade and other payables	293.8	-7.9%	24.6%	290.6	314.9	383.2	9.3%	19.5%
Provisions	68.3	-14.3%	4.6%	70.7	68.1	68.1	-0.1%	4.2%
<b>Total equity and liabilities</b>	<b>1 386.2</b>	<b>-4.5%</b>	<b>100.0%</b>	<b>1 543.7</b>	<b>1 738.3</b>	<b>1 927.9</b>	<b>11.6%</b>	<b>100.0%</b>

### Personnel information

**Table 24.19 Agricultural Research Council personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment											Number						
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
Agricultural Research Council		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	3 297	3 297	3 297	816.8	0.2	3 297	867.4	0.3	3 297	908.9	0.3	3 297	953.6	0.3	3 297	1 006.1	0.3	5.1%	100.0%
1 - 6	2 060	2 060	2 060	200.3	0.1	2 060	214.0	0.1	2 060	225.0	0.1	2 060	235.9	0.1	2 060	248.9	0.1	5.2%	62.5%
7 - 10	1 074	1 074	1 074	454.3	0.4	1 074	482.5	0.4	1 074	506.8	0.5	1 074	534.3	0.5	1 074	566.4	0.5	5.5%	32.6%
11 - 12	70	70	70	53.5	0.8	70	56.7	0.8	70	59.6	0.9	70	62.5	0.9	70	66.0	0.9	5.2%	2.1%
13 - 16	85	85	85	90.4	1.1	85	95.0	1.1	85	98.2	1.2	85	101.7	1.2	85	105.6	1.2	3.6%	2.6%
17 - 22	8	8	8	18.3	2.3	8	19.2	2.4	8	19.2	2.4	8	19.2	2.4	8	19.2	2.4	-0.0%	0.2%

1. Rand million.

### Other entities

Comprehensive coverage of the following public entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Marine Living Resources Fund** was established in terms of the Marine Living Resources Act (1998). The fund's mandate is to manage the development and sustainable use of South Africa's marine resources, and to protect the integrity and quality of the marine ecosystem. The fund's total budget for 2019/20 is R490.2 million.
- The **National Agricultural Marketing Council** was established in terms of section 3 and section 4 of the Marketing of Agricultural Products Act (1996). The council is mandated to investigate the establishment, continuation, amendment or revocation of statutory measures affecting the marketing of agricultural products; and evaluate the desirability, necessity or efficiency of these statutory measures. It is also mandated to, if necessary, propose alternatives to the establishment, continuation, amendment or repeal of a statutory measure, and report to and advise the minister accordingly. The council's total budget for 2019/20 is R45.7 million.
- **Onderstepoort Biological Products** was established as a public entity in terms of the Onderstepoort Biological Products Incorporation Act (1999), with government as its sole shareholder. The entity's mandate is to prevent and control animal diseases that affect food security, human health and livelihoods through the continued development and efficient manufacturing of innovative animal-related pharmaceuticals (including vaccines) and related products. The entity's total budget for 2019/20 is R193 million.
- The **Perishable Products Export Control Board** is an independent service provider of quality assurance, food safety, and cold chain management services for producers and exporters of perishable food products. It is mandated by government in terms of the Perishable Products Export Control Act (1983), which broadly requires the board to ensure the orderly export of perishables and monitor the proper maintenance of a continuous cold chain for exports. It also derives its mandate from the Agricultural Products Standards Act (1990), which broadly requires the board to monitor the minimum quality standards of perishable

exports, as required by government and bilateral agreements with importing countries. The board's total budget for 2019/20 is R463.9 million.



**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
<b>Departmental infrastructure</b>										
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Drilling of boreholes	Siting, drilling and testing of boreholes for small-scale farmers identified in priority projects by provinces	Various	200.0	8.9	9.2	9.6	9.8	10.6	11.2	11.8
Foot-and-mouth disease border fence	Repairs and construction of foot-and-mouth disease fences in priority areas identified by the animal health directorate	Various	250.0	25.4	24.2	21.6	24.4	23.0	24.4	26.0
KwaZulu-Natal: Durban	Site clearance	On hold	17.7	–	–	–	–	–	–	–
Guard house	New guard house	Construction	0.7	–	0.7	–	–	–	–	–
Upington	Upgrade of offices and storerooms, and construction of evaporation pan and laboratory	Feasibility	8.4	–	–	–	–	0.2	0.2	0.2
Various	Upgrade of offices	Construction	10.1	–	0.0	–	10.1	–	–	–
Grootfontein Agricultural Development Institute	Minor upgrade and repairs of institute	Handed over	1.9	–	–	–	–	–	–	–
Western Cape: Cape Town	Building of sniffer dog kennels	Feasibility	7.7	–	–	–	–	0.1	0.1	1.0
Gauteng: Pretoria reception	Upgrade of reception areas at Agriculture Place, Harvest House and Sefala	Design	2.1	0.1	–	–	–	–	–	–
Limpopo: Mutale municipal district	Construction of a seed bank: Mutale (project on hold pending the finalisation of site clearance for construction)	On hold	4.4	–	–	–	0.1	0.5	0.5	0.2
Eastern Cape: Sterkspruit	Construction of a seed bank: Mthatha (project on hold pending the finalisation of site clearance for construction)	On hold	4.4	–	0.1	–	–	0.3	0.3	0.2
Western Cape: Stellenbosch (plant health laboratory)	Alterations of Polkadraai Road entrance in terms of traffic regulations	On hold	1.0	–	–	–	–	–	–	–
Mpumalanga: Skukuza alterations	Upgrade of existing buildings and laboratories	Handed over	6.7	2.3	1.6	0.2	–	0.4	0.4	–
Western Cape: Stellenbosch	Upgrade of electrical substation	Construction	0.4	0.4	–	–	–	–	–	–
Various	Various maintenance and repairs to office buildings	On-going	75.0	–	–	1.0	6.7	14.9	21.6	6.5
Gauteng: Harvest House	Revamping of the parking area at Harvest House	Design	2.6	0.1	0.1	2.6	–	0.4	0.4	–
Stellenbosch: Alteration to Existing entrance and exit to polka drive and new security fence around Block A and B	Alteration to Existing entrance and exit to polka drive and new security fence around Block A and B	Site identification	2.0	–	–	–	–	0.5	0.5	1.0
Western Cape: Cape Town coastline	Repairs and maintenance of fisheries harbours along the coastline	Handed over	1.2	0.3	–	2.8	–	0.6	0.3	0.0
KwaZulu-Natal: Durban	Construction of an animal quarantine station	Design	48.7	2.0	1.0	–	–	–	–	–
Western Cape: Stellenbosch (plant health laboratory)	Upgrade and maintenance of building and laboratory facility (glasshouses and tunnels)	Construction	24.4	0.1	0.1	0.1	2.5	1.0	1.7	2.1

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
Department head office	Upgrade and maintenance of building	Feasibility	17.2	–	–	10.0	–	0.1	0.1	7.0
Bloemfontein: Repair and renovations of offices at the old SABS building 116 Church Street	Repair and renovations of offices at the old SABS building 116 Church Street	Design	3.0	–	–	–	–	1.0	1.0	1.0
Guard house Agric Place	New prefab building	On-going	0.3	–	–	0.3	–	–	–	–
Western Cape: Stellenbosch	Rehabilitation of 2 irrigation dams including repairs of dam wall	Design	1.1	–	–	–	–	0.5	0.5	0.1
Pretoria: Prinshof farm	Site clearance of remaining extension of Prinshof farm	Prefeasibility	10.0	–	–	–	–	5.0	5.0	–
Western Cape: Stellebosch sewerage	Upgrade of sewerage system	Prefeasibility	1.0	–	–	–	–	0.5	0.5	–
Gauteng: Maizeboard	Maizeboard: Repairs and maintenance	Tender	1.7	–	–	–	0.2	0.5	0.5	0.5
Various	New farm structures	Site identification	0.1	–	–	–	0.1	–	–	–
Gauteng: Maizeboard	Maizeboard: Repairs and maintenance	Construction	0.7	0.1	–	–	–	0.3	0.3	–
Grootfontein Agricultural Development Institute	Upgrade of offices	Design	1.3	–	–	–	–	0.6	0.6	0.1
Western Cape: Milnerton	Upgrade of animal quarantine station	Prefeasibility	4.3	–	–	–	4.0	0.2	0.1	–
Upgrade of laboratory: Stellenbosch food safety quality assurance	Upgrade of laboratory - Stellenbosch food safety quality assurance	Construction	2.0	–	–	–	–	2.0	–	–
Upgrade of laboratory: Pretoria food safety quality assurance	Upgrade of laboratory - Pretoria food safety quality assurance	Construction	6.5	–	–	–	–	6.5	–	–
Various	Various maintenance and repairs to residences	On-going	0.1	–	–	–	0.1	–	–	–
Various	Various maintenance and repairs to office buildings	On-going	0.5	–	–	0.2	0.3	–	–	–
Gauteng: Roodeplaat plant genetic centre	Upgrade of plant genetic centre: Roodeplaat	Complete	40.0	0.1	0.3	0.3	–	5.0	6.0	3.5
Various	Various maintenance and repairs to office buildings	On-going	0.8	–	–	0.3	0.5	–	–	–
Sectoral Colleges	Maintenance and repairs of colleges	On-going	6.9	–	–	6.9	–	–	–	–
Eastern Cape: Grootfontein Agricultural Development Institute	Upgrade of infrastructure at Grootfontein Agriculture Development Institute	Construction	29.8	0.6	0.0	0.3	–	4.0	4.0	7.0
Eastern Cape: Sterkspruit	Site clearance of seed bank at Sterkspruit	Feasibility	2.2	0.0	–	0.1	0.4	0.3	0.3	1.0
Gauteng: Sefala Roof	Replacement of roof waterproofing	Construction	5.2	–	1.9	2.3	–	0.5	0.5	–
Various	Various maintenance and repairs to residences	On-going	0.0	–	–	0.0	–	–	–	–
Various	Various maintenance and repairs to residences	On-going	1.0	–	–	0.4	0.7	–	–	–
Sectoral Colleges	Upgrading	Identification	0.4	–	9.9	1.6	–	–	–	–
Various	Various maintenance and repairs to office buildings	On-going	0.1	–	–	0.0	0.0	–	–	–
Prevention and mitigation of disasters	Building of water reservoirs	Identification	8.4	–	2.6	1.8	3.1	3.0	3.5	3.5

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
Prevention and mitigation of disasters	Drilling of boreholes	Construction	0.4	–	–	0.4	–	–	–	–
Various	Various maintenance and repairs	Site identification	5.2	–	–	–	0.2	–	–	–
Various	Various maintenance and repairs to office buildings	On-going	9.0	–	–	0.7	8.3	–	–	–
Various	Various maintenance and repairs to parking spaces	On-going	0.0	–	–	0.0	–	–	–	–
Various	Various maintenance and repairs to boreholes	Site identification	0.2	–	–	–	–	–	–	–
Various	Various maintenance and repairs to residences	On-going	0.0	–	–	0.0	–	–	–	–
Various	Various maintenance and repairs	On-going	0.4	–	–	0.4	–	–	–	–
Lesotho border fence	Maintenance and repairs	On-going	0.3	–	–	0.1	0.2	–	–	–
<b>Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)</b>										
Agriculture Research Council: Foot-and-mouth disease vaccine production facility	Building and facilitation of vaccine production	On-going	400.0	–	–	–	–	130.0	140.0	130.0
Comprehensive agricultural support programme grant: Flood damaged infrastructure	Repairs of damaged infrastructure and soil rehabilitation	On-going	1 845.0	58.6	76.7	139.1	157.2	65.6	–	–
Onderstepoort Biological Products	Building and facilitation of vaccine production	Completed	492.4	268.4	–	–	–	–	–	–
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Agriculture Research Council: Maintenance of infrastructure	Upgrade and maintenance of building (for research and development)	On-going	133.0	16.2	17.1	17.9	19.0	19.8	20.9	22.1
<b>Total</b>			<b>3 699.4</b>	<b>383.5</b>	<b>145.5</b>	<b>220.9</b>	<b>247.7</b>	<b>297.9</b>	<b>245.3</b>	<b>224.9</b>



# Vote 25

## Economic Development

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	90.3	86.4	–	3.9	96.1	102.0
Growth Path and Social Dialogue	37.0	36.4	–	0.6	39.8	42.3
Investment, Competition and Trade	918.1	19.9	898.0	0.2	959.5	1 042.1
<b>Total expenditure estimates</b>	<b>1 045.4</b>	<b>142.7</b>	<b>898.0</b>	<b>4.7</b>	<b>1 095.4</b>	<b>1 186.5</b>

Executive authority Minister of Economic Development  
Accounting officer Director-General of Economic Development  
Website address [www.economic.gov.za](http://www.economic.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Promote economic development policy formulation and planning for the benefit of all South Africans.*

### Mandate

The Economic Development Department was established in 2009 and has assumed responsibilities relating to the creation of decent employment through inclusive growth, as captured in outcome 4 of government's 2014-2019 medium-term strategic framework. This includes the implementation of certain aspects of the National Development Plan (NDP), the national infrastructure plan, and the framework's outcome 6 (an efficient, competitive and responsive economic infrastructure network) and outcome 7 (comprehensive rural development and land reform).

The department is also responsible for 5 public entities, comprising 3 regulatory bodies (the Competition Commission, the Competition Tribunal and the International Trade Administration Commission of South Africa) and 2 development finance institutions (the Industrial Development Corporation of South Africa and the Small Enterprise Finance Agency).

In line with these responsibilities, the department's mandate includes the administration of the following legislation:

- the Industrial Development Corporation Act (1940)
- the Competition Act (1998)
- the International Trade Administration Act (2002)
- the Infrastructure Development Act (2014).

## Selected performance indicators

**Table 25.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of analytical and public policy advocacy reports on socioeconomic development and the new growth path produced per year	Growth Path and Social Dialogue	Outcome 4: Decent employment through inclusive growth	5	5	4	4	4	4	4
Number of reports on black women and youth with access to employment and entrepreneurship opportunities per year	Growth Path and Social Dialogue		4	3	3	3	3	3	3
Number of reports on support provided to provinces per year <sup>1</sup>	Growth Path and Social Dialogue		9	10	10	10	10	10	10
Number of quarterly Cabinet-level progress reports on infrastructural strategic integrated projects per year	Investment, Competition and Trade	Outcome 6: An efficient, competitive and responsive economic infrastructure network	72	72	69	64	64	64	64
Number of infrastructure projects unblocked, fast-tracked or facilitated, or project assessments completed per year <sup>1</sup>	Investment, Competition and Trade		22	9	8	8	8	8	8
Number of investment initiatives facilitated, fast-tracked and/or unblocked per year	Investment, Competition and Trade	Outcome 4: Decent employment through inclusive growth	16	13	14	14	14	14	14
Number of ministerial and departmental oversight engagements with trade and competition authorities held per year	Investment, Competition and Trade		7	8	6	5	5	5	5

1. Indicator changed to align with the department's 2018/19 annual performance plan, which was finalised after the 2018 Estimates of National Expenditure had been published.

## Expenditure analysis

In contributing to South Africa's economic growth and long-term vision detailed in the NDP, the Economic Development Department will, over the medium term, continue to focus on providing support to development finance institutions and regulatory bodies, facilitating infrastructure initiatives, providing black women and youth with access to employment and entrepreneurship opportunities, and supporting provinces in economic planning.

### **Providing support to development finance institutions and regulatory bodies**

The department realises its mandate largely through its entities, and oversees them to enhance their impact on economic transformation, job creation and industrial development. Over the MTEF period, transfers to entities account for an estimated 86.1 per cent (R2.9 billion) of the department's total expenditure. The Competition Commission is set to receive the largest transfer (R935.7 million), followed by the Small Enterprise Finance Agency (R764.9 million), the Industrial Development Corporation (R701.3 million), the International Trade Administration Commission (R338.8 million), and the Competition Tribunal (R114.6 million). Spending on compensation of employees, by comparison, accounts for an estimated 9.2 per cent (R314.6 million) of total expenditure.

Cabinet-approved reductions of R48.2 million to the department's baseline over the medium term result in a reduction on transfers to the Competition Commission of R32.4 million, the Competition Tribunal of R2.8 million, the Industrial Development Corporation of R4 million, and the International Trade Administration Commission of R3.1 million. These are mainly due to the freeze on salary increases for senior management staff

earning more than R1.5 million per year, and a 2.8 per cent increase for senior managers earning between R1 million and R1.49 million per year; as well as to offset higher than inflation growth in spending on goods and services.

The Competition Amendment Bill is in Parliament. The bill seeks to amend the Competition Act (1998) by clarifying determinations on prohibited practices, strengthening the role of market inquiries, strengthening penalties to discourage abuses of dominance and price discrimination, and stimulating the growth of small, medium and micro enterprises (SMMEs) and firms owned and controlled by historically disadvantaged people, among other things. Following the ongoing amendment to the act, the department has appointed a panel of experts to assess the implications of the amendments on the capacity of competition authorities. This panel will also consider international best practice in the design models for and the funding of competition authorities.

#### ***Facilitating interventions in infrastructure initiatives***

The department will continue to provide secretariat services to the Presidential Infrastructure Coordinating Commission in its implementation of 18 national strategic infrastructure projects such as the construction of power plants, schools, health care facilities, roads, ports, water pipelines and bus route systems. The nature of this support includes unblocking or facilitating applications for permits or licences to accelerate the implementation of projects. Key infrastructure projects, which are in the 18 national strategic infrastructure projects, are expected to be unblocked over the medium term through the easing of regulatory challenges. This will be done by engaging and coordinating with all parties involved in the planning and adjudication of projects, and overcoming challenges such as by-laws. Through these interventions, municipal services will be made available for new and existing investments in the water and sanitation, logistics, housing, health, transport, energy, agri-logistics, education, and ICT sectors. Over the MTEF period, in the *Investment, Competition and Trade* programme, R82.7 million is allocated for the secretariat's work, and R165 million to the technical project management unit to enhance its capacity to assist departments with project preparation and make projects more appealing to investors.

#### ***Providing black women and youth with access to employment and entrepreneurship opportunities***

The meaningful growth of the South African economy requires social partnerships and the provision of support to women and young people, particularly those who have been historically disadvantaged. In recognition of this, the department plans to deliver 9 initiatives in support of women and young people over the medium term. These include engaging and mobilising economic stakeholders to channel investments towards women and young people; easing regulatory challenges in employment-generating sectors such as manufacturing, retail and ICT; coordinating the advancement of social accords; and producing reports on the facilitation of employment and entrepreneurship opportunities for black women and youth. Funding for these initiatives is provided in the *Growth Path and Job Drivers* subprogramme, which has an allocation of R77.3 million over the medium term, in the *Growth Path and Social Dialogue* programme.

#### ***Supporting provinces in economic planning***

Over the medium term, the department plans to hold 30 coordination and planning support engagements with provincial and local governments to improve their economic development plans, and assess the alignment of these plans with the NDP. These engagements are intended to help identify and support the implementation of common initiatives such as skills development, employment creation, local procurement and the green economy; and responses to sector-wide industrial conflict and the uncertain global economic environment. The provision of economic planning support to provinces is also budgeted for in the *Growth Path and Job Drivers* subprogramme.

## Expenditure trends

Table 25.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Growth Path and Social Dialogue														
3. Investment, Competition and Trade														
Programme														
R million	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19									
Programme 1	83.2	83.2	83.1	79.2	89.2	90.4	80.7	86.5	83.7	86.5	86.4	86.4	104.2%	99.5%
Programme 2	27.9	27.9	26.7	36.0	33.1	27.8	35.6	32.8	31.1	34.4	34.5	34.5	89.7%	93.6%
Programme 3	774.7	774.7	773.9	559.4	552.3	546.9	681.0	795.0	797.3	951.7	951.8	951.8	103.5%	99.9%
<b>Total</b>	<b>885.8</b>	<b>885.8</b>	<b>883.7</b>	<b>674.7</b>	<b>674.7</b>	<b>665.1</b>	<b>797.2</b>	<b>914.2</b>	<b>912.1</b>	<b>1 072.6</b>	<b>1 072.6</b>	<b>1 072.6</b>	<b>103.0%</b>	<b>99.6%</b>
Change to 2018 Budget estimate														
Economic classification														
<b>Current payments</b>	<b>150.3</b>	<b>140.9</b>	<b>128.4</b>	<b>143.0</b>	<b>142.5</b>	<b>133.5</b>	<b>139.8</b>	<b>139.3</b>	<b>132.6</b>	<b>135.2</b>	<b>135.0</b>	<b>135.0</b>	<b>93.2%</b>	<b>95.0%</b>
Compensation of employees	96.1	87.8	79.4	94.0	94.0	85.0	90.1	90.0	88.5	90.8	90.8	90.8	92.6%	94.8%
Goods and services	54.2	53.1	49.0	49.0	48.5	48.5	49.7	49.2	44.1	44.4	44.2	44.2	94.2%	95.3%
<b>Transfers and subsidies</b>	<b>733.2</b>	<b>742.3</b>	<b>750.4</b>	<b>528.8</b>	<b>528.8</b>	<b>528.8</b>	<b>656.2</b>	<b>773.3</b>	<b>778.4</b>	<b>932.9</b>	<b>933.1</b>	<b>933.1</b>	<b>104.9%</b>	<b>100.4%</b>
Departmental agencies and accounts	326.8	330.8	338.8	315.7	315.7	315.7	387.5	387.5	392.5	419.1	419.1	419.1	101.2%	100.9%
Public corporations and private enterprises	406.4	411.4	411.4	213.1	213.1	213.1	268.8	385.8	385.8	513.8	513.8	513.8	108.7%	100.0%
Households	–	0.1	0.2	–	–	0.1	–	0.0	0.1	–	0.2	0.2	–	171.5%
<b>Payments for capital assets</b>	<b>2.2</b>	<b>2.6</b>	<b>4.9</b>	<b>2.9</b>	<b>3.4</b>	<b>2.8</b>	<b>1.2</b>	<b>1.7</b>	<b>1.0</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>	<b>122.2%</b>	<b>108.9%</b>
Machinery and equipment	1.8	2.1	3.4	2.5	3.3	1.5	0.8	1.4	0.9	4.0	4.0	4.0	108.6%	90.5%
Software and other intangible assets	0.5	0.5	1.6	0.4	0.1	1.3	0.4	0.3	0.1	0.5	0.5	0.5	190.2%	258.2%
<b>Total</b>	<b>885.8</b>	<b>885.8</b>	<b>883.7</b>	<b>674.7</b>	<b>674.7</b>	<b>665.1</b>	<b>797.2</b>	<b>914.2</b>	<b>912.1</b>	<b>1 072.6</b>	<b>1 072.6</b>	<b>1 072.6</b>	<b>103.0%</b>	<b>99.6%</b>

## Expenditure estimates

Table 25.3 Vote expenditure estimates by programme and economic classification

Programmes								
1. Administration								
2. Growth Path and Social Dialogue								
3. Investment, Competition and Trade								
Programme								
R million	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2018/19	2015/16 - 2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Programme 1	86.4	1.2%	9.7%	90.3	96.1	102.0	5.7%	8.5%
Programme 2	34.5	7.3%	3.4%	37.0	39.8	42.3	7.1%	3.5%
Programme 3	951.8	7.1%	86.9%	918.1	959.5	1 042.1	3.1%	88.0%
<b>Total</b>	<b>1 072.6</b>	<b>6.6%</b>	<b>100.0%</b>	<b>1 045.4</b>	<b>1 095.4</b>	<b>1 186.5</b>	<b>3.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				29.1	28.1	59.5		
Economic classification								
<b>Current payments</b>	<b>135.0</b>	<b>-1.4%</b>	<b>15.0%</b>	<b>142.7</b>	<b>152.2</b>	<b>161.8</b>	<b>6.2%</b>	<b>13.4%</b>
Compensation of employees	90.8	1.1%	9.7%	97.7	105.0	111.8	7.2%	9.2%
Goods and services	44.2	-5.9%	5.3%	45.0	47.2	50.0	4.2%	4.2%
<b>Transfers and subsidies</b>	<b>933.1</b>	<b>7.9%</b>	<b>84.6%</b>	<b>898.0</b>	<b>938.0</b>	<b>1 019.2</b>	<b>3.0%</b>	<b>86.1%</b>
Departmental agencies and accounts	419.1	8.2%	41.5%	438.5	462.5	488.0	5.2%	41.1%
Public corporations and private enterprises	513.8	7.7%	43.1%	459.5	475.5	531.3	1.1%	45.0%
Households	0.2	39.5%	0.0%	–	–	–	-100.0%	0.0%
<b>Payments for capital assets</b>	<b>4.5</b>	<b>20.2%</b>	<b>0.4%</b>	<b>4.7</b>	<b>5.1</b>	<b>5.4</b>	<b>6.2%</b>	<b>0.4%</b>
Machinery and equipment	4.0	24.2%	0.3%	4.2	4.6	4.8	6.3%	0.4%
Software and other intangible assets	0.5	-1.4%	0.1%	0.5	0.5	0.6	5.5%	0.0%
<b>Total</b>	<b>1 072.6</b>	<b>6.6%</b>	<b>100.0%</b>	<b>1 045.4</b>	<b>1 095.4</b>	<b>1 186.5</b>	<b>3.4%</b>	<b>100.0%</b>



## Expenditure trends and estimates for significant spending items

**Table 25.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total vote (%)
Competition Commission	231 045	208 541	263 354	281 788	6.8%	27.9%	295 438	311 559	328 695	5.3%	27.7%
Competition Tribunal	19 102	20 115	30 041	35 086	22.5%	3.0%	36 172	38 166	40 265	4.7%	3.4%
International Trade Administration Commission	88 701	87 001	99 065	102 191	4.8%	10.7%	106 928	112 814	119 019	5.2%	10.0%
Small Enterprise Finance Agency	406 397	213 124	223 780	228 837	-17.4%	30.3%	241 453	254 732	268 742	5.5%	22.6%
<b>Total</b>	<b>745 245</b>	<b>528 781</b>	<b>616 240</b>	<b>647 902</b>	<b>16.7%</b>	<b>71.9%</b>	<b>679 991</b>	<b>717 271</b>	<b>756 721</b>	<b>20.7%</b>	<b>63.7%</b>

## Goods and services expenditure trends and estimates

**Table 25.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
Administrative fees	794	466	358	358	-23.3%	1.1%	376	394	415	5.0%	0.8%
Advertising	2 705	444	481	1 243	-22.8%	2.6%	1 312	1 385	1 461	5.5%	2.9%
Minor assets	174	42	51	138	-7.4%	0.2%	145	153	161	5.3%	0.3%
Audit costs: External	2 669	2 609	3 443	3 447	8.9%	6.5%	3 640	3 840	4 051	5.5%	8.0%
Bursaries: Employees	209	270	213	331	16.6%	0.6%	331	330	348	1.7%	0.7%
Catering: Departmental activities	1 351	244	374	426	-31.9%	1.3%	472	511	539	8.2%	1.0%
Communication	1 130	1 668	1 490	1 853	17.9%	3.3%	1 955	2 062	2 174	5.5%	4.3%
Computer services	326	779	1 265	899	40.2%	1.8%	946	998	1 052	5.4%	2.1%
Consultants: Business and advisory services	833	1 807	2 363	3 757	65.2%	4.7%	3 055	3 223	3 399	-3.3%	7.2%
Legal services	6 636	18 918	9 193	9 233	11.6%	23.7%	11 072	11 529	12 337	10.1%	23.7%
Contractors	460	96	156	634	11.3%	0.7%	667	702	739	5.2%	1.5%
Agency and support/outourced services	21	280	30	238	124.6%	0.3%	252	266	281	5.7%	0.6%
Entertainment	-	1	-	25	-	-	26	27	28	3.8%	0.1%
Fleet services (including government motor transport)	917	1 059	1 172	721	-7.7%	2.1%	760	801	844	5.4%	1.7%
Inventory: Clothing material and accessories	-	-	-	112	-	0.1%	119	125	132	5.6%	0.3%
Inventory: Materials and supplies	-	-	-	8	-	-	8	8	8	-	-
Inventory: Medical supplies	-	-	-	4	-	-	4	4	4	-	-
Consumable supplies	98	112	109	176	21.6%	0.3%	186	196	207	5.6%	0.4%
Consumables: Stationery, printing and office supplies	703	656	727	862	7.0%	1.6%	900	948	1 000	5.1%	2.0%
Operating leases	10 924	9 592	13 509	12 521	4.7%	25.1%	11 122	11 734	12 379	-0.4%	25.6%
Rental and hiring	90	-	1	121	10.4%	0.1%	127	133	140	5.0%	0.3%
Property payments	-	-	-	47	-	-	49	51	53	4.1%	0.1%
Transport provided: Departmental activity	55	-	-	27	-21.1%	-	28	29	30	3.6%	0.1%
Travel and subsistence	11 295	6 964	7 885	6 008	-19.0%	17.3%	6 349	6 721	7 091	5.7%	14.0%
Training and development	348	808	234	211	-15.4%	0.9%	243	183	193	-2.9%	0.4%
Operating payments	987	1 421	894	629	-13.9%	2.1%	653	692	730	5.1%	1.5%
Venues and facilities	6 263	239	161	187	-69.0%	3.7%	174	184	193	1.1%	0.4%
<b>Total</b>	<b>48 988</b>	<b>48 475</b>	<b>44 109</b>	<b>44 216</b>	<b>-3.4%</b>	<b>100.0%</b>	<b>44 971</b>	<b>47 229</b>	<b>49 989</b>	<b>4.2%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 25.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
Current	150	30	130	210	11.9%	-	-	-	-	-100.0%	-
Households	150	30	130	210	11.9%	-	-	-	-	-100.0%	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
Current	338 848	315 657	392 460	419 065	7.3%	49.0%	438 538	462 539	487 979	5.2%	47.7%
Competition Commission	231 045	208 541	263 354	281 788	6.8%	32.9%	295 438	311 559	328 695	5.3%	32.1%
Competition Tribunal	19 102	20 115	30 041	35 086	22.5%	3.5%	36 172	38 166	40 265	4.7%	4.0%
International Trade Administration Commission	88 701	87 001	99 065	102 191	4.8%	12.6%	106 928	112 814	119 019	5.2%	11.6%
<b>Households</b>											
<b>Other transfers to households</b>											
Current	1	35	-	10	115.4%	-	-	-	-	-100.0%	-
Households	1	35	-	10	115.4%	-	-	-	-	-100.0%	-
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
Current	411 397	213 124	385 780	513 837	7.7%	51.0%	459 453	475 482	531 268	1.1%	52.3%
Small Enterprise Finance Agency	406 397	213 124	223 780	228 837	-17.4%	35.8%	241 453	254 732	268 742	5.5%	26.2%
Industrial Development Corporation	5 000	-	162 000	285 000	284.9%	15.1%	218 000	220 750	262 526	-2.7%	26.0%
<b>Total</b>	<b>750 396</b>	<b>528 846</b>	<b>778 370</b>	<b>933 122</b>	<b>7.5%</b>	<b>100.0%</b>	<b>897 991</b>	<b>938 021</b>	<b>1 019 247</b>	<b>3.0%</b>	<b>100.0%</b>

## Personnel information

Table 25.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes																	
1. Administration																	
2. Growth Path and Social Dialogue																	
3. Investment, Competition and Trade																	
Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number			
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)		
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22					
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	
<b>Economic Development</b>																	
Salary level	133	1	122	88.5	0.7	115	90.8	0.8	114	97.7	0.9	114	105.0	0.9	114	111.8	1.0
1-6	19	-	18	4.5	0.3	17	4.5	0.3	17	4.9	0.3	17	5.3	0.3	17	5.7	0.3
7-10	37	-	36	15.5	0.4	36	16.9	0.5	36	18.3	0.5	36	19.8	0.5	36	21.1	0.6
11-12	28	-	26	22.3	0.9	24	22.7	0.9	24	24.7	1.0	24	26.5	1.1	24	28.2	1.2
13-16	47	1	40	41.8	1.0	36	42.0	1.2	35	44.7	1.3	35	48.0	1.4	35	51.1	1.5
Other	2	-	2	4.4	2.2	2	4.7	2.4	2	5.1	2.5	2	5.5	2.7	2	5.8	2.9
<b>Programme</b>	<b>133</b>	<b>1</b>	<b>122</b>	<b>88.5</b>	<b>0.7</b>	<b>115</b>	<b>90.8</b>	<b>0.8</b>	<b>114</b>	<b>97.7</b>	<b>0.9</b>	<b>114</b>	<b>105.0</b>	<b>0.9</b>	<b>114</b>	<b>111.8</b>	<b>1.0</b>
Programme 1	77	-	72	43.5	0.6	66	42.7	0.6	66	46.0	0.7	66	49.4	0.7	66	52.6	0.8
Programme 2	28	-	32	29.0	0.9	32	32.3	1.0	32	34.8	1.1	32	37.4	1.2	32	39.8	1.2
Programme 3	28	1	18	16.0	0.9	17	15.8	0.9	16	17.0	1.1	16	18.3	1.1	16	19.4	1.2

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million

## Departmental receipts

**Table 25.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>50 296</b>	<b>137 336</b>	<b>167 560</b>	<b>284 964</b>	<b>284 964</b>	<b>78.3%</b>	<b>100.0%</b>	<b>173 397</b>	<b>173 451</b>	<b>175 530</b>	<b>-14.9%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>35</b>	<b>30</b>	<b>31</b>	<b>49</b>	<b>49</b>	<b>11.9%</b>	<b>-</b>	<b>57</b>	<b>66</b>	<b>75</b>	<b>15.2%</b>	<b>-</b>
Sales by market establishments	35	17	16	35	35	-	-	40	45	50	12.6%	-
<i>of which:</i>												
Rental: Parking	35	17	16	35	35	-	-	40	45	50	12.6%	-
Other sales	-	13	15	14	14	-	-	17	21	25	21.3%	-
<i>of which:</i>												
Commission on insurance garnishee	-	13	15	14	14	-	-	17	21	25	21.3%	-
<b>Fines, penalties and forfeits</b>	<b>-</b>	<b>117 000</b>	<b>117 400</b>	<b>234 000</b>	<b>234 000</b>	<b>-</b>	<b>73.2%</b>	<b>123 000</b>	<b>123 000</b>	<b>125 000</b>	<b>-18.9%</b>	<b>74.9%</b>
<b>Interest, dividends and rent on land</b>	<b>50 278</b>	<b>20 259</b>	<b>50 123</b>	<b>50 860</b>	<b>50 860</b>	<b>0.4%</b>	<b>26.8%</b>	<b>50 280</b>	<b>50 320</b>	<b>50 380</b>	<b>-0.3%</b>	<b>25.0%</b>
Interest	278	259	123	860	860	45.7%	0.2%	280	320	380	-23.8%	0.2%
Dividends	50 000	20 000	50 000	50 000	50 000	-	26.6%	50 000	50 000	50 000	-	24.8%
<i>of which:</i>												
Dividends from the Industrial Development Corporation	50 000	20 000	50 000	50 000	50 000	-	26.6%	50 000	50 000	50 000	-	24.8%
<b>Transactions in financial assets and liabilities</b>	<b>(17)</b>	<b>47</b>	<b>6</b>	<b>55</b>	<b>55</b>	<b>-247.9%</b>	<b>-</b>	<b>60</b>	<b>65</b>	<b>75</b>	<b>10.9%</b>	<b>-</b>
<b>Total</b>	<b>50 296</b>	<b>137 336</b>	<b>167 560</b>	<b>284 964</b>	<b>284 964</b>	<b>78.3%</b>	<b>100.0%</b>	<b>173 397</b>	<b>173 451</b>	<b>175 530</b>	<b>-14.9%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 25.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
<b>Total</b>	<b>83.1</b>	<b>90.4</b>	<b>83.7</b>	<b>86.4</b>	<b>1.3%</b>	<b>100.0%</b>	<b>90.3</b>	<b>96.1</b>	<b>102.0</b>	<b>5.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			(1.9)	(2.1)	(2.0)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>80.0</b>	<b>87.6</b>	<b>82.6</b>	<b>82.6</b>	<b>1.1%</b>	<b>96.9%</b>	<b>86.4</b>	<b>91.9</b>	<b>97.6</b>	<b>5.7%</b>	<b>95.6%</b>
Compensation of employees	41.7	44.1	43.5	42.7	0.8%	50.1%	46.0	49.4	52.6	7.2%	50.9%
Goods and services <sup>1</sup>	38.3	43.5	39.1	39.9	1.3%	46.8%	40.5	42.4	44.9	4.1%	44.8%
<i>of which:</i>											
Audit costs: External	2.7	2.6	3.4	3.4	8.9%	3.5%	3.6	3.8	4.1	5.5%	4.0%
Communication	1.1	1.3	1.2	1.6	14.8%	1.5%	1.7	1.8	1.9	5.5%	1.8%
Consultants: Business and advisory services	0.6	0.5	0.4	3.0	74.3%	1.3%	2.3	2.5	2.6	-4.6%	2.8%
Legal services	6.6	18.8	9.2	9.2	11.6%	12.8%	11.1	11.5	12.3	10.1%	11.8%
Operating leases	10.9	9.6	13.5	12.5	4.7%	13.5%	11.1	11.7	12.4	-0.4%	12.7%
Travel and subsistence	9.0	5.3	6.1	5.1	-17.3%	7.4%	5.3	5.6	5.9	5.4%	5.9%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-3.4%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Households	0.1	0.1	0.1	0.1	-3.4%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>3.0</b>	<b>2.7</b>	<b>1.0</b>	<b>3.7</b>	<b>6.7%</b>	<b>3.1%</b>	<b>3.9</b>	<b>4.2</b>	<b>4.5</b>	<b>6.3%</b>	<b>4.3%</b>
Machinery and equipment	3.0	1.5	0.9	3.7	7.1%	2.6%	3.9	4.2	4.4	6.4%	4.3%
Software and other intangible assets	0.1	1.3	0.1	0.0	-11.6%	0.4%	0.1	0.1	0.1	5.2%	0.1%
<b>Total</b>	<b>83.1</b>	<b>90.4</b>	<b>83.7</b>	<b>86.4</b>	<b>1.3%</b>	<b>100.0%</b>	<b>90.3</b>	<b>96.1</b>	<b>102.0</b>	<b>5.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>9.4%</b>	<b>13.6%</b>	<b>9.2%</b>	<b>8.1%</b>	<b>-</b>	<b>-</b>	<b>8.6%</b>	<b>8.8%</b>	<b>8.6%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Growth Path and Social Dialogue

### Programme purpose

Strengthen the economic development capacity of government. Align economic development policies aimed at broadening participation in the economy to create decent work opportunities.

### Objectives

- Coordinate job drivers, sector or spatial projects and the implementation of the new growth path for job creation, inclusive growth, industrialisation and social inclusion by ensuring regular reviews of systemic obstacles over the medium term.
- Increase employment at sectoral and workplace levels through the facilitation of social dialogue and implementation of social accords over the medium term.
- Support productivity, innovation and entrepreneurship by engaging in 12 public policy forums over the medium term.

### Subprogrammes

- *Growth Path and Job Drivers* monitors and supports the unblocking of job drivers in the new growth path as central to the implementation of the NDP, and engages with the relevant structures.
- *Social Dialogue, Productivity and Innovation* supports social dialogue to address workplace, sectoral and national economic requirements.

### Expenditure trends and estimates

**Table 25.10 Growth Path and Social Dialogue expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Growth Path and Job Drivers	16.8	19.7	22.3	22.4	10.1%	67.6%	24.0	25.8	27.4	7.0%	64.9%
Social Dialogue, Productivity and Innovation	9.9	8.1	8.8	12.1	6.9%	32.4%	13.0	14.0	14.9	7.1%	35.1%
<b>Total</b>	<b>26.7</b>	<b>27.8</b>	<b>31.1</b>	<b>34.5</b>	<b>8.9%</b>	<b>100.0%</b>	<b>37.0</b>	<b>39.8</b>	<b>42.3</b>	<b>7.1%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			-	-	-		
<b>Economic classification</b>											
<b>Current payments</b>	<b>24.9</b>	<b>27.8</b>	<b>31.1</b>	<b>33.8</b>	<b>10.7%</b>	<b>98.0%</b>	<b>36.4</b>	<b>39.1</b>	<b>41.6</b>	<b>7.2%</b>	<b>98.3%</b>
Compensation of employees	22.3	25.9	29.0	32.3	13.2%	91.1%	34.8	37.4	39.8	7.2%	93.9%
Goods and services <sup>1</sup>	2.7	1.9	2.1	1.5	-16.8%	6.8%	1.6	1.7	1.8	6.2%	4.4%
of which:											
Catering: Departmental activities	0.5	0.1	0.1	0.1	-39.6%	0.6%	0.1	0.1	0.1	3.6%	0.3%
Communication	0.0	0.2	0.2	0.2	60.3%	0.5%	0.2	0.2	0.2	5.6%	0.5%
Computer services	0.0	0.5	0.2	0.4	188.2%	0.9%	0.4	0.4	0.4	5.2%	1.1%
Rental and hiring	-	-	0.0	0.1	-	0.1%	0.1	0.1	0.1	5.1%	0.3%
Travel and subsistence	1.1	0.8	1.2	0.3	-35.6%	2.9%	0.4	0.4	0.4	12.6%	1.0%
Operating payments	0.1	0.1	0.1	0.1	24.4%	0.2%	0.1	0.1	0.1	4.6%	0.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>-8.0%</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Households	0.1	0.0	0.0	0.1	-8.0%	0.2%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>1.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.6</b>	<b>-29.3%</b>	<b>1.9%</b>	<b>0.6</b>	<b>0.7</b>	<b>0.7</b>	<b>5.6%</b>	<b>1.7%</b>
Machinery and equipment	0.2	0.0	0.0	0.2	-1.2%	0.3%	0.2	0.2	0.2	5.6%	0.5%
Software and other intangible assets	1.5	-	-	0.4	-34.5%	1.6%	0.4	0.5	0.5	5.5%	1.2%
<b>Total</b>	<b>26.7</b>	<b>27.8</b>	<b>31.1</b>	<b>34.5</b>	<b>-55.0%</b>	<b>100.0%</b>	<b>37.0</b>	<b>39.8</b>	<b>42.3</b>	<b>-</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>3.0%</b>	<b>4.2%</b>	<b>3.4%</b>	<b>3.2%</b>	<b>-</b>	<b>-</b>	<b>3.5%</b>	<b>3.6%</b>	<b>3.6%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Investment, Competition and Trade

### Programme purpose

Coordinate infrastructure development. Provide oversight and coordinate policy regarding identified development finance institutions and economic regulatory bodies.

### Objectives

- Promote investments, expand industrial funding and entrepreneurship, and improve the performance of development finance institutions by ensuring that they support the development of industrial enterprises and SMMEs over the medium term.
- Promote competition, trade and other economic regulation by promoting the effective management of competition authorities and trade administration over the medium term.
- Coordinate infrastructure development over the medium term by:
  - providing regular reports on each strategic infrastructure project
  - unblocking specific projects
  - providing secretariat support to the Presidential Infrastructure Coordinating Commission.

### Subprogrammes

- *Development Investment, Industrial Funding and Entrepreneurship* focuses on unblocking productive investments and overseeing the development finance institutions that fall under the department.
- *Competition, Trade and other Economic Regulation* focuses on strengthening the economic regulators and overseeing the regulatory bodies that fall under the department.
- *Infrastructure Development Coordination* provides support to the Presidential Infrastructure Coordinating Commission in line with the Infrastructure Development Act (2014).

### Expenditure trends and estimates

**Table 25.11 Investment, Competition and Trade expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Development Investment, Industrial Funding and Entrepreneurship	415.5	220.6	261.7	263.1	-14.1%	37.8%	281.0	296.6	312.9	6.0%	29.8%
Competition, Trade and other Economic Regulation	343.1	318.1	395.9	423.3	7.3%	48.2%	443.1	467.4	493.1	5.2%	47.2%
Infrastructure Development Coordination	15.3	8.1	139.7	265.4	158.6%	14.0%	194.0	195.6	236.0	-3.8%	23.0%
<b>Total</b>	<b>773.9</b>	<b>546.9</b>	<b>797.3</b>	<b>951.8</b>	<b>7.1%</b>	<b>100.0%</b>	<b>918.1</b>	<b>959.5</b>	<b>1 042.1</b>	<b>3.1%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			31.0	30.2	61.5		
<b>Economic classification</b>											
<b>Current payments</b>	<b>23.4</b>	<b>18.1</b>	<b>18.9</b>	<b>18.6</b>	<b>-7.4%</b>	<b>2.6%</b>	<b>19.9</b>	<b>21.3</b>	<b>22.6</b>	<b>6.9%</b>	<b>2.1%</b>
Compensation of employees	15.4	15.0	16.0	15.8	0.7%	2.0%	17.0	18.3	19.4	7.2%	1.8%
Goods and services <sup>1</sup>	8.0	3.1	2.9	2.8	-29.4%	0.5%	2.9	3.0	3.2	4.6%	0.3%
of which:											
Advertising	2.2	0.0	0.0	0.5	-39.1%	0.1%	0.5	0.6	0.6	5.9%	0.1%
Consultants: Business and advisory services	–	1.3	1.9	0.7	–	0.1%	0.7	0.7	0.8	1.9%	0.1%
Contractors	0.0	–	–	0.4	350.6%	–	0.4	0.4	0.4	5.4%	–
Inventory: Clothing material and accessories	–	–	–	0.1	–	–	0.1	0.1	0.1	5.4%	–
Consumables: Stationery, printing and office supplies	0.1	0.0	0.1	0.1	6.8%	–	0.1	0.1	0.1	5.4%	–
Travel and subsistence	1.2	0.8	0.6	0.6	-19.4%	0.1%	0.7	0.7	0.7	4.4%	0.1%

**Table 25.11 Investment, Competition and Trade expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million	750.2	528.8	778.3	933.0	7.5%	97.4%	898.0	938.0	1 019.2	3.0%	97.9%
<b>Transfers and subsidies<sup>1</sup></b>											
Departmental agencies and accounts	338.8	315.7	392.5	419.1	7.3%	47.8%	438.5	462.5	488.0	5.2%	46.7%
Public corporations and private enterprises	411.4	213.1	385.8	513.8	7.7%	49.7%	459.5	475.5	531.3	1.1%	51.1%
Households	–	–	0.1	0.1	–	–	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	<b>-5.8%</b>	<b>–</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>6.0%</b>	<b>–</b>
Machinery and equipment	0.2	0.0	0.0	0.2	-5.8%	–	0.2	0.2	0.2	6.0%	–
<b>Total</b>	<b>773.9</b>	<b>546.9</b>	<b>797.3</b>	<b>951.8</b>	<b>–</b>	<b>100.0%</b>	<b>918.1</b>	<b>959.5</b>	<b>1 042.1</b>	<b>–</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>87.6%</b>	<b>82.2%</b>	<b>87.4%</b>	<b>88.7%</b>	<b>–</b>	<b>–</b>	<b>87.8%</b>	<b>87.6%</b>	<b>87.8%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>338.8</b>	<b>315.7</b>	<b>392.5</b>	<b>419.1</b>	<b>7.7%</b>	<b>47.8%</b>	<b>438.5</b>	<b>462.5</b>	<b>488.0</b>	<b>1.1%</b>	<b>46.7%</b>
Competition Commission	231.0	208.5	263.4	281.8	–	32.1%	295.4	311.6	328.7	–	31.4%
Competition Tribunal	19.1	20.1	30.0	35.1	–	3.4%	36.2	38.2	40.3	-100.0%	3.9%
International Trade Administration Commission	88.7	87.0	99.1	102.2	-5.8%	12.3%	106.9	112.8	119.0	6.0%	11.4%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>411.4</b>	<b>213.1</b>	<b>385.8</b>	<b>513.8</b>	<b>–</b>	<b>49.7%</b>	<b>459.5</b>	<b>475.5</b>	<b>531.3</b>	<b>–</b>	<b>51.1%</b>
Small Enterprise Finance Agency	406.4	213.1	223.8	228.8	–	34.9%	241.5	254.7	268.7	–	25.7%
Industrial Development Corporation	5.0	–	162.0	285.0	–	14.7%	218.0	220.8	262.5	–	25.5%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entity

### Industrial Development Corporation

#### Mandate

The Industrial Development Corporation is a development finance institution established in terms of the Industrial Development Act (1940) with the objective of leading industrial capacity development. The corporation aligns its priorities with those identified in terms of government policies and programmes related to industrial development, including relevant elements of the NDP, the new growth path and the industrial policy action plan.

#### Selected performance indicators

**Table 25.12 Industrial Development Corporation performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Value of funding disbursed per year	Administration	Outcome 4: Decent employment through inclusive growth	R11.4bn	R11bn	R15.4bn	R17.2bn	R16.6bn	R18.3bn	R22.6bn
Number of jobs expected to be created or saved per year	Administration		18 010	20 155	29 885	28 262	32 501	35 767	39 361
Value of funding to black industrialists per year	Administration		R4.5bn	R4.9bn	R7.8bn	R5.5bn	R5.5bn	R5.9bn	R6.2bn
Funding for localisation initiatives per year	Administration		R4.7bn	R4.8bn	R7bn	R4.7bn	R4.9bn	R5.2bn	R5.2bn

#### Expenditure analysis

As a development finance institution, the Industrial Development Corporation aims to contribute to balanced, sustainable economic growth and the economic empowerment of the South African population. By developing

value chains in sectors that have significant potential for economic growth, the corporation plans to undertake direct investments in individual companies, and act as a catalyst for the creation or revitalisation of industries and jobs. As such, the corporation's focus over the medium term will continue to be on developing industrial capacity while ensuring long-term sustainability.

Loans to enterprises in priority sectors such as metals and mining, chemicals and pharmaceuticals, clothing and textiles, and agro-processing and agriculture are expected to account for 62 per cent (R35.7 billion) of the corporation's total loan disbursement of R57.5 billion over the medium term. Through the corporation's support, an estimated 107 629 jobs will be created or saved over the same period.

To underscore the corporation's commitment to transformation, an estimated R17.6 billion of this enterprise funding over the medium term is allocated to supporting 49 black industrialists. The corporation also anticipates the approval of R3.8 billion over the MTEF period in funding for enterprises that empower women, and R3.2 billion for youth ventures.

The corporation is expected to generate 82 per cent (R49.4 billion) of its revenue over the medium term through interest on loans. Revenue of R9.9 billion is set to be generated through equity investments and income from fees. Total revenue is expected to increase from R17.4 billion in 2018/19 to R20.5 billion in 2020/21 at an average annual rate of 6 per cent, mainly due to a projected increase in interest income from higher-value loans and dividend income from equity investments. In 2021/22, total revenue is expected to decrease to R19.3 billion due to the anticipated sale of dividend-paying equities.

### Programmes/Objectives/Activities

**Table 25.13 Industrial Development Corporation expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	19 185.0	18 773.0	16 154.0	12 888.1	-12.4%	100.0%	16 967.0	16 640.7	17 416.8	10.6%	100.0%
<b>Total</b>	<b>19 185.0</b>	<b>18 773.0</b>	<b>16 154.0</b>	<b>12 888.1</b>	<b>-12.4%</b>	<b>100.0%</b>	<b>16 967.0</b>	<b>16 640.7</b>	<b>17 416.8</b>	<b>10.6%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 25.14 Industrial Development Corporation statements of historical financial performance and position**

Statement of financial performance									
R million	2015/16		2016/17		2017/18		2018/19		Average: Outcome/ Budget (%) 2015/16 - 2018/19
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>19 967.9</b>	<b>19 001.6</b>	<b>23 110.0</b>	<b>20 138.9</b>	<b>18 308.0</b>	<b>18 773.2</b>	<b>21 438.0</b>	<b>17 148.2</b>	<b>90.6%</b>
Sale of goods and services other than capital assets	14 615.9	12 908.6	15 670.0	12 767.9	9 969.0	2 383.0	11 134.0	3 131.0	60.7%
of which:									
Administrative fees	684.8	-	-	-	-	-	-	-	-
Sales by market establishment	33.1	-	-	-	-	-	-	-	-
Other sales	13 898.0	12 908.6	15 670.0	12 767.9	9 969.0	2 383.0	11 134.0	3 131.0	61.6%
Other non-tax revenue	5 352.0	6 093.0	7 440.0	7 371.0	8 339.0	16 390.2	10 304.0	14 017.2	139.6%
Transfers received	407.1	406.4	213.1	213.1	223.8	223.8	228.8	228.8	99.9%
<b>Total revenue</b>	<b>20 375.0</b>	<b>19 408.0</b>	<b>23 276.1</b>	<b>20 973.0</b>	<b>18 531.8</b>	<b>19 378.0</b>	<b>21 666.8</b>	<b>17 377.0</b>	<b>92.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>20 297.6</b>	<b>18 988.0</b>	<b>21 447.8</b>	<b>18 773.0</b>	<b>17 035.0</b>	<b>16 154.0</b>	<b>20 339.0</b>	<b>12 781.7</b>	<b>84.3%</b>
Compensation of employees	926.0	840.0	887.4	3 229.0	1 260.7	885.5	1 287.8	1 132.0	139.5%
Goods and services	16 431.5	16 108.0	17 752.3	12 207.0	13 137.3	11 876.5	15 906.8	8 696.6	77.3%
Depreciation	576.2	723.0	618.2	730.0	730.0	964.0	730.0	1 010.0	129.1%
Interest, dividends and rent on land	2 363.9	1 317.0	2 190.0	2 607.0	1 907.0	2 428.0	2 414.5	1 943.1	93.5%
<b>Total expenses</b>	<b>20 577.9</b>	<b>19 185.0</b>	<b>21 780.1</b>	<b>18 773.0</b>	<b>17 434.0</b>	<b>16 154.0</b>	<b>20 744.0</b>	<b>12 888.1</b>	<b>83.2%</b>
<b>Surplus/(Deficit)</b>	<b>(203.0)</b>	<b>223.0</b>	<b>1 496.0</b>	<b>2 200.0</b>	<b>1 098.0</b>	<b>3 224.0</b>	<b>923.0</b>	<b>4 489.0</b>	

**Table 25.14 Industrial Development Corporation statements of historical financial performance and position**

Statement of financial position								Average:	
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget (%)
R million	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Carrying value of assets	10 540.6	11 456.0	11 168.9	10 074.0	7 837.8	8 148.0	8 124.0	-	78.8%
<i>of which:</i>									
Acquisition of assets	(1 675.3)	(2 548.0)	(1 757.8)	(934.0)	(1 844.4)	(1 741.0)	(1 951.4)	-	72.3%
Investments	97 751.3	71 704.0	103 052.3	104 669.0	110 645.5	111 632.0	121 375.0	101 935.5	90.1%
Inventory	4 249.0	3 599.0	4 461.5	2 771.0	2 201.2	1 748.0	2 700.0	-	59.6%
Loans	17 985.0	23 928.0	16 408.7	-	30 936.0	-	34 840.0	19 390.2	43.2%
Receivables and prepayments	4 203.8	3 305.0	4 414.0	2 704.0	1 664.8	3 621.0	1 700.0	16 011.8	214.0%
Cash and cash equivalents	10 152.0	6 865.0	9 810.0	7 699.0	8 749.0	6 156.0	5 871.0	7 026.3	80.2%
Non-current assets held for sale	-	-	-	1 676.0	-	4 508.0	-	-	-
Taxation	433.5	422.0	461.2	169.0	-	487.0	153.0	-	102.9%
Derivatives financial instruments	-	69.0	-	76.0	-	142.0	-	-	-
<b>Total assets</b>	<b>145 315.3</b>	<b>121 348.0</b>	<b>149 776.5</b>	<b>129 838.0</b>	<b>162 034.3</b>	<b>136 442.0</b>	<b>174 763.0</b>	<b>144 363.9</b>	<b>84.2%</b>
Accumulated surplus/(deficit)	40 269.9	39 717.0	42 537.3	43 729.0	45 438.7	46 938.0	22 364.6	89 563.5	146.0%
Capital and reserves	69 856.5	45 100.0	66 249.8	44 561.0	65 265.9	44 765.0	98 607.2	-	44.8%
Capital reserve fund	-	-	-	-	-	-	326.2	-	-
Borrowings	23 991.7	28 022.0	29 233.9	103.0	39 466.0	19.0	44 995.0	38 880.3	48.7%
Trade and other payables	3 924.9	3 727.0	4 121.1	4 053.0	2 552.4	3 383.0	1 401.6	-	93.0%
Taxation	6 094.6	3 340.0	6 399.4	4 879.0	8 345.0	4 599.0	5 573.0	6 866.0	74.5%
Provisions	1 119.0	1 357.0	1 175.0	1 725.0	898.6	1 272.0	1 136.4	-	100.6%
Managed funds (e.g. poverty alleviation fund)	30.0	26.0	30.0	-	30.0	-	-	3 672.7	4 109.7%
Derivatives financial instruments	28.7	59.0	30.1	30 788.0	37.6	35 466.0	7.0	5 381.4	69 359.5%
<b>Total equity and liabilities</b>	<b>145 315.3</b>	<b>121 348.0</b>	<b>149 776.5</b>	<b>129 838.0</b>	<b>162 034.3</b>	<b>136 442.0</b>	<b>174 410.9</b>	<b>144 363.9</b>	<b>84.2%</b>

**Statements of estimates of financial performance and position****Table 25.15 Industrial Development Corporation statements of estimates of financial performance and position**

Statement of financial performance								Average:
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>17 148.2</b>	<b>-3.4%</b>	<b>97.4%</b>	<b>19 977.5</b>	<b>20 291.3</b>	<b>19 081.5</b>	<b>3.6%</b>	<b>98.7%</b>
Sale of goods and services other than capital assets	3 131.0	-37.6%	39.4%	4 210.0	4 160.0	1 541.0	-21.0%	16.8%
<i>of which:</i>								
Other sales	3 131.0	-37.6%	39.4%	4 210.0	4 160.0	1 541.0	-21.0%	16.8%
Other non-tax revenue	14 017.2	32.0%	57.9%	15 767.5	16 131.3	17 540.5	7.8%	82.0%
<b>Total revenue</b>	<b>17 377.0</b>	<b>-3.6%</b>	<b>100.0%</b>	<b>20 219.0</b>	<b>20 546.0</b>	<b>19 349.0</b>	<b>3.6%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>12 781.7</b>	<b>-12.4%</b>	<b>99.5%</b>	<b>16 729.6</b>	<b>16 446.6</b>	<b>17 030.9</b>	<b>10.0%</b>	<b>98.6%</b>
Compensation of employees	1 132.0	10.5%	9.0%	1 204.6	1 294.7	1 391.6	7.1%	7.9%
Goods and services	8 696.6	-18.6%	72.5%	11 841.8	10 738.9	10 843.3	7.6%	66.0%
Depreciation	1 010.0	11.8%	5.4%	1 060.0	1 110.0	1 160.0	4.7%	6.9%
Interest, dividends and rent on land	1 943.1	13.8%	12.7%	2 623.2	3 303.0	3 636.0	23.2%	17.8%
<b>Total expenses</b>	<b>12 888.1</b>	<b>-12.4%</b>	<b>100.0%</b>	<b>16 967.0</b>	<b>16 640.7</b>	<b>17 416.8</b>	<b>10.6%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>4 489.0</b>			<b>3 252.0</b>	<b>3 905.0</b>	<b>1 932.0</b>		
<b>Statement of financial position</b>								
Investments	101 935.5	12.4%	73.0%	101 813.5	109 779.4	117 162.8	4.8%	67.4%
Loans	19 390.2	-6.8%	8.3%	28 075.7	32 209.7	35 686.4	22.5%	17.8%
Receivables and prepayments	16 011.8	69.2%	4.6%	16 822.2	17 130.9	17 508.8	3.0%	10.6%
Cash and cash equivalents	7 026.3	0.8%	5.2%	6 935.9	6 613.7	5 980.1	-5.2%	4.2%
<b>Total assets</b>	<b>144 363.9</b>	<b>6.0%</b>	<b>100.0%</b>	<b>153 647.3</b>	<b>165 733.7</b>	<b>176 338.1</b>	<b>6.9%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	89 563.5	31.1%	40.7%	91 566.8	98 465.6	101 678.4	4.3%	59.7%
Borrowings	38 880.3	11.5%	12.5%	45 268.7	49 981.1	56 735.0	13.4%	29.7%
Taxation	6 866.0	27.2%	3.7%	6 969.3	7 141.8	7 377.2	2.4%	4.4%
Managed funds (e.g. poverty alleviation fund)	3 672.7	420.8%	0.6%	3 672.7	3 672.7	3 672.7	-	2.3%
Derivatives financial instruments	5 381.4	350.1%	13.4%	6 169.8	6 472.6	6 874.8	8.5%	3.9%
<b>Total equity and liabilities</b>	<b>144 363.9</b>	<b>6.0%</b>	<b>100.0%</b>	<b>153 647.3</b>	<b>165 733.7</b>	<b>176 338.1</b>	<b>6.9%</b>	<b>100.0%</b>



## Personnel information

**Table 25.16 Industrial Development Corporation personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
Industrial Development Corporation		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	859	859	859	885.5	1.0	859	1 132.0	1.3	859	1 204.6	1.4	859	1 294.7	1.5	859	1 391.6	1.6	7.1%	100.0%
1 – 6	35	35	35	73.3	2.1	35	95.1	2.7	35	101.1	2.9	35	108.7	3.1	35	116.9	3.3	7.1%	4.1%
7 – 10	274	274	274	116.3	0.4	274	150.9	0.6	274	160.5	0.6	274	172.5	0.6	274	185.5	0.7	7.1%	31.9%
11 – 12	132	132	132	107.5	0.8	132	139.6	1.1	132	148.5	1.1	132	159.6	1.2	132	171.6	1.3	7.1%	15.4%
13 – 16	391	391	391	513.3	1.3	391	666.0	1.7	391	708.5	1.8	391	761.7	1.9	391	819.0	2.1	7.1%	45.5%
17 – 22	27	27	27	75.2	2.8	27	80.5	3.0	27	86.1	3.2	27	92.1	3.4	27	98.6	3.7	7.0%	3.1%

1. Rand million.

## Other entities

Comprehensive coverage of the following public entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Competition Commission** is a statutory body constituted in terms of the Competition Act (1998). It is empowered to investigate, control and evaluate restrictive business practices, including the abuse of dominant positions and mergers; and promote the advocacy of competition issues to achieve equity and efficiency in the South African economy. The commission's total budget for 2019/20 is R376.8 million.
- The **Competition Tribunal** was established in 1999 in terms of the Competition Act (1998). All large corporate mergers and allegations of restrictive practices are brought before the tribunal by the Competition Commission and interested parties for adjudication. The tribunal's total budget for 2019/20 is R59.7 million.
- The **International Trade Administration Commission** is mandated to manage an efficient and effective trade administration system. It was established in terms of the International Trade Administration Act (2002). The commission's total budget for 2019/20 is R108.9 million.
- The **Small Enterprise Finance Agency** was established in 2012 and combines the operations of Khula Enterprise Finance, the South African Micro-Finance Apex Fund and the Industrial Development Corporation's small business operations. The agency's total budget for 2019/20 is R461.4 million.



# Vote 26

## Energy

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	308.3	301.8	1.7	4.8	327.0	344.6
Energy Policy and Planning	54.7	54.7	–	–	57.7	60.8
Petroleum and Petroleum Products Regulation	91.3	88.2	3.0	–	96.4	104.3
Electrification and Energy Programme and Project Management	5 531.8	81.5	5 450.3	–	5 350.6	6 270.0
Nuclear Energy	1 045.9	41.3	1 004.6	–	1 102.7	1 163.7
Clean Energy	408.1	104.0	304.1	–	440.3	465.4
<b>Total expenditure estimates</b>	<b>7 440.0</b>	<b>671.5</b>	<b>6 763.7</b>	<b>4.8</b>	<b>7 374.7</b>	<b>8 408.8</b>

Executive authority: Minister of Energy  
 Accounting officer: Director-General of Energy  
 Website address: [www.energy.gov.za](http://www.energy.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Formulate energy policies, regulatory frameworks and legislation, and oversee their implementation, to ensure energy security, the promotion of environmentally friendly energy carriers, and access to affordable and reliable energy for all South Africans.*

### Mandate

The Department of Energy is mandated to ensure the secure and sustainable provision of energy in support of socioeconomic development. It aims to achieve this by developing an integrated energy plan for the entire energy sector and regulating energy industries, as well as promoting investment in accordance with the integrated resource plan for electricity. A number of acts regulate the energy sector and reflect the legislative measures the department has instituted to govern the energy sector. Key among these are:

- the National Energy Act (2008)
- the Petroleum Products Act (1977)
- the Electricity Regulation Act (2006).

The National Energy Act (2008) sets out the core aspects of the department's mandate and is the enabling legislation that empowers the Minister of Energy to:

- ensure that diverse energy resources are available in sustainable quantities and at affordable prices in the South African economy to support economic growth and poverty alleviation, while taking into account environmental considerations
- plan for the increased generation and consumption of renewable energy, a contingency energy supply, the holding of strategic energy feedstock and carriers, adequate investment in appropriate upkeep, and access to energy infrastructure
- collect data and information regarding energy demand, supply and generation
- promote electricity regulation, energy research, and the efficient generation and consumption of energy.

The department is also mandated to regulate the petroleum industry at the manufacturing, wholesale and retail levels through the implementation of the Petroleum Products Act (1977). The petroleum and liquid fuels charter

is annexed to the Petroleum Products Amendment Act (2003), and outlines the department's strategy to effect transformation in the industry.

## Selected performance indicators

**Table 26.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of new petroleum retail site inspections per year	Petroleum and Petroleum Products Regulation	Outcome 6: An efficient, competitive and responsive economic infrastructure network	1 956	1 515	2 099	1 500	1 500	1 500	1 500
Number of additional households electrified with grid electrification per year	Electrification and Energy Programme and Project Management	Outcome 9: Responsive, accountable, effective and efficient developmental local government	260 000	301 976	275 830	200 000	195 000	195 000	200 000
Number of bulk substations built per year	Electrification and Energy Programme and Project Management	Outcome 6: An efficient, competitive and responsive economic infrastructure network	6	3	3	2	2	2	2
Number of additional substations upgraded per year	Electrification and Energy Programme and Project Management		4	3	4	3	3	3	3
Kilometres of new medium voltage power lines constructed per year	Electrification and Energy Programme and Project Management		224	295	161	50	50	50	50
Kilometres of existing medium voltage power lines upgraded per year	Electrification and Energy Programme and Project Management		0	9	32	50	50	50	50
Number of additional households electrified with non-grid electrification per year	Electrification and Energy Programme and Project Management		Outcome 9: Responsive, accountable, effective and efficient developmental local government	25 076	16 922	16 875	20 000	20 000	20 000

## Expenditure analysis

The National Development Plan envisages that, by 2030, South Africa will have an adequate supply of electricity and liquid fuels to maintain economic activity and prevent economic disruptions. In giving expression to this vision over the medium term, the department intends to focus on extending access to electricity and enhancing energy efficiency, managing nuclear energy in terms of international commitments, and diversifying the energy generation mix.

The department's total expenditure is expected to increase at an average annual rate of 5.7 per cent, from R7.1 billion in 2018/19 to R8.4 billion in 2021/22, mainly as a result of Cabinet-approved additional funding of R597.5 million over the medium term. This includes R17.1 million reprioritised for the department's operational expenditure; R24 million reprioritised to the National Radioactive Waste Disposal Institute for operational expenditure; and R539.2 million reprioritised to the South African Nuclear Energy Corporation for the decommissioning and decontamination of old nuclear facilities.

However, Cabinet has approved reductions of R58.4 million in 2019/20 and R558.8 million in 2020/21, mainly in the *Electrification and Energy Programme and Project Management* programme, the department's largest programme, accounting to R17.2 billion of total projected expenditure over the medium term. A realignment of capital funding within this programme to supplement funding for metropolitan cities results in a shift of R814.5 million to the *urban settlements development grant* in the Department of Human Settlements from the

*integrated national electrification programme (municipal) grant.*

Compensation of employees is expected to increase at an average annual rate of 6.5 per cent, from R360.5 million in 2018/19 to R435.9 million in 2021/22. However, to remain within government's expenditure ceiling for compensation of employees, the number of personnel in the department is expected to decrease from 569 in 2018/19 to 559 in 2021/22. This decrease is effected on lower-level and intern posts.

Expenditure on goods and services is expected to decrease at an average annual rate of 9 per cent, from R422.6 million in 2018/19 to R318.4 million in 2021/22. This is mainly due to a reduction in the *Clean Energy* programme's baseline budget for payments related to the storage of solar water heater units, from R166.5 million in 2018/19 to R4.5 million in 2021/22, as the units are expected to be installed in households before the end of the MTEF period. Expenditure on goods and services mainly comprises servicing operating leases as the department's regional offices are relocated; and costs related to the inspection of 4 500 petroleum retail sites, the solar water heater programme, and the monitoring and verification of grid and non-grid connections in the integrated national electrification programme over the medium term.

**Extending access to electricity and enhancing energy efficiency**

As part of the integrated national electrification programme, which aims to extend access to electricity to all households across South Africa, 590 000 households are expected to be connected to the electricity grid over the medium term. The department anticipates that a further 20 000 households per year over the same period will be provided with non-grid (mainly solar) electrification systems. 6 substations are expected to be built and 9 upgraded over the medium term. Transfers to municipalities for the direct component of the integrated national electrification programme are expected to increase at an average annual rate of 3.8 per cent, from R1.9 billion in 2018/19 to R2.1 billion in 2021/22. This relatively low average annual increase is due to a shift of funds to the *urban settlements development grant*, which is managed by the Department of Human Settlements, for the delivery of services to households in informal settlements in metropolitan municipalities.

Transfers to Eskom for the indirect component of the integrated national electrification programme are expected to increase at an average annual rate of 5.4 per cent, from R3.3 billion in 2018/19 to R3.8 billion in 2021/22. A significant portion of households yet to be electrified are in sparsely populated rural areas, mostly in KwaZulu-Natal, Eastern Cape and Limpopo. As such, the cost of connections is expected to be higher over the medium term than in previous years. Spending in the *Energy Efficiency* subprogramme in the *Clean Energy* programme is expected to decrease at an average annual rate of 2.9 per cent, from R400.2 million in 2018/19 to R366.1 million in 2021/22.

Over the medium term, the department plans to develop an electrification master plan, which is intended to inform the rollout of electrification connections for universal access. Once developed, the master plan will be used to set rules and timeframes for the rollout of electrification, accompanied by clear guidelines for selecting particular technologies. To develop the electrification master plan, R17.2 million over the medium term is allocated in the *Integrated National Electrification Programme* subprogramme in the *Electrification and Energy Programme and Project Management* programme.

To realise a targeted 1.5 terawatt hours of energy savings over the medium term, allocations to the *energy efficiency and demand-side management grant* increase from R215 million in 2018/19 to R252.7 million in 2021/22. This will enable municipalities to undertake initiatives such as replacing street and traffic lights with energy efficient technology, and to retrofit and replace municipal infrastructure that is energy inefficient. An additional R120 million over the MTEF period is allocated through funds received from international donors to effect energy efficiencies, including achieving net-zero energy usage at wastewater treatment plants and improving the energy performance of municipal government buildings. In this regard, the department will develop project plans and procedures, and coordinate the implementation of project activities; and the South African National Energy Development Institute will lead the monitoring and evaluation of project achievements.

**Managing nuclear energy**

Transfers to entities form the bulk of expenditure over the medium term in the *Nuclear Energy* programme,

mainly to subsidise the operational costs of the South African Nuclear Energy Corporation for the production of nuclear medicines and the decommissioning and decontamination of old nuclear facilities. Spending in the *Nuclear Energy* programme is expected to increase at an average annual rate of 9.9 per cent, from R875.6 million in 2018/19 to R1.2 billion in 2021/22, mostly driven by increased allocations of R24 million to the National Radioactive Waste Disposal Institute for its operationalisation, and additional funding of R539.2 million for the decommissioning and decontamination of old nuclear facilities. The National Radioactive Waste Disposal Institute Bill, which is expected to be approved by Cabinet in 2019/20, provides for a sustainable funding mechanism for the institute. Transfers to public corporations and private enterprises are expected to increase at an average annual rate of 13.2 per cent, from R682.7 million in 2018/19 to R991.1 million in 2021/22, mainly driven by the increase in allocations to the South African Nuclear Energy Corporation.

### Diversifying the energy generation mix

Towards the realisation of a diversified energy sector in which there is a supply of various types of energy, over the MTEF period, the department will focus on finalising and implementing legislation and policy frameworks. This includes drafting the National Energy Regulator Amendment Bill; and finalising the integrated resource plan, the integrated energy plan and the Electricity Regulation Second Amendment Bill. In addition, the Gas Amendment Bill is expected to be processed and published for public comment in 2019/20. The bill will assist in defining the related policy and regulatory framework to support the rollout of gas infrastructure and the development of a gas industry. These activities are carried out in the *Energy Policy and Planning* programme, in which spending is expected to increase at an average annual rate of 6.7 per cent, from R50.1 million in 2018/19 to R60.8 million in 2021/22.

## Expenditure trends

**Table 26.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Energy Policy and Planning														
3. Petroleum and Petroleum Products Regulation														
4. Electrification and Energy Programme and Project Management														
5. Nuclear Energy														
6. Clean Energy														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	242.6	246.6	277.8	240.1	244.8	282.8	239.5	263.6	272.4	282.6	283.4	283.4	111.1%	107.5%
Programme 2	45.1	44.1	38.1	46.7	43.5	39.9	46.7	46.7	41.7	53.1	50.1	50.1	88.6%	92.1%
Programme 3	74.4	73.4	69.0	77.9	77.5	79.0	81.8	81.8	74.6	87.1	86.1	86.1	96.1%	96.8%
Programme 4	5 778.3	5 813.8	5 820.5	5 699.9	5 705.2	5 678.7	6 184.0	6 220.0	6 152.2	5 435.4	5 383.6	5 332.6	99.5%	99.4%
Programme 5	654.4	653.9	655.0	863.6	880.1	872.5	786.9	790.9	794.2	816.6	875.6	875.6	102.4%	99.9%
Programme 6	687.3	435.8	281.8	616.9	599.4	560.1	774.5	742.5	609.6	370.2	484.7	484.7	79.1%	85.6%
<b>Total</b>	<b>7 482.1</b>	<b>7 267.6</b>	<b>7 142.1</b>	<b>7 545.2</b>	<b>7 550.6</b>	<b>7 512.8</b>	<b>8 113.5</b>	<b>8 145.4</b>	<b>7 944.6</b>	<b>7 045.0</b>	<b>7 163.5</b>	<b>7 112.5</b>	<b>98.4%</b>	<b>98.6%</b>
Change to 2018 Budget estimate										118.5				
Economic classification														
Current payments	492.6	508.8	509.3	739.0	714.5	594.7	557.9	572.6	586.9	612.8	783.1	783.1	103.0%	95.9%
Compensation of employees	289.5	289.5	296.0	310.8	318.3	321.5	318.2	333.2	322.2	360.5	360.5	360.5	101.7%	99.9%
Goods and services	203.1	219.3	213.3	428.2	396.2	273.2	239.7	239.4	264.7	252.3	422.6	422.6	104.5%	91.9%

**Table 26.2 Vote expenditure trends by programme and economic classification**

Economic classification	2015/16			2016/17			2017/18			2018/19			Average: 2015/16 - 2018/19	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million														
<b>Transfers and subsidies</b>	<b>6 985.5</b>	<b>6 754.8</b>	<b>6 628.4</b>	<b>6 802.1</b>	<b>6 832.0</b>	<b>6 816.1</b>	<b>7 551.2</b>	<b>7 568.5</b>	<b>7 354.8</b>	<b>6 427.7</b>	<b>6 375.2</b>	<b>6 324.1</b>	<b>97.7%</b>	<b>98.5%</b>
Provinces and municipalities	2 158.2	2 158.2	2 158.2	2 131.9	2 131.9	2 131.9	2 290.3	2 290.3	2 290.3	2 119.5	2 119.5	2 119.5	100.0%	100.0%
Departmental agencies and accounts	87.3	87.1	87.1	38.2	62.5	72.5	129.4	129.4	129.4	133.4	133.4	133.4	108.8%	102.4%
Foreign governments and international organisations	16.6	19.6	29.6	17.4	17.4	25.0	17.9	17.9	25.6	27.9	27.9	27.9	135.5%	130.5%
Public corporations and private enterprises	4 723.0	4 489.5	4 349.8	4 612.4	4 617.8	4 583.7	5 111.2	5 126.2	4 904.8	4 146.4	4 093.9	4 042.9	96.2%	97.6%
Households	0.4	0.4	3.7	2.2	2.4	3.0	2.4	4.7	4.8	0.5	0.5	0.5	217.1%	150.0%
<b>Payments for capital assets</b>	<b>4.0</b>	<b>4.0</b>	<b>4.4</b>	<b>4.1</b>	<b>4.1</b>	<b>102.0</b>	<b>4.3</b>	<b>4.3</b>	<b>2.9</b>	<b>4.5</b>	<b>5.3</b>	<b>5.3</b>	<b>677.6%</b>	<b>648.8%</b>
Machinery and equipment	4.0	4.0	4.4	4.1	4.1	14.7	4.3	4.3	2.9	4.5	5.3	5.3	161.6%	154.7%
Software and other intangible assets	-	-	-	-	-	87.3	-	-	-	-	-	-	-	-
<b>Total</b>	<b>7 482.1</b>	<b>7 267.6</b>	<b>7 142.1</b>	<b>7 545.2</b>	<b>7 550.6</b>	<b>7 512.8</b>	<b>8 113.5</b>	<b>8 145.4</b>	<b>7 944.6</b>	<b>7 045.0</b>	<b>7 163.5</b>	<b>7 112.5</b>	<b>98.4%</b>	<b>98.6%</b>

## Expenditure estimates

**Table 26.3 Vote expenditure estimates by programme and economic classification**

Programmes									
1. Administration									
2. Energy Policy and Planning									
3. Petroleum and Petroleum Products Regulation									
4. Electrification and Energy Programme and Project Management									
5. Nuclear Energy									
6. Clean Energy									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
				2018/19	2015/16 - 2018/19	2019/20			2020/21
R million									
Programme 1	283.4	4.7%	3.8%	308.3	327.0	344.6	6.7%	4.2%	
Programme 2	50.1	4.3%	0.6%	54.7	57.7	60.8	6.7%	0.7%	
Programme 3	86.1	5.5%	1.0%	91.3	96.4	104.3	6.6%	1.2%	
Programme 4	5 332.6	-2.8%	77.4%	5 531.8	5 350.6	6 270.0	5.5%	74.1%	
Programme 5	875.6	10.2%	10.8%	1 045.9	1 102.7	1 163.7	9.9%	13.8%	
Programme 6	484.7	3.6%	6.5%	408.1	440.3	465.4	-1.3%	5.9%	
<b>Total</b>	<b>7 112.5</b>	<b>-0.7%</b>	<b>100.0%</b>	<b>7 440.0</b>	<b>7 374.7</b>	<b>8 408.8</b>	<b>5.7%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				(133.6)	(622.9)	(77.7)			
Economic classification									
<b>Current payments</b>	<b>783.1</b>	<b>15.5%</b>	<b>8.3%</b>	<b>671.5</b>	<b>720.0</b>	<b>754.2</b>	<b>-1.2%</b>	<b>9.7%</b>	
Compensation of employees	360.5	7.6%	4.4%	384.3	409.2	435.9	6.5%	5.2%	
Goods and services	422.6	24.4%	4.0%	287.3	310.8	318.4	-9.0%	4.4%	
<b>Transfers and subsidies</b>	<b>6 324.1</b>	<b>-2.2%</b>	<b>91.3%</b>	<b>6 763.7</b>	<b>6 649.6</b>	<b>7 649.2</b>	<b>6.5%</b>	<b>90.3%</b>	
Provinces and municipalities	2 119.5	-0.6%	29.3%	2 090.4	2 216.9	2 383.7	4.0%	29.0%	
Departmental agencies and accounts	133.4	15.2%	1.4%	165.9	174.3	183.4	11.2%	2.2%	
Foreign governments and international organisations	27.9	12.5%	0.4%	29.5	31.1	32.8	5.5%	0.4%	
Public corporations and private enterprises	4 042.9	-3.4%	60.2%	4 477.4	4 226.8	5 048.8	7.7%	58.7%	
Households	0.5	5.4%	0.0%	0.5	0.5	0.5	5.6%	0.0%	
<b>Payments for capital assets</b>	<b>5.3</b>	<b>9.7%</b>	<b>0.4%</b>	<b>4.8</b>	<b>5.0</b>	<b>5.3</b>	<b>0.2%</b>	<b>0.1%</b>	
Machinery and equipment	5.3	9.7%	0.1%	4.8	5.0	5.3	0.2%	0.1%	
<b>Total</b>	<b>7 112.5</b>	<b>-0.7%</b>	<b>100.0%</b>	<b>7 440.0</b>	<b>7 374.7</b>	<b>8 408.8</b>	<b>5.7%</b>	<b>100.0%</b>	

## Expenditure trends and estimates for significant spending items

**Table 26.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Electrification programmes	5 820 485	5 678 659	6 152 173	5 383 641	-2.6%	77.5%	5 531 825	5 350 612	6 269 953	5.2%	74.3%
Clean Energy	281 783	560 101	609 555	484 707	19.8%	6.5%	408 083	440 319	465 357	-1.3%	5.9%
<b>Total</b>	<b>6 102 268</b>	<b>6 238 760</b>	<b>6 761 728</b>	<b>5 868 348</b>	<b>-1.3%</b>	<b>84.0%</b>	<b>5 939 908</b>	<b>5 790 931</b>	<b>6 735 310</b>	<b>4.7%</b>	<b>80.2%</b>

## Goods and services expenditure trends and estimates

**Table 26.5 Vote goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Administrative fees	5 663	4 650	3 653	3 495	-14.9%	1.5%	3 975	4 192	4 422	8.2%	1.2%
Advertising	13 785	8 362	2 016	7 078	-19.9%	2.7%	7 298	7 645	8 065	4.4%	2.2%
Minor assets	1 036	833	280	405	-26.9%	0.2%	486	524	553	10.9%	0.1%
Audit costs: External	4 233	3 805	4 542	3 972	-2.1%	1.4%	4 129	4 356	4 596	5.0%	1.3%
Bursaries: Employees	610	555	618	821	10.4%	0.2%	867	915	965	5.5%	0.3%
Catering: Departmental activities	1 961	2 546	1 745	1 714	-4.4%	0.7%	1 721	1 819	1 920	3.9%	0.5%
Communication	7 613	8 517	9 023	6 215	-6.5%	2.7%	6 499	6 859	7 239	5.2%	2.0%
Computer services	9 839	10 658	11 740	7 726	-7.7%	3.4%	10 470	11 031	11 637	14.6%	3.1%
Consultants: Business and advisory services	25 828	102 502	30 379	112 260	63.2%	23.1%	114 766	130 772	128 733	4.7%	36.3%
Legal services	924	2 451	4 984	2 696	42.9%	0.9%	517	545	575	-40.3%	0.3%
Contractors	2 560	2 206	1 100	1 770	-11.6%	0.7%	1 634	1 723	1 817	0.9%	0.5%
Agency and support/outsourced services	3 305	1 096	189	872	-35.9%	0.5%	10 886	11 484	12 116	140.4%	2.6%
Entertainment	1	8	13	184	468.8%	-	195	206	217	5.7%	0.1%
Fleet services (including government motor transport)	1 586	1 275	1 333	641	-26.1%	0.4%	605	639	675	1.7%	0.2%
Consumable supplies	1 042	1 032	743	1 330	8.5%	0.4%	2 246	2 371	2 501	23.4%	0.6%
Consumables: Stationery, printing and office supplies	4 653	4 722	2 826	4 861	1.5%	1.5%	4 160	4 385	4 624	-1.7%	1.3%
Operating leases	34 063	38 955	35 228	45 336	10.0%	13.1%	49 957	52 700	55 593	7.0%	15.2%
Rental and hiring	93	-	68	-	-100.0%	-	-	-	-	-	-
Property payments	4 082	8 851	6 953	5 030	7.2%	2.1%	7 310	5 747	5 799	4.9%	1.8%
Transport provided: Departmental activity (travel and subsistence)	238	294	73	-	-100.0%	0.1%	-	-	-	-	-
Training and development	65 249	52 019	43 737	37 514	-16.8%	16.9%	41 485	43 779	46 191	7.2%	12.6%
Operating payments	4 664	4 041	3 409	4 086	-4.3%	1.4%	4 315	4 552	4 802	5.5%	1.3%
Venues and facilities	4 898	3 988	91 502	166 489	223.9%	22.7%	4 059	4 282	4 516	-70.0%	13.4%
<b>Total</b>	<b>213 299</b>	<b>273 184</b>	<b>264 720</b>	<b>422 571</b>	<b>25.6%</b>	<b>100.0%</b>	<b>287 266</b>	<b>310 800</b>	<b>318 393</b>	<b>-9.0%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 26.6 Vote transfers and subsidies trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>2 920</b>	<b>2 001</b>	<b>4 467</b>	<b>389</b>	<b>-48.9%</b>	<b>-</b>	<b>411</b>	<b>434</b>	<b>458</b>	<b>5.6%</b>	<b>-</b>
Employee social benefits	2 920	2 001	4 467	389	-48.9%	-	411	434	458	5.6%	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>86 762</b>	<b>72 148</b>	<b>128 977</b>	<b>132 949</b>	<b>15.3%</b>	<b>1.5%</b>	<b>165 449</b>	<b>173 820</b>	<b>182 831</b>	<b>11.2%</b>	<b>2.4%</b>
Energy and Water Sector Education and Training Authority	792	985	1 048	1 108	11.8%	-	1 170	1 234	1 302	5.5%	-
National Nuclear Regulator	21 109	40 538	38 155	16 068	-8.7%	0.4%	42 629	44 974	47 448	43.5%	0.6%



Table 26.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
National Radioactive Waste Disposal Institute	–	10 000	30 000	45 532	–	0.3%	47 499	49 397	51 564	4.2%	0.7%
South African National Energy Development Institute	64 861	20 625	59 774	70 241	2.7%	0.8%	74 151	78 215	82 517	5.5%	1.1%
<b>Capital</b>	<b>378</b>	<b>398</b>	<b>418</b>	<b>442</b>	<b>5.4%</b>	<b>–</b>	<b>467</b>	<b>493</b>	<b>520</b>	<b>5.6%</b>	<b>–</b>
National Nuclear Regulator	378	398	418	442	5.4%	–	467	493	520	5.6%	–
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>711</b>	<b>935</b>	<b>250</b>	<b>65</b>	<b>-55.0%</b>	<b>–</b>	<b>69</b>	<b>73</b>	<b>77</b>	<b>5.8%</b>	<b>–</b>
Employee social benefits	–	122	–	–	–	–	–	–	–	–	–
Employee ex-gratia payments	711	58	61	65	-55.0%	–	69	73	77	5.8%	–
Bursaries for non-employees	–	755	189	–	–	–	–	–	–	–	–
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>177 899</b>	<b>185 625</b>	<b>203 236</b>	<b>215 024</b>	<b>6.5%</b>	<b>2.9%</b>	<b>227 065</b>	<b>239 554</b>	<b>252 729</b>	<b>5.5%</b>	<b>3.4%</b>
Energy efficiency and demand-side management grant	177 899	185 625	203 236	215 024	6.5%	2.9%	227 065	239 554	252 729	5.5%	3.4%
<b>Capital</b>	<b>1 980 340</b>	<b>1 946 246</b>	<b>2 087 048</b>	<b>1 904 477</b>	<b>-1.3%</b>	<b>29.1%</b>	<b>1 863 328</b>	<b>1 977 364</b>	<b>2 131 018</b>	<b>3.8%</b>	<b>28.7%</b>
Integrated national electrification programme (municipal) grant	1 980 340	1 946 246	2 087 048	1 904 477	-1.3%	29.1%	1 863 328	1 977 364	2 131 018	3.8%	28.7%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>29 565</b>	<b>25 003</b>	<b>25 622</b>	<b>27 915</b>	<b>-1.9%</b>	<b>0.4%</b>	<b>29 478</b>	<b>31 099</b>	<b>32 809</b>	<b>5.5%</b>	<b>0.4%</b>
International Energy Forum	366	3 034	276	–	-100.0%	–	–	–	–	–	–
International Atomic Energy Agency	27 886	19 753	22 691	21 549	-8.2%	0.3%	22 756	24 007	25 327	5.5%	0.3%
Generation IV International Forum	–	–	566	741	–	–	782	825	870	5.5%	–
International Renewable Energy Agency	1 313	2 216	1 015	1 137	-4.7%	–	1 201	1 267	1 337	5.5%	–
International Energy Forum	–	–	–	337	–	–	356	376	397	5.6%	–
International Partnership for Energy Efficiency Cooperation	–	–	–	1 273	–	–	1 345	1 419	1 497	5.6%	–
African Petroleum Producers' Association	–	–	1 074	2 878	–	–	3 038	3 205	3 381	5.5%	–
<b>Public corporations and private enterprises</b>											
<b>Subsidies on products and production</b>											
<b>Capital</b>	<b>156 179</b>	<b>458 047</b>	<b>394 432</b>	<b>149 149</b>	<b>-1.5%</b>	<b>4.3%</b>	<b>212 941</b>	<b>224 653</b>	<b>237 009</b>	<b>16.7%</b>	<b>3.0%</b>
Various institutions: Integrated national electrification programme	156 179	137 733	158 960	149 149	-1.5%	2.2%	212 941	224 653	237 009	16.7%	3.0%
Various institutions: Solar water heater programme	–	320 314	235 472	–	–	2.0%	–	–	–	–	–
<b>Public corporations and private enterprises</b>											
<b>Subsidies on products and production</b>											
<b>Current</b>	<b>498 777</b>	<b>513 461</b>	<b>574 000</b>	<b>587 313</b>	<b>5.6%</b>	<b>8.0%</b>	<b>789 688</b>	<b>833 135</b>	<b>878 958</b>	<b>14.4%</b>	<b>11.3%</b>
South African Nuclear Energy Corporation	482 657	496 375	555 888	568 151	5.6%	7.7%	599 246	632 219	666 991	5.5%	9.0%
South African Nuclear Energy Corporation	16 120	17 086	18 112	19 162	5.9%	0.3%	190 442	200 916	211 967	122.8%	2.3%
<b>Capital</b>	<b>3 694 824</b>	<b>3 612 211</b>	<b>3 936 325</b>	<b>3 357 432</b>	<b>-3.1%</b>	<b>53.7%</b>	<b>3 474 796</b>	<b>3 169 022</b>	<b>3 932 800</b>	<b>5.4%</b>	<b>50.8%</b>
Eskom	3 613 243	3 526 334	3 846 154	3 262 031	-3.4%	52.4%	3 374 053	3 062 738	3 820 670	5.4%	49.3%
South African Nuclear Energy Corporation	81 581	85 877	90 171	95 401	5.4%	1.3%	100 743	106 284	112 130	5.5%	1.5%
<b>Total</b>	<b>6 628 355</b>	<b>6 816 075</b>	<b>7 354 775</b>	<b>6 375 155</b>	<b>-1.3%</b>	<b>100.0%</b>	<b>6 763 692</b>	<b>6 649 647</b>	<b>7 649 209</b>	<b>6.3%</b>	<b>100.0%</b>

## Personnel information

**Table 26.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number						
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost							
<b>Energy</b>		<b>596</b>	<b>53</b>	<b>549</b>	<b>322.2</b>	<b>0.6</b>	<b>569</b>	<b>360.5</b>	<b>0.6</b>	<b>563</b>	<b>384.2</b>	<b>0.7</b>	<b>559</b>	<b>409.1</b>	<b>0.7</b>	<b>559</b>	<b>435.7</b>	<b>0.8</b>	<b>-0.6%</b>	<b>100.0%</b>
1 – 6	128	30	125	31.7	0.3	129	34.7	0.3	130	38.0	0.3	131	41.6	0.3	136	46.0	0.3	1.8%	23.4%	
7 – 10	268	10	251	123.2	0.5	259	138.2	0.5	250	143.1	0.6	247	152.2	0.6	244	161.7	0.7	-2.0%	44.4%	
11 – 12	101	6	94	75.8	0.8	99	85.7	0.9	100	92.8	0.9	98	97.3	1.0	96	101.8	1.1	-1.0%	17.5%	
13 – 16	97	7	77	87.0	1.1	80	97.0	1.2	81	105.1	1.3	81	112.5	1.4	81	120.3	1.5	0.4%	14.4%	
Other	2	–	2	4.5	2.2	2	4.8	2.4	2	5.1	2.6	2	5.5	2.8	2	5.9	2.9	–	0.4%	
<b>Programme</b>	<b>596</b>	<b>53</b>	<b>549</b>	<b>322.2</b>	<b>0.6</b>	<b>569</b>	<b>360.5</b>	<b>0.6</b>	<b>563</b>	<b>384.2</b>	<b>0.7</b>	<b>559</b>	<b>409.1</b>	<b>0.7</b>	<b>559</b>	<b>435.7</b>	<b>0.8</b>	<b>-0.6%</b>	<b>100.0%</b>	
Programme 1	291	28	263	148.4	0.6	269	164.2	0.6	268	176.5	0.7	269	190.0	0.7	265	200.3	0.8	-0.5%	47.6%	
Programme 2	53	2	49	34.8	0.7	54	41.6	0.8	52	42.6	0.8	52	45.0	0.9	51	47.4	0.9	-1.9%	9.3%	
Programme 3	116	5	108	56.7	0.5	112	63.3	0.6	108	66.2	0.6	107	70.0	0.7	109	76.3	0.7	-0.9%	19.4%	
Programme 4	81	14	74	44.3	0.6	77	49.7	0.6	79	54.4	0.7	78	57.4	0.7	77	60.4	0.8	–	13.8%	
Programme 5	31	2	31	20.8	0.7	30	21.8	0.7	33	24.9	0.8	31	26.2	0.8	34	28.6	0.8	4.3%	5.7%	
Programme 6	24	2	24	17.2	0.7	27	19.9	0.7	23	19.6	0.9	22	20.6	0.9	23	22.6	1.0	-5.2%	4.2%	

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 26.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)	
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21			2021/22
	2015/16 - 2018/19	2019/20	2020/21					2021/22	2018/19 - 2021/22				
<b>Departmental receipts</b>	<b>805 987</b>	<b>956 905</b>	<b>7 994</b>	<b>6 170</b>	<b>6 170</b>	<b>-80.3%</b>	<b>100.0%</b>	<b>6 309</b>	<b>6 560</b>	<b>6 920</b>	<b>3.9%</b>	<b>100.0%</b>	
<b>Sales of goods and services produced by department</b>	<b>3 885</b>	<b>4 209</b>	<b>3 997</b>	<b>3 914</b>	<b>3 914</b>	<b>0.2%</b>	<b>0.9%</b>	<b>4 027</b>	<b>4 249</b>	<b>4 483</b>	<b>4.6%</b>	<b>64.2%</b>	
Sales by market establishments	141	144	140	149	149	1.9%	–	156	165	174	5.3%	2.5%	
of which:													
Sales by market establishment: Parking	141	144	140	149	149	1.9%	–	156	165	174	5.3%	2.5%	
Administrative fees	3 631	3 944	3 729	3 650	3 650	0.2%	0.8%	3 750	3 956	4 174	4.6%	59.8%	
of which:													
Administrative fees: Petroleum licence fees	3 631	3 944	3 729	3 650	3 650	0.2%	0.8%	3 750	3 956	4 174	4.6%	59.8%	
Other sales	113	121	128	115	115	0.6%	–	121	128	135	5.5%	1.9%	
of which:													
Other sales: Garnishee, photocopy, faxes	113	121	128	115	115	0.6%	–	121	128	135	5.5%	1.9%	
Sales of scrap, waste, arms and other used current goods	–	–	1	2	2	–	–	2	2	2	–	–	
of which:													
Sales: Wastepaper	–	–	1	2	2	–	–	2	2	2	–	–	
Transfers received	1 059	1 745	2 226	1 750	1 750	18.2%	0.4%	1 750	1 750	1 846	1.8%	27.3%	
Interest, dividends and rent on land	489	649	27	30	30	-60.6%	0.1%	32	34	36	6.3%	0.5%	
Interest	489	649	27	30	30	-60.6%	0.1%	32	34	36	6.3%	0.5%	
Sales of capital assets	111	–	–	–	–	-100.0%	–	–	–	–	–	–	
Transactions in financial assets and liabilities	800 443	950 302	1 743	474	474	-91.6%	98.6%	498	525	553	5.3%	7.9%	
<b>Total</b>	<b>805 987</b>	<b>956 905</b>	<b>7 994</b>	<b>6 170</b>	<b>6 170</b>	<b>-80.3%</b>	<b>100.0%</b>	<b>6 309</b>	<b>6 560</b>	<b>6 920</b>	<b>3.9%</b>	<b>100.0%</b>	

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 26.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	42.3	39.3	44.4	33.3	-7.7%	14.3%	34.3	37.5	39.6	5.9%	11.5%
Departmental Management	52.6	72.7	66.1	73.2	11.6%	23.7%	79.8	86.5	91.0	7.5%	26.2%
Finance Administration	33.3	34.7	33.8	40.1	6.4%	12.7%	41.3	43.6	46.1	4.7%	13.5%
Audit Services	6.7	6.9	6.3	8.5	8.1%	2.5%	8.9	9.4	9.9	5.3%	2.9%
Corporate Services	110.8	98.5	87.0	79.2	-10.6%	33.6%	87.7	92.5	97.8	7.3%	28.3%
Office Accommodation	32.1	30.6	34.7	49.2	15.3%	13.1%	56.4	57.5	60.4	7.1%	17.7%
<b>Total</b>	<b>277.8</b>	<b>282.8</b>	<b>272.4</b>	<b>283.4</b>	<b>0.7%</b>	<b>100.0%</b>	<b>308.3</b>	<b>327.0</b>	<b>344.6</b>	<b>6.7%</b>	<b>100.0%</b>
Change to 2018				0.8			9.2	12.3	10.7		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>268.6</b>	<b>272.3</b>	<b>263.4</b>	<b>276.5</b>	<b>1.0%</b>	<b>96.8%</b>	<b>301.8</b>	<b>320.3</b>	<b>337.5</b>	<b>6.9%</b>	<b>97.8%</b>
Compensation of employees	138.8	149.8	148.4	164.2	5.8%	53.9%	176.5	190.1	200.4	6.9%	57.9%
Goods and services <sup>1</sup>	129.8	122.5	115.0	112.3	-4.7%	43.0%	125.3	130.2	137.1	6.9%	40.0%
of which:											
Computer services	9.8	10.7	11.7	7.7	-7.6%	3.6%	10.5	11.0	11.6	14.6%	3.2%
Consultants: Business and advisory services	4.0	4.7	5.1	5.4	10.0%	1.7%	5.6	5.9	6.2	5.0%	1.8%
Operating leases	33.2	38.1	34.3	45.3	11.0%	13.5%	50.0	52.7	55.6	7.1%	16.1%
Property payments	4.1	8.8	7.0	5.0	7.5%	2.2%	7.3	5.7	5.8	4.9%	1.9%
Travel and subsistence	32.5	26.1	24.9	16.8	-19.8%	9.0%	18.3	19.3	20.3	6.7%	5.9%
Training and development	4.6	4.0	3.4	4.1	-4.2%	1.4%	4.3	4.6	4.8	5.5%	1.4%
<b>Transfers and subsidies<sup>1</sup></b>	<b>4.8</b>	<b>6.8</b>	<b>6.1</b>	<b>1.6</b>	<b>-31.2%</b>	<b>1.7%</b>	<b>1.7</b>	<b>1.7</b>	<b>1.8</b>	<b>5.6%</b>	<b>0.5%</b>
Departmental agencies and accounts	0.8	1.0	1.0	1.1	11.8%	0.4%	1.2	1.2	1.3	5.5%	0.4%
Foreign governments and international organisations	0.4	3.0	0.3	-	-100.0%	0.3%	-	-	-	-	-
Households	3.6	2.8	4.7	0.5	-50.0%	1.0%	0.5	0.5	0.5	5.6%	0.2%
<b>Payments for capital assets</b>	<b>4.4</b>	<b>3.6</b>	<b>2.9</b>	<b>5.3</b>	<b>6.1%</b>	<b>1.5%</b>	<b>4.8</b>	<b>5.0</b>	<b>5.3</b>	<b>0.2%</b>	<b>1.6%</b>
Machinery and equipment	4.4	3.6	2.9	5.3	6.1%	1.5%	4.8	5.0	5.3	0.2%	1.6%
<b>Total</b>	<b>277.8</b>	<b>282.8</b>	<b>272.4</b>	<b>283.4</b>	<b>0.7%</b>	<b>100.0%</b>	<b>308.3</b>	<b>327.0</b>	<b>344.6</b>	<b>6.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>3.9%</b>	<b>3.8%</b>	<b>3.4%</b>	<b>4.0%</b>	<b>-</b>	<b>-</b>	<b>4.1%</b>	<b>4.2%</b>	<b>4.1%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>0.8</b>	<b>1.0</b>	<b>1.0</b>	<b>1.1</b>	<b>11.8%</b>	<b>0.4%</b>	<b>1.2</b>	<b>1.2</b>	<b>1.3</b>	<b>5.5%</b>	<b>0.4%</b>
Energy and Water Sector Education and Training Authority	0.8	1.0	1.0	1.1	11.8%	0.4%	1.2	1.2	1.3	5.5%	0.4%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Energy Policy and Planning

### Programme purpose

Ensure evidence-based planning, policy setting and investment decisions in the energy sector to improve the security of energy supply, regulation and competition.

### Objectives

- Improve energy security by:
  - regulating demand and introducing a diversified mix of technologies to generate energy on an ongoing basis

- planning interventions to expand energy infrastructure through the development of a policy framework for the integrated energy plan, the integrated resource plan, the liquid fuels infrastructure roadmap, the transmission development plan and the major distribution infrastructure plan over the medium term
- publishing an annual energy statistics report to facilitate information-based decision-making.
- Address current and envisaged energy supply and distribution constraints through the development of an approach to norms and standards for distribution asset management in order to rehabilitate critical municipal infrastructure for electricity distribution over the medium term.
- Ensure the integration of renewable energy into South Africa’s mainstream energy supply by:
  - planning and coordinating initiatives and interventions focused on the development and improvement of the renewable energy market on an ongoing basis
  - improving generation capacity by implementing the integrated resource plan through determinations under section 34 of the Energy Regulation Act (2006), when applicable.

### Subprogrammes

- *Policy Analysis and Research* develops key indicators and monitors the impact of energy sector policies, planning and interventions; analyses all energy policies and their impact on access to energy and the security of energy supply; conducts research and analyses policies in relation to other countries; and conducts research and analyses national and international trends or developments that affect the demand and supply of energy.
- *Energy Planning* manages energy data and information; develops and maintains an energy modelling system to simulate energy supply and distribution; identifies constraints in energy supply and distribution, and addresses them through the integrated energy plan; manages the overall collection, collation, validation, integrity and quality of energy data; and manages the development of energy plans and strategic interventions for the generation, refining, distribution and transmission of energy sources to optimise energy supply.
- *Hydrocarbon Policy* ensures secure energy supply; well-managed demand; enhanced access to hydrocarbons; a transformed energy sector; and that energy regulation and competition is improved through the development, promulgation and maintenance of a statutory framework for petroleum, petroleum products, petroleum infrastructure, coal and gas.
- *Electricity, Energy Efficiency and Environmental Policy* ensures secure energy supply; well-managed demand; a transformed energy sector; and energy regulation and competition that improves through the development, promulgation and maintenance of a statutory framework for electricity. This includes reforming the electricity supply industry to introduce independent power producers in support of electricity security.

### Expenditure trends and estimates

**Table 26.10 Energy Policy and Planning expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Policy Analysis and Research	1.6	2.1	1.7	2.6	17.7%	4.7%	4.3	4.6	4.8	23.4%	7.3%
Energy Planning	18.4	18.8	20.5	23.0	7.7%	47.5%	25.1	26.5	28.0	6.7%	46.0%
Hydrocarbon Policy	11.4	11.5	12.1	15.2	10.0%	29.6%	15.0	15.8	16.7	3.0%	28.1%
Electricity, Energy Efficiency and Environmental Policy	6.7	7.5	7.5	9.3	11.7%	18.2%	10.2	10.8	11.4	7.0%	18.7%
<b>Total</b>	<b>38.1</b>	<b>39.9</b>	<b>41.7</b>	<b>50.1</b>	<b>9.5%</b>	<b>100.0%</b>	<b>54.7</b>	<b>57.7</b>	<b>60.8</b>	<b>6.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(3.0)			(1.6)	(2.6)	(3.3)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>38.1</b>	<b>39.9</b>	<b>41.7</b>	<b>50.1</b>	<b>9.5%</b>	<b>100.0%</b>	<b>54.7</b>	<b>57.7</b>	<b>60.8</b>	<b>6.7%</b>	<b>100.0%</b>
Compensation of employees	31.5	32.8	34.8	41.6	9.7%	82.9%	42.6	45.0	47.4	4.4%	79.1%
Goods and services <sup>1</sup>	6.6	7.1	6.9	8.4	8.7%	17.1%	12.0	12.7	13.4	16.6%	20.9%
of which:											
Administrative fees	0.2	0.4	0.1	0.5	32.5%	0.7%	0.5	0.5	0.6	3.7%	1.0%
Communication	0.3	0.3	0.6	0.6	30.4%	1.0%	0.6	0.6	0.6	2.3%	1.1%

**Table 26.10 Energy Policy and Planning expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
Consultants: Business and advisory services	0.3	1.1	2.7	2.6	97.3%	4.0%	4.5	4.7	5.0	23.7%	7.5%
Travel and subsistence	4.1	3.2	1.8	2.3	-17.7%	6.7%	4.0	4.3	4.5	25.6%	6.7%
Operating payments	0.7	0.7	0.6	0.7	-1.0%	1.6%	0.5	0.6	0.6	-5.7%	1.1%
Venues and facilities	0.7	0.8	0.1	1.1	16.8%	1.6%	1.1	1.2	1.3	4.9%	2.1%
<b>Total</b>	<b>38.1</b>	<b>39.9</b>	<b>41.7</b>	<b>50.1</b>	<b>9.5%</b>	<b>100.0%</b>	<b>54.7</b>	<b>57.7</b>	<b>60.8</b>	<b>6.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.7%</b>	–	–	<b>0.7%</b>	<b>0.7%</b>	<b>0.7%</b>	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Petroleum and Petroleum Products Regulation

### Programme purpose

Regulate the petroleum and petroleum products industry to ensure the optimal and orderly functioning of the industry to achieve government's development goals.

### Objectives

- Ensure the development and transformation of the liquid fuels industry and the security of supply of petroleum and petroleum products in the South African economy by monitoring and enforcing technical and economic compliance with legislation, specifications, standards and licence conditions annually.
- Facilitate the orderly development of the petroleum sector through the analysis and efficient adjudication of licences for manufacturing, wholesaling and retailing activities on an ongoing basis.
- Strengthen the regulatory framework in the liquid fuels petroleum industry by implementing the regulatory accounting system on an ongoing basis to introduce a transparent fuel pricing mechanism that will provide appropriate returns to investors in the liquid fuels sector across the value chain.

### Subprogrammes

- *Petroleum Compliance, Monitoring and Enforcement* monitors and enforces technical, commercial and legal compliance by the petroleum industry with the prescripts of the Petroleum Products Act (1977) and its regulations. This includes compliance with import and export conditions, as well as the enforcement of the submission of data by the industry. This subprogramme also processes arbitration requests and the promotion of access to information on behalf of the Controller of Petroleum Products.
- *Petroleum Licensing and Fuel Supply* manages the petroleum licensing process, regulates export and import permits for petroleum products, monitors fuel stock levels, and coordinates corrective measures to avoid distribution shortages. This entails conducting licence analyses, and ensuring the supply of petroleum products and compliance with permits and empowerment.
- *Fuel Pricing* regulates the pricing of petroleum products in accordance with legislation. This entails determining, reviewing, updating and maintaining fuel levies and margins, and the process of paying fuel levies. Fuel price administration includes developing, evaluating and monitoring price models; updating elements of the basic fuel price; and ensuring secure audit services for the auditing of fuel prices to ensure internationally competitive pricing of petroleum products and enable investment in the sector.
- *Regional Petroleum Regulation Offices* provides advice on integrated energy services, develops appropriate interventions to enhance and promote universal access to energy, and ensures economic and technical compliance with relevant legislation. In addition, all annual information submitted by licence holders is captured and analysed.

## Expenditure trends and estimates

Table 26.11 Petroleum and Petroleum Products Regulation expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Petroleum Compliance, Monitoring and Enforcement	13.8	14.2	13.3	17.6	8.3%	19.1%	19.7	20.7	21.9	7.6%	21.1%
Petroleum Licensing and Fuel Supply	20.7	24.2	24.8	27.4	9.7%	31.4%	27.3	28.8	33.1	6.5%	30.8%
Fuel Pricing	6.8	7.4	5.4	6.2	-3.4%	8.4%	6.5	6.8	7.2	5.1%	7.0%
Regional Petroleum Regulation Offices	27.5	33.3	31.1	35.0	8.3%	41.1%	37.9	40.0	42.2	6.4%	41.0%
<b>Total</b>	<b>69.0</b>	<b>79.0</b>	<b>74.6</b>	<b>86.1</b>	<b>7.7%</b>	<b>100.0%</b>	<b>91.3</b>	<b>96.4</b>	<b>104.3</b>	<b>6.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(1.0)			(1.4)	(2.9)	(1.2)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>69.0</b>	<b>78.8</b>	<b>73.6</b>	<b>83.3</b>	<b>6.5%</b>	<b>98.7%</b>	<b>88.2</b>	<b>93.2</b>	<b>100.9</b>	<b>6.6%</b>	<b>96.7%</b>
Compensation of employees	52.6	58.9	56.7	63.4	6.4%	75.0%	66.2	69.9	76.4	6.4%	72.9%
Goods and services <sup>1</sup>	16.4	19.9	16.9	19.9	6.7%	23.7%	22.1	23.3	24.6	7.3%	23.7%
of which:											
Advertising	0.4	0.8	0.1	1.0	33.0%	0.7%	1.1	1.2	1.2	6.3%	1.2%
Communication	0.7	0.4	0.4	0.6	-4.5%	0.7%	0.7	0.7	0.8	8.4%	0.7%
Consultants: Business and advisory services	10.0	10.4	8.5	11.6	5.0%	13.1%	13.3	14.0	14.8	8.5%	14.2%
Travel and subsistence	4.3	6.2	4.8	4.1	-1.5%	6.3%	4.3	4.5	4.8	5.5%	4.7%
Operating payments	0.3	0.5	0.1	0.4	16.8%	0.4%	0.6	0.6	0.6	16.1%	0.6%
Venues and facilities	0.2	0.6	1.1	1.2	75.2%	1.0%	1.4	1.4	1.5	8.6%	1.4%
<b>Transfers and subsidies<sup>1</sup></b>	<b>-</b>	<b>0.1</b>	<b>1.1</b>	<b>2.9</b>	<b>-</b>	<b>1.3%</b>	<b>3.0</b>	<b>3.2</b>	<b>3.4</b>	<b>5.5%</b>	<b>3.3%</b>
Foreign governments and international organisations	-	-	1.1	2.9	-	1.3%	3.0	3.2	3.4	5.5%	3.3%
Households	-	0.1	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>69.0</b>	<b>79.0</b>	<b>74.6</b>	<b>86.1</b>	<b>7.7%</b>	<b>100.0%</b>	<b>91.3</b>	<b>96.4</b>	<b>104.3</b>	<b>6.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.0%</b>	<b>1.1%</b>	<b>0.9%</b>	<b>1.2%</b>	<b>-</b>	<b>-</b>	<b>1.2%</b>	<b>1.2%</b>	<b>1.2%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Foreign governments and international organisations</b>											
<b>Current</b>	-	-	1.1	2.9	-	1.3%	3.0	3.2	3.4	5.5%	3.3%
African Petroleum Producers' Association	-	-	1.1	2.9	-	1.3%	3.0	3.2	3.4	5.5%	3.3%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Electrification and Energy Programme and Project Management

## Programme purpose

Manage, coordinate and monitor programmes and projects that are focused on access to energy.

## Objectives

- Increase access to electricity by managing the funding and monitoring of the implementation of the integrated national electrification programme on an ongoing basis.
- Increase public awareness on energy issues while empowering disadvantaged and vulnerable groups by identifying, implementing, managing and coordinating upliftment programmes and projects on an ongoing basis.
- Ensure the efficient management of electricity supply on an ongoing basis by:
  - enhancing the application of project management business principles to assist programme and project managers
  - coordinating, monitoring and reporting on the implementation of programmes and projects focused on the development, improvement and transformation of the energy generation, refinement, transmission and distribution industry and its infrastructure.

## Subprogrammes

- *Integrated National Electrification Programme* oversees and manages the finance and implementation processes for the electrification programme; manages the annual planning processes, including electrification infrastructure plans; and manages and coordinates technical audits for the programme.
- *Energy Regional Offices* provides advice on integrated energy services, develops appropriate interventions to enhance and promote universal access to energy, manages and coordinates regional electrification planning, and ensures economic and technical compliance with relevant legislation.
- *Programme and Project Management Office* provides specialised assistance to programme and project managers, and management in general, to apply management principles, coordinate project information and report on projects.
- *Electricity Infrastructure/Industry Transformation* oversees programmes and projects focused on the development, improvement and transformation of the electricity generation, transmission and distribution sector, and independent power producers.
- *Community Upliftment Programmes and Projects* implements, manages and coordinates programmes and projects aimed at mainstreaming, uplifting and empowering disadvantaged and vulnerable groups; and increases public awareness on energy issues. This subprogramme also establishes integrated energy centres, which provide energy services and education to communities.

## Expenditure trends and estimates

**Table 26.12 Electrification and Energy Programme and Project Management expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Integrated National Electrification Programme	5 775.7	5 630.6	6 111.2	5 340.7	-2.6%	99.2%	5 484.6	5 300.8	6 217.5	5.2%	99.1%
Energy Regional Offices	20.3	19.7	18.3	18.1	-3.7%	0.3%	20.9	22.1	23.3	8.7%	0.4%
Programme and Project Management Office	9.1	13.5	8.3	11.4	7.7%	0.2%	12.1	12.7	13.4	5.8%	0.2%
Electricity Infrastructure/Industry Transformation	8.6	9.3	8.4	8.1	-1.8%	0.1%	8.7	9.1	9.6	5.7%	0.2%
Community Upliftment Programmes and Projects	6.8	5.6	6.0	5.3	-8.0%	0.1%	5.5	5.8	6.1	4.8%	0.1%
<b>Total</b>	<b>5 820.5</b>	<b>5 678.7</b>	<b>6 152.2</b>	<b>5 383.6</b>	<b>-2.6%</b>	<b>100.0%</b>	<b>5 531.8</b>	<b>5 350.6</b>	<b>6 270.0</b>	<b>5.2%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(51.8)			(313.6)	(817.8)	(283.2)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>70.7</b>	<b>68.3</b>	<b>60.0</b>	<b>68.0</b>	<b>-1.3%</b>	<b>1.2%</b>	<b>81.5</b>	<b>85.9</b>	<b>81.3</b>	<b>6.1%</b>	<b>1.4%</b>
Compensation of employees	41.8	43.8	44.3	49.6	5.9%	0.8%	54.5	57.4	60.5	6.8%	1.0%
Goods and services <sup>1</sup>	28.9	24.5	15.7	18.4	-14.0%	0.4%	27.0	28.4	20.8	4.2%	0.4%
<i>of which:</i>											
Administrative fees	1.3	1.2	0.8	0.7	-19.9%	–	0.9	1.0	1.0	14.2%	–
Catering: Departmental activities	1.4	1.4	0.9	0.8	-18.3%	–	0.7	0.7	0.8	0.3%	–
Communications	0.4	0.7	0.5	0.6	15.2%	–	0.8	0.8	0.9	11.0%	–
Consultants: Business and advisory services	0.0	0.2	–	4.9	534.4%	–	12.7	13.3	4.8	-0.1%	0.2%
Travel and subsistence	15.7	12.2	8.2	9.3	-15.9%	0.2%	9.5	10.0	10.5	4.2%	0.2%
Venues and facilities	7.2	4.6	3.9	1.1	-46.0%	0.1%	1.8	1.9	2.0	20.6%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>5 749.8</b>	<b>5 610.4</b>	<b>6 092.2</b>	<b>5 315.7</b>	<b>-2.6%</b>	<b>98.8%</b>	<b>5 450.3</b>	<b>5 264.8</b>	<b>6 188.7</b>	<b>5.2%</b>	<b>98.6%</b>
Provinces and municipalities	1 980.3	1 946.2	2 087.0	1 904.5	-1.3%	34.4%	1 863.3	1 977.4	2 131.0	3.8%	34.9%
Public corporations and private enterprises	3 769.4	3 664.1	4 005.1	3 411.2	-3.3%	64.5%	3 587.0	3 287.4	4 057.7	6.0%	63.6%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>5 820.5</b>	<b>5 678.7</b>	<b>6 152.2</b>	<b>5 383.6</b>	<b>-2.6%</b>	<b>100.0%</b>	<b>5 531.8</b>	<b>5 350.6</b>	<b>6 270.0</b>	<b>5.2%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>81.5%</b>	<b>75.6%</b>	<b>77.4%</b>	<b>75.2%</b>	<b>–</b>	<b>–</b>	<b>74.4%</b>	<b>72.6%</b>	<b>74.6%</b>	<b>–</b>	<b>–</b>

**Table 26.12 Electrification and Energy Programme and Project Management expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies											
R million	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Capital	1 980.3	1 946.2	2 087.0	1 904.5	-1.3%	34.4%	1 863.3	1 977.4	2 131.0	3.8%	34.9%
Integrated national electrification programme (municipal) grant	1 980.3	1 946.2	2 087.0	1 904.5	-1.3%	34.4%	1 863.3	1 977.4	2 131.0	3.8%	34.9%
Public corporations and private enterprises											
Private enterprises											
Private enterprises											
(subsidies on products and production)											
Capital	156.2	137.7	159.0	149.1	-1.5%	2.6%	212.9	224.7	237.0	16.7%	3.7%
Various institutions: Integrated national electrification programme	156.2	137.7	159.0	149.1	-1.5%	2.6%	212.9	224.7	237.0	16.7%	3.7%
Public corporations and private enterprises											
Public corporations											
Public corporations											
(subsidies on products and production)											
Capital	3 613.2	3 526.3	3 846.2	3 262.0	-3.4%	61.9%	3 374.1	3 062.7	3 820.7	5.4%	60.0%
Eskom	3 613.2	3 526.3	3 846.2	3 262.0	-3.4%	61.9%	3 374.1	3 062.7	3 820.7	5.4%	60.0%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Nuclear Energy

### Programme purpose

Manage the South African nuclear energy industry and control nuclear materials in terms of international obligations, nuclear legislation and policies to ensure the peaceful use of nuclear energy.

### Objectives

- Regulate the security of nuclear material, related equipment and facilities by developing and publishing appropriate regulations on an ongoing basis.
- Ensure compliance with international nuclear obligations by developing, maintaining, implementing and enforcing a relevant and appropriate statutory framework for nuclear energy policy on an ongoing basis.

### Subprogrammes

- *Nuclear Safety and Technology* manages and implements all matters related to nuclear safety and technology, as required by legislation and international agreements; implements nuclear energy policy in line with the requirements of the integrated resource plan; and administers all matters related to nuclear safety, liability and emergency management with the aim of improving the governance of the nuclear sector, specifically in relation to nuclear safety and nuclear technology. This subprogramme is responsible for the overall coordination and oversight for the new nuclear build programme, as well as the necessary due diligence on the proposed transaction. It also makes transfers to the South African Nuclear Energy Corporation, the National Nuclear Regulator and the National Radioactive Waste Disposal Institute.
- *Nuclear Non-proliferation and Radiation Security* manages and implements all matters related to nuclear non-proliferation and radiation security, as required by legislation and international agreements. This entails accounting for and controlling nuclear material through authorisation; ensuring compliance by conducting inspections and audits; and regulating the security of nuclear material by implementing security measures during transportation, use, storage and major public events.
- *Nuclear Policy* develops and reviews policies and legislation, as required by international agreements and the governance principles of the nuclear energy sector in South Africa; undertakes research and development on matters related to nuclear policy and legislation; and reviews and monitors nuclear safety, nuclear



technology, nuclear non-proliferation and nuclear radiation security policies and legislation, and provides advice accordingly.

## Expenditure trends and estimates

**Table 26.13 Nuclear Energy expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22
R million											
Nuclear Safety and Technology	641.5	859.0	780.8	855.2	10.1%	98.1%	1 026.2	1 081.9	1 140.8	10.1%	98.0%
Nuclear Non-proliferation and Radiation Security	7.2	8.3	8.4	9.1	8.2%	1.0%	9.5	10.0	11.6	8.4%	1.0%
Nuclear Policy	6.4	5.1	5.0	11.4	21.2%	0.9%	10.2	10.8	11.4	–	1.0%
<b>Total</b>	<b>655.0</b>	<b>872.5</b>	<b>794.2</b>	<b>875.6</b>	<b>10.2%</b>	<b>100.0%</b>	<b>1 045.9</b>	<b>1 102.7</b>	<b>1 163.7</b>	<b>9.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				59.0			175.6	190.6	201.2		
<b>Economic classification</b>											
<b>Current payments</b>	<b>25.3</b>	<b>104.0</b>	<b>38.2</b>	<b>108.5</b>	<b>62.5%</b>	<b>8.6%</b>	<b>41.3</b>	<b>43.6</b>	<b>46.9</b>	<b>-24.4%</b>	<b>5.7%</b>
Compensation of employees	17.0	19.8	20.8	21.8	8.5%	2.5%	24.9	26.2	28.6	9.5%	2.4%
Goods and services <sup>1</sup>	8.2	84.3	17.4	86.7	119.2%	6.1%	16.5	17.4	18.3	-40.4%	3.3%
of which:											
Advertising	1.6	0.5	0.1	1.4	-3.9%	0.1%	1.6	1.6	1.7	6.7%	0.1%
Communication	0.3	0.2	0.2	0.3	-0.4%	–	0.3	0.3	0.3	2.9%	–
Consultants: Business and advisory services	0.8	78.5	13.3	80.1	373.9%	5.4%	11.0	11.6	12.2	-46.5%	2.7%
Consumables: Stationery, printing and office supplies	0.1	0.6	0.0	0.5	53.0%	–	0.5	0.5	0.6	6.8%	–
Travel and subsistence	3.2	2.2	1.8	1.6	-20.8%	0.3%	1.7	1.8	1.9	5.8%	0.2%
Venues and facilities	1.8	1.6	0.9	1.1	-16.3%	0.2%	1.2	1.3	1.4	9.8%	0.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>629.8</b>	<b>670.0</b>	<b>756.0</b>	<b>767.0</b>	<b>6.8%</b>	<b>88.3%</b>	<b>1 004.6</b>	<b>1 059.1</b>	<b>1 116.8</b>	<b>13.3%</b>	<b>94.3%</b>
Departmental agencies and accounts	21.5	50.9	68.6	62.0	42.4%	6.4%	90.6	94.9	99.5	17.1%	8.3%
Foreign governments and international organisations	27.9	19.8	23.3	22.3	-7.2%	2.9%	23.5	24.8	26.2	5.5%	2.3%
Public corporations and private enterprises	580.4	599.3	664.2	682.7	5.6%	79.0%	890.4	939.4	991.1	13.2%	83.7%
<b>Payments for capital assets</b>	<b>–</b>	<b>98.4</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Machinery and equipment	–	11.0	–	–	–	0.3%	–	–	–	–	–
Software and other intangible assets	–	87.3	–	–	–	2.7%	–	–	–	–	–
<b>Total</b>	<b>655.0</b>	<b>872.5</b>	<b>794.2</b>	<b>875.6</b>	<b>10.2%</b>	<b>100.0%</b>	<b>1 045.9</b>	<b>1 102.7</b>	<b>1 163.7</b>	<b>9.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>9.2%</b>	<b>11.6%</b>	<b>10.0%</b>	<b>12.2%</b>	<b>–</b>	<b>–</b>	<b>14.1%</b>	<b>14.0%</b>	<b>13.8%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>21.1</b>	<b>50.5</b>	<b>68.2</b>	<b>61.6</b>	<b>42.9%</b>	<b>6.3%</b>	<b>90.1</b>	<b>94.4</b>	<b>99.0</b>	<b>17.1%</b>	<b>8.2%</b>
National Nuclear Regulator	21.1	40.5	38.2	16.1	-8.7%	3.6%	42.6	45.0	47.4	43.5%	3.6%
National Radioactive Waste Disposal Institute	–	10.0	30.0	45.5	–	2.7%	47.5	49.4	51.6	4.2%	4.6%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>27.9</b>	<b>19.8</b>	<b>23.3</b>	<b>22.3</b>	<b>-7.2%</b>	<b>2.9%</b>	<b>23.5</b>	<b>24.8</b>	<b>26.2</b>	<b>5.5%</b>	<b>2.3%</b>
International Atomic Energy Agency	27.9	19.8	22.7	21.5	-8.2%	2.9%	22.8	24.0	25.3	5.5%	2.2%
Generation IV International Forum	–	–	0.6	0.7	–	–	0.8	0.8	0.9	5.5%	0.1%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Public corporations (subsidiaries on products and production)</b>											
<b>Current</b>	<b>498.8</b>	<b>513.5</b>	<b>574.0</b>	<b>587.3</b>	<b>5.6%</b>	<b>68.0%</b>	<b>789.7</b>	<b>833.1</b>	<b>879.0</b>	<b>14.4%</b>	<b>73.8%</b>
South African Nuclear Energy Corporation	498.8	513.5	574.0	587.3	5.6%	68.0%	789.7	833.1	879.0	14.4%	73.8%
<b>Capital</b>	<b>81.6</b>	<b>85.9</b>	<b>90.2</b>	<b>95.4</b>	<b>5.4%</b>	<b>11.0%</b>	<b>100.7</b>	<b>106.3</b>	<b>112.1</b>	<b>5.5%</b>	<b>9.9%</b>
South African Nuclear Energy Corporation	81.6	85.9	90.2	95.4	5.4%	11.0%	100.7	106.3	112.1	5.5%	9.9%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 6: Clean Energy

### Programme purpose

Manage and facilitate the development and implementation of clean and renewable energy initiatives, as well as energy efficiency and demand-side management initiatives.

### Objectives

- Manage climate change response and environmental compliance issues by:
  - monitoring the implementation of energy-related climate change regulations to mitigate the risk of environmental impact on an ongoing basis
  - publishing energy-related climate change strategies and plans over the medium term.
- Promote, facilitate and monitor the implementation of renewable energy initiatives on an ongoing basis.
- Promote, facilitate and monitor the implementation of energy efficiency and demand-side management initiatives on an ongoing basis by:
  - developing regulations and standards for energy management and energy saving
  - measuring, reporting and verifying strategies to save energy
  - coordinating, monitoring and reporting on the progress and impact of strategies for energy efficiency and demand management
  - developing and/or reviewing incentives and other financing schemes for energy efficiency.

### Subprogrammes

- *Energy Efficiency* advances energy efficiency improvements in South Africa by planning and coordinating initiatives and interventions focused on developing and improving the energy efficiency market, and ensures the integration and coordination of energy efficiency initiatives and interventions with relevant associated institutions. This subprogramme also makes transfers in respect of the solar water heater programme and municipal energy efficiency programmes.
- *Renewable Energy* ensures the integration of renewable energy into South Africa's mainstream energy supply by planning and coordinating initiatives and interventions focused on the development and improvement of the renewable energy market, and ensures the integration and coordination of renewable energy initiatives and interventions with relevant associated institutions. This subprogramme also makes transfers to the South African National Energy Development Institute.
- *Climate Change and Designated National Authority* ensures that climate change and environment response measures, in terms of mitigation and adaptation, are implemented within the energy sector. It also ensures the fulfilment of international energy commitments and obligations under the United Nations Framework Convention on Climate Change.

### Expenditure trends and estimates

**Table 26.14 Clean Energy expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Energy Efficiency	206.2	527.1	537.5	400.2	24.7%	86.3%	318.9	346.3	366.1	-2.9%	79.6%
Renewable Energy	69.8	25.2	64.2	75.8	2.8%	12.1%	80.1	84.5	89.1	5.5%	18.3%
Climate Change and Designated National Authority	5.8	7.7	7.8	8.7	14.3%	1.6%	9.1	9.6	10.1	5.3%	2.1%
<b>Total</b>	<b>281.8</b>	<b>560.1</b>	<b>609.6</b>	<b>484.7</b>	<b>19.8%</b>	<b>100.0%</b>	<b>408.1</b>	<b>440.3</b>	<b>465.4</b>	<b>-1.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				114.5			(1.8)	(2.4)	(1.9)		

**Table 26.14 Clean Energy expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22		
<b>Current payments</b>	<b>37.7</b>	<b>31.3</b>	<b>110.1</b>	<b>196.7</b>	<b>73.4%</b>	<b>19.4%</b>	<b>104.0</b>	<b>119.5</b>	<b>126.9</b>	<b>-13.6%</b>	<b>30.4%</b>
Compensation of employees	14.3	16.3	17.2	19.9	11.6%	3.5%	19.6	20.7	22.6	4.4%	4.6%
Goods and services <sup>1</sup>	23.4	15.1	92.8	176.8	96.3%	15.9%	84.4	98.8	104.3	-16.1%	25.8%
<i>of which:</i>											
Advertising	4.6	1.9	0.0	0.8	-43.2%	0.4%	0.9	0.9	1.0	5.0%	0.2%
Consultants: Business and advisory services	10.7	7.6	0.7	7.8	-10.0%	1.4%	67.7	81.2	85.7	122.6%	13.5%
Agency and support/outsourced services	1.1	1.1	-	-	-100.0%	0.1%	10.1	10.6	11.2	-	1.8%
Consumables: Stationery, printing and office supplies	0.1	0.1	0.0	0.2	51.4%	-	0.2	0.2	0.2	5.5%	-
Travel and subsistence	5.6	2.1	2.1	3.5	-14.4%	0.7%	3.7	3.9	4.2	6.0%	0.9%
Venues and facilities	0.4	0.7	0.5	1.3	47.0%	0.2%	1.4	1.4	1.5	4.6%	0.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>244.1</b>	<b>528.8</b>	<b>499.5</b>	<b>288.0</b>	<b>5.7%</b>	<b>80.6%</b>	<b>304.1</b>	<b>320.8</b>	<b>338.5</b>	<b>5.5%</b>	<b>69.6%</b>
Provinces and municipalities	177.9	185.6	203.2	215.0	6.5%	40.4%	227.1	239.6	252.7	5.5%	52.0%
Departmental agencies and accounts	64.9	20.6	59.8	70.2	2.7%	11.1%	74.2	78.2	82.5	5.5%	17.0%
Foreign governments and international organisations	1.3	2.2	1.0	2.7	27.9%	0.4%	2.9	3.1	3.2	5.6%	0.7%
Public corporations and private enterprises	-	320.3	235.5	-	-	28.7%	-	-	-	-	-
<b>Total</b>	<b>281.8</b>	<b>560.1</b>	<b>609.6</b>	<b>484.7</b>	<b>19.8%</b>	<b>100.0%</b>	<b>408.1</b>	<b>440.3</b>	<b>465.4</b>	<b>-1.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>3.9%</b>	<b>7.5%</b>	<b>7.7%</b>	<b>6.8%</b>	<b>-</b>	<b>-</b>	<b>5.5%</b>	<b>5.6%</b>	<b>5.5%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>64.9</b>	<b>20.6</b>	<b>59.8</b>	<b>70.2</b>	<b>2.7%</b>	<b>11.1%</b>	<b>74.2</b>	<b>78.2</b>	<b>82.5</b>	<b>5.5%</b>	<b>17.0%</b>
South African National Energy Development Institute	64.9	20.6	59.8	70.2	2.7%	11.1%	74.2	78.2	82.5	5.5%	17.0%
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>177.9</b>	<b>185.6</b>	<b>203.2</b>	<b>215.0</b>	<b>6.5%</b>	<b>40.4%</b>	<b>227.1</b>	<b>239.6</b>	<b>252.7</b>	<b>5.5%</b>	<b>52.0%</b>
Energy efficiency and demand-side management grant	177.9	185.6	203.2	215.0	6.5%	40.4%	227.1	239.6	252.7	5.5%	52.0%
<b>Public corporations and private enterprises</b>											
<b>Private enterprises</b>											
<b>Private enterprises (subsidies on products and production)</b>											
<b>Capital</b>	<b>-</b>	<b>320.3</b>	<b>235.5</b>	<b>-</b>	<b>-</b>	<b>28.7%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Various institutions: Solar water heater programme	-	320.3	235.5	-	-	28.7%	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

### Central Energy Fund

#### Mandate

The Central Energy Fund is listed in schedule 2 of the Public Finance Management Act (1999), and is governed by the Central Energy Fund Act (1977) and the Companies Act (2008). Its mandate is to research, finance, develop and exploit appropriate energy solutions across the spectrum of energy sources to meet South Africa's future energy needs.

Through its eight operating subsidiaries, the entity is also mandated to finance and promote the acquisition of coal; exploit coal deposits; manufacture liquid fuel, oil, and other products from coal; and market these products. It is also mandated to acquire, generate, manufacture, market, distribute or research any other form of energy. The subsidiaries are: the Petroleum Oil and Gas Corporation of South Africa (PetroSA); the South African Gas Development Company; the Petroleum Agency of South Africa; Oil Pollution Control South Africa; the Strategic Fuel Fund Association; the African Exploration Mining and Finance Corporation; ETA Energy; and CCE Solutions. The Petroleum Agency of South Africa and the African Exploration Mining and Finance Corporation are in the process of being transferred to the Department of Mineral Resources.

**Selected performance indicators****Table 26.15 Central Energy Fund performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total indigenous production of fuel supplied to the market per year (million barrels)	Oil and gas, national oil company	Entity mandate	5.039	2.766	6.286	-1	-1	-1	-1
Number of reportable environmental incidents at the Central Energy Fund group per year	Oil and gas, national oil company		8	5	2	10	10	10	10
Number of tons (measured per thousand) of coal produced/sold at Vlakfontein by the African Exploration Mining and Finance Corporation per year	Mining, coal		1 565	1 389	1 400	2 000	3 000	4 000	5 000

1. No projections as the measurement has been changed from million barrels per year to barrels per day.

**Expenditure analysis**

Over the medium term, the Central Energy Fund aims to reduce costs and manage portfolios more effectively, optimise gas feedstock to improve its gross profit margin and facilitate the transition to clean fuels, improve profitability through new business development and expanding its subsidiaries, foster strategic partnerships, enhance liquidity through the management of working capital, and improve solvency by disposing of non-core assets.

As part of its drive to manage its portfolios more effectively, in 2019/20, the fund intends to restructure the Central Energy Fund group (comprising the fund and its subsidiaries) to improve accountability, and ensure that it operates efficiently and maximises synergies. This restructuring process will include plans for the turnaround of PetroSA.

To facilitate the transition to clean fuels and improve its gross profit margin over the MTEF period, the fund intends to optimise gas feedstock by assessing the viability of a cross-border and national gas pipeline to enable gas supply to its subsidiaries. In terms of new business development and expanding its subsidiaries, over the same period, the fund intends to investigate acquisitions in specific areas of the energy value chain such as downstream petroleum. The fund also intends to promote rural development through strategic mergers or partnerships in renewable energy investments for rural deployment.

To ensure that these objectives are met, the fund's subsidiaries will conduct several projects over the medium term: PetroSA will focus on increasing its revenue through increased production and feedstock optimisation; the Strategic Fuel Fund Association is charged with refurbishing its infrastructure to increase storage capacity; the Petroleum Agency of South Africa will focus on its financial viability; the South African Gas Development Company will set out to become an active infrastructure partner for increased gas supply; and the African Exploration Mining and Finance Corporation is expected to increase its coal supply capacity and revenue at the Tshilwavhusiku, Mzimkhulu and Vlakfontein mines. To achieve these objectives, the fund has allocated R3.2 billion in capital assets over the MTEF period.

Total expenditure is expected to increase at an average annual rate of 15.4 per cent, from R13.8 billion in 2018/19 to R21.2 billion in 2021/22. This increase is mainly driven by expected increases in production at PetroSA and the African Exploration Mining and Finance Corporation. The number of personnel in the fund is expected to remain at 1 862 over the medium term. As such, spending on compensation of employees is expected to increase at an average annual rate of 6.1 per cent, from R1.6 billion in 2018/19 to R1.9 billion in 2021/22.

Revenue is expected to increase at an average annual rate of 14.8 per cent, from R13.2 billion in 2018/19 to R20 billion in 2021/22, due to an expected increase in the sale of petroleum products, oil and coal as a result of increased production.

## Programmes/Objectives/Activities

**Table 26.16 Central Energy Fund expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administration	222.2	113.0	211.2	443.4	25.9%	1.6%	293.3	273.1	289.4	-13.3%	1.9%
Clean and renewable energy and Oil pollution	17.0	16.3	62.0	3.2	-42.7%	0.2%	3.3	3.5	3.7	5.0%	0.0%
Oil and gas, national oil company	16 963.1	12 392.2	12 077.7	11 964.0	-11.0%	84.9%	17 456.3	17 453.9	18 190.6	15.0%	88.1%
Strategic stock	4 873.7	704.0	741.4	344.9	-58.6%	8.6%	365.6	387.6	410.8	6.0%	2.1%
Mining, coal	383.2	424.6	521.1	753.1	25.3%	3.5%	938.0	1 121.5	1 993.4	38.3%	6.4%
Gas and gas infrastructure	20.3	41.8	35.7	101.9	71.1%	0.3%	118.3	128.0	127.9	7.9%	0.7%
Promotion, licensing and regulation	108.2	112.4	113.6	151.0	11.8%	0.8%	156.5	165.4	156.4	1.2%	0.9%
<b>Total</b>	<b>22 587.8</b>	<b>13 804.3</b>	<b>13 762.7</b>	<b>13 761.6</b>	<b>-15.2%</b>	<b>100.0%</b>	<b>19 331.3</b>	<b>19 532.9</b>	<b>21 172.2</b>	<b>15.4%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

**Table 26.17 Central Energy Fund statements of historical financial performance and position**

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average Outcome/ Budget (%)
	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19				
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>19 936.4</b>	<b>22 393.8</b>	<b>18 213.9</b>	<b>13 183.4</b>	<b>18 104.1</b>	<b>13 544.7</b>	<b>21 220.8</b>	<b>13 211.2</b>	<b>80.5%</b>
Sale of goods and services other than capital assets	19 187.2	21 379.5	17 344.3	11 940.1	17 261.5	12 131.0	19 883.3	12 198.3	78.2%
of which:									
Sales by market establishment	19 187.2	21 379.5	17 344.3	11 940.1	17 261.5	12 131.0	19 883.3	12 198.3	78.2%
Other non-tax revenue	749.2	1 014.3	869.6	1 243.3	842.6	1 413.7	1 337.5	1 012.9	123.3%
<b>Total revenue</b>	<b>19 960.9</b>	<b>22 393.8</b>	<b>18 213.9</b>	<b>13 183.4</b>	<b>18 104.1</b>	<b>14 116.5</b>	<b>21 220.8</b>	<b>13 211.2</b>	<b>81.2%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>19 348.7</b>	<b>22 219.4</b>	<b>17 788.5</b>	<b>13 502.8</b>	<b>18 703.6</b>	<b>13 687.5</b>	<b>19 630.9</b>	<b>13 638.4</b>	<b>83.5%</b>
Compensation of employees	1 013.4	1 377.6	1 080.3	1 366.4	1 620.3	1 432.9	1 855.2	1 600.3	103.7%
Goods and services	18 139.6	18 816.4	15 566.4	10 414.4	16 789.7	10 632.8	16 483.4	11 706.7	77.0%
Depreciation	73.3	1 913.1	1 007.4	1 127.4	91.8	1 048.2	1 064.0	100.2	187.3%
Interest, dividends and rent on land	122.4	112.4	134.4	594.7	201.9	573.6	228.3	231.3	220.1%
<b>Total expenses</b>	<b>19 470.6</b>	<b>22 587.8</b>	<b>17 816.4</b>	<b>13 804.3</b>	<b>18 769.1</b>	<b>13 762.7</b>	<b>19 828.4</b>	<b>13 761.6</b>	<b>84.2%</b>
<b>Surplus/(Deficit)</b>	<b>490.0</b>	<b>(194.0)</b>	<b>398.0</b>	<b>(621.0)</b>	<b>(665.0)</b>	<b>354.0</b>	<b>1 392.0</b>	<b>(550.0)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	14 678.8	12 494.4	14 031.2	11 408.7	17 390.7	9 044.8	20 526.3	9 257.3	63.3%
of which:									
Acquisition of assets	(3 883.2)	(2 152.9)	(2 382.2)	(852.9)	(4 079.1)	(279.7)	(3 081.5)	(1 949.5)	39.0%
Investments	7 768.2	1 989.4	5 636.4	1 092.7	5 775.3	1 051.2	5 925.6	1 558.8	22.7%
Inventory	2 290.7	1 992.4	1 986.1	2 749.8	2 216.9	2 759.9	2 468.5	3 043.3	117.7%
Loans	-	236.1	-	32.8	-	46.6	-	70.5	-
Receivables and prepayments	2 080.6	2 507.1	1 575.9	2 202.1	1 964.2	2 293.6	2 196.0	1 125.5	104.0%
Cash and cash equivalents	8 085.8	16 153.6	8 799.1	15 694.8	8 667.4	17 186.0	8 120.6	16 635.5	195.0%
Non-current assets held for sale	-	50.0	36.0	88.6	-	34.3	-	16.0	525.3%
Taxation	5.5	392.2	4.9	349.7	5.5	586.3	5.5	-	6 162.1%
<b>Total assets</b>	<b>34 909.6</b>	<b>35 815.0</b>	<b>32 069.6</b>	<b>33 619.1</b>	<b>36 020.1</b>	<b>33 002.7</b>	<b>39 242.6</b>	<b>31 706.9</b>	<b>94.3%</b>
Accumulated surplus/(deficit)	18 314.5	12 950.3	13 866.2	14 765.6	16 012.8	14 870.5	17 439.3	12 799.0	84.4%
Capital and reserves	276.0	2 071.0	1 704.1	(1 321.1)	1 704.1	(1 281.1)	1 704.1	1 534.8	18.6%
Borrowings	1 330.0	1 618.9	1 022.3	866.8	2 196.3	770.2	3 177.4	999.1	55.1%
Finance lease	-	-	-	-	-	812.6	-	819.3	-
Accrued interest	0.4	-	-	-	-	-	-	-	-
Trade and other payables	2 880.4	5 463.4	1 525.4	6 800.2	1 599.3	7 070.8	1 806.1	4 887.9	310.1%
Taxation	1 654.5	1 774.6	1 838.9	1 888.8	1 838.9	1 457.4	1 838.9	893.0	83.9%
Provisions	9 882.6	11 865.0	11 555.1	10 431.2	12 104.1	9 140.7	12 685.4	9 630.7	88.8%
Derivatives financial instruments	571.2	71.9	557.5	187.7	564.5	161.7	591.5	143.3	24.7%
<b>Total equity and liabilities</b>	<b>34 909.6</b>	<b>35 815.0</b>	<b>32 069.6</b>	<b>33 619.1</b>	<b>36 020.1</b>	<b>33 002.7</b>	<b>39 242.6</b>	<b>31 706.9</b>	<b>94.3%</b>

## Statements of estimates of financial performance and position

**Table 26.18 Central Energy Fund statements of estimates of financial performance and position**

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
					2018/19	2015/16 - 2018/19	2019/20		
R million									
<b>Revenue</b>									
<b>Non-tax revenue</b>		<b>13 211.2</b>	<b>-16.1%</b>	<b>99.0%</b>	<b>20 006.1</b>	<b>19 093.5</b>	<b>19 963.6</b>	<b>14.8%</b>	<b>100.0%</b>
Sale of goods and services other than capital assets		12 198.3	-17.1%	91.1%	18 666.3	18 021.6	18 827.4	15.6%	93.6%
<i>of which:</i>									
Sales by market establishment		12 198.3	-17.1%	91.1%	18 666.3	18 021.6	18 827.4	15.6%	93.6%
Other non-tax revenue		1 012.9	-0.0%	7.9%	1 339.8	1 071.8	1 136.3	3.9%	6.4%
<b>Total revenue</b>		<b>13 211.2</b>	<b>-16.1%</b>	<b>100.0%</b>	<b>20 006.1</b>	<b>19 093.5</b>	<b>19 963.6</b>	<b>14.8%</b>	<b>100.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>		<b>13 638.4</b>	<b>-15.0%</b>	<b>98.7%</b>	<b>19 123.2</b>	<b>19 354.8</b>	<b>20 785.9</b>	<b>15.1%</b>	<b>98.8%</b>
Compensation of employees		1 600.3	5.1%	9.5%	1 690.8	1 792.9	1 910.5	6.1%	9.6%
Goods and services		11 706.7	-14.6%	80.3%	17 256.8	17 394.5	18 704.0	16.9%	87.9%
Depreciation		100.2	-62.6%	6.2%	108.7	102.9	105.1	1.6%	0.6%
Interest, dividends and rent on land		231.3	27.2%	2.7%	67.0	64.5	66.3	-34.1%	0.7%
<b>Total expenses</b>		<b>13 761.6</b>	<b>-15.2%</b>	<b>100.0%</b>	<b>19 331.3</b>	<b>19 532.9</b>	<b>21 172.2</b>	<b>15.4%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>		<b>(550.0)</b>			<b>675.0</b>	<b>(439.0)</b>	<b>(1 209.0)</b>		
<b>Statement of financial position</b>									
Carrying value of assets		9 257.3	-9.5%	31.4%	9 476.0	8 969.6	8 682.6	-2.1%	28.2%
<i>of which:</i>									
Acquisition of assets		(1 949.5)	-3.3%	-3.9%	(1 381.7)	(874.6)	(912.0)	-22.4%	-4.0%
Investments		1 558.8	-7.8%	4.2%	1 636.7	1 860.6	2 496.5	17.0%	5.8%
Inventory		3 043.3	15.2%	7.9%	3 170.4	3 100.1	3 068.3	0.3%	9.6%
Loans		70.5	-33.2%	0.3%	75.8	50.7	56.5	-7.1%	0.2%
Receivables and prepayments		1 125.5	-23.4%	6.0%	1 667.2	1 632.7	1 702.2	14.8%	4.7%
Cash and cash equivalents		16 635.5	1.0%	49.1%	16 633.6	16 742.7	16 386.7	-0.5%	51.4%
Non-current assets held for sale		16.0	-31.6%	0.1%	-	-	-	-100.0%	0.0%
<b>Total assets</b>		<b>31 706.9</b>	<b>-4.0%</b>	<b>100.0%</b>	<b>32 659.8</b>	<b>32 356.3</b>	<b>32 392.7</b>	<b>0.7%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)		12 799.0	-0.4%	41.4%	13 514.3	13 084.1	11 871.1	-2.5%	39.7%
Capital and reserves		1 534.8	-9.5%	0.7%	1 604.5	1 628.8	1 628.8	2.0%	5.0%
Borrowings		999.1	-14.9%	3.1%	865.6	476.1	968.6	-1.0%	2.6%
Finance lease		819.3	-	1.3%	820.3	820.3	820.3	0.0%	2.5%
Trade and other payables		4 887.9	-3.6%	18.1%	4 616.5	4 495.2	4 631.1	-1.8%	14.4%
Taxation		893.0	-20.5%	4.5%	890.7	914.4	946.2	1.9%	2.8%
Provisions		9 630.7	-6.7%	30.6%	10 195.8	10 767.2	11 351.6	5.6%	32.5%
Derivatives financial instruments		143.3	25.8%	0.4%	152.1	170.2	175.0	6.9%	0.5%
<b>Total equity and liabilities</b>		<b>31 706.9</b>	<b>-4.0%</b>	<b>100.0%</b>	<b>32 659.8</b>	<b>32 356.3</b>	<b>32 392.7</b>	<b>0.7%</b>	<b>100.0%</b>

## Personnel information

**Table 26.19 Central Energy Fund personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment									Number								
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate			Average growth rate (%)	Average: Salary level/Total (%)							
		2017/18	2018/19	2019/20	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22										
<b>Central Energy Fund</b>		<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>	<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>	<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>	<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>						
<b>Salary level</b>	<b>1 862</b>	<b>1 862</b>	<b>1 862</b>	<b>1 432.9</b>	<b>0.8</b>	<b>1 862</b>	<b>1 600.3</b>	<b>0.9</b>	<b>1 862</b>	<b>1 690.8</b>	<b>0.9</b>	<b>1 862</b>	<b>1 792.9</b>	<b>1.0</b>	<b>1 862</b>	<b>1 910.5</b>	<b>1.0</b>	<b>6.1%</b>	<b>100.0%</b>
7 - 10	1 079	1 079	1 079	575.0	0.5	1 079	642.6	0.6	1 079	683.6	0.6	1 079	730.5	0.7	1 079	793.0	0.7	7.3%	57.9%
11 - 12	276	276	276	234.2	0.8	276	259.1	0.9	276	258.7	0.9	276	275.4	1.0	276	282.4	1.0	2.9%	14.8%
13 - 16	507	507	507	623.7	1.2	507	698.6	1.4	507	748.4	1.5	507	787.0	1.6	507	835.1	1.6	6.1%	27.2%

1. Rand million.

## South African Nuclear Energy Corporation

### Mandate

The South African Nuclear Energy Corporation is listed as a schedule 2 public entity. It derives its mandate from the Nuclear Energy Act (1999), the 2008 nuclear energy policy and directives conferred on it by the Minister of Energy. It is responsible for operating the SAFARI-1 research nuclear reactor for research and technology development, providing irradiation services for the production of radioisotopes, decommissioning and

decontaminating nuclear facilities, and contributing to South Africa's obligations in terms of international nuclear treaties and agreements. Its subsidiaries include Pelchem, a supplier of fluorine and fluorine-based products, and Nuclear Technology Products (NTP) Radioisotopes, which supplies radiation-based products and services.

The corporation will aim to improve its sustainability through a greater focus on targeted technology platforms through which it will be able to commercialise products and generate new business.

### **Selected performance indicators**

**Table 26.20 South African Nuclear Energy Corporation performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of product and process innovations per year	Administration	Entity mandate	12	15	10	8	6	6	6
Number of scientific articles published per year	Administration		55	43	45	29	26	23	20
Number of days per year that the reactor is operationally available	Radiation products and services		287	289	300	287	287	287	287
Maximum allowable annual radiation dose (microsievert) in terms of licence conditions	Radiation products and services		6µSv	5.6µSv	4.8µSv	5µSv	5µSv	5µSv	5µSv

### **Expenditure analysis**

Over the medium term, the South African Nuclear Energy Corporation will focus on growing the portfolio of radioisotope and radiopharmaceutical products that may be commercialised; decommissioning old nuclear facilities; acquiring assets to strengthen its ability to host nuclear programmes; and ensuring that Pelchem grows and remains sustainable.

The corporation aims to strengthen the global market position of NTP Radioisotopes over the medium term by focusing on the production and sale of medical radioisotopes and radiopharmaceutical products locally and internationally for the diagnosis and treatment of cancers. To increase the company's portfolio of radioisotope and radiopharmaceutical products that may be commercialised, over the MTEF period, the corporation intends to operate the SAFARI-1 reactor for 287 days a year to maximise production while remaining compliant with international safety requirements. Activities related to the production of radioisotopes and radiopharmaceutical products are carried out in the radiation products and services programme, the corporation's largest programme, in which spending is expected to increase at an average annual rate of 8.4 per cent, from R1.6 billion in 2018/19 to R2 billion in 2021/22.

Stage 1 of the process to decommission certain nuclear facilities involves dismantling and decontaminating old plants and facilities that formed part of South Africa's apartheid-era nuclear defence programme. Over the medium term, R539.2 million has been allocated for these activities in the radiation products and services programme.

The corporation plans to carry out the following activities towards strengthening its ability to host nuclear programmes: installing technologies related to small angle neutron scattering and neutron radiography facilities to enhance research and development infrastructure capabilities; and upgrading and refurbishing critical site infrastructure, which includes liquid effluent management services, analytical and calibration services, material test reactor fuel facilities and security upgrades. R315.8 million is allocated over the MTEF period for the acquisition of assets to carry out these activities.

Total expenditure is expected to increase at an average annual rate of 6.9 per cent, from R3.1 billion in 2018/19 to R3.7 billion in 2021/22. Spending on compensation of employees accounts for an estimated 36 per cent of the corporation's total expenditure, increasing at an average annual rate of 9 per cent, from R1.1 billion in 2018/19 to R1.4 billion in 2021/22. This increase is mainly because of an expected increase in personnel, from 2 339 in 2018/19 to 2 436 in 2021/22, due to the filling of critical posts.

The corporation generates revenue through the sale of nuclear technology products, chemical products and

nuclear engineering services; and transfers from the department. Total revenue is expected to increase at an average annual rate of 7.1 per cent, from R3.1 billion in 2018/19 to R3.9 billion 2021/22, mainly due to an expected increase in the sale of nuclear radiation products.

### Programmes/Objectives/Activities

**Table 26.21 South African Nuclear Energy Corporation expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
				2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Administration	386.9	442.7	464.3	487.5	8.0%	13.7%	511.9	524.4	550.7	4.1%	15.0%
Nuclear energy	391.2	409.8	409.5	429.3	3.1%	12.5%	474.4	498.1	517.9	6.5%	13.9%
Radiation products and services	3 800.5	1 514.4	1 553.0	1 589.4	-25.2%	58.3%	1 820.5	1 966.0	2 026.5	8.4%	53.5%
South African Nuclear Energy Corporation as a host of nuclear programmes	391.4	509.7	535.2	561.9	12.8%	15.5%	590.0	619.5	650.5	5.0%	17.6%
<b>Total</b>	<b>4 970.0</b>	<b>2 876.6</b>	<b>2 962.0</b>	<b>3 068.2</b>	<b>-14.9%</b>	<b>100.0%</b>	<b>3 396.8</b>	<b>3 608.0</b>	<b>3 745.5</b>	<b>6.9%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 26.22 South African Nuclear Energy Corporation statements of historical financial performance and position**

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2015/16 - 2018/19	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>1 613.3</b>	<b>4 670.0</b>	<b>1 929.1</b>	<b>2 281.7</b>	<b>1 948.9</b>	<b>2 216.1</b>	<b>2 041.5</b>	<b>2 031.6</b>	<b>148.7%</b>
Sale of goods and services other than capital assets	1 511.7	1 510.0	1 883.4	1 622.8	1 736.1	1 513.8	1 875.5	1 674.8	90.2%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>1 511.7</i>	<i>1 510.0</i>	<i>1 883.4</i>	<i>1 622.8</i>	<i>1 736.1</i>	<i>1 513.8</i>	<i>1 875.5</i>	<i>1 674.8</i>	<i>90.2%</i>
Other non-tax revenue	101.6	3 160.0	45.6	658.9	212.8	702.4	166.0	356.8	927.4%
<b>Transfers received</b>	<b>650.5</b>	<b>614.3</b>	<b>649.4</b>	<b>637.1</b>	<b>837.5</b>	<b>763.9</b>	<b>793.1</b>	<b>1 116.0</b>	<b>106.9%</b>
<b>Total revenue</b>	<b>2 263.7</b>	<b>5 284.3</b>	<b>2 578.4</b>	<b>2 918.9</b>	<b>2 786.4</b>	<b>2 980.1</b>	<b>2 834.6</b>	<b>3 147.6</b>	<b>137.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>2 382.4</b>	<b>4 888.2</b>	<b>2 598.1</b>	<b>2 805.8</b>	<b>2 395.8</b>	<b>2 887.7</b>	<b>2 741.0</b>	<b>2 990.1</b>	<b>134.1%</b>
Compensation of employees	916.9	864.0	916.1	989.4	990.0	1 016.3	1 066.0	1 066.4	101.2%
Goods and services	1 387.9	3 923.7	1 611.9	1 740.8	1 313.2	1 792.0	1 583.3	1 840.3	157.7%
Depreciation	77.7	94.8	65.5	70.8	87.4	74.3	87.8	78.0	99.8%
Interest, dividends and rent on land	-	5.8	4.5	4.9	5.1	5.1	4.0	5.4	155.2%
<b>Total expenses</b>	<b>2 430.4</b>	<b>4 970.0</b>	<b>2 663.6</b>	<b>2 876.6</b>	<b>2 482.2</b>	<b>2 962.0</b>	<b>2 806.7</b>	<b>3 068.2</b>	<b>133.7%</b>
<b>Surplus/(Deficit)</b>	<b>(167.0)</b>	<b>314.0</b>	<b>(85.0)</b>	<b>42.0</b>	<b>304.0</b>	<b>18.0</b>	<b>28.0</b>	<b>79.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	1 391.4	1 338.2	1 463.4	1 376.6	1 603.0	1 456.6	1 758.6	1 785.3	95.8%
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(174.4)</i>	<i>(398.7)</i>	<i>(110.0)</i>	<i>(166.2)</i>	<i>(244.4)</i>	<i>(138.7)</i>	<i>(160.2)</i>	<i>(231.9)</i>	<i>135.8%</i>
Investments	294.8	3 327.8	3 340.5	3 172.0	3 333.6	4 116.6	3 455.8	3 691.8	137.3%
Inventory	221.7	231.9	256.4	238.1	343.4	275.4	336.6	389.9	98.0%
Loans	-	-	-	-	36.6	-	36.6	-	-
Receivables and prepayments	212.4	407.6	279.9	205.1	397.5	459.4	586.7	495.1	106.1%
Cash and cash equivalents	594.0	781.5	598.3	1 065.3	531.9	507.9	32.9	152.2	142.7%
Taxation	1.3	59.2	15.7	41.0	32.1	49.4	32.0	30.7	222.4%
<b>Total assets</b>	<b>2 715.5</b>	<b>6 146.1</b>	<b>5 954.3</b>	<b>6 098.1</b>	<b>6 278.2</b>	<b>6 865.2</b>	<b>6 239.2</b>	<b>6 545.0</b>	<b>121.1%</b>
Accumulated surplus/(deficit)	482.1	509.3	267.1	504.0	763.2	617.7	791.1	196.4	79.3%
Capital and reserves	367.9	545.7	422.4	600.4	145.4	592.6	152.6	691.4	223.3%
Capital reserve fund	703.3	-	601.6	-	198.9	-	207.0	-	-
Borrowings	31.5	82.7	85.2	123.7	6.0	32.0	16.9	30.3	192.5%
Finance lease	10.9	8.2	4.6	5.3	4.4	1.5	4.1	5.8	86.4%
Deferred income	-	446.3	-	594.4	594.4	579.8	575.5	645.0	193.7%
Trade and other payables	321.7	252.1	226.9	196.1	361.4	387.4	519.8	291.9	78.9%
Benefits payable	-	-	-	23.8	-	33.5	-	35.2	-
Taxation	-	20.0	-	1.1	22.3	2.1	22.3	0.3	52.4%
Provisions	748.5	691.2	992.7	739.3	972.4	782.1	1 028.2	1 149.2	89.8%
Managed funds (e.g. poverty alleviation fund)	-	33.0	-	-	-	-	-	-	-
Derivatives financial instruments	49.6	3 557.6	3 353.7	3 310.1	3 087.8	3 836.7	2 785.1	3 499.6	153.1%
<b>Total equity and liabilities</b>	<b>2 715.5</b>	<b>6 146.1</b>	<b>5 954.3</b>	<b>6 098.1</b>	<b>6 156.1</b>	<b>6 865.2</b>	<b>6 102.6</b>	<b>6 545.0</b>	<b>122.6%</b>



## Statements of estimates of financial performance and position

**Table 26.23 South African Nuclear Energy Corporation statements of estimates of financial performance and position**

Statement of financial performance		Revised estimate	Average:		Medium-term estimate			Average:	
			Average growth rate (%)	Expenditure/ Total (%)	2019/20	2020/21	2021/22	Average growth rate (%)	Expenditure/ Total (%)
R million	2018/19	2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>2 031.6</b>	<b>-24.2%</b>	<b>76.4%</b>	<b>2 375.7</b>	<b>2 494.3</b>	<b>2 583.3</b>	<b>8.3%</b>	<b>66.3%</b>	
Sale of goods and services other than capital assets	1 674.8	3.5%	47.0%	2 288.2	2 408.8	2 507.4	14.4%	61.8%	
<i>of which:</i>									
<i>Sales by market establishment</i>	1 674.8	3.5%	47.0%	2 288.2	2 408.8	2 507.4	14.4%	61.8%	
Other non-tax revenue	356.8	-51.7%	29.3%	87.5	85.5	75.9	-40.3%	4.5%	
<b>Transfers received</b>	<b>1 116.0</b>	<b>22.0%</b>	<b>23.6%</b>	<b>1 170.1</b>	<b>1 232.9</b>	<b>1 287.4</b>	<b>4.9%</b>	<b>33.7%</b>	
<b>Total revenue</b>	<b>3 147.6</b>	<b>-15.9%</b>	<b>100.0%</b>	<b>3 545.8</b>	<b>3 727.3</b>	<b>3 870.7</b>	<b>7.1%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>2 990.1</b>	<b>-15.1%</b>	<b>97.7%</b>	<b>3 314.8</b>	<b>3 521.9</b>	<b>3 655.2</b>	<b>6.9%</b>	<b>97.6%</b>	
Compensation of employees	1 066.4	7.3%	30.2%	1 220.0	1 308.3	1 382.1	9.0%	36.0%	
Goods and services	1 840.3	-22.3%	65.0%	2 007.2	2 121.7	2 176.5	5.8%	59.0%	
Depreciation	78.0	-6.3%	2.4%	81.9	86.0	90.3	5.0%	2.4%	
Interest, dividends and rent on land	5.4	-2.2%	0.2%	5.6	5.9	6.2	5.0%	0.2%	
<b>Total expenses</b>	<b>3 068.2</b>	<b>-14.9%</b>	<b>100.0%</b>	<b>3 396.8</b>	<b>3 608.0</b>	<b>3 745.5</b>	<b>6.9%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>79.0</b>			<b>149.0</b>	<b>119.0</b>	<b>125.0</b>			
<b>Statement of financial position</b>									
Carrying value of assets	1 785.3	10.1%	23.2%	1 820.9	1 860.3	1 912.9	2.3%	26.3%	
<i>of which:</i>									
<i>Acquisition of assets</i>	(231.9)	-16.5%	-3.7%	(70.9)	(116.0)	(128.8)	-17.8%	-2.0%	
Investments	3 691.8	3.5%	55.6%	3 878.1	4 069.3	4 236.0	4.7%	56.4%	
Inventory	389.9	18.9%	4.4%	520.6	567.1	604.4	15.7%	7.4%	
Receivables and prepayments	495.1	6.7%	6.1%	563.6	620.4	690.3	11.7%	8.4%	
Cash and cash equivalents	152.2	-42.0%	10.0%	67.2	32.2	67.6	-23.7%	1.2%	
Taxation	30.7	-19.6%	0.7%	30.7	30.7	30.7	-	0.4%	
<b>Total assets</b>	<b>6 545.0</b>	<b>2.1%</b>	<b>100.0%</b>	<b>6 881.1</b>	<b>7 180.1</b>	<b>7 541.9</b>	<b>4.8%</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	196.4	-27.2%	7.1%	334.6	441.4	551.8	41.1%	5.3%	
Capital and reserves	691.4	8.2%	9.5%	698.6	706.8	716.6	1.2%	10.0%	
Borrowings	30.3	-28.4%	1.1%	29.8	69.1	153.6	71.8%	1.0%	
Finance lease	5.8	-10.9%	0.1%	6.7	7.5	7.6	9.5%	0.1%	
Deferred income	645.0	13.1%	8.8%	633.9	694.2	719.9	3.7%	9.6%	
Trade and other payables	291.9	5.0%	4.4%	332.2	351.5	388.6	10.0%	4.8%	
Benefits payable	35.2	-	0.4%	36.9	-	-	-100.0%	0.3%	
Taxation	0.3	-75.4%	0.1%	0.3	0.3	0.3	5.0%	0.0%	
Provisions	1 149.2	18.5%	13.1%	1 218.9	1 252.2	1 285.9	3.8%	17.4%	
Derivatives financial instruments	3 499.6	-0.5%	55.4%	3 589.4	3 657.0	3 717.5	2.0%	51.5%	
<b>Total equity and liabilities</b>	<b>6 545.0</b>	<b>2.1%</b>	<b>100.0%</b>	<b>6 881.1</b>	<b>7 180.1</b>	<b>7 541.9</b>	<b>4.8%</b>	<b>100.0%</b>	

## Personnel information

**Table 26.24 South African Nuclear Energy Corporation personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment										Number							
Number of funded posts	Number of posts on approved establishment	Actual		Revised estimate		Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)						
		2017/18		2018/19		2019/20		2020/21		2021/22				2018/19 - 2021/22					
South African Nuclear Energy Corporation		Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost						
Salary level	2 507	2 506	2 484	1 016.3	0.4	2 339	1 066.4	0.5	2 437	1 220.0	0.5	2 459	1 308.3	0.5	2 436	1 382.1	0.6	9.0%	100.0%
1 – 6	681	684	818	85.2	0.1	671	86.5	0.1	677	94.2	0.1	672	102.8	0.2	676	107.9	0.2	7.6%	27.9%
7 – 10	1 307	1 289	1 266	473.6	0.4	1 179	463.4	0.4	1 239	517.1	0.4	1 227	554.3	0.5	1 228	603.3	0.5	9.2%	50.4%
11 – 12	283	296	226	161.4	0.7	271	229.9	0.8	289	259.8	0.9	296	281.0	0.9	294	288.5	1.0	7.9%	11.9%
13 – 16	222	222	168	280.2	1.7	204	252.1	1.2	217	313.7	1.4	250	328.7	1.3	224	339.0	1.5	10.4%	9.2%
17 – 22	14	15	6	15.9	2.7	14	34.5	2.5	15	35.3	2.4	14	41.5	3.0	14	43.5	3.1	8.0%	0.6%

1. Rand million.

## Other entities

Comprehensive coverage of the following public entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **National Energy Regulator of South Africa** is the regulatory authority for electricity, piped gas and petroleum pipelines. The regulator's total budget for 2019/20 is R363.4 million.
- The **National Nuclear Regulator** is responsible for safety standards and regulatory practices for the protection of people, property and the environment against nuclear damage. The regulator's total budget for 2019/20 is R237.8 million.
- The **National Radioactive Waste Disposal Institute** is mandated to fulfil an institutional obligation of the Minister of Energy relating to the management of radioactive waste disposal on a national level, and is empowered to develop and implement a management approach for the long-term care and disposal of radioactive waste that is safe, technically sound, socially acceptable, environmentally responsible and economically feasible. The institute's total budget for 2019/20 is R49 million.
- The **South African National Energy Development Institute** is mandated to stimulate innovation in energy research and development, transform the gender and race profile of researchers in the sector, and improve South Africa's competitiveness in energy research internationally. The institute's total budget for 2019/20 is R232.4 million.

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Infrastructure transfers to other spheres, agencies and departments</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Integrated national electrification programme: Eskom	Provision of capital subsidies to Eskom to address electrification backlogs for permanently occupied residential dwellings, installation of bulk infrastructure, and rehabilitation of electrification infrastructure	On-going	52 969.6	3 613.2	3 526.3	3 846.2	3 962.0	3 374.1	3 062.7	3 820.7
Integrated national electrification programme: Municipalities	Provision of capital subsidies to municipalities to address electrification backlogs for permanently occupied residential dwellings, installation of bulk infrastructure, and rehabilitation of electrification infrastructure	On-going	29 375.7	1 980.3	1 946.2	2 087.0	1 904.5	1 863.3	1 977.4	2 131.0
<b>Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)</b>										
Integrated national electrification programme: Non- grid	Provision of capital subsidies to non-grid electrification service providers to address electrification backlogs	On-going	2 770.1	156.2	137.7	159.0	149.1	212.9	224.7	237.0
<b>Total</b>			<b>85 115.4</b>	<b>5 749.8</b>	<b>5 610.3</b>	<b>6 092.2</b>	<b>6 015.7</b>	<b>5 450.3</b>	<b>5 264.8</b>	<b>6 188.7</b>



# Vote 27

## Environmental Affairs

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	891.9	725.6	–	166.2	951.7	1 011.6
Legal, Authorisations, Compliance and Enforcement	207.5	199.9	4.1	3.6	219.9	233.5
Oceans and Coasts	507.2	496.8	–	10.4	537.7	568.8
Climate Change, Air Quality and Sustainable Development	445.9	216.1	229.0	0.8	470.8	498.3
Biodiversity and Conservation	797.3	136.5	659.7	1.2	852.9	907.8
Environmental Programmes	4 085.5	3 663.3	419.1	3.0	4 299.6	4 359.7
Chemicals and Waste Management	594.3	512.0	81.5	0.9	628.5	663.8
<b>Total expenditure estimates</b>	<b>7 529.7</b>	<b>5 950.3</b>	<b>1 393.3</b>	<b>186.1</b>	<b>7 961.3</b>	<b>8 243.6</b>

Executive authority Minister of Environmental Affairs  
 Accounting officer Director-General of Environmental Affairs  
 Website address [www.environment.gov.za](http://www.environment.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Lead South Africa's environmental sector to achieve sustainable development towards a better quality of life for all.*

### Mandate

The Department of Environmental Affairs is mandated to give effect to the right of citizens to an environment that is not harmful to their health or wellbeing, and to have the environment protected for the benefit of present and future generations. To this end, the department provides leadership towards sustainability in environmental management, conservation and protection for the benefit of South Africans and the global community. The department's mandate is derived from the following legislation:

- The National Environmental Management Act (1998), which provides for specific legislation on biodiversity and heritage resources; oceans and coasts; climate change and air quality management; and waste and chemicals management
- The National Environmental Management Amendment Act (2004), which streamlines the process of regulating and administering the environmental impact assessment process
- The National Environmental Management: Air Quality Act (2004), which reforms the law regulating air quality in order to protect the environment by providing reasonable measures for preventing pollution and ecological degradation, and securing ecologically sustainable development; and provides for national norms and standards regulating the monitoring of air quality
- The National Environmental Management: Biodiversity Act (2004), which significantly reforms South Africa's laws regulating biodiversity
- The National Environmental Management: Integrated Coastal Management Act (2008), which promotes the conservation of the coastal environment and ensures sustainable development practices and the use of natural resources

- The National Environmental Management: Waste Act (2008), which reforms the law regulating waste management in order to protect health and the environment by providing reasonable measures for the prevention of pollution
- The National Environmental Management: Protected Areas Amendment Act (2009), which provides for the assignment of national parks, special parks and heritage sites to South Africa in terms of the World Heritage Convention Act (1999).

## Selected performance indicators

**Table 27.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of interventions developed for streamlining environmental authorisations for strategic infrastructure programmes and the industrial policy action plan per year	Administration	Outcome 10: Protect and enhance our environmental assets and natural resources	4	1	2	1	1	1	1
Percentage of national environmental impact management applications processed per year	Legal, Authorisations, Compliance and Enforcement		90% (251/279)	93% (270/292)	96 (187/195)	98%	100%	100%	100%
Number of environmental authorisations inspected per year	Legal, Authorisations, Compliance and Enforcement		158	190	183	155	160	165	170
Improvement in the national air quality indicator (index less than 1) <sup>1</sup>	Climate Change, Air Quality and Sustainable Development		0.79	0.92	1.04	1.20	1.00	1.00	1.00
Climate change regulatory framework and tools developed and implemented	Climate Change, Air Quality and Sustainable Development		Discussion document for National Climate Change Response Bill in place but not yet published	Draft climate change regulatory framework, including legal options on the regulation of climate change, developed and key stakeholders consulted	Climate change response regulatory framework/bill developed but not yet published for public comments	Climate Change Response Bill gazetted for public comment	Climate Change Response Act annual plan implemented	Climate Change Response Act annual plan implemented	Climate Change Response Act annual plan implemented
National climate change adaptation strategy developed and implemented	Climate Change, Air Quality and Sustainable Development		Draft national climate change adaptation strategy developed	Draft national climate change adaptation strategy finalised	Draft national climate change adaptation strategy finalised and submitted to minister for approval	National climate change adaptation strategy and action plan approved	National climate change adaptation strategy action plan implemented	National climate change adaptation strategy action plan implemented	National climate change adaptation strategy action plan implemented
Percentage of state-managed protected areas assessed per year with the management effectiveness tracking tool scoring more than 67%	Biodiversity and Conservation		92.6% (6 042 973/ 6 525 889)	72% (4 698 640/ 6 525 889)	75% (4 894 416/ 6 525 889)	77% (5 024 034/ 6 525 889)	79%	81%	83%

**Table 27.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total percentage of land under conservation (hectares)	Biodiversity and Conservation		11.7% (14 300 113/ 121 991 200)	12.5% (15 247 487/ 121 991 200)	12.9% (15 797 121/ 121 991 200)	13.5% (16 492 882/ 121 991 200)	13.7%	14.2%	14.7%
Number of hectares of land for indigenous species identified and cultivated per year <sup>3</sup>	Biodiversity and Conservation	Outcome 10: Protect and enhance our environmental assets and natural resources	- <sup>4</sup>	- <sup>4</sup>	500	500	500	500	500
Number of biodiversity entrepreneurs trained per year <sup>3</sup>			- <sup>4</sup>	- <sup>4</sup>	- <sup>4</sup>	200	200	200	200
Number of work opportunities created through projects related to the expanded public works programme per year	Environmental Programmes	Outcome 4: Decent employment through inclusive growth	73 381	98 566 <sup>5</sup>	71 945	75 043	74 396	74 041	73 486
Number of full-time equivalent jobs created through projects related to the expanded public works programme per year	Environmental Programmes		28 141	28 633	28 343	39 991	39 110	39 805	40 352
Percentage of waste diverted from landfill sites for recycling per year <sup>6</sup>	Chemicals and Waste Management	Outcome 10: Protect and enhance our environmental assets and natural resources	41.8% (72 052 tonnes/ 172 441 tonnes)	19.2% (33 139 tonnes/ 172 441 tonnes)	- <sup>6</sup>	50% (85 133 tonnes/ 170 266 tonnes)	50% (85 133 tonnes/ 170 266 tonnes)	60% (102 160 tonnes/ 170 266 tonnes)	70% (119 186 tonnes/ 170 266 tonnes)

1. In terms of the national air quality indicator index, 1 represents the acceptable national standard and air quality. Anything above 1 is a deterioration, whereas anything below 1 is an improvement.
2. Indicator updated to align with the department's draft annual performance plan for 2019/20. This indicator replaces the indicator measuring the number of climate change response policy interventions implemented per year.
3. Indicator updated to align with the department's draft annual performance plan for 2019/20. This indicator replaces the indicator measuring the number of natural resource-based enterprises established in support of Vision 2024 per year.
4. No historical data available.
5. High achievement in line with available budget.
6. Fluctuation and missing information in targets due to delays in the finalisation of the revised business plans for tyre waste management.

## Expenditure analysis

The Department of Environmental Affairs manages, protects and conserves South Africa's environment and natural resources through the development of strategies and policies aimed at regulating and promoting the sustainable use of natural resources, and at reducing carbon emissions, atmospheric pollutants and the effects of climate change. This work gives expression to chapter 5 of the National Development Plan, which emphasises the importance of environmental sustainability for robust socioeconomic development, and outcome 4 (decent employment through inclusive growth) and outcome 10 (protect and enhance our environmental assets and natural resources) of government's 2014-2019 medium-term strategic framework.

Over the medium term, the department will focus on creating job opportunities through the expanded public works programme in moving towards a green economy; enforcing and monitoring compliance with environmental legislation; conserving marine ecosystems; investing in biodiversity; monitoring climate change and air quality; and managing waste.

The department's total budget is expected to increase at an average annual rate of 7.7 per cent, from R6.6 billion in 2018/19 to R8.2 billion in 2021/22. As a result of Cabinet-approved reductions to the department's baseline of R83.5 million over the medium term, transfers to the South African National Biodiversity Institute are reduced by R42.4 million, transfers to South African National Parks by R39.9 million, and transfers to the iSimangaliso Wetland Park Authority by R1.2 million. These entities are expected to generate increased revenue to accommodate these reductions.

### **Creating jobs**

The department's work is pivotal in the creation of a green economy in which economic development is not at the expense of the environment. In its efforts to provide 119 267 full-time equivalent jobs and 221 923 work opportunities through the expanded public works programme over the medium term, the department anticipates spending R11.6 billion, accounting for 48.9 per cent of its total budget over the MTEF period. These jobs and work opportunities will be made available through projects that focus on restoring and rehabilitating degraded ecosystems; expanding the conservation estate; protecting, restoring and rehabilitating wetlands; protecting water resources; and managing land use sustainably. These services are budgeted for in the *Environmental Programmes* programme, which has an allocation of R12.7 billion over the medium term.

### **Enforcing and monitoring compliance with environmental legislation**

Effective compliance and enforcement underpins environmental justice and the integrity of South Africa's regulatory system. As such, the department will continue to enforce legislation and regulations governing international trade in wild animals and plants at ports of entry and exit. The department currently has 9 environmental management inspectors deployed at only 1 of the 16 designated ports of entry: OR Tambo International Airport. Deploying environmental management inspectors and compliance and enforcement officials at all ports will require the procurement of office space, equipment to handle animals, safes and microchip scanners. This will enable officials to inspect an estimated 495 environmental permits over the MTEF period to ensure that protected species and alien plants are not smuggled into and out of the country. An estimated R661 million is provided over the medium term for these activities in the *Legal, Authorisations, Compliance and Enforcement* programme.

### **Conserving marine ecosystems**

The department plans to continue supporting research voyages to Antarctica, Marion Island and Gough Island. These expeditions support long-term biological, environmental and meteorological research. To carry out this work, the operation and manning of 2 research vessels accounts for an estimated 23.6 per cent (R380.5 million) of total expenditure in the *Oceans and Coasts* programme over the medium term. A further R330.6 million in the programme is allocated to implementing the oceans economy strategy, which includes manufacturing for marine transport, offshore oil and gas exploration, aquaculture, marine protection services, and ocean governance.

### **Investing in biodiversity**

In its efforts to ensure that a representative sample of the country's biodiversity is placed under formal protection, the department plans to increase the area of land under conservation from 13.5 per cent in 2018/19 to a projected 14.7 per cent in 2021/22. This entails facilitating the identification of 2 000 hectares for the cultivation of indigenous species across the country, and providing training to 800 biodiversity entrepreneurs as part of the department's efforts to ensure that biodiversity contributes substantially to the economy. This is expected to result in expenditure of R156 million over the medium term in the *Biodiversity and Conservation* programme, representing 6.1 per cent of the programme's total budget of R2.6 billion over the same period. The bulk of this expenditure is for operational transfers to South African National Parks, the South African National Biodiversity Institute and the iSimangaliso Wetland Park Authority.

### **Monitoring climate change and air quality**

To contribute towards a reduction in air pollution, the department plans to increase the number of government-owned air quality monitoring stations reporting to the South African air quality information system from 117 in 2018/19 to 125 in 2021/22. This will be made possible by an allocation of R148 million over the medium term in the *Air Quality Management* subprogramme in the *Climate Change, Air Quality and Sustainable Development* programme. This allocation will also enable the department to roll out the Let's Respond toolkit to a projected 40 municipalities to integrate their climate change responses into the department's planning documents. This entails reviewing the development plans of municipalities and guiding them to be responsive to climate change, with particular focus on the effects of climate change on vulnerable communities and sustainable economic development.



## Managing waste

The department's waste management bureau is tasked with promoting and facilitating the minimisation, reuse, recycling and recovery of waste. The bureau provides specialist advice and support for the development and monitoring of integrated waste management plans for industry and municipalities, and manages the disbursement of revenue generated from charges for waste management. The bureau has been managing the disposal of waste tyres as a transitional arrangement since October 2017, when the previous contractor was suspended. The process of appointing a new contractor is expected to be finalised over the medium term. To carry out its duties, 68.9 per cent (R1.3 billion) of the allocation in the *Chemicals and Waste Management* programme over the medium term is earmarked for the bureau.

## Expenditure trends

**Table 27.2 Vote expenditure trends by programme and economic classification**

Programmes																															
1. Administration																															
2. Legal, Authorisations, Compliance and Enforcement																															
3. Oceans and Coasts																															
4. Climate Change, Air Quality and Sustainable Development																															
5. Biodiversity and Conservation																															
6. Environmental Programmes																															
7. Chemicals and Waste Management																															
Programme	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Revised estimate			Average: Outcome/Annual budget (%)		Average: Outcome/Adjusted appropriation (%)	
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19			2015/16 - 2018/19															
Programme 1	714.0	870.2	719.1	808.2	803.2	722.4	863.0	863.0	818.3	822.0	822.0	822.0	96.1%	91.8%																	
Programme 2	127.5	133.9	131.4	164.6	164.6	154.3	179.8	179.8	165.4	189.3	189.3	189.3	96.9%	95.9%																	
Programme 3	484.5	399.5	368.7	475.0	475.0	502.7	468.5	468.5	428.6	492.0	492.0	492.0	93.3%	97.7%																	
Programme 4	240.1	240.1	359.5	289.6	289.6	401.0	294.9	294.9	398.6	414.3	414.3	414.3	127.0%	127.0%																	
Programme 5	655.6	730.6	699.9	718.2	718.2	738.7	696.5	696.5	692.7	773.4	773.4	773.4	102.1%	99.5%																	
Programme 6	3 646.9	3 489.6	3 579.6	3 865.1	3 865.1	3 766.9	3 895.2	3 928.2	3 732.6	3 871.3	4 189.3	3 364.3	94.5%	93.4%																	
Programme 7	79.3	79.3	79.7	109.3	109.3	95.0	450.3	417.3	353.9	550.3	550.3	550.3	90.7%	93.3%																	
<b>Total</b>	<b>5 948.0</b>	<b>5 943.3</b>	<b>5 937.9</b>	<b>6 430.1</b>	<b>6 425.1</b>	<b>6 381.0</b>	<b>6 848.2</b>	<b>6 848.2</b>	<b>6 590.1</b>	<b>7 112.5</b>	<b>7 430.5</b>	<b>6 605.5</b>	<b>96.9%</b>	<b>95.7%</b>																	
Change to 2018 Budget estimate	318.0																														
Economic classification																															
<b>Current payments</b>	<b>4 264.6</b>	<b>4 329.2</b>	<b>4 340.4</b>	<b>4 767.1</b>	<b>4 761.4</b>	<b>4 678.2</b>	<b>5 351.2</b>	<b>5 351.2</b>	<b>4 676.9</b>	<b>5 583.3</b>	<b>5 901.3</b>	<b>5 151.3</b>	<b>94.4%</b>	<b>92.6%</b>																	
Compensation of employees	915.4	930.7	909.2	1 001.6	996.6	992.7	1 035.1	1 050.1	1 050.1	1 149.0	1 149.0	1 149.0	100.0%	99.4%																	
Goods and services <sup>1</sup>	3 349.2	3 398.5	3 431.2	3 765.5	3 764.8	3 685.5	4 316.2	4 301.2	3 617.9	4 434.3	4 752.3	4 002.3	92.9%	90.9%																	
Interest and rent on land	–	–	–	–	–	–	–	–	9.0	–	–	–	–	–																	
<b>Transfers and subsidies</b>	<b>1 525.3</b>	<b>1 431.1</b>	<b>1 435.7</b>	<b>1 500.9</b>	<b>1 501.6</b>	<b>1 514.4</b>	<b>1 331.5</b>	<b>1 331.5</b>	<b>1 309.2</b>	<b>1 350.9</b>	<b>1 350.9</b>	<b>1 275.9</b>	<b>97.0%</b>	<b>98.6%</b>																	
Provinces and municipalities	–	–	0.0	–	–	0.1	–	–	0.1	–	–	–	–	–																	
Departmental agencies and accounts	1 206.1	1 111.4	1 112.5	1 301.2	1 301.2	1 310.0	1 201.2	1 201.2	1 195.6	1 258.0	1 258.0	1 258.0	97.7%	99.6%																	
Foreign governments and international organisations	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.9	16.9	16.9	100.0%	100.0%																	
Public corporations and private enterprises	300.0	300.0	300.0	180.0	180.0	180.0	110.5	110.5	77.7	72.0	72.0	(3.0)	83.7%	83.7%																	
Non-profit institutions	3.2	3.7	3.7	3.8	4.5	4.5	3.8	3.8	8.1	3.9	3.9	3.9	137.2%	126.7%																	
Households	–	–	3.6	–	–	3.9	–	–	11.8	–	–	–	–	–																	

**Table 27.2 Vote expenditure trends by programme and economic classification**

Economic classification	2015/16			2016/17			2017/18			2018/19			Average: Annual Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate		
R million														
<b>Payments for capital assets</b>	<b>158.1</b>	<b>183.0</b>	<b>160.9</b>	<b>162.1</b>	<b>162.1</b>	<b>188.1</b>	<b>165.5</b>	<b>165.5</b>	<b>604.0</b>	<b>178.3</b>	<b>178.3</b>	<b>178.3</b>	<b>170.4%</b>	<b>164.2%</b>
Buildings and other fixed structures	110.7	135.5	129.4	136.0	136.0	136.9	136.9	136.9	501.4	147.4	147.4	147.4	172.3%	164.6%
Machinery and equipment	47.4	47.5	29.7	26.1	26.1	41.2	28.6	28.6	88.4	31.0	31.0	31.0	143.0%	142.8%
Software and other intangible assets	-	-	1.8	-	-	10.0	-	-	14.2	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.9</b>	<b>-</b>	<b>-</b>	<b>0.2</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>5 948.0</b>	<b>5 943.3</b>	<b>5 937.9</b>	<b>6 430.1</b>	<b>6 425.1</b>	<b>6 381.0</b>	<b>6 848.2</b>	<b>6 848.2</b>	<b>6 590.1</b>	<b>7 112.5</b>	<b>7 430.5</b>	<b>6 605.5</b>	<b>96.9%</b>	<b>95.7%</b>

1. The expanded public works programmes have been reclassified from transfers and subsidies to goods and services in line with the Standard Chart of Accounts and the Guidelines for Implementing the Economic Reporting Format.

## Expenditure estimates

**Table 27.3 Vote expenditure estimates by programme and economic classification**

Programmes								
1. Administration 2. Legal, Authorisations, Compliance and Enforcement 3. Oceans and Coasts 4. Climate Change, Air Quality and Sustainable Development 5. Biodiversity and Conservation 6. Environmental Programmes 7. Chemicals and Waste Management								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
Programme 1	822.0	-1.9%	12.1%	891.9	951.7	1 011.6	7.2%	12.1%
Programme 2	189.3	12.2%	2.5%	207.5	219.9	233.5	7.2%	2.8%
Programme 3	492.0	7.2%	7.0%	507.2	537.7	568.8	5.0%	6.9%
Programme 4	414.3	19.9%	6.2%	445.9	470.8	498.3	6.3%	6.0%
Programme 5	773.4	1.9%	11.4%	797.3	852.9	907.8	5.5%	11.0%
Programme 6	3 364.3	-1.2%	56.6%	4 085.5	4 299.6	4 359.7	9.0%	53.1%
Programme 7	550.3	90.8%	4.2%	594.3	628.5	663.8	6.5%	8.0%
<b>Total</b>	<b>6 605.5</b>	<b>3.6%</b>	<b>100.0%</b>	<b>7 529.7</b>	<b>7 961.3</b>	<b>8 243.6</b>	<b>7.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(2.2)	(8.1)	(57.7)		
Economic classification								
<b>Current payments</b>	<b>5 151.3</b>	<b>6.0%</b>	<b>73.9%</b>	<b>5 950.3</b>	<b>6 230.6</b>	<b>6 497.6</b>	<b>8.0%</b>	<b>78.5%</b>
Compensation of employees	1 149.0	7.3%	16.1%	1 237.5	1 333.1	1 419.7	7.3%	16.9%
Goods and services	4 002.3	5.6%	57.8%	4 703.2	4 887.6	5 067.4	8.2%	61.5%
Interest and rent on land	-	-	0.0%	9.5	9.9	10.4	-	0.1%
<b>Transfers and subsidies</b>	<b>1 275.9</b>	<b>-3.8%</b>	<b>21.7%</b>	<b>1 393.3</b>	<b>1 536.0</b>	<b>1 537.3</b>	<b>6.4%</b>	<b>18.9%</b>
Departmental agencies and accounts	1 258.0	4.2%	19.1%	1 287.2	1 426.9	1 506.8	6.2%	18.1%
Foreign governments and international organisations	16.9	1.9%	0.3%	23.5	23.5	23.5	11.6%	0.3%
Public corporations and private enterprises	(3.0)	-121.5%	2.2%	74.8	79.1	-	-100.0%	0.5%
Non-profit institutions	3.9	2.1%	0.1%	7.7	6.5	7.0	21.4%	0.1%
<b>Payments for capital assets</b>	<b>178.3</b>	<b>-0.9%</b>	<b>4.4%</b>	<b>186.1</b>	<b>194.6</b>	<b>208.7</b>	<b>5.4%</b>	<b>2.5%</b>
Buildings and other fixed structures	147.4	2.8%	3.6%	159.1	167.3	179.8	6.9%	2.2%
Machinery and equipment	31.0	-13.3%	0.7%	18.8	19.0	20.0	-13.5%	0.3%
Software and other intangible assets	-	-	0.1%	8.2	8.3	8.8	-	0.1%
<b>Total</b>	<b>6 605.5</b>	<b>3.6%</b>	<b>100.0%</b>	<b>7 529.7</b>	<b>7 961.3</b>	<b>8 243.6</b>	<b>7.7%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 27.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Environmental programmes	3 579 640	3 766 912	3 732 605	4 189 281	5.4%	59.8%	4 085 469	4 299 597	4 359 712	1.3%	55.8%
South African National Biodiversity Institute	232 149	237 973	252 728	325 781	12.0%	4.1%	344 079	374 200	403 405	7.4%	4.8%
South African National Parks	278 675	278 939	285 336	292 007	1.6%	4.4%	277 224	292 317	306 713	1.7%	3.9%
Waste Bureau	6 832	6 843	209 514	376 710	280.6%	2.4%	410 968	433 792	457 669	6.7%	5.5%
<b>Total</b>	<b>4 097 296</b>	<b>4 290 667</b>	<b>4 480 183</b>	<b>5 183 779</b>	<b>8.2%</b>	<b>70.8%</b>	<b>5 117 740</b>	<b>5 399 906</b>	<b>5 527 499</b>	<b>2.2%</b>	<b>70.0%</b>

## Goods and services expenditure trends and estimates

**Table 27.5 Vote goods and services<sup>1</sup> expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)	
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21			2021/22
Administrative fees	1 436	3 433	8 361	2 592	21.8%	0.1%	41 419	43 311	45 694	160.3%	0.7%	
Advertising	14 300	18 639	35 171	16 641	5.2%	0.5%	22 265	23 396	24 682	14.0%	0.4%	
Minor assets	3 086	2 403	1 578	10 969	52.6%	0.1%	1 866	3 119	3 289	-33.1%	0.1%	
Audit costs: External	8 873	8 469	6 801	10 461	5.6%	0.2%	10 498	11 023	11 629	3.6%	0.2%	
Bursaries: Employees	1 377	1 700	1 838	2 382	20.0%	-	2 026	2 313	2 440	0.8%	-	
Catering: Departmental activities	7 424	11 986	5 546	6 877	-2.5%	0.2%	5 544	6 606	6 966	0.4%	0.1%	
Communication	20 571	22 286	17 314	23 298	4.2%	0.5%	18 503	19 451	20 520	-4.1%	0.4%	
Computer services	75 549	77 986	73 611	45 857	-15.3%	1.8%	99 627	102 787	109 233	33.6%	1.8%	
Consultants: Business and advisory services	126 354	157 363	178 791	240 077	23.9%	4.5%	202 772	200 697	213 151	-3.9%	4.4%	
Infrastructure and planning services	-	-	-	23 812	-	0.2%	-	-	-	-	-100.0%	0.1%
Laboratory services	113	990	1 791	2 647	186.1%	-	1 880	1 974	2 082	-7.7%	-	
Legal services	4 093	9 842	13 031	2 686	-13.1%	0.2%	13 733	14 595	15 398	79.0%	0.2%	
Contractors	143 688	100 386	80 082	140 234	-0.8%	3.0%	198 981	200 263	216 550	15.6%	3.9%	
Agency and support/outsourced services <sup>1</sup>	1 098 452	1 139 154	2 624 222	3 652 092	49.3%	55.0%	3 506 658	3 781 219	3 893 292	2.2%	76.4%	
Entertainment	128	67	18	692	75.5%	-	45	92	95	-48.4%	-	
Fleet services (including government motor transport)	8 467	10 401	6 386	2 831	-30.6%	0.2%	6 953	7 303	7 705	39.6%	0.1%	
Inventory: Clothing material and accessories	-	1 214	1 295	-	-	-	1 316	1 380	1 456	-	-	
Inventory: Food and food supplies	953	1 141	242	1 935	26.6%	-	252	325	345	-43.7%	-	
Inventory: Fuel, oil and gas	33 420	24 014	22 717	22 063	-12.9%	0.7%	23 855	626	661	-68.9%	0.2%	
Inventory: Learner and teacher support material	-	-	-	675	-	-	-	-	-	-100.0%	-	
Inventory: Materials and supplies	476	1	98 660	972	26.9%	0.6%	103 593	-	-	-100.0%	0.5%	
Inventory: Medical supplies	24	-	-	664	202.4%	-	-	-	-	-100.0%	-	
Inventory: Medicine	-	-	-	298	-	-	-	-	-	-100.0%	-	
Inventory: Other supplies	-	-	-	149 315	-	1.0%	756	797	841	-82.2%	0.8%	
Consumable supplies	1 489 611	1 661 433	25 587	6 012	-84.1%	20.6%	26 413	26 256	27 698	66.4%	0.4%	
Consumables: Stationery, printing and office supplies	8 510	8 305	8 344	13 539	16.7%	0.2%	10 833	11 496	12 128	-3.6%	0.2%	
Operating leases	70 669	81 008	79 654	86 219	6.9%	2.1%	92 978	100 796	106 342	7.2%	2.0%	
Rental and hiring	3 018	7 023	2 279	3 128	1.2%	0.1%	4 100	4 301	4 537	13.2%	0.1%	
Property payments	12 698	16 515	19 478	5 401	-24.8%	0.3%	9 284	9 356	9 870	22.3%	0.2%	
Transport provided: Departmental activity	555	2 819	20	583	1.7%	-	163	172	181	-32.3%	-	
Travel and subsistence	179 724	174 434	182 855	157 011	-4.4%	4.5%	185 813	192 392	202 419	8.8%	3.8%	
Training and development	17 735	15 397	24 775	11 917	-12.4%	0.5%	26 668	27 128	28 620	33.9%	0.5%	
Operating payments	65 270	65 937	63 502	66 293	0.5%	1.7%	53 734	59 497	62 769	-1.8%	1.2%	
Venues and facilities	34 659	61 127	33 918	42 097	6.7%	1.1%	30 720	34 904	36 825	-4.4%	0.7%	
<b>Total</b>	<b>3 431 233</b>	<b>3 685 473</b>	<b>3 617 867</b>	<b>4 752 270</b>	<b>11.5%</b>	<b>100.0%</b>	<b>4 703 248</b>	<b>4 887 575</b>	<b>5 067 418</b>	<b>2.2%</b>	<b>100.0%</b>	

1. Agency and support/outsourced services include allocations for the expanded public works programmes, previously classified as transfers and subsidies.

## Transfers and subsidies expenditure trends and estimates

Table 27.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average Expenditure/ Total (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	267	695	10 273	–	-100.0%	0.2%	–	–	–	–	–
Employee social benefits	267	695	10 273	–	-100.0%	0.2%	–	–	–	–	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	678 326	728 736	754 686	825 869	6.8%	53.3%	835 868	892 881	948 932	4.7%	60.2%
Communication	–	9	–	–	–	–	–	–	–	–	–
South African Weather Service	160 423	204 985	205 482	199 975	7.6%	13.7%	204 074	215 298	227 139	4.3%	14.6%
iSimangaliso Wetland Park Authority	31 628	33 031	34 523	32 821	1.2%	2.4%	36 076	38 058	40 151	7.0%	2.5%
South African National Parks	247 294	245 895	250 639	255 413	1.1%	17.8%	239 166	252 166	264 354	1.2%	17.4%
South African National Biodiversity Institute	232 149	237 973	252 728	325 781	12.0%	18.7%	344 079	374 200	403 405	7.4%	24.9%
National Regulator for Compulsory Specifications	6 832	6 843	11 314	11 879	20.2%	0.7%	12 473	13 159	13 883	5.3%	0.9%
<b>Capital</b>	433 089	572 430	413 465	369 173	-5.2%	31.9%	382 343	461 171	481 035	9.2%	29.1%
South African Weather Service	–	–	35 000	37 030	–	1.3%	78 515	140 633	142 868	56.8%	6.9%
iSimangaliso Wetland Park Authority	61 141	99 243	60 000	111 650	22.2%	5.9%	74 516	78 614	82 938	-9.4%	6.0%
South African National Parks	299 685	391 829	243 465	141 143	-22.2%	19.2%	146 788	154 861	163 378	5.0%	10.4%
South African National Biodiversity Institute	72 263	81 358	75 000	79 350	3.2%	5.5%	82 524	87 063	91 851	5.0%	5.9%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	3 286	3 212	1 504	–	-100.0%	0.1%	–	–	–	–	–
Employee social benefits	2 381	2 483	449	–	-100.0%	0.1%	–	–	–	–	–
Other transfers	905	729	1 055	–	-100.0%	–	–	–	–	–	–
<b>Foreign governments and international organisations</b>											
<b>Current</b>	16 000	16 000	16 000	16 928	1.9%	1.2%	23 500	23 500	23 500	11.6%	1.5%
Global Environment Fund	16 000	16 000	16 000	16 928	1.9%	1.2%	23 500	23 500	23 500	11.6%	1.5%
<b>Provinces and municipalities</b>											
<b>Provincial agencies and funds</b>											
<b>Current</b>	35	79	–	–	-100.0%	–	–	–	–	–	–
Vehicle licences	35	79	–	–	-100.0%	–	–	–	–	–	–
<b>Provinces and municipalities</b>											
<b>Municipal agencies and funds</b>											
<b>Current</b>	5	8	120	–	-100.0%	–	–	–	–	–	–
Vehicle licences	5	8	116	–	-100.0%	–	–	–	–	–	–
Provincial and local municipalities	–	–	4	–	–	–	–	–	–	–	–
<b>Provinces and municipalities</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	2	7	3	–	-100.0%	–	–	–	–	–	–
Vehicle licences	–	3	3	–	–	–	–	–	–	–	–
Provincial and local municipalities	2	4	–	–	-100.0%	–	–	–	–	–	–
<b>Non-profit institutions</b>											
<b>Current</b>	3 687	4 487	8 084	3 925	2.1%	0.4%	7 743	6 527	7 017	21.4%	0.4%
National Association for Clean Air	1 400	1 400	1 548	1 638	5.4%	0.1%	1 400	1 400	1 505	-2.8%	0.1%
KwaZulu-Natal Nature Conservation Board	1 287	1 287	1 287	1 287	–	0.1%	1 287	1 358	1 460	4.3%	0.1%
African World Heritage Fund	1 000	1 800	1 000	1 000	–	0.1%	1 000	1 055	1 134	4.3%	0.1%
Environmental Assessment Practitioners Association of South Africa	–	–	4 249	–	–	0.1%	4 056	2 714	2 918	–	0.2%
<b>Departmental agencies and accounts</b>											
<b>Social security funds</b>											
<b>Current</b>	1 046	8 794	2 643	–	-100.0%	0.2%	–	–	–	–	–
Social Security Fund: Compensation Fund	1 046	8 794	2 643	–	-100.0%	0.2%	–	–	–	–	–
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	300 000	180 000	77 657	72 000	-37.9%	11.2%	74 840	79 137	–	-100.0%	3.9%
Development Bank of Southern Africa	300 000	180 000	77 657	72 000	-37.9%	11.2%	74 840	79 137	–	-100.0%	3.9%
<b>Public corporations and private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	–	–	24 776	63 000	–	1.6%	69 000	72 832	76 838	6.8%	4.8%
Recycling Enterprise Support Programme	–	–	24 776	63 000	–	1.6%	69 000	72 832	76 838	6.8%	4.8%
<b>Total</b>	1 435 743	1 514 448	1 309 211	1 350 895	-2.0%	100.0%	1 393 294	1 536 048	1 537 322	4.4%	100.0%

## Personnel information

**Table 27.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment															Number			
Number of posts estimated for 31 March 2019																	Average growth rate (%)	Average Salary level/Total (%)		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						2018/19 - 2021/22						
		2017/18			2018/19			2019/20		2020/21		2021/22								
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost		
<b>Environmental Affairs</b>		<b>2 187</b>	<b>374</b>	<b>2 047</b>	<b>1 050.1</b>	<b>0.5</b>	<b>2 039</b>	<b>1 149.0</b>	<b>0.6</b>	<b>2 049</b>	<b>1 237.5</b>	<b>0.6</b>	<b>2 051</b>	<b>1 333.1</b>	<b>0.6</b>	<b>2 039</b>	<b>1 419.7</b>	<b>0.7</b>	-	<b>100.0%</b>
1 – 6	594	239	570	95.1	0.2	564	101.7	0.2	568	110.2	0.2	567	119.0	0.2	564	128.0	0.2	-	27.7%	
7 – 10	1 110	79	1 029	524.2	0.5	1 028	574.3	0.6	1 033	620.6	0.6	1 035	669.9	0.6	1 031	717.2	0.7	0.1%	50.5%	
11 – 12	262	20	247	208.2	0.8	247	223.9	0.9	248	240.3	1.0	248	257.5	1.0	247	274.1	1.1	-	12.1%	
13 – 16	219	36	199	218.0	1.1	198	244.3	1.2	198	261.3	1.3	199	281.2	1.4	195	294.5	1.5	-0.5%	9.7%	
Other	2	-	2	4.5	2.3	2	4.8	2.4	2	5.2	2.6	2	5.5	2.8	2	5.9	3.0	-	0.1%	
<b>Programme</b>	<b>2 187</b>	<b>374</b>	<b>2 047</b>	<b>1 050.1</b>	<b>0.5</b>	<b>2 039</b>	<b>1 149.0</b>	<b>0.6</b>	<b>2 049</b>	<b>1 237.5</b>	<b>0.6</b>	<b>2 051</b>	<b>1 333.1</b>	<b>0.6</b>	<b>2 039</b>	<b>1 419.7</b>	<b>0.7</b>	-	<b>100.0%</b>	
Programme 1	894	241	827	326.3	0.4	835	362.7	0.4	842	391.8	0.5	841	421.3	0.5	836	447.8	0.5	0.0%	41.0%	
Programme 2	183	1	174	114.6	0.7	175	123.7	0.7	176	133.5	0.8	176	143.6	0.8	175	153.3	0.9	-	8.6%	
Programme 3	200	37	187	115.2	0.6	192	130.5	0.7	192	140.0	0.7	193	151.3	0.8	192	161.5	0.8	-	9.4%	
Programme 4	160	14	144	113.9	0.8	157	137.3	0.9	157	147.2	0.9	157	158.1	1.0	156	168.2	1.1	-0.2%	7.7%	
Programme 5	116	7	107	71.0	0.7	115	81.1	0.7	115	87.0	0.8	115	93.6	0.8	114	100.2	0.9	-0.3%	5.6%	
Programme 6	501	34	485	244.0	0.5	467	251.7	0.5	468	271.1	0.6	470	293.3	0.6	468	312.2	0.7	0.1%	22.9%	
Programme 7	133	40	123	65.2	0.5	98	62.0	0.6	99	66.9	0.7	99	71.9	0.7	98	76.7	0.8	-	4.8%	

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 27.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>11 486</b>	<b>21 180</b>	<b>29 244</b>	<b>8 205</b>	<b>8 205</b>	<b>-10.6%</b>	<b>100.0%</b>	<b>21 142</b>	<b>21 302</b>	<b>21 652</b>	<b>38.2%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>3 791</b>	<b>3 520</b>	<b>3 154</b>	<b>2 103</b>	<b>2 103</b>	<b>-17.8%</b>	<b>17.9%</b>	<b>4 035</b>	<b>4 040</b>	<b>4 140</b>	<b>25.3%</b>	<b>19.8%</b>
Sales by market establishments	-	-	-	123	123	-	0.2%	-	-	-	-100.0%	0.2%
of which:												
Rental parking	-	-	-	123	123	-	0.2%	-	-	-	-100.0%	0.2%
Administrative fees	3 269	2 976	2 591	1 450	1 450	-23.7%	14.7%	3 495	3 500	3 600	35.4%	16.7%
of which:												
Licence fees	3 269	2 976	2 591	1 450	1 450	-23.7%	14.7%	3 495	3 500	3 600	35.4%	16.7%
Other sales	522	544	563	530	530	0.5%	3.1%	540	540	540	0.6%	3.0%
of which:												
Replacement of security cards	224	233	225	200	200	-3.7%	1.3%	200	200	200	-	1.1%
Sales of departmental publications	298	311	338	330	330	3.5%	1.8%	340	340	340	1.0%	1.9%
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>-</b>
of which:												
Wastepaper	-	-	1	2	2	-	-	2	2	2	-	-
Fines, penalties and forfeits	2 080	2 240	1 775	500	500	-37.8%	9.4%	1 500	1 600	1 600	47.4%	7.2%
Interest, dividends and rent on land	124	122	61	125	125	0.3%	0.6%	130	135	135	2.6%	0.7%
Interest	124	122	61	125	125	0.3%	0.6%	130	135	135	2.6%	0.7%
Sales of capital assets	114	86	200	175	175	15.4%	0.8%	175	175	175	-	1.0%
Transactions in financial assets and liabilities	5 377	15 212	24 053	5 300	5 300	-0.5%	71.2%	15 300	15 350	15 600	43.3%	71.3%
<b>Total</b>	<b>11 486</b>	<b>21 180</b>	<b>29 244</b>	<b>8 205</b>	<b>8 205</b>	<b>-10.6%</b>	<b>100.0%</b>	<b>21 142</b>	<b>21 302</b>	<b>21 652</b>	<b>38.2%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 27.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million												
Management	177.7	163.4	246.6	186.5	1.6%	25.1%	193.3	207.0	219.6	5.6%	21.9%	
Corporate Affairs	273.5	269.5	273.3	332.8	6.8%	37.3%	372.2	399.0	423.2	8.3%	41.5%	
Financial Management Services	66.6	68.4	71.2	77.4	5.1%	9.2%	84.0	89.8	95.5	7.3%	9.4%	
Office Accommodation	201.2	221.1	227.2	225.4	3.8%	28.4%	242.5	255.8	273.3	6.6%	27.1%	
<b>Total</b>	<b>719.1</b>	<b>722.4</b>	<b>818.3</b>	<b>822.0</b>	<b>4.6%</b>	<b>100.0%</b>	<b>891.9</b>	<b>951.7</b>	<b>1 011.6</b>	<b>7.2%</b>	<b>100.0%</b>	
Change to 2018				-			-	-	(0.0)			
Budget estimate												
<b>Economic classification</b>												
<b>Current payments</b>	<b>572.6</b>	<b>570.1</b>	<b>659.9</b>	<b>668.0</b>	<b>5.3%</b>	<b>80.2%</b>	<b>725.6</b>	<b>776.9</b>	<b>823.8</b>	<b>7.2%</b>	<b>81.4%</b>	
Compensation of employees	297.7	310.9	326.3	362.7	6.8%	42.1%	391.8	421.3	447.8	7.3%	44.2%	
Goods and services <sup>1</sup>	274.9	259.2	333.6	305.3	3.6%	38.1%	333.9	355.6	376.1	7.2%	37.3%	
of which:												
Computer services	59.0	31.0	65.4	42.0	-10.7%	6.4%	73.5	77.4	82.4	25.2%	7.5%	
Consultants: Business and advisory services	11.7	13.6	20.2	15.5	9.8%	2.0%	22.0	23.2	24.6	16.6%	2.3%	
Operating leases	64.9	76.3	74.9	76.6	5.7%	9.5%	87.1	92.5	97.6	8.4%	9.6%	
Travel and subsistence	47.7	45.5	57.0	51.0	2.2%	6.5%	48.5	53.4	56.3	3.3%	5.7%	
Training and development	10.9	7.9	15.9	4.9	-23.2%	1.3%	17.2	18.1	19.1	56.9%	1.6%	
Venues and facilities	15.5	12.0	19.1	14.7	-1.8%	2.0%	14.6	16.5	17.5	5.8%	1.7%	
<b>Transfers and subsidies<sup>1</sup></b>	<b>1.5</b>	<b>1.7</b>	<b>6.6</b>	<b>-</b>	<b>-100.0%</b>	<b>0.3%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Provinces and municipalities	0.0	0.1	0.1	-	-100.0%	-	-	-	-	-	-	
Households	1.5	1.6	6.6	-	-100.0%	0.3%	-	-	-	-	-	
<b>Payments for capital assets</b>	<b>144.7</b>	<b>150.4</b>	<b>151.8</b>	<b>154.0</b>	<b>2.1%</b>	<b>19.5%</b>	<b>166.2</b>	<b>174.8</b>	<b>187.7</b>	<b>6.8%</b>	<b>18.6%</b>	
Buildings and other fixed structures	129.4	136.9	144.3	147.4	4.4%	18.1%	159.1	167.3	179.8	6.9%	17.8%	
Machinery and equipment	15.3	13.5	7.1	6.6	-24.4%	1.4%	7.1	7.5	7.9	6.0%	0.8%	
Software and other intangible assets	-	0.0	0.4	-	-	-	-	-	-	-	-	
<b>Payments for financial assets</b>	<b>0.3</b>	<b>0.1</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>719.1</b>	<b>722.4</b>	<b>818.3</b>	<b>822.0</b>	<b>4.6%</b>	<b>100.0%</b>	<b>891.9</b>	<b>951.7</b>	<b>1 011.6</b>	<b>7.2%</b>	<b>100.0%</b>	
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>12.1%</b>	<b>11.3%</b>	<b>12.4%</b>	<b>11.1%</b>	<b>-</b>	<b>-</b>	<b>11.8%</b>	<b>12.0%</b>	<b>12.3%</b>	<b>-</b>	<b>-</b>	

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Legal, Authorisations, Compliance and Enforcement

### Programme purpose

Promote the environment legal regime and licensing system to ensure enforcement and compliance with environmental law.

### Objectives

- Prevent or mitigate the potential negative impact of significant developmental activities on the natural environment through the implementation of an environmental impact management authorisation system by processing and finalising or issuing 100 per cent of decisions for environmental authorisation applications within the prescribed timeframe annually.
- Improve the level of compliance with environmental legislation by increasing the number of environmental authorisation inspections from 155 in 2018/19 to 170 in 2021/22.

## Subprogrammes

- *Legal, Authorisations, Compliance and Enforcement Management* provides for the administration and functioning of the programme by carrying out its planning and performance management functions.
- *Compliance Monitoring* ensures effective compliance with environmental legislation by undertaking compliance inspections on all authorisations issued by the department.
- *Integrated Environmental Authorisations* ensures that the potentially negative impact of significant new developments is avoided, reduced or managed; and establishes mechanisms to ensure the effective coordination of environmental impact assessments and other regulatory authorisations.
- *Enforcement* undertakes criminal and administrative enforcement action in response to non-compliance with environmental impact and pollution legislation, and provides capacity development and support services to the environmental management inspectorate.
- *Corporate Legal Support and Litigation* provides quality and timely corporate legal support, litigation management support, and education on legal compliance to ensure that the department complies with legislation relating to its core business.
- *Law Reform and Appeals* processes appeals received in terms of the legislation administered by the department; investigates appeals; sources responses from all parties; conducts research; advises the minister on appeals; coordinates the law reform programme in the department; leads the Commission for Environmental Cooperation's subcommittee on law reform; drafts legislation; comments on draft legislation; and advises on law reform issues.

## Expenditure trends and estimates

**Table 27.10 Legal, Authorisations, Compliance and Enforcement expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
Legal, Authorisations, Compliance and Enforcement	15.1	5.7	6.0	7.1	-22.3%	5.3%	7.6	8.1	8.6	6.9%	3.7%
Compliance Monitoring	24.8	26.0	30.3	33.1	10.2%	17.8%	35.4	38.2	40.6	7.0%	17.3%
Integrated Environmental Authorisations	30.2	32.1	37.0	50.2	18.5%	23.3%	57.2	59.2	63.0	7.9%	27.0%
Enforcement	35.9	58.9	56.3	70.7	25.4%	34.6%	76.1	80.9	85.7	6.6%	36.9%
Corporate Legal Support and Litigation	10.8	14.4	16.6	10.7	-0.3%	8.2%	11.5	12.3	13.0	6.9%	5.6%
Law Reform and Appeals	14.7	17.2	19.3	17.5	5.9%	10.7%	19.8	21.2	22.5	8.8%	9.5%
<b>Total</b>	<b>131.4</b>	<b>154.3</b>	<b>165.4</b>	<b>189.3</b>	<b>12.9%</b>	<b>100.0%</b>	<b>207.5</b>	<b>219.9</b>	<b>233.5</b>	<b>7.2%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			-	-	(0.0)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>128.6</b>	<b>152.4</b>	<b>156.2</b>	<b>187.6</b>	<b>13.4%</b>	<b>97.6%</b>	<b>199.9</b>	<b>213.9</b>	<b>227.1</b>	<b>6.6%</b>	<b>97.4%</b>
Compensation of employees	91.2	106.4	114.6	123.7	10.7%	68.1%	133.5	143.6	153.3	7.4%	65.2%
Goods and services <sup>1</sup>	37.4	45.9	41.6	63.9	19.5%	29.5%	66.3	70.3	73.9	4.9%	32.3%
of which:											
Computer services	9.9	14.7	2.2	0.8	-57.5%	4.3%	19.5	20.5	21.7	205.7%	7.3%
Consultants: Business and advisory services	1.0	1.0	2.5	3.3	48.9%	1.2%	2.8	2.9	3.1	-1.6%	1.4%
Legal services	1.9	2.9	6.3	1.6	-5.4%	2.0%	7.9	8.4	8.9	76.8%	3.1%
Travel and subsistence	13.6	14.4	16.4	17.6	9.0%	9.7%	20.2	21.9	22.7	9.0%	9.7%
Operating payments	1.0	1.0	1.8	11.6	128.6%	2.4%	2.0	2.1	2.2	-42.6%	2.1%
Venues and facilities	4.0	2.8	2.6	5.0	7.5%	2.3%	3.4	3.6	3.8	-8.9%	1.9%
Transfers and subsidies <sup>1</sup>	0.2	0.2	4.3	-	-100.0%	0.7%	4.1	2.7	2.9	-	1.1%
Non-profit institutions	-	-	4.2	-	-	0.7%	4.1	2.7	2.9	-	1.1%
Households	0.2	0.2	0.1	-	-100.0%	0.1%	-	-	-	-	-
Payments for capital assets	2.6	1.7	4.9	1.7	-13.3%	1.7%	3.6	3.3	3.5	27.2%	1.4%
Machinery and equipment	2.6	1.7	4.9	1.7	-13.3%	1.7%	3.6	3.3	3.5	27.2%	1.4%
Payments for financial assets	0.0	0.0	-	-	-100.0%	-	-	-	-	-	-
<b>Total</b>	<b>131.4</b>	<b>154.3</b>	<b>165.4</b>	<b>189.3</b>	<b>12.9%</b>	<b>100.0%</b>	<b>207.5</b>	<b>219.9</b>	<b>233.5</b>	<b>7.2%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	2.2%	2.4%	2.5%	2.5%	-	-	2.8%	2.8%	2.8%	-	-

**Table 27.10 Legal, Authorisations, Compliance and Enforcement expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
Audited outcome						2019/20	2020/21	2021/22			
R million	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	
<b>Non-profit institutions</b>											
<b>Current</b>	–	–	4.2	–	–	0.7%	4.1	2.7	2.9	–	1.1%
Environmental Assessment Practitioners Association of South Africa	–	–	4.2	–	–	0.7%	4.1	2.7	2.9	–	1.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Oceans and Coasts

### Programme purpose

Promote, manage and provide strategic leadership on oceans and coastal conservation.

### Objectives

- Strengthen knowledge, science and policy for the management of oceans and coastlines by implementing a research programme on the key areas of oceans management annually.
- Conserve ocean and coastal ecosystems, and ensure their sustainable use by March 2022 by:
  - amending, applying and monitoring the implementation of the national estuarine management protocol
  - increasing South Africa's exclusive economic zones that are declared marine protected areas to 53 594.15 square kilometres (5 per cent of exclusive economic zones), in line with the priorities of Operation Phakisa.
- Enhance sector monitoring and evaluation over the medium term by:
  - publishing the annual report card on key ocean and coastal indicators
  - developing and implementing the national oceans and coasts water quality monitoring programme.

### Subprogrammes

- *Oceans and Coasts Management* provides for the administration and coordination of activities in the programme.
- *Integrated Coastal Management and Coastal Conservation* provides for the coordinated and integrated management of coastal environments.
- *Oceans and Coastal Research* monitors and undertakes scientific investigations on marine and coastal ecosystems, ocean dynamics, ecosystem functioning and marine biodiversity to improve the understanding and management of ocean and coastal ecosystems.
- *Oceans Economy and Project Management* provides management, coordination and facilitation for initiatives implemented within the oceans economy.
- *Specialist Monitoring Services* provides leadership in specialist monitoring strategies for oceans and coasts through: coordination with sector departments, and regional and international programmes and forums; the management and conservation of oceans, and sub-Antarctic and Antarctic Ocean environments; the development and implementation of ocean policy; the coordination of information on the ocean atmosphere; the management of ocean ecosystems; and the management of obligations in relation to regional and international oceans.



## Expenditure trends and estimates

**Table 27.11 Oceans and Coasts expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Oceans and Coasts Management	11.2	15.4	18.3	8.1	-10.5%	3.0%	17.6	18.2	19.2	33.6%	3.0%
Integrated Coastal Management and Coastal Conservation	66.0	32.7	31.9	51.4	-8.0%	10.2%	34.3	37.3	39.6	-8.3%	7.7%
Oceans and Coastal Research	115.7	127.8	95.2	116.7	0.3%	25.4%	119.6	126.7	134.2	4.8%	23.6%
Oceans Economy and Project Management	–	90.1	61.5	96.8	–	13.9%	104.1	110.2	116.3	6.3%	20.3%
Specialist Monitoring Services	175.7	236.7	221.8	219.1	7.6%	47.6%	231.6	245.4	259.4	5.8%	45.4%
<b>Total</b>	<b>368.7</b>	<b>502.7</b>	<b>428.6</b>	<b>492.0</b>	<b>10.1%</b>	<b>100.0%</b>	<b>507.2</b>	<b>537.7</b>	<b>568.8</b>	<b>5.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			–	–	1.4		
<b>Economic classification</b>											
<b>Current payments</b>	<b>362.1</b>	<b>469.7</b>	<b>405.3</b>	<b>476.3</b>	<b>9.6%</b>	<b>95.6%</b>	<b>496.8</b>	<b>527.1</b>	<b>557.7</b>	<b>5.4%</b>	<b>97.7%</b>
Compensation of employees	99.9	111.6	115.2	130.5	9.3%	25.5%	140.0	151.3	161.5	7.4%	27.7%
Goods and services <sup>1</sup>	262.2	358.1	290.1	345.9	9.7%	70.1%	356.8	375.9	396.2	4.6%	70.0%
<i>of which:</i>											
<i>Consultants: Business and advisory services</i>	39.6	58.8	25.7	153.6	57.2%	15.5%	84.4	89.8	94.7	-14.9%	20.1%
<i>Contractors</i>	10.5	5.5	4.6	1.4	-48.5%	1.2%	4.7	4.9	5.1	53.0%	0.8%
<i>Agency and support/outsourced services</i>	139.5	182.9	162.9	135.9	-0.9%	34.7%	184.4	195.1	205.8	14.8%	34.2%
<i>Consumable supplies</i>	6.3	7.1	17.4	–	-100.0%	1.7%	17.9	18.8	19.8	–	2.7%
<i>Travel and subsistence</i>	15.2	17.9	15.1	10.7	-11.0%	3.3%	15.9	16.3	16.8	16.2%	2.8%
<i>Operating payments</i>	29.9	46.7	42.3	20.7	-11.5%	7.8%	32.1	32.6	34.3	18.5%	5.7%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1.5</b>	<b>1.4</b>	<b>1.6</b>	<b>–</b>	<b>-100.0%</b>	<b>0.3%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Households	1.5	1.4	1.6	–	-100.0%	0.2%	–	–	–	–	–
<b>Payments for capital assets</b>	<b>5.1</b>	<b>31.6</b>	<b>21.8</b>	<b>15.6</b>	<b>45.7%</b>	<b>4.1%</b>	<b>10.4</b>	<b>10.6</b>	<b>11.2</b>	<b>-10.6%</b>	<b>2.3%</b>
Machinery and equipment	4.8	22.2	8.6	15.6	48.0%	2.9%	2.2	2.3	2.4	-46.3%	1.1%
Software and other intangible assets	0.2	9.4	13.2	–	-100.0%	1.3%	8.2	8.3	8.8	–	1.2%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>368.7</b>	<b>502.7</b>	<b>428.6</b>	<b>492.0</b>	<b>10.1%</b>	<b>100.0%</b>	<b>507.2</b>	<b>537.7</b>	<b>568.8</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>6.2%</b>	<b>7.9%</b>	<b>6.5%</b>	<b>6.6%</b>	<b>–</b>	<b>–</b>	<b>6.7%</b>	<b>6.8%</b>	<b>6.9%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Climate Change, Air Quality and Sustainable Development

### Programme purpose

Improve air and atmospheric quality; lead, support, inform, monitor and report on international, national and significant provincial and local responses to climate change; and promote sustainable development.

### Objectives

- Manage threats to environmental quality and integrity by March 2020 by:
  - Leading, supporting, coordinating effective monitoring and reporting on national and provincial and local government responses to climate change (national climate change response policy/ white paper)
  - Preparing, negotiating and informing the implementation of multi-lateral, mini-lateral and bilateral climate change agreements and reporting
  - Ensuring legislative and other measures are developed, implemented and maintained so as to protect and defend the right of all to air and atmospheric quality that is not harmful to health and well-being
  - Managing, facilitating and coordinating the department's international relations, engagements and cooperation agreements
  - Developing, implementing and managing an efficient knowledge management system to ensure high-level advocacy for sustainable consumption and production

- Providing strategic environmental advisory and implementation support services in line with the department's national and international environmental and sustainable development mandates.

## Subprogrammes

- *Climate Change, Air Quality and Sustainable Development Management* provides for the management and administration of activities in the programme.
- *Climate Change Mitigation* ensures support for and the monitoring of effective national, provincial and local climate change mitigation.
- *Climate Change Adaptation* coordinates and informs the development of policies, sector plans and programmes to enable national adaptation to the impact of climate change.
- *Air Quality Management* ensures that the possible negative impact of air pollution on air and atmospheric quality are avoided, mitigated or managed to ensure ambient air quality that is not harmful to health and wellbeing.
- *South African Weather Service* transfers funds to the South African Weather Service for the management of meteorological services.
- *International Climate Change Relations and Negotiations* is the focal point for South Africa's international climate change interactions, including multilateral and bilateral engagements. This entails preparing for, negotiating and informing the implementation of multilateral, minilateral and bilateral climate change agreements.
- *Climate Change Monitoring and Evaluation* ensures the monitoring and evaluation of national climate change responses to ensure informed decision-making in response to climate change.
- *Sustainable Development* provides strategic environmental advisory and implementation support services to national and international environmental commitments in terms of international agreements under the auspices of the United Nations.

## Expenditure trends and estimates

**Table 27.12 Climate Change, Air Quality and Sustainable Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Climate Change, Air Quality and Sustainable Development Management	6.7	7.9	4.8	9.9	14.0%	1.9%	9.6	10.2	10.8	3.1%	2.2%
Climate Change Mitigation	8.8	9.9	9.2	11.7	10.2%	2.5%	12.2	13.3	14.2	6.5%	2.8%
Climate Change Adaptation	7.0	7.4	7.4	9.3	10.4%	2.0%	9.7	10.2	10.8	5.1%	2.2%
Air Quality Management	41.1	43.7	50.4	38.0	-2.6%	11.0%	46.7	49.1	52.2	11.2%	10.2%
South African Weather Service	160.4	205.0	205.5	200.0	7.6%	49.0%	204.1	215.3	227.1	4.3%	46.3%
International Climate Change Relations and Negotiations	13.0	10.6	11.7	12.3	-1.8%	3.0%	14.4	15.0	15.9	8.8%	3.1%
Climate Change Monitoring and Evaluation	9.2	11.0	6.0	13.2	13.1%	2.5%	13.6	14.6	15.6	5.5%	3.1%
Sustainable Development	113.4	105.5	103.7	119.8	1.8%	28.1%	135.7	143.0	151.7	8.2%	30.1%
<b>Total</b>	<b>359.5</b>	<b>401.0</b>	<b>398.6</b>	<b>414.3</b>	<b>4.8%</b>	<b>100.0%</b>	<b>445.9</b>	<b>470.8</b>	<b>498.3</b>	<b>6.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			-	-	2.3		
<b>Economic classification</b>											
<b>Current payments</b>	<b>178.5</b>	<b>177.0</b>	<b>172.3</b>	<b>194.2</b>	<b>2.9%</b>	<b>45.9%</b>	<b>216.1</b>	<b>229.7</b>	<b>245.3</b>	<b>8.1%</b>	<b>48.4%</b>
Compensation of employees	105.4	117.3	113.9	137.3	9.2%	30.1%	147.2	158.1	168.2	7.0%	33.4%
Goods and services <sup>1</sup>	73.0	59.8	58.4	56.9	-8.0%	15.8%	69.0	71.7	77.1	10.6%	15.0%
of which:											
Advertising	1.2	0.5	1.1	1.1	-1.1%	0.2%	1.3	1.3	1.4	7.1%	0.3%
Consultants: Business and advisory services	33.1	21.9	29.9	18.5	-17.6%	6.6%	37.1	38.8	42.3	31.6%	7.5%
Travel and subsistence	22.7	19.2	16.9	14.9	-13.0%	4.7%	18.4	18.8	20.0	10.3%	3.9%
Training and development	0.9	1.0	0.8	1.0	3.5%	0.2%	1.0	1.1	1.2	6.9%	0.2%
Operating payments	3.6	2.4	3.3	9.4	37.2%	1.2%	3.9	3.9	4.2	-23.8%	1.2%
Venues and facilities	3.3	4.4	3.0	5.3	16.9%	1.0%	3.2	3.3	3.5	-12.9%	0.8%

**Table 27.12 Climate Change, Air Quality and Sustainable Development expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2019/20 - 2021/22
R million											
<b>Transfers and subsidies<sup>1</sup></b>	<b>177.9</b>	<b>222.6</b>	<b>225.0</b>	<b>218.5</b>	<b>7.1%</b>	<b>53.6%</b>	<b>229.0</b>	<b>240.2</b>	<b>252.1</b>	<b>4.9%</b>	<b>51.4%</b>
Departmental agencies and accounts	160.4	205.0	205.5	200.0	7.6%	49.0%	204.1	215.3	227.1	4.3%	46.3%
Foreign governments and international organisations	16.0	16.0	16.0	16.9	1.9%	4.1%	23.5	23.5	23.5	11.6%	4.8%
Non-profit institutions	1.4	1.4	1.5	1.6	5.4%	0.4%	1.4	1.4	1.5	-2.8%	0.3%
Households	0.1	0.2	2.0	-	-100.0%	0.1%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>3.1</b>	<b>1.4</b>	<b>1.3</b>	<b>1.6</b>	<b>-20.0%</b>	<b>0.5%</b>	<b>0.8</b>	<b>0.9</b>	<b>0.9</b>	<b>-16.8%</b>	<b>0.2%</b>
Machinery and equipment	1.5	0.8	0.8	1.6	2.2%	0.3%	0.8	0.9	0.9	-16.8%	0.2%
Software and other intangible assets	1.6	0.5	0.6	-	-100.0%	0.2%	-	-	-	-	-
<b>Total</b>	<b>359.5</b>	<b>401.0</b>	<b>398.6</b>	<b>414.3</b>	<b>4.8%</b>	<b>100.0%</b>	<b>445.9</b>	<b>470.8</b>	<b>498.3</b>	<b>6.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>6.1%</b>	<b>6.3%</b>	<b>6.0%</b>	<b>5.6%</b>	<b>-</b>	<b>-</b>	<b>5.9%</b>	<b>5.9%</b>	<b>6.0%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>160.4</b>	<b>205.0</b>	<b>205.5</b>	<b>200.0</b>	<b>7.6%</b>	<b>49.0%</b>	<b>204.1</b>	<b>215.3</b>	<b>227.1</b>	<b>4.3%</b>	<b>46.3%</b>
South African Weather Service	160.4	205.0	205.5	200.0	7.6%	49.0%	204.1	215.3	227.1	4.3%	46.3%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>16.0</b>	<b>16.0</b>	<b>16.0</b>	<b>16.9</b>	<b>1.9%</b>	<b>4.1%</b>	<b>23.5</b>	<b>23.5</b>	<b>23.5</b>	<b>11.6%</b>	<b>4.8%</b>
Global Environment Fund	16.0	16.0	16.0	16.9	1.9%	4.1%	23.5	23.5	23.5	11.6%	4.8%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Biodiversity and Conservation

### Programme purpose

Ensure the regulation and management of biodiversity, heritage and conservation matters in a manner that facilitates sustainable economic growth and development.

### Objectives

- Increase South Africa's land area under formal protection to ensure the conservation of ecosystems and minimise threats to ecological sustainability by:
  - increasing the percentage of land under conservation from 13.5 per cent (16 492 822 hectares out of 121 991 200 hectares) in 2018/19 to 14.7 per cent (17 953 816 hectares out of 121 991 200 hectares) in 2021/22
  - increasing the percentage of protected areas effectively managed by the state from an estimated 77 per cent (5 024 034 hectares out of 6 525 889 hectares) in 2018/19 to 83 per cent (5 416 488 hectares out of 6 525 889 hectares) in 2021/22.
- Improve access to, and the fair and equitable sharing of, natural resources by:
  - implementing biodiversity economic initiatives by identifying 500 hectares of land per year over the medium term for the cultivation of indigenous species across the country
  - training 200 biodiversity entrepreneurs per year over the medium term
  - finalising a minimum of 20 benefit-sharing agreements arising from the use of biological resources by March 2022.

### Subprogrammes

- *Biodiversity and Conservation Management* provides for the management and administration of activities in the programme.
- *Biodiversity Planning and Management* manages, protects and conserves South Africa's biological resources and ecosystems for human wellbeing and sustainable development, and develops and

implements programmes and processes aimed at the protection and mitigation of threats to biodiversity at species and ecosystem levels.

- *Protected Areas Systems Management* oversees the establishment and maintenance of comprehensive, effectively managed and ecologically representative national and cross-border systems of protected areas. This entails ensuring the effective management of transfrontier conservation areas; developing and overseeing the implementation of policies and legislation for protected areas; ensuring compliance with and the enforcement of legislation for protected areas; and promoting the participation and beneficiation of local communities in the establishment, development and management of protected areas.
- *iSimangaliso Wetland Park Authority* transfers funds to the iSimangaliso Wetland Park Authority to cover its personnel and operational expenditure.
- *South African National Parks* transfers funds to South African National Parks to cover its personnel and operational expenditure.
- *South African National Biodiversity Institute* transfers funds to the South African National Biodiversity Institute to cover its personnel and operational expenditure.
- *Biodiversity Monitoring Specialist Services* is responsible for monitoring and evaluating biodiversity across the sector, and coordinating biodiversity-related multilateral environmental agreements through the management of the science policy interface.
- *Biodiversity Economy and Sustainable Use* promotes and regulates the sustainable, fair and equitable sharing of benefits arising from the use of biological resources, and facilitates the growth of a nature-based biodiversity economy through appropriate policies, legislation and programmes.

## Expenditure trends and estimates

**Table 27.13 Biodiversity and Conservation expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
Biodiversity and Conservation Management	18.2	22.9	19.7	20.1	3.3%	2.8%	21.6	23.0	24.5	6.8%	2.7%
Biodiversity Planning and Management	26.2	25.7	21.2	30.4	5.1%	3.6%	32.8	35.0	37.1	6.9%	4.1%
Protected Areas Systems Management	42.2	43.6	42.3	40.4	-1.4%	5.8%	49.0	51.9	55.1	10.9%	5.9%
iSimangaliso Wetland Park Authority	31.6	33.0	34.5	32.8	1.2%	4.5%	36.1	38.1	40.2	7.0%	4.4%
South African National Parks	278.7	278.9	285.3	292.0	1.6%	39.1%	277.2	292.3	306.7	1.7%	35.1%
South African National Biodiversity Institute	232.1	238.0	252.7	325.8	12.0%	36.1%	344.1	374.2	403.4	7.4%	43.4%
Biodiversity Monitoring Specialist Services	9.0	17.2	10.4	10.8	6.5%	1.6%	13.0	13.9	14.7	10.8%	1.6%
Biodiversity Economy and Sustainable Use	61.9	79.4	26.4	21.0	-30.2%	6.5%	23.5	24.6	26.1	7.5%	2.9%
<b>Total</b>	<b>699.9</b>	<b>738.7</b>	<b>692.7</b>	<b>773.4</b>	<b>3.4%</b>	<b>100.0%</b>	<b>797.3</b>	<b>852.9</b>	<b>907.8</b>	<b>5.5%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			(12.1)	(1.6)	7.6		
<b>Economic classification</b>											
<b>Current payments</b>	<b>153.9</b>	<b>184.6</b>	<b>116.2</b>	<b>119.5</b>	<b>-8.1%</b>	<b>19.8%</b>	<b>136.5</b>	<b>144.8</b>	<b>153.7</b>	<b>8.7%</b>	<b>16.6%</b>
Compensation of employees	63.1	69.7	71.0	81.1	8.7%	9.8%	87.0	93.6	100.2	7.3%	10.9%
Goods and services <sup>1</sup>	90.8	115.0	45.2	38.4	-24.9%	10.0%	49.5	51.2	53.5	11.7%	5.8%
of which:											
Advertising	2.2	1.3	0.9	1.3	-16.5%	0.2%	0.9	0.9	1.0	-7.4%	0.1%
Consultants: Business and advisory services	8.5	29.0	8.6	10.1	6.1%	1.9%	9.1	9.4	9.9	-0.7%	1.2%
Contractors	34.8	7.3	4.9	0.4	-77.4%	1.6%	5.3	5.4	5.7	142.0%	0.5%
Travel and subsistence	20.5	25.9	19.6	12.1	-16.1%	2.7%	23.3	24.3	25.2	27.7%	2.5%
Operating payments	16.5	1.5	4.8	5.8	-29.4%	1.0%	4.1	4.2	4.4	-8.5%	0.6%
Venues and facilities	3.8	36.6	2.9	2.6	-11.5%	1.6%	2.9	3.1	3.2	7.2%	0.4%

**Table 27.13 Biodiversity and Conservation expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Transfers and subsidies<sup>1</sup></b>	<b>544.8</b>	<b>553.4</b>	<b>575.6</b>	<b>652.9</b>	<b>6.2%</b>	<b>80.1%</b>	<b>659.7</b>	<b>707.0</b>	<b>752.9</b>	<b>4.9%</b>	<b>83.2%</b>
Departmental agencies and accounts	542.5	549.9	572.6	650.6	6.2%	79.7%	657.4	704.6	750.3	4.9%	82.9%
Non-profit institutions	2.3	3.1	2.3	2.3	–	0.3%	2.3	2.4	2.6	4.3%	0.3%
Households	0.1	0.4	0.7	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>1.1</b>	<b>0.7</b>	<b>0.9</b>	<b>1.0</b>	<b>-4.4%</b>	<b>0.1%</b>	<b>1.2</b>	<b>1.2</b>	<b>1.3</b>	<b>9.6%</b>	<b>0.1%</b>
Machinery and equipment	1.1	0.7	0.9	1.0	-4.4%	0.1%	1.2	1.2	1.3	9.6%	0.1%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>699.9</b>	<b>738.7</b>	<b>692.7</b>	<b>773.4</b>	<b>3.4%</b>	<b>100.0%</b>	<b>797.3</b>	<b>852.9</b>	<b>907.8</b>	<b>5.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>11.8%</b>	<b>11.6%</b>	<b>10.5%</b>	<b>10.4%</b>	<b>–</b>	<b>–</b>	<b>10.6%</b>	<b>10.7%</b>	<b>11.0%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>511.1</b>	<b>516.9</b>	<b>537.9</b>	<b>614.0</b>	<b>6.3%</b>	<b>75.0%</b>	<b>619.3</b>	<b>664.4</b>	<b>707.9</b>	<b>4.9%</b>	<b>78.2%</b>
iSimangaliso Wetland Park Authority	31.6	33.0	34.5	32.8	1.2%	4.5%	36.1	38.1	40.2	7.0%	4.4%
South African National Parks	247.3	245.9	250.6	255.4	1.1%	34.4%	239.2	252.2	264.4	1.2%	30.4%
South African National Biodiversity Institute	232.1	238.0	252.7	325.8	12.0%	36.1%	344.1	374.2	403.4	7.4%	43.4%
<b>Capital</b>	<b>31.4</b>	<b>33.0</b>	<b>34.7</b>	<b>36.6</b>	<b>5.3%</b>	<b>4.7%</b>	<b>38.1</b>	<b>40.2</b>	<b>42.4</b>	<b>5.0%</b>	<b>4.7%</b>
South African National Parks	31.4	33.0	34.7	36.6	5.3%	4.7%	38.1	40.2	42.4	5.0%	4.7%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>2.3</b>	<b>3.1</b>	<b>2.3</b>	<b>2.3</b>	<b>–</b>	<b>0.3%</b>	<b>2.3</b>	<b>2.4</b>	<b>2.6</b>	<b>4.3%</b>	<b>0.3%</b>
KwaZulu-Natal Nature Conservation Board	1.3	1.3	1.3	1.3	–	0.2%	1.3	1.4	1.5	4.3%	0.2%
African World Heritage Fund	1.0	1.8	1.0	1.0	–	0.2%	1.0	1.1	1.1	4.3%	0.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 6: Environmental Programmes

### Programme purpose

Implement the expanded public works programme and green economy projects in the environmental sector.

### Objectives

- Promote the empowerment of designated communities by creating 221 923 work opportunities and 119 267 full-time equivalent jobs in environmental projects by March 2022 through the implementation of projects related to the expanded public works programme.
- Restore and maintain the structure and function of vegetation to contribute to ecosystem services over the medium term by:
  - clearing or treating 206 877 hectares of invasive alien plants
  - restoring and rehabilitating 52 595 hectares of land.
- Facilitate the transition to a growth path that is low in carbon emissions and efficient in natural resources by facilitating the implementation of green initiative projects over the medium term.

### Subprogrammes

- *Environmental Protection and Infrastructure Programme* identifies, plans and implements expanded public works programme projects through the use of labour-intensive methods targeting the unemployed, youth, women and people with disabilities; and empowers small, medium and micro enterprises during project implementation processes.
- *Natural Resource Management* ensures that South Africa addresses its responsibilities relating to water resource management, biological diversity and the functioning of natural systems; and ensures that meaningful livelihood opportunities are supported for people employed through these programmes.

- *Green Fund* invests in projects to protect the environment by working with the donor community and the private sector.
- *Environmental Programmes Management* contributes to sustainable development and livelihoods, and green and inclusive economic growth. This includes facilitating skills development, creating employment, managing natural resources and developing infrastructure.
- *Information Management and Sector Coordination* aims to provide effective and efficient support to environmental programmes to stimulate the potential for economic growth in the environmental sector, and to maximise the sustainable use of environmental resources.

## Expenditure trends and estimates

**Table 27.14 Environmental Programmes expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Environmental Protection and Infrastructure Programme	1 429.5	1 568.8	1 371.4	1 725.5	6.5%	39.9%	1 462.5	1 578.6	1 652.8	-1.4%	37.9%
Natural Resource Management	1 793.7	1 956.8	1 966.9	2 125.7	5.8%	51.4%	2 234.8	2 313.5	2 400.0	4.1%	53.6%
Green Fund	300.0	180.0	110.5	95.0	-31.8%	4.5%	111.0	117.1	–	-100.0%	1.9%
Environmental Programmes Management	6.6	6.2	226.2	182.9	202.5%	2.8%	210.3	222.1	234.5	8.6%	5.0%
Information Management and Sector Coordination	49.8	55.1	57.7	60.2	6.5%	1.5%	66.9	68.2	72.5	6.4%	1.6%
<b>Total</b>	<b>3 579.6</b>	<b>3 766.9</b>	<b>3 732.6</b>	<b>4 189.3</b>	<b>5.4%</b>	<b>100.0%</b>	<b>4 085.5</b>	<b>4 299.6</b>	<b>4 359.7</b>	<b>1.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				318.0			9.9	(6.4)	(69.0)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>2 872.5</b>	<b>3 036.8</b>	<b>2 906.2</b>	<b>3 780.9</b>	<b>9.6%</b>	<b>82.5%</b>	<b>3 663.3</b>	<b>3 796.4</b>	<b>3 917.8</b>	<b>1.2%</b>	<b>89.5%</b>
Compensation of employees	202.9	223.4	244.0	251.7	7.5%	6.0%	271.1	293.3	312.2	7.4%	6.7%
Goods and services <sup>1</sup>	2 669.6	2 813.3	2 662.2	3 529.2	9.8%	76.5%	3 392.2	3 503.1	3 605.6	0.7%	82.9%
<i>of which:</i>											
<i>Administrative fees</i>	0.3	0.4	1.4	0.7	34.1%	–	34.1	35.6	37.5	281.7%	0.6%
<i>Consultants: Business and advisory services</i>	24.3	24.6	25.9	14.6	-15.5%	0.6%	25.7	14.3	15.1	1.0%	0.4%
<i>Contractors</i>	94.4	85.4	0.5	40.9	-24.3%	1.4%	35.2	27.8	34.6	-5.4%	0.8%
<i>Agency and support/outsourced service<sup>2</sup></i>	958.6	955.9	2 434.4	3 212.9	49.7%	49.5%	3 086.8	3 336.9	3 424.5	2.1%	77.1%
<i>Inventory: Materials and supplies</i>	–	–	98.7	0.0	–	0.6%	103.6	–	–	-100.0%	0.6%
<i>Travel and subsistence</i>	52.2	43.3	45.3	44.2	-5.4%	1.2%	45.1	42.6	45.5	0.9%	1.0%
<b>Transfers and subsidies<sup>1</sup></b>	<b>702.8</b>	<b>728.2</b>	<b>459.9</b>	<b>404.6</b>	<b>-16.8%</b>	<b>15.0%</b>	<b>419.1</b>	<b>500.2</b>	<b>438.7</b>	<b>2.7%</b>	<b>10.4%</b>
Provinces and municipalities	0.0	–	0.1	–	-100.0%	–	–	–	–	–	–
Departmental agencies and accounts	402.8	548.2	381.4	332.6	-6.2%	10.9%	344.3	421.0	438.7	9.7%	9.1%
Public corporations and private enterprises	300.0	180.0	77.7	72.0	-37.9%	4.1%	74.8	79.1	–	-100.0%	1.3%
Households	0.1	0.1	0.8	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>3.8</b>	<b>1.9</b>	<b>366.4</b>	<b>3.8</b>	<b>–</b>	<b>2.5%</b>	<b>3.0</b>	<b>3.1</b>	<b>3.2</b>	<b>-5.4%</b>	<b>0.1%</b>
Buildings and other fixed structures	–	–	357.0	–	–	2.3%	–	–	–	–	–
Machinery and equipment	3.8	1.9	9.4	3.8	–	0.1%	3.0	3.1	3.2	-5.4%	0.1%
<b>Payments for financial assets</b>	<b>0.5</b>	<b>0.0</b>	<b>0.0</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>3 579.6</b>	<b>3 766.9</b>	<b>3 732.6</b>	<b>4 189.3</b>	<b>5.4%</b>	<b>100.0%</b>	<b>4 085.5</b>	<b>4 299.6</b>	<b>4 359.7</b>	<b>1.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>60.3%</b>	<b>59.0%</b>	<b>56.6%</b>	<b>56.4%</b>	<b>–</b>	<b>–</b>	<b>54.3%</b>	<b>54.0%</b>	<b>52.9%</b>	<b>–</b>	<b>–</b>

**Table 27.14 Environmental Programmes expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)	
Audited outcome						2018/19	2015/16 - 2018/19	2019/20			2020/21
R million	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Capital</b>	<b>401.7</b>	<b>539.4</b>	<b>378.8</b>	<b>332.6</b>	<b>-6.1%</b>	<b>10.8%</b>	<b>344.3</b>	<b>421.0</b>	<b>438.7</b>	<b>9.7%</b>	<b>9.1%</b>
South African Weather Service	–	–	35.0	37.0	–	0.5%	78.5	140.6	142.9	56.8%	2.4%
iSimangaliso Wetland Park Authority	61.1	99.2	60.0	111.7	22.2%	2.2%	74.5	78.6	82.9	-9.4%	2.1%
South African National Parks	268.3	358.8	208.8	104.5	-27.0%	6.2%	108.7	114.7	121.0	5.0%	2.7%
South African National Biodiversity Institute	72.3	81.4	75.0	79.4	3.2%	2.0%	82.5	87.1	91.9	5.0%	2.0%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>300.0</b>	<b>180.0</b>	<b>77.7</b>	<b>72.0</b>	<b>-37.9%</b>	<b>4.1%</b>	<b>74.8</b>	<b>79.1</b>	<b>–</b>	<b>-100.0%</b>	<b>1.3%</b>
Development Bank of Southern Africa	300.0	180.0	77.7	72.0	-37.9%	4.1%	74.8	79.1	–	-100.0%	1.3%
<b>Departmental agencies and accounts</b>											
<b>Social security funds</b>											
<b>Current</b>	<b>1.0</b>	<b>8.8</b>	<b>2.6</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Social Security Fund: Compensation Fund	1.0	8.8	2.6	–	-100.0%	0.1%	–	–	–	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.
2. Agency and support/outsourced services include allocations for the expanded public works programmes, previously classified as transfers and subsidies.

## Programme 7: Chemicals and Waste Management

### Programme purpose

Formulate policies and administer legislation regarding the use of chemicals and waste management to improve regulation, monitoring, compliance and enforcement.

### Objectives

- Oversee, monitor and evaluate waste sector performance, ensuring that less waste is generated and existing waste is better managed by:
  - developing and implementing national waste management policies and strategies over the medium term
  - increasing the percentage of waste tyres diverted from landfill sites from 50 per cent (85 133 tons out of 170 266 tons) in 2018/19 to 70 per cent (119 186 tons out of 170 266 tons) in 2021/22.
- Contribute to the management of the impact of chemicals on the environment by developing and implementing legislative instruments, and providing specialist advisory services on chemicals and pollution management as and when requested.

### Subprogrammes

- *Chemicals and Waste Management* provides for the administration and functioning of activities in the programme.
- *Hazardous Waste Management and Licensing* provides for processes and systems for the efficient and effective administration of the department's authorisation of waste management activities, and ensures the reduced release of hazardous waste into the environment and that contaminated land is remediated.
- *Integrated Waste Management and Strategic Support* ensures the development of national policies, strategies, legislation, norms and standards, and the building of capacity in government, industry and civil society to respond to the challenges of pollution resulting from poor general waste management. This subprogramme contributes towards the provision of basic waste services to all citizens of South Africa.

- *Chemicals and Waste Policy, Evaluation and Monitoring* ensures the development of national policies, strategies, legislation and norms and standards; and monitors and evaluates the impact of policies on chemicals and waste management.
- *Chemicals Management* ensures the management, facilitation, planning and coordination of the department and South Africa's engagement in multilateral chemicals and waste agreements and related international cooperation and national programmes.
- *Waste Bureau* promotes and facilitates the minimisation, reuse, recycling and recovery of waste by providing specialist advice and support for the development of integrated waste management plans for industry and municipalities.

## Expenditure trends and estimates

**Table 27.15 Chemicals and Waste Management expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million												
Chemicals and Waste Management	10.0	8.1	14.5	6.9	-11.7%	3.7%	12.4	13.1	13.8	26.3%	1.9%	
Hazardous Waste Management and Licensing	27.9	25.6	57.3	118.0	61.7%	21.2%	115.1	122.0	129.0	3.0%	19.9%	
Integrated Waste Management and Strategic Support	12.4	13.7	38.9	21.1	19.4%	8.0%	22.7	24.2	25.7	6.9%	3.8%	
Chemicals and Waste Policy, Evaluation and Monitoring	9.4	24.9	17.3	12.2	9.2%	5.9%	16.5	17.6	18.7	15.4%	2.7%	
Chemicals Management	13.3	15.8	16.5	15.4	5.0%	5.6%	16.7	17.8	19.0	7.2%	2.8%	
Waste Bureau	6.8	6.8	209.5	376.7	280.6%	55.6%	411.0	433.8	457.7	6.7%	68.9%	
<b>Total</b>	<b>79.7</b>	<b>95.0</b>	<b>353.9</b>	<b>550.3</b>	<b>90.4%</b>	<b>100.0%</b>	<b>594.3</b>	<b>628.5</b>	<b>663.8</b>	<b>6.5%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				-			-	-	0.1			
<b>Economic classification</b>												
<b>Current payments</b>	<b>72.2</b>	<b>87.6</b>	<b>260.9</b>	<b>474.7</b>	<b>87.3%</b>	<b>83.0%</b>	<b>512.0</b>	<b>541.7</b>	<b>572.2</b>	<b>6.4%</b>	<b>86.2%</b>	
Compensation of employees	48.9	53.4	65.2	62.0	8.2%	21.3%	66.9	71.9	76.7	7.3%	11.4%	
Goods and services <sup>1</sup>	23.3	34.2	186.7	412.7	160.6%	60.9%	435.6	459.8	485.1	5.5%	73.6%	
of which:												
Consultants: Business and advisory services	8.2	8.4	66.1	24.5	43.8%	9.9%	21.7	22.4	23.6	-1.2%	3.8%	
Legal services	0.3	0.2	4.5	-	-100.0%	0.5%	3.1	3.2	3.4	-	0.4%	
Contractors	0.0	0.0	68.6	85.5	1234.2%	14.3%	152.1	160.6	169.4	25.6%	23.3%	
Agency and support/outsourced services	-	-	26.7	285.0	-	28.9%	235.3	249.0	262.7	-2.7%	42.3%	
Travel and subsistence	7.9	8.2	12.5	6.5	-6.3%	3.2%	14.3	15.1	15.9	34.8%	2.1%	
Operating payments	2.1	2.2	3.0	2.7	8.6%	0.9%	3.2	3.3	3.5	8.6%	0.5%	
Interest and rent on land	-	-	9.0	-	-	0.8%	9.5	9.9	10.4	-	1.2%	
<b>Transfers and subsidies<sup>1</sup></b>	<b>6.9</b>	<b>6.9</b>	<b>36.2</b>	<b>74.9</b>	<b>121.1%</b>	<b>11.6%</b>	<b>81.5</b>	<b>86.0</b>	<b>90.7</b>	<b>6.6%</b>	<b>13.7%</b>	
Departmental agencies and accounts	6.8	6.8	11.3	11.9	20.2%	3.4%	12.5	13.2	13.9	5.3%	2.1%	
Public corporations and private enterprises	-	-	24.8	63.0	-	8.1%	69.0	72.8	76.8	6.8%	11.6%	
Households	0.1	0.1	0.1	-	-100.0%	-	-	-	-	-	-	
<b>Payments for capital assets</b>	<b>0.6</b>	<b>0.4</b>	<b>56.8</b>	<b>0.7</b>	<b>6.5%</b>	<b>5.4%</b>	<b>0.9</b>	<b>0.8</b>	<b>0.9</b>	<b>9.1%</b>	<b>0.1%</b>	
Machinery and equipment	0.6	0.4	56.8	0.7	6.5%	5.4%	0.9	0.8	0.9	9.1%	0.1%	
<b>Total</b>	<b>79.7</b>	<b>95.0</b>	<b>353.9</b>	<b>550.3</b>	<b>90.4%</b>	<b>100.0%</b>	<b>594.3</b>	<b>628.5</b>	<b>663.8</b>	<b>6.5%</b>	<b>100.0%</b>	
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.3%</b>	<b>1.5%</b>	<b>5.4%</b>	<b>7.4%</b>	<b>-</b>	<b>-</b>	<b>7.9%</b>	<b>7.9%</b>	<b>8.1%</b>	<b>-</b>	<b>-</b>	
<b>Details of selected transfers and subsidies</b>												
<b>Departmental agencies and accounts</b>												
<b>Departmental agencies (non-business entities)</b>												
<b>Current</b>	<b>6.8</b>	<b>6.8</b>	<b>11.3</b>	<b>11.9</b>	<b>20.2%</b>	<b>3.4%</b>	<b>12.5</b>	<b>13.2</b>	<b>13.9</b>	<b>5.3%</b>	<b>2.1%</b>	
National Regulator for Compulsory Specifications	6.8	6.8	11.3	11.9	20.2%	3.4%	12.5	13.2	13.9	5.3%	2.1%	
<b>Public corporations and private enterprises</b>												
<b>Private enterprises</b>												
<b>Other transfers to private enterprises</b>												
<b>Current</b>	<b>-</b>	<b>-</b>	<b>24.8</b>	<b>63.0</b>	<b>-</b>	<b>8.1%</b>	<b>69.0</b>	<b>72.8</b>	<b>76.8</b>	<b>6.8%</b>	<b>11.6%</b>	
Recycling Enterprise Support Programme	-	-	24.8	63.0	-	8.1%	69.0	72.8	76.8	6.8%	11.6%	

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.



## Entity

### South African National Parks

#### Mandate

South African National Parks was established in terms of the National Environmental Management: Protected Areas Act (2003). Its mandate is to conserve, protect, control and manage national parks and other defined protected areas and their biodiversity. This mandate is underpinned in section 24(b) of the Constitution, which states that everyone has the right to an environment that is not harmful to their health or wellbeing, and to have the environment protected for the benefit of present and future generations through reasonable legislative and other measures.

#### Selected performance indicators

**Table 27.16 South African National Parks performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of visitors to national parks per year	Administration	Outcome 10: Protect and enhance our environmental assets and natural resources	5 600 000	6 750 083	7 007 152	7 217 366	7 000 000	7 018 000	7 143 000
Number of domestic black visitors to national parks per year	Administration		469 500	578 650	572 734	584 189	595 872	613 748	632 161
Gross operating tourism revenue (value of revenue raised from commercial activities) per year	Administration		R1.2bn	R1.3bn	R1.6bn	R1.5bn	R1.6bn	R1.8bn	R1.9bn
Number of free access entrants to parks per year	Administration		18 200	18 300	77 340	70 000	75 000	76 000	79 000
Number of hectares of land brought into the national parks system per year	Administration		3 715	3 873	3 847	2 300 <sup>1</sup>	2 300 <sup>1</sup>	2 300 <sup>1</sup>	2 300 <sup>1</sup>
Number of participants in environmental education programmes per year	Administration		185 600	190 000	139 668	140 000	140 400	140 400	140 000
Percentage of accommodation occupancy in national parks per year	Administration		72.5% (571 362/ 788 086)	74% (583 184/ 788 086)	71% (559 541/ 788 086)	75%	75%	75%	75%

1. Land is acquired according to the willing buyer, willing seller principle. As such, targets cannot be accurately predicted.

#### Expenditure analysis

South African National Parks is part of the cluster of public entities assigned to protect and enhance South Africa's environmental assets and natural resources. In working towards this imperative, the parks will focus on improving the condition of the conservation estate, particularly through refurbishing and upgrading park roads and tourism infrastructure at an estimated cost of R338 million over the medium term. It also plans to contribute to conservation while driving government's agenda of radical socioeconomic transformation through the enablement of green economy initiatives. Through the donation or loaning of wildlife and the provision of technical expertise, the parks will provide opportunities for communities and emerging game farmers to participate in the wildlife industry value chain.

Fighting poaching, particularly rhino poaching in the Kruger National Park and abalone poaching in Western Cape, remains a top priority. Strategies to combat wildlife crime involve the technological improvement of early warning systems and risk assessments, better coordination with law enforcement agencies, and the deployment of additional rangers. To effect these improved efficiencies and capacity, an estimated R116 million over the medium term is allocated for combating wildlife trafficking, and R77.8 million to combat poaching in marine protected areas.

Overall expenditure is expected to increase from R2.6 billion in 2018/19 to R3 billion in 2021/22 at an average annual rate of 4.6 per cent. An estimated 46.5 per cent (R4 billion) of this has been set aside for the

compensation of 6 481 employees over the MTEF period.

The parks generate revenue through tourism and transfers from the department. Revenue from visitors to national parks is expected to increase from R2.8 billion in 2018/19 to R3.1 billion in 2021/22 at an average annual rate of 4.2 per cent.

### Programmes/Objectives/Activities

**Table 27.17 South African National Parks expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administration	2 624.7	2 174.5	2 380.1	2 603.4	-0.3%	100.0%	2 660.3	2 808.1	2 976.6	4.6%	100.0%
<b>Total</b>	<b>2 624.7</b>	<b>2 174.5</b>	<b>2 380.1</b>	<b>2 603.4</b>	<b>-0.3%</b>	<b>100.0%</b>	<b>2 660.3</b>	<b>2 808.1</b>	<b>2 976.6</b>	<b>4.6%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 27.18 South African National Parks statements of historical financial performance and position**

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>1 265.2</b>	<b>1 621.0</b>	<b>1 621.6</b>	<b>1 831.0</b>	<b>1 628.2</b>	<b>2 024.0</b>	<b>1 877.2</b>	<b>2 159.2</b>	<b>119.4%</b>
Sale of goods and services other than capital assets	1 208.7	1 546.7	1 491.0	1 737.9	1 513.8	1 918.3	1 767.5	2 079.9	121.8%
<i>of which:</i>									
<i>Sales by market establishment</i>	1 208.7	1 546.7	1 491.0	1 737.9	1 513.8	1 918.3	1 767.5	2 079.9	121.8%
Other non-tax revenue	56.5	74.3	130.6	93.1	114.4	105.7	109.7	79.3	85.7%
<b>Transfers received</b>	<b>519.3</b>	<b>1 282.7</b>	<b>559.4</b>	<b>600.7</b>	<b>432.5</b>	<b>558.3</b>	<b>346.9</b>	<b>596.6</b>	<b>163.5%</b>
<b>Total revenue</b>	<b>1 784.5</b>	<b>2 903.7</b>	<b>2 181.0</b>	<b>2 431.6</b>	<b>2 060.7</b>	<b>2 582.3</b>	<b>2 224.1</b>	<b>2 755.8</b>	<b>129.4%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 558.0</b>	<b>2 624.7</b>	<b>1 843.4</b>	<b>2 174.5</b>	<b>1 899.2</b>	<b>2 380.1</b>	<b>2 037.8</b>	<b>2 370.0</b>	<b>130.1%</b>
Compensation of employees	903.4	907.6	977.2	1 005.3	1 109.8	1 098.5	1 176.4	1 181.7	100.6%
Goods and services	556.8	1 632.8	789.5	1 058.2	677.2	1 135.0	688.6	996.3	177.8%
Depreciation	96.2	82.6	75.5	110.4	111.3	135.9	153.6	161.4	112.2%
Interest, dividends and rent on land	1.6	1.7	1.2	0.6	0.9	10.7	19.3	30.6	190.3%
<b>Transfers and subsidies</b>	<b>226.5</b>	<b>-</b>	<b>337.6</b>	<b>-</b>	<b>161.5</b>	<b>-</b>	<b>186.2</b>	<b>233.4</b>	<b>25.6%</b>
<b>Total expenses</b>	<b>1 784.5</b>	<b>2 624.7</b>	<b>2 181.0</b>	<b>2 174.5</b>	<b>2 060.7</b>	<b>2 380.1</b>	<b>2 224.1</b>	<b>2 603.4</b>	<b>118.6%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>279.0</b>	<b>-</b>	<b>257.0</b>	<b>-</b>	<b>202.0</b>	<b>-</b>	<b>152.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	1 986.8	2 180.2	1 986.8	2 371.4	1 986.8	2 661.9	1 986.8	2 661.9	124.3%
<i>of which:</i>									
<i>Acquisition of assets</i>	(63.7)	(565.2)	(70.8)	(254.8)	(77.6)	(247.2)	(85.2)	(85.2)	387.8%
Investments	160.4	163.6	160.4	210.1	160.4	245.4	160.4	245.4	134.8%
Inventory	34.0	30.8	34.0	28.1	34.0	39.6	34.0	39.6	101.6%
Receivables and prepayments	40.4	56.2	40.4	126.6	40.4	39.9	40.4	39.9	162.5%
Cash and cash equivalents	882.8	981.6	882.8	1 376.6	882.8	1 776.6	882.8	1 776.6	167.4%
<b>Total assets</b>	<b>3 104.3</b>	<b>3 412.4</b>	<b>3 104.3</b>	<b>4 112.8</b>	<b>3 104.3</b>	<b>4 763.4</b>	<b>3 104.3</b>	<b>4 763.4</b>	<b>137.3%</b>
Accumulated surplus/(deficit)	1 492.8	1 771.8	1 492.8	2 081.6	1 492.8	2 283.7	1 492.8	2 283.7	141.0%
Capital reserve fund	469.0	529.8	469.0	533.2	469.0	594.3	469.0	594.3	120.0%
Borrowings	11.5	8.9	11.5	12.0	11.5	5.5	11.5	5.5	69.4%
Finance lease	-	-	-	3.1	-	209.0	-	209.0	-
Deferred income	476.0	405.7	476.0	-	476.0	-	476.0	-	21.3%
Trade and other payables	469.0	529.8	469.0	533.2	469.0	594.3	469.0	594.3	120.0%
Provisions	655.0	696.2	655.0	761.8	655.0	856.5	655.0	856.5	121.0%
<b>Total equity and liabilities</b>	<b>3 573.3</b>	<b>3 942.2</b>	<b>3 573.3</b>	<b>3 924.9</b>	<b>3 573.3</b>	<b>4 543.3</b>	<b>3 573.3</b>	<b>4 543.3</b>	<b>118.6%</b>

## Statements of estimates of financial performance and position

**Table 27.19 South African National Parks statements of estimates of financial performance and position**

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
					2018/19	2015/16 - 2018/19	2019/20		
R million									
<b>Revenue</b>									
<b>Non-tax revenue</b>		<b>2 159.2</b>	<b>10.0%</b>	<b>72.0%</b>	<b>2 162.4</b>	<b>2 279.6</b>	<b>2 416.3</b>	<b>3.8%</b>	<b>77.8%</b>
Sale of goods and services other than capital assets		2 079.9	10.4%	68.6%	2 080.4	2 194.9	2 326.6	3.8%	74.9%
<i>of which:</i>									
<i>Sales by market establishment</i>		2 079.9	10.4%	68.6%	2 080.4	2 194.9	2 326.6	3.8%	74.9%
Other non-tax revenue		79.3	2.2%	3.3%	82.0	84.8	89.7	4.2%	2.9%
<b>Transfers received</b>		<b>596.6</b>	<b>-22.5%</b>	<b>28.0%</b>	<b>626.1</b>	<b>661.5</b>	<b>697.5</b>	<b>5.3%</b>	<b>22.2%</b>
<b>Total revenue</b>		<b>2 755.8</b>	<b>-1.7%</b>	<b>100.0%</b>	<b>2 788.5</b>	<b>2 941.2</b>	<b>3 113.8</b>	<b>4.2%</b>	<b>100.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>		<b>2 370.0</b>	<b>-3.3%</b>	<b>97.8%</b>	<b>2 526.0</b>	<b>2 670.8</b>	<b>2 831.0</b>	<b>6.1%</b>	<b>94.1%</b>
Compensation of employees		1 181.7	9.2%	43.1%	1 246.7	1 315.3	1 394.2	5.7%	46.5%
Goods and services		996.3	-15.2%	49.2%	1 075.6	1 139.2	1 207.5	6.6%	40.0%
Depreciation		161.4	25.0%	5.0%	170.0	179.4	190.1	5.6%	6.3%
Interest, dividends and rent on land		30.6	162.6%	0.4%	33.6	37.0	39.2	8.6%	1.3%
<b>Transfers and subsidies</b>		<b>233.4</b>	<b>-</b>	<b>2.2%</b>	<b>134.3</b>	<b>137.4</b>	<b>145.6</b>	<b>-14.6%</b>	<b>5.9%</b>
<b>Total expenses</b>		<b>2 603.4</b>	<b>-0.3%</b>	<b>100.0%</b>	<b>2 660.3</b>	<b>2 808.1</b>	<b>2 976.6</b>	<b>4.6%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>		<b>152.0</b>			<b>128.0</b>	<b>133.0</b>	<b>137.0</b>		
<b>Statement of financial position</b>									
Carrying value of assets		2 661.9	6.9%	58.3%	2 661.9	2 661.9	2 661.9	-	55.9%
<i>of which:</i>									
<i>Acquisition of assets</i>		(85.2)	-46.8%	-7.4%	(91.1)	(96.6)	(102.4)	6.3%	-2.0%
Investments		245.4	14.5%	5.1%	245.4	245.4	245.4	-	5.2%
Inventory		39.6	8.8%	0.8%	39.6	39.6	39.6	-	0.8%
Receivables and prepayments		39.9	-10.8%	1.6%	39.9	39.9	39.9	-	0.8%
Cash and cash equivalents		1 776.6	21.9%	34.2%	1 776.6	1 776.6	1 776.6	-	37.3%
<b>Total assets</b>		<b>4 763.4</b>	<b>11.8%</b>	<b>100.0%</b>	<b>4 763.4</b>	<b>4 763.4</b>	<b>4 763.4</b>	<b>-</b>	<b>100.0%</b>
Accumulated surplus/(deficit)		2 283.7	8.8%	49.6%	2 283.7	2 283.7	2 283.7	-	50.3%
Capital reserve fund		594.3	3.9%	13.3%	594.3	594.3	594.3	-	13.1%
Borrowings		5.5	-14.6%	0.2%	5.5	5.5	5.5	-	0.1%
Finance lease		209.0	-	2.3%	209.0	209.0	209.0	-	4.6%
Trade and other payables		594.3	3.9%	13.3%	594.3	594.3	594.3	-	13.1%
Provisions		856.5	7.2%	18.7%	856.5	856.5	856.5	-	18.9%
<b>Total equity and liabilities</b>		<b>4 543.3</b>	<b>4.8%</b>	<b>100.0%</b>	<b>4 543.3</b>	<b>4 543.3</b>	<b>4 543.3</b>	<b>-1.6%</b>	<b>100.0%</b>

## Personnel information

**Table 27.20 South African National Parks personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019			Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment	Number of posts on approved establishment	Actual		Revised estimate		Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)					
			2017/18		2018/19		2019/20		2020/21		2021/22				2018/19 - 2021/22				
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number				Cost	Unit cost		
South African National Parks			6 481	1 098.5	0.2	6 481	1 181.7	0.2	6 481	1 246.7	0.2	6 481	1 315.3	0.2	6 481	1 394.2	0.2	5.7%	100.0%
Salary level	6 481	6 481	6 481	1 098.5	0.2	6 481	1 181.7	0.2	6 481	1 246.7	0.2	6 481	1 315.3	0.2	6 481	1 394.2	0.2	5.7%	100.0%
1 – 6	5 655	5 655	5 655	659.7	0.1	5 655	716.6	0.1	5 655	758.3	0.1	5 655	802.5	0.1	5 655	842.6	0.1	5.6%	87.3%
7 – 10	670	670	670	272.3	0.4	670	288.7	0.4	670	303.1	0.5	670	318.3	0.5	670	342.1	0.5	5.8%	10.3%
11 – 12	113	113	113	103.1	0.9	113	109.3	1.0	113	114.8	1.0	113	120.5	1.1	113	131.8	1.2	6.4%	1.7%
13 – 16	43	43	43	57.6	1.3	43	61.1	1.4	43	64.1	1.5	43	67.3	1.6	43	70.7	1.6	5.0%	0.7%
17 – 22	-	-	-	5.8	-	-	6.1	-	-	6.4	-	-	6.7	-	-	7.1	-	5.0%	-

1. Rand million.

## Other entities

- The **iSimangaliso Wetland Park Authority** protects and conserves the park to promote and facilitate tourism and tourism-related development in the park. Its total budget for 2019/20 is R174.2 million.
- The **South African National Biodiversity Institute** focuses on biodiversity knowledge management and information generation and dissemination by conducting coordinated research on the composition, value, status, functioning and dynamics of South Africa's biodiversity. The institute's total budget for 2019/20 is R803.6 million.

- The **South African Weather Service** maintains, extends and improves the quality of meteorological services. The entity's total budget for 2019/20 is R463.8 million.

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2018/19	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
<b>Departmental infrastructure</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Departmental Head Office Buidling	PPP Office Accommodation Pretoria Head Office	Handed over	2 500.0	129.4	136.9	144.3	147.4	159.1	167.3	179.8
Expanded Public Works Programme (EPWP) Infrastructure Projects	EPWP Infrastructure Projects	Handed over	357.0	-	-	357.0	-	-	-	-
<b>Total</b>			<b>2 857.0</b>	<b>129.4</b>	<b>136.9</b>	<b>501.4</b>	<b>147.4</b>	<b>159.1</b>	<b>167.3</b>	<b>179.8</b>



# Vote 28

## Labour

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	962.0	919.2	0.9	41.8	1 022.5	1 084.2
Inspection and Enforcement Services	631.1	614.1	0.1	17.0	679.7	723.5
Public Employment Services	611.2	368.0	242.0	1.3	648.9	691.7
Labour Policy and Industrial Relations	1 230.8	164.3	1 066.4	0.1	1 319.5	1 394.0
<b>Total expenditure estimates</b>	<b>3 435.1</b>	<b>2 065.6</b>	<b>1 309.4</b>	<b>60.2</b>	<b>3 670.6</b>	<b>3 893.4</b>

Executive authority Minister of Labour  
 Accounting officer Director-General of Labour  
 Website address [www.labour.gov.za](http://www.labour.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Play a significant role in reducing unemployment, poverty and inequality by pursuing the objectives of decent work for all through: employment creation and enterprise development; the setting of standards and the protection of rights at work, including the facilitation of equal opportunities and social dialogue; and the provision of social protection.*

### Mandate

The Department of Labour derives its legislative mandate from the Constitution, particularly the Bill of Rights, which is given effect through a number of acts that regulate labour matters in South Africa. The most important of these are the Labour Relations Act (1995), the Basic Conditions of Employment Act (1997), the Employment Equity Act (1998), the Occupational Health and Safety Act (1993), and the Employment Services Act (2014).

The mandate of the department is to regulate the labour market through policies and programmes developed in consultation with social partners. These aim to:

- improve economic efficiency and productivity
- facilitate decent employment creation
- promote labour standards and fundamental rights at work
- provide adequate social safety nets to protect vulnerable workers
- promote and enforce sound labour relations
- promote equity and eliminate unfair discrimination in the workplace
- eliminate inequality and discrimination in the workplace
- enhance occupational health and safety awareness and compliance in the workplace
- give value to social dialogue in the formulation of sound and responsive legislation and policies to attain labour market flexibility for the competitiveness of enterprises, balanced with the promotion of decent employment.

## Selected performance indicators

**Table 28.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of employers inspected per year to determine compliance with employment law	Inspection and Enforcement Services	Outcome 4: Decent employment through inclusive growth	186 871	185 958	214 946	218 732	220 692	220 692	220 692
Percentage of reported incidents finalised within 90 days	Inspection and Enforcement Services		83% (1 080/1 309)	80% (703/878)	75% (690/918)	65%	70%	70%	70%
Number of work seekers registered on the Employment Services South Africa database per year	Public Employment Services		634 503	666 719	890 523 <sup>1</sup>	650 000	700 000	750 000	800 000
Number of registered work seekers provided with employment counselling per year	Public Employment Services		208 861	197 247	193 473	200 000	210 000	220 000	230 000
Number of registered employment opportunities filled by registered work seekers per year	Public Employment Services		10 927	12 517	21 076 <sup>2</sup>	42 500 <sup>2</sup>	45 000	47 500	50 000
Number of employment opportunities registered on the Employment Services South Africa database per year	Public Employment Services		102 631 <sup>1</sup>	74 510	109 917	85 000	90 000	95 000	100 000

1. High achievement due to advocacy campaigns and roadshows.

2. High achievement due to additional staff employed.

## Expenditure analysis

The Department of Labour supports efforts towards realising the goals of the National Development Plan in terms of resolving workplace disputes and improving labour relations, enhancing occupational health and safety, and facilitating job creation. Outcome 4 (decent employment through inclusive growth) of government's 2014-2019 medium-term strategic framework gives overall strategic direction to the department's work. Over the medium term, the department will focus on increasing workplace inspections, supporting work seekers, and regulating the workplace to establish minimum working conditions and fair labour practices.

Cabinet-approved budget reductions amounting to R103.2 million over the MTEF period have been effected across all programmes on goods and services (R35 million); compensation of employees (R49.5 million); and transfers to departmental entities (R18.7 million) for a freeze on salary increases for senior management staff earning more than R1.5 million per year and a 2.8 per cent increase for senior managers earning between R1 million and R1.49 million per year. The reduction in spending on compensation of employees is expected to result in a decrease of 202 funded posts and a net decrease in total headcount, from 3 346 in 2018/19 to 3 337 in 2021/22. This is expected to place strain on the department's human resources capacity, thereby affecting its daily operations. The reduction in spending on goods and services over the MTEF period is expected to result in fewer staff training exercises, the execution of fewer departmental communication strategies, and the leasing of less office equipment. To mitigate these effects, staff will be trained only if and when funding is made available through reprioritisation.

Cabinet-approved budget increases amounting to R151.6 million over the medium term have been effected on transfers to public entities. The Commission for Conciliation, Mediation and Arbitration receives an additional R107.6 million over the MTEF period to address increasing caseloads, and provide training to commissioners and assessors to preside over advisory arbitration processes and conduct balloting and certification processes. The transfer to the National Economic Development and Labour Council is expected to increase by R44 million over the medium term to: fund the council's contribution for a staff pension plan and medical aid, cover shortfalls in cost of living adjustments, fund the next presidential jobs summit, and address other operational costs arising from the council's increasing workload.



### ***Increasing safety and fairness in the workplace***

The department aims to ensure that employers adhere to employment equity plans and decent work principles, and that vulnerable workers are protected. Key to achieving this is the inspection of workplaces for compliance with employment law. In pursuit of creating healthy and safe workplaces and responding to persistent non-compliance by employers, the department has amended the Occupational Health and Safety Act (1993) to introduce compulsory provisions, such as permitting inspectors to administer fines and allowing employees to leave the workplace if conditions are unhealthy or unsafe. The amended act, which is targeted for implementation in 2020/21, makes provision for health and safety representatives in the service of employers to check for compliance through routine inspections.

Over the medium term, the department will collaborate with the Compensation Fund to increase the number of occupational health and safety inspectors. This is intended to provide improved services to employees and employers, and ensure that the most vulnerable employees are protected. In this regard, R1.6 billion is allocated over the medium term in the *Compliance, Monitoring and Enforcement* subprogramme in the *Inspection and Enforcement Services* programme for the inspection and enforcement of employment law. The Compensation Fund has budgeted R172.6 million in 2019/20 for 500 additional inspectors. The number of inspections for compliance is expected to increase from 218 732 in 2018/19 to 220 692 in 2021/22.

### ***Supporting work seekers***

Through the Employment Services South Africa system, the department provides a free service, including employment counselling, to recruit and place work seekers in various work and learning opportunities. Over the medium term, the department plans to introduce new measures to accelerate the placement of registered work seekers. These include: improving the quality of information on work seekers and employment opportunities to accurately match work seekers with work opportunities, reviewing workflow processes to respond promptly to requests from employers, subjecting matched candidates to rigorous counselling services to provide employers with shortlists, and signing partnership agreements.

The department also aims to facilitate greater access to the labour market for work seekers with matric and post-school qualifications, as well as those affected by barriers to entry such as low literacy levels, poor skills, and a lack of funds to undertake job searches. Accordingly, the department has self-service stations at 62 of its 126 labour centres to encourage work seekers to register and seek employment. 64 additional self-service stations are expected to be rolled out in 2019/20, as work seekers registered on the Employment Services South Africa system are expected to increase from 700 000 in 2019/20 to 800 000 in 2021/22. In 2019/20, the department expects to roll out the situation-specific evaluation expert assessment tool, which will be used to profile work seekers registered on the Employment Services South Africa system to assist with their placement.

As part of the department's efforts to improve and modernise its counselling services, it has deployed 1 principal psychologist in each province and 128 career counsellors across all labour centres, and introduced an electronic interest and competency self-assessment system for work seekers. Over the MTEF period, activities in the *Public Employment Services* programme will also involve work with the European Union on a project aimed at assessing the impact of counselling services. This will include tracking the placement of counselled work seekers in self-employment, cooperatives and further learning institutions. The department anticipates the number of counselled work seekers to increase from 210 000 in 2019/20 to 230 000 in 2021/22. Over the medium term, the *Public Employment Services* programme will work with the Employment Services Board and the International Labour Organisation to develop national and labour migration policies, and provide advice on the implementation of employment schemes to the Minister of Labour.

The number of employment opportunities registered through the *Employer Services* subprogramme in the *Public Employment Services* programme is expected to increase from 90 000 in 2019/20 to 100 000 in 2021/22, at an estimated cost of R23.2 million over the same period. R402.1 million over the MTEF period has also been allocated in the subprogramme for counselling, placement and advocacy campaigns and to pilot free registration opportunities on the Employment Services South Africa system with partner organisations by means of a memorandum of agreement. Training will be provided to employment services practitioners and strict quality control measures will be introduced to verify all work opportunities registered with the department.

To carry out all the department's activities related to supporting work seekers, R588.1 million is allocated over the medium term in the *Work Seeker Services* subprogramme in the *Public Employment Services* programme.

**Regulating the workplace to establish minimum working conditions and fair labour practices**

To reduce income inequality in South Africa, the department, with social partners at the National Economic Development and Labour Council, will continue to set standards, institute minimum wages for vulnerable workers and monitor compliance with the Employment Equity Act (1998). The National Minimum Wage Bill came into effect on 1 January 2019. The department plans to establish a national minimum wage commission and secretariat in 2019/20, as per the bill, which will be responsible for reviewing, making adjustments to and monitoring the social and economic impact of the national minimum wage, which is set at R20 per hour. As such, activities over the medium term in the *Labour Policy and Industrial Relations* programme will involve performing the secretariat function and housing the national minimum wage commission, for which R114.1 million is budgeted over the MTEF period for operations.

The Employment Equity Amendment Bill, with its corresponding draft regulations, were published for public comment on 21 September 2018, to be tabled in Parliament for discussion and finalisation in 2019. Amendments to the Employment Equity Act (1998) and regulations are primarily aimed at empowering the minister to regulate the setting of sector-specific employment equity numerical targets; and the promulgation of section 53 of the act, which deals with the issuing of an employment equity compliance certificate as a prerequisite for accessing state contracts.

South Africa co-chairs the International Labour Organisation's global commission on the future of work, a first for the country and for Africa. The conference committee, chaired by South Africa, offers a platform for robust discussions on the future of the organisation's development cooperation in supporting constituents to achieve sustainable development and decent work for all. These discussions are expected to culminate in the formal adoption of a global report in 2019. To this end, R200 000 is allocated in the *Labour Policy and Industrial Relations* programme in 2019/20.

**Expenditure trends**

**Table 28.2 Vote expenditure trends by programme and economic classification**

Programmes																															
1. Administration																															
2. Inspection and Enforcement Services																															
3. Public Employment Services																															
4. Labour Policy and Industrial Relations																															
Programme	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Revised estimate			Average: Outcome/Annual budget (%)		Average: Outcome/Adjusted appropriation (%)	
R million	2015/16			2016/17			2017/18			2018/19			2018/19			2015/16 - 2018/19			2015/16 - 2018/19			2015/16 - 2018/19			2015/16 - 2018/19		2015/16 - 2018/19				
Programme 1	845.1	815.1	745.6	852.9	856.6	819.1	885.6	887.8	768.7	917.4	906.6	906.6	92.5%	93.5%																	
Programme 2	430.8	471.8	472.9	519.5	509.3	464.3	532.7	531.2	520.2	598.2	592.2	592.2	98.5%	97.4%																	
Programme 3	488.3	497.3	485.1	510.3	507.2	524.9	561.1	557.4	485.5	582.6	580.6	580.6	96.9%	96.9%																	
Programme 4	922.7	920.0	908.4	965.2	969.7	953.4	1 086.4	1 079.4	1 069.6	1 197.1	1 203.4	1 199.5	99.0%	99.0%																	
<b>Total</b>	<b>2 686.9</b>	<b>2 704.2</b>	<b>2 612.0</b>	<b>2 847.9</b>	<b>2 842.9</b>	<b>2 761.6</b>	<b>3 065.8</b>	<b>3 055.8</b>	<b>2 844.0</b>	<b>3 295.2</b>	<b>3 282.9</b>	<b>3 278.9</b>	<b>96.6%</b>	<b>96.7%</b>																	
Change to 2018 Budget estimate													(12.4)																		
Economic classification																															
<b>Current payments</b>	<b>1 683.8</b>	<b>1 642.8</b>	<b>1 533.0</b>	<b>1 714.8</b>	<b>1 675.9</b>	<b>1 545.3</b>	<b>1 817.6</b>	<b>1 787.3</b>	<b>1 571.4</b>	<b>1 946.7</b>	<b>1 885.3</b>	<b>1 881.3</b>	<b>91.2%</b>	<b>93.4%</b>																	
Compensation of employees	1 079.6	1 052.9	1 025.6	1 132.2	1 108.0	1 064.7	1 224.5	1 212.8	1 059.5	1 317.8	1 293.1	1 289.1	93.4%	95.1%																	
Goods and services	604.2	589.9	507.4	582.6	567.9	480.6	593.1	574.5	511.9	628.9	592.3	592.3	86.9%	90.0%																	

**Table 28.2 Vote expenditure trends by programme and economic classification**

Economic classification	Annual budget			Annual budget			Annual budget			Annual budget			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate		
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
<b>Transfers and subsidies</b>	<b>956.2</b>	<b>1 009.2</b>	<b>1 010.4</b>	<b>1 064.6</b>	<b>1 063.4</b>	<b>1 073.2</b>	<b>1 160.7</b>	<b>1 162.4</b>	<b>1 179.6</b>	<b>1 273.6</b>	<b>1 288.0</b>	<b>1 288.0</b>	<b>102.2%</b>	<b>100.6%</b>
Provinces and municipalities	0.0	0.5	0.6	0.5	0.7	0.6	0.5	0.5	0.6	0.6	0.6	0.6	151.6%	102.8%
Departmental agencies and accounts	824.2	824.2	820.9	867.8	868.3	879.4	962.2	962.2	979.9	1 066.1	1 078.4	1 078.4	101.0%	100.7%
Foreign governments and international organisations	17.3	19.3	20.9	20.6	22.0	19.7	23.8	23.8	20.0	25.2	25.2	25.2	98.7%	95.1%
Non-profit institutions	114.4	164.5	164.0	175.5	169.6	168.8	173.9	173.9	173.4	181.3	181.2	181.2	106.6%	99.7%
Households	0.3	0.7	4.0	0.3	2.8	4.6	0.3	2.1	5.8	0.4	2.5	2.5	1 271.2%	208.0%
<b>Payments for capital assets</b>	<b>46.9</b>	<b>52.2</b>	<b>68.1</b>	<b>68.4</b>	<b>103.6</b>	<b>140.5</b>	<b>87.5</b>	<b>106.1</b>	<b>92.8</b>	<b>75.0</b>	<b>109.6</b>	<b>109.6</b>	<b>148.0%</b>	<b>110.6%</b>
Buildings and other fixed structures	–	2.0	0.5	28.0	28.0	29.2	14.0	14.0	2.4	16.0	16.0	16.0	83.0%	80.2%
Machinery and equipment	46.9	50.2	67.6	40.4	75.6	65.0	73.5	92.1	78.2	59.0	93.6	93.6	138.5%	97.7%
Software and other intangible assets	–	–	–	–	–	46.4	–	0.1	12.1	–	–	–	–	97 516.7%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>0.5</b>	<b>–</b>	<b>–</b>	<b>2.6</b>	<b>–</b>	<b>–</b>	<b>0.2</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>2 686.9</b>	<b>2 704.2</b>	<b>2 612.0</b>	<b>2 847.9</b>	<b>2 842.9</b>	<b>2 761.6</b>	<b>3 065.8</b>	<b>3 055.8</b>	<b>2 844.0</b>	<b>3 295.2</b>	<b>3 282.9</b>	<b>3 278.9</b>	<b>96.6%</b>	<b>96.7%</b>

## Expenditure estimates

**Table 28.3 Vote expenditure estimates by programme and economic classification**

Programmes									
1. Administration									
2. Inspection and Enforcement Services									
3. Public Employment Services									
4. Labour Policy and Industrial Relations									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
				2018/19	2015/16 - 2018/19	2019/20			2020/21
R million	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22			
Programme 1	906.6	3.6%	28.2%	962.0	1 022.5	1 084.2	6.1%	27.8%	
Programme 2	592.2	7.9%	17.8%	631.1	679.7	723.5	6.9%	18.4%	
Programme 3	580.6	5.3%	18.1%	611.2	648.9	691.7	6.0%	17.7%	
Programme 4	1 199.5	9.2%	35.9%	1 230.8	1 319.5	1 394.0	5.1%	36.0%	
<b>Total</b>	<b>3 278.9</b>	<b>6.6%</b>	<b>100.0%</b>	<b>3 435.1</b>	<b>3 670.6</b>	<b>3 893.4</b>	<b>5.9%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				2.2	21.8	24.4			
Economic classification									
<b>Current payments</b>	<b>1 881.3</b>	<b>4.6%</b>	<b>56.8%</b>	<b>2 065.8</b>	<b>2 208.4</b>	<b>2 350.1</b>	<b>7.7%</b>	<b>59.6%</b>	
Compensation of employees	1 289.1	7.0%	38.6%	1 393.2	1 499.5	1 598.5	7.4%	40.5%	
Goods and services	592.3	0.1%	18.2%	672.4	708.6	751.3	8.3%	19.1%	
Interest and rent on land	–	–	–	0.2	0.3	0.3	–	0.0%	
<b>Transfers and subsidies</b>	<b>1 288.0</b>	<b>8.5%</b>	<b>39.6%</b>	<b>1 309.4</b>	<b>1 399.7</b>	<b>1 477.9</b>	<b>4.7%</b>	<b>38.3%</b>	
Provinces and municipalities	0.6	7.2%	0.0%	0.7	0.7	0.7	5.9%	0.0%	
Departmental agencies and accounts	1 078.4	9.4%	32.7%	1 089.0	1 167.2	1 231.7	4.5%	32.0%	
Foreign governments and international organisations	25.2	9.3%	0.7%	26.6	28.1	29.6	5.5%	0.8%	
Non-profit institutions	181.2	3.3%	6.0%	192.6	203.2	215.3	5.9%	5.6%	
Households	2.5	50.9%	0.1%	0.4	0.4	0.4	-44.7%	0.0%	
<b>Payments for capital assets</b>	<b>109.6</b>	<b>28.0%</b>	<b>3.6%</b>	<b>60.2</b>	<b>62.8</b>	<b>65.7</b>	<b>-15.7%</b>	<b>2.1%</b>	
Buildings and other fixed structures	16.0	100.0%	0.4%	16.0	16.9	18.1	4.3%	0.5%	
Machinery and equipment	93.6	23.0%	2.6%	44.2	45.9	47.5	-20.2%	1.6%	
<b>Total</b>	<b>3 278.9</b>	<b>6.6%</b>	<b>100.0%</b>	<b>3 435.4</b>	<b>3 670.8</b>	<b>3 893.7</b>	<b>5.9%</b>	<b>100.0%</b>	

## Expenditure trends and estimates for significant spending items

**Table 28.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
R thousand											
Commission for Conciliation, Mediation and Arbitration	731 799	770 501	864 090	963 066	9.6%	29.0%	980 979	1 039 945	1 097 468	4.3%	28.5%
Inspection Services: Compliance Monitoring and Enforcement	373 034	367 843	414 853	471 240	8.1%	14.2%	501 849	541 089	575 959	6.9%	14.6%
Provision of Public Employment Services: Employer and Work Seeker Services	236 124	196 592	207 392	292 241	7.4%	8.1%	309 171	328 462	352 594	6.5%	9.0%
<b>Total</b>	<b>1 340 957</b>	<b>1 334 936</b>	<b>1 486 335</b>	<b>1 726 547</b>	<b>8.8%</b>	<b>51.2%</b>	<b>1 791 999</b>	<b>1 909 496</b>	<b>2 026 021</b>	<b>5.4%</b>	<b>52.1%</b>

## Goods and services expenditure trends and estimates

**Table 28.5 Vote goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
R thousand											
Administrative fees	4 958	5 941	9 461	5 776	5.2%	1.2%	6 087	6 261	6 228	2.5%	0.9%
Advertising	17 431	9 881	14 431	17 715	0.5%	2.8%	17 737	18 586	20 108	4.3%	2.7%
Minor assets	2 869	3 340	13 406	10 269	53.0%	1.4%	7 163	6 826	7 362	-10.5%	1.2%
Audit costs: External	16 511	16 913	16 867	17 774	2.5%	3.3%	22 132	23 404	24 690	11.6%	3.2%
Bursaries: Employees	1 906	1 978	2 310	3 031	16.7%	0.4%	3 063	3 326	3 601	5.9%	0.5%
Catering: Departmental activities	4 532	4 674	5 599	5 573	7.1%	1.0%	6 231	6 778	7 187	8.8%	0.9%
Communication	31 232	24 770	28 539	21 831	-11.3%	5.1%	44 576	49 730	53 157	34.5%	6.2%
Computer services	66 868	88 129	54 583	89 680	10.3%	14.3%	123 854	130 672	137 675	15.4%	17.7%
Consultants: Business and advisory services	7 178	10 025	6 311	11 710	17.7%	1.7%	10 753	11 562	12 073	1.0%	1.7%
Legal services	3 085	7 601	12 795	4 630	14.5%	1.3%	5 335	6 092	6 426	11.5%	0.8%
Science and technological services	-	-	-	-	-	-	-	100	106	-	-
Contractors	7 091	6 979	2 751	5 361	-8.9%	1.1%	2 932	4 435	4 664	-4.5%	0.6%
Agency and support/outsourced services	3 111	2 135	1	779	-37.0%	0.3%	4 217	4 512	4 873	84.3%	0.5%
Entertainment	189	192	180	330	20.4%	-	249	276	292	-4.0%	-
Fleet services (including government motor transport)	19 795	21 888	28 141	26 465	10.2%	4.6%	28 247	29 571	34 010	8.7%	4.3%
Inventory: Fuel, oil and gas	-	-	-	-	-	-	150	150	150	-	-
Inventory: Learner and teacher support material	-	-	-	22	-	-	-	-	-	-100.0%	-
Consumable supplies	2 545	3 390	2 560	4 794	23.5%	0.6%	3 494	4 643	3 277	-11.9%	0.6%
Consumables: Stationery, printing and office supplies	19 673	16 325	12 928	20 512	1.4%	3.3%	22 598	21 962	24 552	6.2%	3.3%
Operating leases	139 488	115 668	138 720	149 386	2.3%	26.0%	157 730	165 833	174 707	5.4%	23.8%
Rental and hiring	1 103	513	626	612	-17.8%	0.1%	1 331	814	805	9.6%	0.1%
Property payments	57 055	48 428	50 869	69 428	6.8%	10.8%	82 164	86 092	92 122	9.9%	12.1%
Transport provided: Departmental activity	140	185	149	1 100	98.8%	0.1%	900	950	1 002	-3.1%	0.1%
Travel and subsistence	82 429	72 203	85 290	81 125	-0.5%	15.3%	84 032	85 895	90 232	3.6%	12.5%
Training and development	6 636	3 803	7 090	19 071	42.2%	1.7%	14 368	15 518	16 248	-5.2%	2.4%
Operating payments	6 489	8 744	8 537	10 979	19.2%	1.7%	10 917	11 404	12 034	3.1%	1.7%
Venues and facilities	5 087	6 924	9 728	14 304	41.1%	1.7%	12 126	13 250	13 705	-1.4%	2.0%
<b>Total</b>	<b>507 401</b>	<b>480 629</b>	<b>511 872</b>	<b>592 257</b>	<b>5.3%</b>	<b>100.0%</b>	<b>672 386</b>	<b>708 642</b>	<b>751 286</b>	<b>8.3%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 28.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>3 335</b>	<b>4 508</b>	<b>5 355</b>	<b>2 414</b>	<b>-10.2%</b>	<b>0.3%</b>	<b>382</b>	<b>403</b>	<b>425</b>	<b>-44.0%</b>	<b>0.1%</b>
Employee social benefits	3 335	4 508	5 355	2 414	-10.2%	0.3%	382	403	425	-44.0%	0.1%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>806 121</b>	<b>860 375</b>	<b>963 987</b>	<b>1 062 308</b>	<b>9.6%</b>	<b>81.1%</b>	<b>1 072 161</b>	<b>1 149 433</b>	<b>1 212 962</b>	<b>4.5%</b>	<b>82.1%</b>
Productivity South Africa	45 531	59 057	60 064	53 261	5.4%	4.8%	54 610	57 601	60 770	4.5%	4.1%
Commission for Conciliation, Mediation and Arbitration	731 799	770 501	864 090	963 066	9.6%	73.2%	976 810	1 035 547	1 092 828	4.3%	74.3%
National Economic Development and Labour Council	28 791	30 817	39 833	45 981	16.9%	3.2%	40 741	56 285	59 364	8.9%	3.7%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>612</b>	<b>90</b>	<b>389</b>	<b>104</b>	<b>-44.6%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	612	90	389	104	-44.6%	-	-	-	-	-100.0%	-
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>516</b>	<b>575</b>	<b>611</b>	<b>618</b>	<b>6.2%</b>	<b>0.1%</b>	<b>656</b>	<b>695</b>	<b>733</b>	<b>5.9%</b>	<b>-</b>
Vehicle licences	516	575	611	618	6.2%	0.1%	656	695	733	5.9%	-
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>20 909</b>	<b>19 719</b>	<b>19 974</b>	<b>25 218</b>	<b>6.4%</b>	<b>1.9%</b>	<b>26 630</b>	<b>28 095</b>	<b>29 641</b>	<b>5.5%</b>	<b>2.0%</b>
International Labour Organisation	19 753	19 719	19 178	23 984	6.7%	1.8%	25 327	26 720	28 190	5.5%	1.9%
African Regional Labour Administration Centre	1 156	-	796	1 234	2.2%	0.1%	1 303	1 375	1 451	5.5%	0.1%
<b>Departmental agencies and accounts</b>											
<b>Social security funds</b>											
<b>Current</b>	<b>14 780</b>	<b>19 031</b>	<b>15 917</b>	<b>16 107</b>	<b>2.9%</b>	<b>1.4%</b>	<b>16 877</b>	<b>17 805</b>	<b>18 784</b>	<b>5.3%</b>	<b>1.3%</b>
Compensation Fund	14 780	19 031	15 917	16 107	2.9%	1.4%	16 877	17 805	18 784	5.3%	1.3%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>164 045</b>	<b>168 787</b>	<b>173 351</b>	<b>181 212</b>	<b>3.4%</b>	<b>15.1%</b>	<b>192 648</b>	<b>203 244</b>	<b>215 344</b>	<b>5.9%</b>	<b>14.5%</b>
Deaf Federation of South Africa	-	-	-	291	-	-	-	-	-	-100.0%	-
National Council for the Physically Disabled	308	296	292	336	2.9%	-	-	-	-	-100.0%	-
South African National Council for the Blind	417	366	357	413	-0.3%	-	-	-	-	-100.0%	-
Workshops for the Blind	10 341	10 638	11 572	12 420	6.3%	1.0%	21 525	22 709	24 412	25.3%	1.5%
Work centres for the disabled	135 050	138 568	141 307	146 779	2.8%	12.3%	148 923	157 114	165 755	4.1%	11.3%
Various civil and labour organisations	17 929	18 879	19 823	20 973	5.4%	1.7%	22 147	23 365	25 117	6.2%	1.7%
Gifts and donations	-	40	-	-	-	-	53	56	60	-	-
<b>Total</b>	<b>1 010 318</b>	<b>1 073 085</b>	<b>1 179 584</b>	<b>1 287 981</b>	<b>8.4%</b>	<b>100.0%</b>	<b>1 309 354</b>	<b>1 399 675</b>	<b>1 477 889</b>	<b>4.7%</b>	<b>100.0%</b>

## Personnel information

Table 28.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes																				
1. Administration																				
2. Inspection and Enforcement Services																				
3. Public Employment Services																				
4. Labour Policy and Industrial Relations																				
	Number of posts estimated for 31 March 2019			Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment									Number							
	Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%) 2018/19 - 2021/22	Average: Salary level/Total (%) 2018/19 - 2021/22			
				2017/18		2018/19		2019/20		2020/21		2021/22								
				Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
<b>Labour</b>	<b>2 918</b>	<b>18</b>		<b>3 025</b>	<b>1 059.5</b>	<b>0.4</b>	<b>3 346</b>	<b>1 288.9</b>	<b>0.4</b>	<b>3 341</b>	<b>1 393.1</b>	<b>0.4</b>	<b>3 341</b>	<b>1 498.8</b>	<b>0.4</b>	<b>3 337</b>	<b>1 598.3</b>	<b>0.5</b>	<b>-0.1%</b>	<b>100.0%</b>
Salary level																				
1 - 6	1 350	3		1 441	296.3	0.2	1 590	364.4	0.2	1 573	389.0	0.2	1 566	417.1	0.3	1 575	450.6	0.3	-0.3%	47.2%
7 - 10	1 221	3		1 247	456.3	0.4	1 323	535.4	0.4	1 331	583.9	0.4	1 337	631.0	0.5	1 335	675.5	0.5	0.3%	39.9%
11 - 12	266	6		260	208.4	0.8	306	254.1	0.8	309	275.0	0.9	310	295.2	1.0	299	305.9	1.0	-0.8%	9.2%
13 - 16	79	6		77	98.4	1.3	127	135.0	1.1	128	145.1	1.1	128	155.5	1.2	128	166.3	1.3	0.3%	3.8%
Other	2	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Programme</b>	<b>2 918</b>	<b>18</b>		<b>3 025</b>	<b>1 059.5</b>	<b>0.4</b>	<b>3 346</b>	<b>1 288.9</b>	<b>0.4</b>	<b>3 341</b>	<b>1 393.1</b>	<b>0.4</b>	<b>3 341</b>	<b>1 498.8</b>	<b>0.4</b>	<b>3 337</b>	<b>1 598.3</b>	<b>0.5</b>	<b>-0.1%</b>	<b>100.0%</b>
Programme 1	962	18		962	343.1	0.4	1 544	397.1	0.3	1 522	422.6	0.3	1 531	457.2	0.3	1 534	487.7	0.3	-0.2%	45.9%
Programme 2	1 095	-		1 214	406.1	0.3	1 224	485.5	0.4	1 221	522.6	0.4	1 227	565.4	0.5	1 224	603.0	0.5	-	36.6%
Programme 3	676	-		676	220.4	0.3	423	306.8	0.7	417	327.7	0.8	412	349.9	0.8	410	372.9	0.9	-1.0%	12.4%
Programme 4	185	-		173	89.9	0.5	155	99.5	0.6	181	120.3	0.7	171	126.3	0.7	169	134.6	0.8	2.9%	5.1%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 28.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>10 056</b>	<b>11 702</b>	<b>16 805</b>	<b>10 521</b>	<b>10 521</b>	<b>1.5%</b>	<b>100.0%</b>	<b>12 414</b>	<b>13 300</b>	<b>14 212</b>	<b>10.5%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>4 129</b>	<b>4 530</b>	<b>4 391</b>	<b>4 446</b>	<b>4 446</b>	<b>2.5%</b>	<b>35.6%</b>	<b>4 142</b>	<b>4 357</b>	<b>4 508</b>	<b>0.5%</b>	<b>34.6%</b>
Sales by market establishments	176	164	153	132	132	-9.1%	1.3%	140	155	165	7.7%	1.2%
of which:												
Market establishment: Rental dwellings	43	43	40	52	52	6.5%	0.4%	40	45	50	-1.3%	0.4%
Market establishment: Rental parking (covered and open)	133	121	113	80	80	-15.6%	0.9%	100	110	115	12.9%	0.8%
Administrative fees	1 970	2 318	2 057	2 167	2 167	3.2%	17.3%	2 000	2 100	2 150	-0.3%	16.7%
of which:												
Occupational health and safety licences	1 970	2 318	2 057	2 166	2 166	3.2%	17.3%	2 000	2 100	2 150	-0.2%	16.7%
Request Information: Access to Information Act	-	-	-	1	1	-	-	-	-	-	-100.0%	-
Other sales	1 983	2 048	2 181	2 147	2 147	2.7%	17.0%	2 002	2 102	2 193	0.7%	16.7%
of which:												
Services rendered: Commission on insurance and garnishee	1 980	2 043	2 179	2 128	2 128	2.4%	17.0%	2 000	2 100	2 190	1.0%	16.7%
Services rendered: Photocopies and faxes	1	-	-	15	15	146.6%	-	-	-	-	-100.0%	-
Replacement of security cards	2	-	-	3	3	14.5%	-	-	-	-	-100.0%	-
Replacement - lost office property	-	5	2	1	1	-	-	2	2	3	44.2%	-
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>12</b>	<b>25</b>	<b>45</b>	<b>39</b>	<b>39</b>	<b>48.1%</b>	<b>0.2%</b>	<b>22</b>	<b>23</b>	<b>24</b>	<b>-14.9%</b>	<b>0.2%</b>
of which:												
Sales: Scrap	3	-	3	9	9	44.2%	-	1	1	1	-51.9%	-
Sales: Wastepaper	9	25	42	30	30	49.4%	0.2%	21	22	23	-8.5%	0.2%
<b>Fines, penalties and forfeits</b>	<b>1 009</b>	<b>1 011</b>	<b>2 281</b>	<b>2 070</b>	<b>2 070</b>	<b>27.1%</b>	<b>13.0%</b>	<b>3 200</b>	<b>3 400</b>	<b>3 700</b>	<b>21.4%</b>	<b>24.5%</b>
<b>Interest, dividends and rent on land</b>	<b>1 303</b>	<b>1 377</b>	<b>1 357</b>	<b>1 000</b>	<b>1 000</b>	<b>-8.4%</b>	<b>10.3%</b>	<b>1 500</b>	<b>1 550</b>	<b>1 600</b>	<b>17.0%</b>	<b>11.2%</b>
Interest	1 303	1 377	1 357	1 000	1 000	-8.4%	10.3%	1 500	1 550	1 600	17.0%	11.2%
<b>Sales of capital assets</b>	<b>105</b>	<b>29</b>	<b>43</b>	<b>300</b>	<b>300</b>	<b>41.9%</b>	<b>1.0%</b>	<b>50</b>	<b>70</b>	<b>80</b>	<b>-35.6%</b>	<b>1.0%</b>
<b>Transactions in financial assets and liabilities</b>	<b>3 498</b>	<b>4 730</b>	<b>8 688</b>	<b>2 666</b>	<b>2 666</b>	<b>-8.7%</b>	<b>39.9%</b>	<b>3 500</b>	<b>3 900</b>	<b>4 300</b>	<b>17.3%</b>	<b>28.5%</b>
<b>Total</b>	<b>10 056</b>	<b>11 702</b>	<b>16 805</b>	<b>10 521</b>	<b>10 521</b>	<b>1.5%</b>	<b>100.0%</b>	<b>12 414</b>	<b>13 300</b>	<b>14 212</b>	<b>10.5%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 28.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	32.6	32.2	32.3	37.4	4.7%	4.2%	36.6	37.0	39.3	1.6%	3.8%
Management	258.5	255.4	256.4	253.1	-0.7%	31.6%	265.4	279.2	297.2	5.5%	27.5%
Corporate Services	180.3	260.2	200.9	291.8	17.4%	28.8%	311.2	333.7	353.6	6.6%	32.5%
Office of the Chief Financial Officer	113.2	105.6	118.1	121.7	2.5%	14.2%	130.8	142.6	151.2	7.5%	13.7%
Office Accommodation	161.1	165.7	161.0	202.6	8.0%	21.3%	218.0	229.9	242.9	6.2%	22.5%
<b>Total</b>	<b>745.6</b>	<b>819.1</b>	<b>768.7</b>	<b>906.6</b>	<b>6.7%</b>	<b>100.0%</b>	<b>962.0</b>	<b>1 022.5</b>	<b>1 084.2</b>	<b>6.1%</b>	<b>100.0%</b>
Change to 2018				(10.8)			(15.0)	(15.7)	(16.1)		
Budget estimate											

**Table 28.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22
R million											
<b>Current payments</b>	<b>707.3</b>	<b>708.6</b>	<b>721.5</b>	<b>834.4</b>	<b>5.7%</b>	<b>91.7%</b>	<b>919.2</b>	<b>977.6</b>	<b>1 037.4</b>	<b>7.5%</b>	<b>94.8%</b>
Compensation of employees	325.9	325.9	343.1	397.1	6.8%	43.0%	422.6	457.3	487.8	7.1%	44.4%
Goods and services <sup>1</sup>	381.4	382.7	378.4	437.3	4.7%	48.8%	496.6	520.3	549.6	7.9%	50.4%
<i>of which:</i>											
<i>Audit costs: External</i>	<i>16.5</i>	<i>16.9</i>	<i>16.9</i>	<i>17.8</i>	<i>2.5%</i>	<i>2.1%</i>	<i>22.1</i>	<i>23.4</i>	<i>24.7</i>	<i>11.6%</i>	<i>2.2%</i>
<i>Communication</i>	<i>17.0</i>	<i>21.5</i>	<i>13.2</i>	<i>14.8</i>	<i>-4.6%</i>	<i>2.1%</i>	<i>23.3</i>	<i>24.4</i>	<i>25.5</i>	<i>20.0%</i>	<i>2.2%</i>
<i>Computer services</i>	<i>65.9</i>	<i>87.3</i>	<i>53.8</i>	<i>88.7</i>	<i>10.4%</i>	<i>9.1%</i>	<i>122.8</i>	<i>129.6</i>	<i>136.5</i>	<i>15.5%</i>	<i>12.0%</i>
<i>Operating leases</i>	<i>137.5</i>	<i>113.5</i>	<i>135.7</i>	<i>143.6</i>	<i>1.5%</i>	<i>16.4%</i>	<i>152.4</i>	<i>160.4</i>	<i>168.8</i>	<i>5.5%</i>	<i>15.7%</i>
<i>Property payments</i>	<i>44.6</i>	<i>47.9</i>	<i>37.9</i>	<i>63.6</i>	<i>12.6%</i>	<i>6.0%</i>	<i>72.2</i>	<i>75.9</i>	<i>81.3</i>	<i>8.5%</i>	<i>7.4%</i>
<i>Travel and subsistence</i>	<i>37.1</i>	<i>32.0</i>	<i>37.9</i>	<i>31.1</i>	<i>-5.6%</i>	<i>4.3%</i>	<i>29.9</i>	<i>29.2</i>	<i>30.7</i>	<i>-0.5%</i>	<i>3.0%</i>
<b>Transfers and subsidies<sup>1</sup></b>	<b>2.3</b>	<b>2.0</b>	<b>2.8</b>	<b>1.6</b>	<b>-11.3%</b>	<b>0.3%</b>	<b>0.9</b>	<b>1.0</b>	<b>1.0</b>	<b>-14.3%</b>	<b>0.1%</b>
Provinces and municipalities	0.5	0.6	0.6	0.6	4.9%	0.1%	0.7	0.7	0.7	5.9%	0.1%
Households	1.8	1.5	2.1	1.0	-17.5%	0.2%	0.3	0.3	0.3	-34.1%	-
<b>Payments for capital assets</b>	<b>35.5</b>	<b>105.8</b>	<b>44.1</b>	<b>70.6</b>	<b>25.7%</b>	<b>7.9%</b>	<b>41.8</b>	<b>43.9</b>	<b>45.8</b>	<b>-13.5%</b>	<b>5.1%</b>
Buildings and other fixed structures	0.5	29.2	2.4	16.0	215.2%	1.5%	16.0	16.9	18.1	4.3%	1.7%
Machinery and equipment	35.0	30.3	29.6	54.6	16.0%	4.6%	25.8	27.0	27.6	-20.3%	3.4%
Software and other intangible assets	-	46.4	12.1	-	-	1.8%	-	-	-	-	-
<b>Payments for financial assets</b>	<b>0.5</b>	<b>2.6</b>	<b>0.2</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>745.6</b>	<b>819.1</b>	<b>768.7</b>	<b>906.6</b>	<b>6.7%</b>	<b>100.0%</b>	<b>962.0</b>	<b>1 022.5</b>	<b>1 084.2</b>	<b>6.1%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>28.5%</b>	<b>29.7%</b>	<b>27.0%</b>	<b>27.6%</b>	<b>-</b>	<b>-</b>	<b>28.0%</b>	<b>27.9%</b>	<b>27.8%</b>	<b>-</b>	<b>-</b>

**Details of selected transfers and subsidies**

Provinces and municipalities											
Municipalities											
Municipal bank accounts											
<b>Current</b>	<b>0.5</b>	<b>0.5</b>	<b>0.6</b>	<b>0.6</b>	<b>7.8%</b>	<b>0.1%</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>	<b>5.9%</b>	<b>0.1%</b>
Vehicle licences	0.5	0.5	0.6	0.6	7.8%	0.1%	0.7	0.7	0.7	5.9%	0.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Inspection and Enforcement Services

### Programme purpose

Realise decent work by regulating non-employment and employment conditions through inspection and enforcement to achieve compliance with all labour market policies.

### Objectives

- Protect vulnerable workers through the inspection and enforcement of labour legislation by ensuring that decent work principles are adhered to by:
  - conducting 220 692 compliance inspections by March 2020
  - serving 80 per cent of non-compliant employers inspected with a notice in terms of relevant employment law within 14 calendar days of inspection.
- Strengthen the health and safety of workers through the enforcement of occupational health and safety regulations by finalising 70 per cent of all reported incidents within 90 days of receipt over the medium term.

### Subprogrammes

- *Management and Support Services: Inspection and Enforcement Services* manages the delegated administrative and financial responsibilities of the office of the deputy director-general, and provides corporate support to line function subprogrammes within the programme.
- *Occupational Health and Safety* promotes health and safety in the workplace by conducting inspections on compliance with the Occupational Health and Safety Act (1993), and regulating dangerous activities and the use of plant and machinery.

- *Registration: Inspection and Enforcement Services* registers incidents relating to labour relations and occupational health and safety, as reported by members of the public, and communicates these to the relevant structures within the *Compliance, Monitoring and Enforcement Services* subprogramme for investigation.
- *Compliance, Monitoring and Enforcement Services* ensures that employers and employees comply with labour legislation by conducting regular inspections and following up on reported incidents.
- *Training of Staff: Inspection and Enforcement Services* defrays all expenditure relating to staff training within this programme.
- *Statutory and Advocacy Services* gives effect to legislative enforcement requirements and educates stakeholders on labour legislation.

## Expenditure trends and estimates

**Table 28.10 Inspection and Enforcement Services expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Management and Support Services: Inspection and Enforcement Services	4.6	6.9	6.8	5.7	7.5%	1.2%	6.7	7.3	7.8	10.5%	1.0%
Occupational Health and Safety	29.3	23.9	25.9	33.0	4.0%	5.5%	34.5	36.9	39.3	6.0%	5.5%
Registration: Inspection and Enforcement Services	52.6	53.6	61.1	67.3	8.6%	11.4%	72.6	78.0	83.0	7.2%	11.5%
Compliance, Monitoring and Enforcement Services	373.0	367.8	414.9	471.2	8.1%	79.4%	501.8	541.1	576.0	6.9%	79.6%
Training of Staff: Inspection and Enforcement Services	6.7	4.7	5.0	5.6	-5.9%	1.1%	5.6	5.9	6.2	3.8%	0.9%
Statutory and Advocacy Services	6.6	7.4	6.5	9.4	12.2%	1.5%	9.9	10.6	11.2	6.2%	1.6%
<b>Total</b>	<b>472.9</b>	<b>464.3</b>	<b>520.2</b>	<b>592.2</b>	<b>7.8%</b>	<b>100.0%</b>	<b>631.1</b>	<b>679.7</b>	<b>723.5</b>	<b>6.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(6.0)			(7.8)	(7.8)	(7.6)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>439.8</b>	<b>428.8</b>	<b>470.6</b>	<b>557.5</b>	<b>8.2%</b>	<b>92.5%</b>	<b>614.1</b>	<b>661.8</b>	<b>704.5</b>	<b>8.1%</b>	<b>96.6%</b>
Compensation of employees	375.9	382.0	406.1	485.6	8.9%	80.5%	522.6	565.6	603.1	7.5%	82.9%
Goods and services <sup>1</sup>	63.9	46.9	64.5	71.9	4.0%	12.1%	91.5	96.2	101.4	12.1%	13.7%
of which:											
Communication	7.7	1.3	9.1	3.2	-25.7%	1.0%	17.1	21.0	22.2	91.6%	2.4%
Fleet services (including government motor transport)	7.5	8.0	8.8	8.2	3.0%	1.6%	10.3	9.9	11.6	12.4%	1.5%
Consumables: Stationery, printing and office supplies	4.4	3.0	2.6	3.7	-5.1%	0.7%	4.7	3.4	5.2	11.8%	0.6%
Property payments	7.7	0.3	5.9	2.0	-35.9%	0.8%	6.3	5.4	4.3	28.7%	0.7%
Travel and subsistence	25.4	22.6	25.7	27.0	2.1%	4.9%	29.3	30.6	32.2	6.0%	4.5%
Training and development	2.3	1.2	1.9	4.5	25.2%	0.5%	4.4	4.7	4.9	3.3%	0.7%
Transfers and subsidies <sup>1</sup>	1.2	1.7	1.8	0.8	-14.1%	0.3%	0.1	0.1	0.1	-52.3%	-
Households	1.2	1.7	1.8	0.8	-13.5%	0.3%	0.1	0.1	0.1	-52.3%	-
<b>Payments for capital assets</b>	<b>31.9</b>	<b>33.7</b>	<b>47.8</b>	<b>33.9</b>	<b>2.1%</b>	<b>7.2%</b>	<b>17.0</b>	<b>17.9</b>	<b>18.9</b>	<b>-17.7%</b>	<b>3.3%</b>
Machinery and equipment	31.9	33.7	47.8	33.9	2.1%	7.2%	17.0	17.9	18.9	-17.7%	3.3%
<b>Total</b>	<b>472.9</b>	<b>464.3</b>	<b>520.2</b>	<b>592.2</b>	<b>7.8%</b>	<b>100.0%</b>	<b>631.1</b>	<b>679.7</b>	<b>723.5</b>	<b>6.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>18.1%</b>	<b>16.8%</b>	<b>18.3%</b>	<b>18.0%</b>	-	-	<b>18.4%</b>	<b>18.5%</b>	<b>18.6%</b>	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Public Employment Services

### Programme purpose

Provide assistance to companies and workers to adjust to changing labour market conditions. Regulate private employment agencies.

### Objectives

- Provide public employment services by March 2020 by:



- registering 700 000 work seekers on the Employment Services South Africa database
- providing employment counselling to 210 000 work seekers
- filling 45 000 registered employment opportunities
- registering 90 000 work opportunities on the Employment Services South Africa database.
- Contribute to increasing employment opportunities for people with disabilities by providing quarterly funding over the medium term, and monitoring disability organisations on an ongoing basis.

### Subprogrammes

- *Management and Support Services: Public Employment Services* manages delegated administrative and financial responsibilities; coordinates all planning, monitoring and evaluation functions; and provides corporate support to line function subprogrammes.
- *Employer Services* registers work opportunities, facilitates the employment of foreign nationals where such skills do not exist in South Africa, oversees placements, responds to companies in distress, provides a social plan and regulates private employment agencies.
- *Work Seeker Services* registers work seekers, retrenched workers, work learning, training and income generating opportunities on the Employment Services of South Africa system; and facilitates access to employment and income generating opportunities for the unemployed and underemployed.
- *Designated Groups Special Services* facilitates the transfer of subsidies to national organisations to promote the employment of people with disabilities.
- *Supported Employment Enterprises* transfers funds to the Supported Employment Enterprises to promote the supported employment of persons with long-term physical, mental or sensory impairment disabilities.
- *Productivity South Africa* transfers funds to Productivity South Africa, which promotes workplace productivity, competitiveness and social plan interventions.
- *Unemployment Insurance Fund* provides for the possible future funding of the Unemployment Insurance Fund.
- *Compensation Fund* provides for costs incurred through claims from civil servants for injuries sustained on duty or occupation-related illnesses and diseases, and provides for the funding of claims from the Compensation Fund.
- *Training of Staff: Public Employment Services* defrays all expenditure relating to staff training in the programme to easily identify this expenditure for reporting purposes.

### Expenditure trends and estimates

**Table 28.11 Public Employment Services expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Management and Support Services: Public Employment Services	36.0	89.5	42.5	51.0	12.3%	10.5%	52.0	56.5	60.1	5.6%	8.7%
Employer Services	120.1	81.5	76.8	112.7	-2.1%	18.8%	124.7	132.9	144.4	8.6%	20.3%
Work Seeker Services	116.0	115.1	130.6	179.5	15.7%	26.1%	184.4	195.6	208.1	5.1%	30.3%
Designated Groups Special Services	11.1	11.3	12.2	13.5	6.7%	2.3%	21.5	22.7	24.4	22.0%	3.2%
Supported Employment Enterprises	140.7	148.7	146.0	153.3	2.9%	28.4%	155.7	164.4	173.6	4.2%	25.5%
Productivity South Africa	45.5	59.1	60.1	53.3	5.4%	10.5%	54.6	57.6	60.8	4.5%	8.9%
Unemployment Insurance Fund	–	–	–	0.0	–	–	0.0	0.0	0.0	–	–
Compensation Fund	14.8	19.0	15.9	16.1	2.9%	3.2%	16.9	17.8	18.8	5.3%	2.7%
Training of Staff: Public Employment Services	0.9	0.7	1.4	1.2	10.6%	0.2%	1.3	1.4	1.5	5.6%	0.2%
<b>Total</b>	<b>485.1</b>	<b>524.9</b>	<b>485.5</b>	<b>580.6</b>	<b>6.2%</b>	<b>100.0%</b>	<b>611.2</b>	<b>648.9</b>	<b>691.7</b>	<b>6.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(2.0)			(4.2)	(4.6)	(4.8)		

**Table 28.11 Public Employment Services expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Current payments</b>	<b>277.6</b>	<b>294.6</b>	<b>254.0</b>	<b>346.0</b>	<b>7.6%</b>	<b>56.5%</b>	<b>368.0</b>	<b>392.8</b>	<b>421.0</b>	<b>6.8%</b>	<b>60.3%</b>
Compensation of employees	245.7	272.3	220.4	306.9	7.7%	50.3%	327.7	350.1	372.9	6.7%	53.6%
Goods and services <sup>1</sup>	31.8	22.4	33.6	39.1	7.1%	6.1%	40.2	42.7	48.1	7.2%	6.7%
<i>of which:</i>											
Communication	5.6	1.5	4.1	2.8	-20.4%	0.7%	3.1	3.1	4.2	14.3%	0.5%
Fleet services (including government motor transport)	3.0	2.8	4.0	7.4	35.0%	0.8%	5.8	7.0	8.6	5.1%	1.1%
Consumables: Stationery, printing and office supplies	1.7	1.5	1.2	3.7	30.1%	0.4%	3.7	3.8	3.9	2.1%	0.6%
Property payments	4.3	0.2	5.9	2.9	-12.3%	0.6%	2.75	3.86	5.44	23.4%	0.6%
Travel and subsistence	9.0	8.9	10.8	10.4	4.8%	1.9%	12.09	11.99	12.50	6.3%	1.9%
Operating payments	1.1	1.6	1.5	2.0	21.2%	0.3%	2.07	2.17	2.24	3.8%	0.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>207.4</b>	<b>229.4</b>	<b>230.8</b>	<b>229.8</b>	<b>3.5%</b>	<b>43.2%</b>	<b>241.99</b>	<b>255.28</b>	<b>269.78</b>	<b>5.5%</b>	<b>39.4%</b>
Provinces and municipalities	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts	60.3	78.1	76.0	69.4	4.8%	13.7%	71.49	75.41	79.56	4.7%	11.7%
Non-profit institutions	146.1	149.9	153.5	160.2	3.1%	29.4%	170.45	179.82	190.17	5.9%	27.7%
Households	0.9	1.4	1.3	0.1	-46.2%	0.2%	0.05	0.05	0.06	-27.5%	-
<b>Payments for capital assets</b>	<b>0.2</b>	<b>0.9</b>	<b>0.7</b>	<b>4.9</b>	<b>211.4%</b>	<b>0.3%</b>	<b>1.26</b>	<b>0.86</b>	<b>0.91</b>	<b>-42.9%</b>	<b>0.3%</b>
Machinery and equipment	0.2	0.9	0.7	4.9	211.4%	0.3%	1.26	0.86	0.91	-42.9%	0.3%
<b>Total</b>	<b>485.1</b>	<b>524.9</b>	<b>485.5</b>	<b>580.6</b>	<b>6.2%</b>	<b>100.0%</b>	<b>611.20</b>	<b>648.92</b>	<b>691.72</b>	<b>6.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>18.6%</b>	<b>19.0%</b>	<b>17.1%</b>	<b>17.7%</b>	-	-	<b>17.8%</b>	<b>17.7%</b>	<b>17.8%</b>	-	-
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>45.5</b>	<b>59.1</b>	<b>60.1</b>	<b>53.3</b>	<b>5.4%</b>	<b>10.5%</b>	<b>54.6</b>	<b>57.6</b>	<b>60.8</b>	<b>4.5%</b>	<b>8.9%</b>
Productivity South Africa	45.5	59.1	60.1	53.3	5.4%	10.5%	54.6	57.6	60.8	4.5%	8.9%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>146.1</b>	<b>149.9</b>	<b>153.5</b>	<b>160.2</b>	<b>3.1%</b>	<b>29.4%</b>	<b>170.4</b>	<b>179.8</b>	<b>190.2</b>	<b>5.9%</b>	<b>27.7%</b>
Deaf Federation of South Africa	-	-	-	0.3	-	-	-	-	-	-100.0%	-
National Council for the Physically Disabled	0.3	0.3	0.3	0.3	2.9%	0.1%	-	-	-	-100.0%	-
South African National Council for the Blind	0.4	0.4	0.4	0.4	-0.3%	0.1%	-	-	-	-100.0%	-
Workshops for the Blind	10.3	10.6	11.6	12.4	6.3%	2.2%	21.5	22.7	24.4	25.3%	3.2%
Work centres for the disabled	135.1	138.6	141.3	146.8	2.8%	27.1%	148.9	157.1	165.8	4.1%	24.4%
<b>Departmental agencies and accounts</b>											
<b>Social security funds</b>											
<b>Current</b>	<b>14.8</b>	<b>19.0</b>	<b>15.9</b>	<b>16.1</b>	<b>2.9%</b>	<b>3.2%</b>	<b>16.9</b>	<b>17.8</b>	<b>18.8</b>	<b>5.3%</b>	<b>2.7%</b>
Compensation Fund	14.8	19.0	15.9	16.1	2.9%	3.2%	16.9	17.8	18.8	5.3%	2.7%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Labour Policy and Industrial Relations

### Programme purpose

Facilitate the establishment of an equitable and sound labour relations environment. Support institutions of social dialogue and promote South Africa's interests in international labour matters. Conduct research and analysis, and evaluate labour policy. Provide statistical data on the labour market.

### Objectives

- Improve employment equity implementation and compliance monitoring mechanisms in the labour market by:
  - publicising the 2018/19 employment equity annual report and public register by June 2019
  - developing the 2019/20 employment equity annual report and public register by March 2020

- concluding the parliamentary approval processes of amendments to the Employment Equity Act (1998) to set sectoral employment equity targets and expedite transformation in the labour market by March 2020.
- Extend protection to vulnerable workers by publishing the national minimum wage for all sectors by 1 January each year.
- Promote sound labour relations and centralised collective bargaining through the extension of collective agreements and 100 per cent registration of qualifying labour and employer organisations by March 2020.
- Monitor and evaluate the impact of labour legislation to promote an evidence-based labour policy framework through the production of 4 research reports and 4 labour market trend reports by March 2020.

### **Subprogrammes**

- *Management and Support Services: Labour Policy and Industrial Relations* manages delegated administrative and financial responsibilities; coordinates all planning, monitoring and evaluation functions; and provides corporate support to line function subprogrammes.
- *Strengthen Civil Society* transfers funds to various civil society organisations that protect vulnerable workers by providing resources, support and expertise to improve the independence and self-reliance of workers, to contribute to a stable and well-functioning labour market.
- *Collective Bargaining* manages the implementation of the Labour Relations Act (1995) through policies and practices that promote sound labour relations by: registering labour organisations and deregistering those that are non-compliant; publishing and extending collective agreements; supporting and advancing participation in collective bargaining structures; participating in the governance structures of the Commission for Conciliation, Mediation and Arbitration; and participating in relevant National Economic Development and Labour Council activities.
- *Employment Equity* promotes equity in the labour market through the elimination of unfair discrimination and the promotion of equitable representation in the workplace.
- *Employment Standards* protects vulnerable workers in the labour market by administering the Basic Conditions of Employment Act (1997).
- *Commission for Conciliation, Mediation and Arbitration* transfers funds to the Commission for Conciliation, Mediation and Arbitration, which promotes social justice and fairness in the workplace through dispute prevention and resolution services.
- *Research, Policy and Planning* monitors and evaluates the impact of labour legislation and policies that affect the South African labour market.
- *Labour Market Information and Statistics* collects, collates, analyses and disseminates internal and external labour market statistics regarding changes in the South African labour market as a result of the implementation of labour legislation.
- *International Labour Matters* contributes to global policy formulation, and facilitates compliance with international obligations through multilateral and bilateral relations.
- *National Economic Development and Labour Council* transfer funds to the National Economic Development and Labour Council, which promotes economic growth, participation in economic decision-making and social equity.

## Expenditure trends and estimates

Table 28.12 Labour Policy and Industrial Relations expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Management and Support Services: Labour Policy and Industrial Relations	12.6	13.9	14.8	16.1	8.6%	1.4%	17.5	18.4	19.6	6.7%	1.4%
Strengthen Civil Society	17.9	18.9	19.8	21.0	5.4%	1.9%	22.1	23.4	25.1	6.2%	1.8%
Collective Bargaining	12.6	13.2	14.2	15.5	7.2%	1.3%	17.2	18.1	19.3	7.6%	1.4%
Employment Equity	14.3	12.9	12.6	13.8	-1.2%	1.3%	15.0	15.8	16.8	6.7%	1.2%
Employment Standards	11.0	11.2	12.1	23.9	29.7%	1.4%	33.3	37.9	40.2	18.9%	2.6%
Commission for Conciliation, Mediation and Arbitration	731.8	770.5	864.1	963.1	9.6%	80.5%	976.8	1 035.5	1 092.8	4.3%	79.0%
Research, Policy and Planning	7.1	7.9	6.4	9.0	8.1%	0.7%	10.1	10.6	11.3	7.8%	0.8%
Labour Market Information and Statistics	35.9	36.2	43.1	44.7	7.6%	3.9%	48.5	51.0	54.3	6.7%	3.9%
International Labour Matters	36.4	38.0	42.6	50.4	11.4%	4.1%	49.6	52.3	55.3	3.1%	4.0%
National Economic Development and Labour Council	28.8	30.8	39.8	46.0	16.9%	3.5%	40.7	56.3	59.4	8.9%	3.9%
<b>Total</b>	<b>908.4</b>	<b>953.4</b>	<b>1 069.6</b>	<b>1 203.4</b>	<b>9.8%</b>	<b>100.0%</b>	<b>1 230.8</b>	<b>1 319.5</b>	<b>1 394.0</b>	<b>5.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				6.4			29.2	50.0	53.0		
<b>Economic classification</b>											
<b>Current payments</b>	<b>108.4</b>	<b>113.2</b>	<b>125.3</b>	<b>147.4</b>	<b>10.8%</b>	<b>12.0%</b>	<b>164.3</b>	<b>176.0</b>	<b>186.9</b>	<b>8.2%</b>	<b>13.1%</b>
Compensation of employees	78.1	84.5	89.9	103.5	9.8%	8.6%	120.3	126.5	134.7	9.2%	9.4%
Goods and services <sup>1</sup>	30.3	28.7	35.4	43.9	13.2%	3.3%	44.0	49.5	52.2	5.9%	3.7%
<i>of which:</i>											
Advertising	5.6	3.3	3.5	5.7	0.9%	0.4%	5.5	6.5	6.8	6.2%	0.5%
Consultants: Business and advisory services	3.1	3.8	2.1	3.9	7.2%	0.3%	4.7	5.3	5.6	12.7%	0.4%
Consumables: Stationery, printing and office supplies	2.8	2.8	2.9	5.0	21.5%	0.3%	5.2	5.6	5.9	6.0%	0.4%
Operating leases	1.2	1.7	2.1	2.2	23.7%	0.2%	2.4	2.5	2.7	5.7%	0.2%
Travel and subsistence	10.9	8.7	10.9	12.5	4.7%	1.0%	12.7	14.1	14.9	5.8%	1.1%
Venues and facilities	1.9	2.3	4.7	5.5	42.4%	0.3%	4.2	4.8	5.1	-2.5%	0.4%
<b>Transfers and subsidies<sup>1</sup></b>	<b>799.5</b>	<b>840.1</b>	<b>944.3</b>	<b>1 055.8</b>	<b>9.7%</b>	<b>88.0%</b>	<b>1 066.4</b>	<b>1 143.3</b>	<b>1 207.0</b>	<b>4.6%</b>	<b>86.9%</b>
Departmental agencies and accounts	760.6	801.3	903.9	1 009.0	-100.0%	-	1 017.6	1 091.8	1 152.2	-	-
Foreign governments and international organisations	20.9	19.7	20.0	25.2	9.9%	84.0%	26.6	28.1	29.6	4.5%	83.0%
Non-profit institutions	17.9	18.9	19.8	21.0	6.4%	2.1%	22.2	23.4	25.2	5.5%	2.1%
Households	0.1	0.1	0.5	0.6	5.4%	1.9%	-	-	-	6.3%	1.8%
<b>Payments for capital assets</b>	<b>0.5</b>	<b>0.1</b>	<b>0.1</b>	<b>0.2</b>	<b>97.4%</b>	<b>-</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-100.0%</b>	<b>-</b>
Machinery and equipment	0.5	0.1	0.1	0.2	-30.4%	-	0.1	0.1	0.1	-9.1%	-
<b>Total</b>	<b>908.4</b>	<b>953.4</b>	<b>1 069.6</b>	<b>1 203.4</b>	<b>-30.4%</b>	<b>-</b>	<b>1 230.8</b>	<b>1 319.5</b>	<b>1 394.0</b>	<b>-9.1%</b>	<b>-</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>34.8%</b>	<b>34.5%</b>	<b>37.6%</b>	<b>36.7%</b>	<b>-</b>	<b>-</b>	<b>35.8%</b>	<b>35.9%</b>	<b>35.8%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>760.6</b>	<b>801.3</b>	<b>903.9</b>	<b>1 009.0</b>	<b>9.9%</b>	<b>84.0%</b>	<b>1 017.6</b>	<b>1 091.8</b>	<b>1 152.2</b>	<b>4.5%</b>	<b>83.0%</b>
Commission for Conciliation, Mediation and Arbitration	731.8	770.5	864.1	963.1	9.6%	80.5%	976.8	1 035.5	1 092.8	4.3%	79.0%
National Economic Development and Labour Council	28.8	30.8	39.8	46.0	16.9%	3.5%	40.7	56.3	59.4	8.9%	3.9%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>17.9</b>	<b>18.9</b>	<b>19.8</b>	<b>21.0</b>	<b>5.4%</b>	<b>1.9%</b>	<b>22.2</b>	<b>23.4</b>	<b>25.2</b>	<b>6.3%</b>	<b>1.8%</b>
Various civil and labour organisations	17.9	18.9	19.8	21.0	5.4%	1.9%	22.1	23.4	25.1	6.2%	1.8%
Gifts and donations	-	0.0	-	-	-	-	0.1	0.1	0.1	-	-
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>20.9</b>	<b>19.7</b>	<b>20.0</b>	<b>25.2</b>	<b>6.4%</b>	<b>2.1%</b>	<b>26.6</b>	<b>28.1</b>	<b>29.6</b>	<b>5.5%</b>	<b>2.1%</b>
International Labour Organisation	19.8	19.7	19.2	24.0	6.7%	2.0%	25.3	26.7	28.2	5.5%	2.0%
African Regional Labour Administration Centre	1.2	-	0.8	1.2	2.2%	0.1%	1.3	1.4	1.5	5.5%	0.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

### Compensation Fund

#### Mandate

The Compensation Fund administers the Compensation for Occupational Injuries and Diseases Act (1993). The main objective of the act is to provide compensation for disablement caused by occupational injuries, or diseases sustained or contracted by employees, or for death resulting from such injuries or diseases.

#### Selected performance indicators

**Table 28.13 Compensation Fund performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of approved benefits paid within 5 working days <sup>1</sup>	Compensation for Occupational Injuries and Diseases Act (1993) services	Outcome 13: An inclusive and responsive social protection system	95% (R3.7bn/ R3.9bn)	100% (R4.3bn)	100% (R3.6bn)	98%	100%	100%	100%
Percentage of active registered non-exempt employers assessed annually by 31 March 2019	Compensation for Occupational Injuries and Diseases Act (1993) services		46% (208 613/ 457 588)	95% <sup>2</sup> (268 218/ 283 685)	45% (172 703/ 386 083)	95%	95%	95%	95%
Percentage of claims adjudicated within specified number of working days of receipt	Compensation for Occupational Injuries and Diseases Act (1993) services		76% within 60 days (77 916/ 103 055)	90% within 60 days (130 800/ 145 922)	95% within 60 days (175 624/ 184 100)	90% within 30 working days	90% within 30 working days	90% within 20 working days	90% within 20 working days
Percentage of medical claims finalised within 60 working days of receipt of invoice	Medical benefits		97% (512 976/ 529 785)	89% (612 960/ 686 385)	93% (699 441/ 751 634)	85%	85%	85%	85%
Percentage of pre-authorisations responded to within 10 working days on previously finalised cases	Medical benefits		— <sup>3</sup>	— <sup>3</sup>	79% (1 488/ 1 894)	85%	85%	85%	85%
Percentage of compliant requests for assistive devices responded to within 15 working days of receipt	Orthotic and medical rehabilitation		— <sup>3</sup>	— <sup>3</sup>	75% (983/ 1 307)	85%	85%	85%	85%

1. Indicator revised to align with the fund's strategic plan.

2. High achievement due to clearing of backlog return of earnings received from employers.

3. No historical data available.

#### Expenditure analysis

Over the medium term, the Compensation Fund will focus on: improving access to social insurance for workers; providing an efficient and effective safety net that strengthens social protection, particularly for vulnerable workers; rehabilitating, reintegrating and returning to work employees who have been injured or contracted work-related diseases; and enhancing its capacity to deliver services by improving performance, administration and operational efficiency, thereby restoring its reputation as an efficient and effective provider of social services to workers.

The work of the Compensation for Occupational Injuries and Diseases Act (1993) services programme promotes the rehabilitation, reintegration and the return to work of employees who have suffered occupational injuries or have a disease by ensuring the timeous payment of compensation benefits. Over the medium term, the programme plans to improve the adjudication of registered claims from 90 per cent within 30 days in 2018/19 to 90 per cent within 20 days in 2020/21. The programme's expenditure on claims and pension benefits paid is expected to increase due to additional personnel dealing with backlogs, IT system enhancements and other improvements to the claims process. To ensure that the fund has adequate capacity to deal with the anticipated increase in claims and to provide timeous responses to claimants, the number of personnel is expected to increase from 1 142 in 2018/19 to 1 287 in 2021/22. This will result in a projected increase in spending on compensation of employees from R843.4 million in 2018/19 to R1.3 billion in 2021/22.

In line with an increase in cases of post-traumatic stress disorder, a policy has been developed to regulate and monitor services rendered to the fund's beneficiaries by various stakeholders and medical service providers regarding post-traumatic stress disorder. Service providers will use the policy as a guide for case management, and for developing and implementing programmes and policies that aim to promote, prevent and manage occupational hazards, in compliance with relevant prescribed legislation. To deliver compensation benefits, an estimated R12.8 billion is allocated over the medium term in the Compensation for Occupational Injuries and Diseases Act (1993) services and medical benefits programmes.

The fund's orthotic and medical rehabilitation programme is dedicated to the recovery of injured employees to ensure that they return to work as soon as possible. The fund collaborates closely with medical service providers and employers to ensure a seamless transition from acute care to full reintegration. R207.2 million has been allocated over the MTEF period to support this programme.

The cost of administering the fund, paying compensation benefits and medical expenses, and rehabilitating and reintegrating injured and diseased workers is funded through levies paid by registered employers and revenue earned from investments. The fund's total revenue in 2018/19 is estimated to be R14.9 billion, decreasing at an average annual rate of 1.2 per cent to a projected R14.4 billion in 2021/22 due to improved compliance by employers in paying the annual assessment fee, hence fewer penalties and fines being charged by the fund. The payment of benefits is projected to increase from R3.8 billion in 2019/20 to R4.3 billion in 2020/21.

### Programmes/Objectives/Activities

**Table 28.14 Compensation Fund expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
Administration	821.5	1 323.8	1 576.8	2 023.0	35.0%	18.9%	3 092.1	3 235.6	3 379.1	18.7%	39.8%
Compensation for Occupational Injuries and Diseases Act (1993) Services (COIDA Services)	8 914.3	5 590.6	7 518.6	1 405.8	-46.0%	68.8%	992.7	1 042.4	1 094.5	-8.0%	15.7%
Medical Benefits	32.0	47.4	64.6	3 106.7	359.7%	12.3%	3 036.4	3 218.6	3 427.8	3.3%	43.8%
Orthotic and Medical Rehabilitation	-	-	-	2.5	-	0.0%	65.0	68.9	73.4	210.5%	0.7%
<b>Total</b>	<b>9 767.8</b>	<b>6 961.9</b>	<b>9 160.0</b>	<b>6 537.9</b>	<b>-12.5%</b>	<b>100.0%</b>	<b>7 186.3</b>	<b>7 565.4</b>	<b>7 974.8</b>	<b>6.8%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 28.15 Compensation Fund statements of historical financial performance and position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
R million	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
<b>Revenue</b>									
Non-tax revenue	3 434.5	3 869.8	4 055.8	4 534.5	2 765.3	7 592.7	6 872.4	5 196.8	123.7%
Other non-tax revenue	3 434.5	3 869.8	4 055.8	4 534.5	2 765.3	7 592.7	6 872.4	5 196.8	123.7%
Transfers received	7 852.0	7 566.9	8 244.6	8 852.3	9 289.0	6 972.8	9 737.6	9 737.6	94.3%
<b>Total revenue</b>	<b>11 286.5</b>	<b>11 436.7</b>	<b>12 300.4</b>	<b>13 386.8</b>	<b>12 054.3</b>	<b>14 605.4</b>	<b>16 609.9</b>	<b>14 934.3</b>	<b>104.0%</b>
<b>Expenses</b>									
Current expenses	878.4	1 857.8	845.9	1 349.1	1 515.1	6 715.5	2 042.5	2 122.7	228.1%
Compensation of employees	481.3	501.3	256.5	637.6	653.5	726.7	843.4	843.4	121.2%
Goods and services	382.1	1 338.4	547.3	697.0	816.6	5 922.9	1 086.6	1 166.9	322.1%
Depreciation	14.7	12.4	41.9	10.3	44.6	47.1	112.0	112.0	85.2%
Interest, dividends and rent on land	0.2	5.8	0.3	4.2	0.5	18.8	0.5	0.5	2 088.0%
Transfers and subsidies	3 927.8	7 910.0	8 855.6	5 500.2	7 791.9	2 444.5	8 992.8	4 415.2	68.6%
<b>Total expenses</b>	<b>4 806.1</b>	<b>9 767.8</b>	<b>9 701.4</b>	<b>6 961.9</b>	<b>9 307.1</b>	<b>9 160.0</b>	<b>11 035.3</b>	<b>6 537.9</b>	<b>93.0%</b>
<b>Surplus/(Deficit)</b>	<b>6 480.0</b>	<b>1 669.0</b>	<b>2 599.0</b>	<b>6 425.0</b>	<b>2 747.0</b>	<b>5 445.0</b>	<b>5 575.0</b>	<b>8 396.0</b>	
Statement of financial position									
Carrying value of assets	97.8	150.0	101.7	241.1	106.8	315.3	112.1	112.1	195.7%
of which:									
Acquisition of assets	(30.4)	(1.9)	(14.2)	(101.8)	(1.6)	(88.7)	(1.7)	(1.7)	405.3%
Investments	43 113.8	51 472.2	44 966.6	55 448.1	47 214.9	64 835.5	49 575.6	49 575.6	119.7%
Inventory	2.9	2.4	3.0	1.8	3.2	2.0	3.3	3.3	76.8%
Receivables and prepayments	3 404.5	3 531.1	3 574.8	6 187.5	3 753.5	1 930.0	3 941.2	3 941.2	106.2%
Cash and cash equivalents	3.8	87.4	4.0	588.8	4.2	181.3	4.4	4.4	5 310.4%
<b>Total assets</b>	<b>46 622.7</b>	<b>55 243.1</b>	<b>48 650.0</b>	<b>62 467.3</b>	<b>51 082.5</b>	<b>67 264.0</b>	<b>53 636.6</b>	<b>53 636.6</b>	<b>119.3%</b>

**Table 28.15 Compensation Fund statements of historical financial performance and position**

Statement of financial position		Budget		Audited outcome		Budget		Audited outcome		Budget estimate		Revised estimate		Average: Outcome/Budget (%)
R million		2015/16		2016/17		2017/18		2018/19		2018/19		2018/19		2015/16 - 2018/19
Accumulated surplus/(deficit)	17 547.5	20 381.8	18 158.8	26 815.1	19 066.7	32 260.4	20 302.1	20 302.1	20 302.1	20 302.1	20 302.1	20 302.1	20 302.1	132.9%
Capital and reserves	60.1	163.9	61.3	200.0	64.3	692.3	65.8	65.8	65.8	65.8	65.8	65.8	65.8	446.1%
Finance lease	–	1 042.4	–	1 101.4	–	19.2	–	–	–	–	–	–	–	–
Accrued interest	–	1.3	–	–	–	(0.1)	–	–	–	–	–	–	–	–
Trade and other payables	1 149.4	1 378.1	1 195.4	1 222.0	1 255.1	1 297.1	1 317.9	1 317.9	1 317.9	1 317.9	1 317.9	1 317.9	1 317.9	106.0%
Capitalised value of pensions	18 765.8	–	19 516.4	–	20 297.0	–	21 108.9	21 108.9	21 108.9	21 108.9	21 108.9	21 108.9	21 108.9	26.5%
Provisions	9 099.9	12 533.6	9 718.2	12 471.8	10 399.2	12 262.6	10 841.9	10 841.9	10 841.9	10 841.9	10 841.9	10 841.9	10 841.9	120.1%
Derivatives financial instruments	–	19 742.0	–	20 657.0	–	20 732.6	–	–	–	–	–	–	–	–
<b>Total equity and liabilities</b>	<b>46 622.7</b>	<b>55 243.1</b>	<b>48 650.0</b>	<b>62 467.3</b>	<b>51 082.5</b>	<b>67 264.0</b>	<b>53 636.6</b>	<b>53 636.6</b>	<b>53 636.6</b>	<b>53 636.6</b>	<b>53 636.6</b>	<b>53 636.6</b>	<b>53 636.6</b>	<b>119.3%</b>

**Statements of estimates of financial performance and position****Table 28.16 Compensation Fund statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million		Revised estimate	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>5 196.8</b>	<b>10.3%</b>	<b>38.6%</b>	<b>5 523.2</b>	<b>5 799.4</b>	<b>6 031.3</b>	<b>5.1%</b>	<b>40.1%</b>
Other non-tax revenue	5 196.8	10.3%	38.6%	5 523.2	5 799.4	6 031.3	5.1%	40.1%
<b>Transfers received</b>	<b>9 737.6</b>	<b>8.8%</b>	<b>61.3%</b>	<b>7 670.1</b>	<b>8 053.6</b>	<b>8 375.8</b>	<b>-4.9%</b>	<b>59.9%</b>
<b>Total revenue</b>	<b>14 934.3</b>	<b>9.3%</b>	<b>100.0%</b>	<b>13 193.3</b>	<b>13 853.0</b>	<b>14 407.1</b>	<b>-1.2%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>2 122.7</b>	<b>4.5%</b>	<b>36.0%</b>	<b>3 388.0</b>	<b>3 543.3</b>	<b>3 703.8</b>	<b>20.4%</b>	<b>43.2%</b>
Compensation of employees	843.4	18.9%	8.8%	1 118.3	1 190.9	1 268.3	14.6%	15.0%
Goods and services	1 166.9	-4.5%	26.6%	2 151.8	2 227.9	2 304.8	25.5%	26.5%
Depreciation	112.0	108.5%	0.6%	117.5	124.0	130.2	5.1%	1.7%
Interest, dividends and rent on land	0.5	-57.1%	0.1%	0.5	0.5	0.5	5.3%	0.0%
<b>Transfers and subsidies</b>	<b>4 415.2</b>	<b>-17.7%</b>	<b>63.6%</b>	<b>3 798.2</b>	<b>4 022.1</b>	<b>4 271.0</b>	<b>-1.1%</b>	<b>56.8%</b>
<b>Total expenses</b>	<b>6 537.9</b>	<b>-12.5%</b>	<b>100.0%</b>	<b>7 186.3</b>	<b>7 565.4</b>	<b>7 974.8</b>	<b>6.8%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>8 396.0</b>			<b>6 007.0</b>	<b>6 288.0</b>	<b>6 432.0</b>		
<b>Statement of financial position</b>								
Carrying value of assets	112.1	-9.2%	0.3%	118.0	124.5	131.4	5.4%	0.2%
<i>of which:</i>								
<i>Acquisition of assets</i>	<i>(1.7)</i>	<i>-3.6%</i>	<i>-0.1%</i>	<i>(1.8)</i>	<i>(1.8)</i>	<i>(1.9)</i>	<i>4.8%</i>	<i>-0.0%</i>
Investments	49 575.6	-1.2%	92.7%	52 203.2	55 074.3	58 103.4	5.4%	92.4%
Inventory	3.3	11.4%	0.0%	3.5	3.7	3.9	5.4%	0.0%
Receivables and prepayments	3 941.2	3.7%	6.6%	4 150.0	4 378.3	4 619.1	5.4%	7.3%
Cash and cash equivalents	4.4	-63.2%	0.3%	4.6	4.8	5.1	5.4%	0.0%
<b>Total assets</b>	<b>53 636.6</b>	<b>-1.0%</b>	<b>100.0%</b>	<b>56 479.3</b>	<b>59 585.7</b>	<b>62 862.9</b>	<b>5.4%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	20 302.1	-0.1%	41.4%	21 378.1	22 553.9	23 794.4	5.4%	37.9%
Capital and reserves	65.8	-26.2%	0.4%	69.2	73.0	77.1	5.4%	0.1%
Trade and other payables	1 317.9	-1.5%	2.2%	1 387.8	1 464.1	1 544.6	5.4%	2.5%
Capitalised value of pensions	21 108.9	–	9.8%	22 227.7	23 450.2	24 740.0	5.4%	39.4%
Provisions	10 841.9	-4.7%	20.3%	11 416.5	12 044.4	12 706.9	5.4%	20.2%
<b>Total equity and liabilities</b>	<b>53 636.6</b>	<b>-1.0%</b>	<b>100.0%</b>	<b>56 479.3</b>	<b>59 585.7</b>	<b>62 862.9</b>	<b>5.4%</b>	<b>100.0%</b>

**Personnel information****Table 28.17 Compensation Fund personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019			Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment	Unit cost	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22											
<b>Compensation Fund</b>			<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>	<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>	<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>	<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>					
<b>Salary level</b>	<b>1 287</b>	<b>1 287</b>	<b>1 142</b>	<b>726.7</b>	<b>0.6</b>	<b>1 142</b>	<b>843.4</b>	<b>0.7</b>	<b>1 179</b>	<b>1 118.3</b>	<b>0.9</b>	<b>1 232</b>	<b>1 190.9</b>	<b>1.0</b>	<b>1 287</b>	<b>1 268.3</b>	<b>1.0</b>	<b>14.6%</b>	<b>100.0%</b>
1 – 6	800	800	695	324.6	0.5	695	402.9	0.6	725	539.2	0.7	763	579.4	0.8	800	596.2	0.7	14.0%	61.6%
7 – 10	448	448	416	373.0	0.9	416	408.7	1.0	422	545.0	1.3	434	575.2	1.3	448	633.6	1.4	15.7%	35.6%
11 – 12	37	37	29	26.6	0.9	29	29.1	1.0	30	31.2	1.0	33	33.2	1.0	37	35.2	1.0	6.5%	2.7%
13 – 16	2	2	2	2.5	1.2	2	2.7	1.4	2	2.9	1.5	2	3.1	1.6	2	3.3	1.6	6.5%	0.2%

1. Rand million.

## Unemployment Insurance Fund

### Mandate

The mandate of the Unemployment Insurance Fund is to contribute to the alleviation of poverty by providing effective short-term unemployment insurance to all workers who qualify for unemployment and related benefits, as legislated in the Unemployment Insurance Act (2001).

### Selected performance indicators

**Table 28.18 Unemployment Insurance Fund performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of valid unemployment benefit claims with complete information approved or rejected within specified timeframe <sup>1</sup>	Business operations	Outcome 13: An inclusive and responsive social protection system	84% (494 599/ 589 756)	89% (493 141/ 556 331)	83% (565 293/ 679 988) within 15 working days	90% within 15 working days	90% within 15 working days	90% within 10 working days	90% within 10 working days
Percentage of valid in-service benefit claims with complete information approved or rejected within specified timeframe	Business operations		88% (100 227/ 114 404) within 5 weeks	87% (96 891/ 111 186) within 5 weeks	71% (99 101/ 139 691) within 5 working days	90% within 10 working days	90% within 10 working days	90% within 5 working days	90% within 5 working days
Percentage of valid death benefit claims with complete information approved or rejected within specified timeframe per year <sup>1</sup>	Business operations		82% (13 522/ 16 469)	89% (85 384/ 95 421)	75% (12 401/ 16 462) within 10 working days	90% within 20 working days	90% within 20 working days	90% within 15 working days	90% within 15 working days
Number of new registered employers per year	Business operations		51 904	58 351	66 198	65 000	70 000	75 000	80 000
Number of new registered employees per year	Business operations		294 360	292 767	296 097	250 000	250 000	260 000	270 000
Number of Unemployment Insurance Fund beneficiaries provided with learning and/or workplace experience per year	Labour activation programmes		– <sup>2</sup>	– <sup>2</sup>	– <sup>2</sup>	450 000	280 000	280 000	280 000

1. Indicator revised.

2. No historical data available.

### Expenditure analysis

The Unemployment Insurance Fund continues to play a crucial role in providing social security in South Africa. Over the medium term, the fund plans to expedite the finalisation of claims and improve the benefits framework, make socially responsible investments, enhance the employability of its beneficiaries, and assist in the retention of jobs.

The fund will continue to expedite the finalisation of claims by reducing projected turnaround times in 2020/21 as follows: 90 per cent of unemployment claims are expected to be finalised within 10 working days; 90 per cent of in-service benefit claims with complete information are expected to be finalised within 5 working days; and 90 per cent of death benefit claims are expected to be finalised within 15 working days. The amended Unemployment Insurance Act (2016) introduced a number of improvements to the benefits framework. These include: an extension from 238 days to 365 days for which the contributor is eligible for benefits; an extension of the period during which dependants can claim deceased contributors' benefits from 6 months to 18 months; an extension of the period during which unemployment and maternity benefits can be claimed from 6 months to 12 months; the provision of full benefits to women who miscarry; and a reduction in the period for claiming illness benefits from 14 days to 7 days. As a result, the fund anticipates an increase in the amount paid in benefits from R35.5 billion between 2015/16 and 2017/18 to R43.7 billion over the medium term.



20 per cent of the fund's investment portfolio (R32.3 billion) has been set aside for socially responsible investment in agriculture, education, renewable energy, financial services, health, housing, agro-processing, mining and beneficiation, construction, petroleum, student accommodation, road infrastructure, and technology. This investment is managed by the Public Investment Corporation.

To enhance the employability of the fund's beneficiaries, the fund has budgeted R1 billion in 2019/20 to provide learning and/or work opportunities to 280 000 beneficiaries. The fund expects to achieve these targets by ensuring that all its labour centres and visitor sites provide skills development and training opportunities; enterprise development; and funding for small, medium and micro enterprises, with a particular focus on initiatives targeted at unemployed youth.

In an effort to retain an estimated 10 000 jobs per year, the fund has allocated R500 million over the medium term for the implementation of the turnaround solutions programme and the training layoff scheme to assist companies in distress by reskilling affected workers so that they can retain their jobs. This is expected to help reduce the number of beneficiary claims as fewer contributors are expected to be unemployed.

The business operations programme has budgeted R137 million over the medium term for the implementation of various initiatives aimed at addressing poor service delivery. One such measure aims to ensure that multiple channels are available for better access to the fund's services. Projects include improving queue management, integrating operational systems, reviewing business processes, procuring end-user devices, upgrading networks, and introducing Wi-Fi and unstructured supplementary service data, which will enable people to use their smartphones to interact with the fund at any time. In 2019/20, the programme plans to increase the number of call centre agents from 40 to 68 and provide them with training, at an estimated cost of R12 million.

The fund is financed through contributions from employees and employers, as legislated in the Unemployment Insurance Contributions Act (2002); and from returns on investments. Over the medium term, the fund expects to receive 64.4 per cent (R64.3 billion) of its total revenue from unemployment contributions. Income earned from returns on investments is expected to increase from R10.7 billion in 2018/19 to R12.7 billion in 2021/22.

### Programmes/Objectives/Activities

**Table 28.19 Unemployment Insurance Fund expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
Administration	4 873.2	2 613.7	795.4	1 658.8	-30.2%	16.8%	1 826.1	1 930.8	2 041.4	7.2%	10.7%	
Business operations	9 231.4	11 986.1	17 712.3	12 425.0	10.4%	81.1%	13 644.0	15 784.8	16 766.7	10.5%	83.4%	
Labour activation programmes	82.0	146.6	50.0	950.4	126.3%	2.0%	1 005.8	1 046.0	1 103.6	5.1%	5.9%	
<b>Total</b>	<b>14 186.6</b>	<b>14 746.4</b>	<b>18 557.7</b>	<b>15 034.2</b>	<b>2.0%</b>	<b>100.0%</b>	<b>16 475.9</b>	<b>18 761.6</b>	<b>19 911.8</b>	<b>9.8%</b>	<b>100.0%</b>	

### Statements of historical financial performance and position

**Table 28.20 Unemployment Insurance Fund statements of historical financial performance and position**

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2018/19 - 2018/19	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>9 609.1</b>	<b>8 171.4</b>	<b>9 357.6</b>	<b>9 458.3</b>	<b>10 912.6</b>	<b>13 747.5</b>	<b>11 629.9</b>	<b>10 675.6</b>	<b>101.3%</b>
Sale of goods and services other than capital assets	6.4	2.2	2.4	3.5	1.9	2.4	2.0	1.7	76.3%
of which:									
Sales by market establishment	6.4	2.2	2.4	3.4	1.9	2.4	2.0	1.7	76.6%
Other sales	0.1	-	0.1	0.1	0.0	-	0.0	0.0	45.6%
Other non-tax revenue	9 602.7	8 169.2	9 355.2	9 454.8	10 910.7	13 745.2	11 627.9	10 674.0	101.3%
<b>Transfers received</b>	<b>16 636.9</b>	<b>16 701.2</b>	<b>17 560.3</b>	<b>17 838.8</b>	<b>19 590.8</b>	<b>18 320.0</b>	<b>21 057.9</b>	<b>19 598.4</b>	<b>96.8%</b>
<b>Total revenue</b>	<b>26 246.0</b>	<b>24 872.7</b>	<b>26 917.9</b>	<b>27 297.1</b>	<b>30 503.4</b>	<b>32 067.5</b>	<b>32 687.8</b>	<b>30 274.0</b>	<b>98.4%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>2 171.1</b>	<b>6 022.6</b>	<b>2 576.0</b>	<b>3 853.2</b>	<b>3 283.1</b>	<b>2 124.4</b>	<b>3 670.0</b>	<b>3 361.6</b>	<b>131.3%</b>
Compensation of employees	1 026.0	941.9	1 188.7	1 065.9	1 495.0	1 160.7	1 579.9	1 519.1	88.6%
Goods and services	1 045.4	5 065.0	1 259.2	2 737.0	1 604.8	915.6	1 896.7	1 649.0	178.5%
Depreciation	99.7	15.7	128.1	50.4	183.4	48.1	193.5	193.5	50.9%
<b>Transfers and subsidies</b>	<b>10 508.1</b>	<b>8 163.9</b>	<b>9 272.6</b>	<b>10 893.2</b>	<b>11 173.6</b>	<b>16 433.3</b>	<b>16 700.8</b>	<b>11 672.6</b>	<b>99.0%</b>
<b>Total expenses</b>	<b>12 679.2</b>	<b>14 186.6</b>	<b>11 848.6</b>	<b>14 746.4</b>	<b>14 456.7</b>	<b>18 557.7</b>	<b>20 370.8</b>	<b>15 034.2</b>	<b>105.3%</b>
<b>Surplus/(Deficit)</b>	<b>13 567.0</b>	<b>10 686.0</b>	<b>15 069.0</b>	<b>12 551.0</b>	<b>16 047.0</b>	<b>13 510.0</b>	<b>12 317.0</b>	<b>15 240.0</b>	

**Table 28.20 Unemployment Insurance Fund statements of historical financial performance and position**

Statement of financial position									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Carrying value of assets	259.3	217.4	147.2	253.6	251.2	270.3	225.0	354.0	124.1%
<i>of which:</i>									
Acquisition of assets	(263.0)	(151.5)	(145.2)	(211.4)	(222.5)	(115.2)	(212.5)	(713.9)	141.4%
Investments	125 717.0	120 441.0	152 173.1	136 202.9	153 305.2	155 413.2	166 772.0	167 417.5	96.9%
Receivables and prepayments	44.5	227.9	92.9	1 736.4	60.2	1 669.6	142.4	1 723.5	1 575.4%
Cash and cash equivalents	1 575.3	3 812.9	3 818.6	1 297.4	1 395.4	2 719.0	1 402.7	4 490.4	150.4%
<b>Total assets</b>	<b>127 596.1</b>	<b>124 699.2</b>	<b>156 231.8</b>	<b>139 490.4</b>	<b>155 012.0</b>	<b>160 072.1</b>	<b>168 542.2</b>	<b>173 985.5</b>	<b>98.5%</b>
Accumulated surplus/(deficit)	102 791.6	98 503.4	127 252.7	94 822.3	133 337.4	105 707.0	148 210.6	151 259.6	88.0%
Capital and reserves	20 312.9	21 621.4	24 144.7	38 303.8	14 873.2	40 928.9	12 344.4	6 235.8	149.4%
Trade and other payables	276.3	313.6	316.3	350.6	8.6	291.4	11.1	3.7	156.6%
Benefits payable	4 189.2	4 234.9	4 492.2	5 949.8	6 765.0	13 118.3	7 948.2	16 459.9	170.0%
Provisions	26.1	25.8	25.8	27.7	27.7	26.4	27.7	26.4	99.1%
Derivatives financial instruments	-	-	-	36.1	-	-	-	-	-
<b>Total equity and liabilities</b>	<b>127 596.1</b>	<b>124 699.2</b>	<b>156 231.8</b>	<b>139 490.4</b>	<b>155 012.0</b>	<b>160 072.1</b>	<b>168 542.2</b>	<b>173 985.5</b>	<b>98.5%</b>

**Statements of estimates of financial performance and position**

**Table 28.21 Unemployment Insurance Fund statements of estimates of financial performance and position**

Statement of financial performance									
R million	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
<b>Revenue</b>									
Non-tax revenue	10 675.6	9.3%	36.4%	11 035.3	12 008.2	12 735.3	6.1%	35.6%	
Sale of goods and services other than capital assets	1.7	-9.3%	0.0%	3.2	3.4	4.6	40.0%	0.0%	
<i>of which:</i>									
Sales by market establishment	1.7	-9.3%	0.0%	3.2	3.4	4.6	40.1%	0.0%	
Other non-tax revenue	10 674.0	9.3%	36.4%	11 032.1	12 004.9	12 730.7	6.0%	35.6%	
Transfers received	19 598.4	5.5%	63.6%	20 496.0	21 434.7	22 416.4	4.6%	64.4%	
<b>Total revenue</b>	<b>30 274.0</b>	<b>6.8%</b>	<b>100.0%</b>	<b>31 531.2</b>	<b>33 442.9</b>	<b>35 151.7</b>	<b>5.1%</b>	<b>100.0%</b>	
<b>Expenses</b>									
Current expenses	3 361.6	-17.7%	25.6%	3 595.1	3 809.0	4 035.7	6.3%	21.2%	
Compensation of employees	1 519.1	17.3%	7.6%	1 619.4	1 724.7	1 836.8	6.5%	9.6%	
Goods and services	1 649.0	-31.2%	17.5%	1 762.9	1 859.8	1 962.1	6.0%	10.4%	
Depreciation	193.5	130.9%	0.5%	212.8	224.5	236.9	7.0%	1.2%	
Transfers and subsidies	11 672.6	12.7%	74.4%	12 880.8	14 952.6	15 876.0	10.8%	78.8%	
<b>Total expenses</b>	<b>15 034.2</b>	<b>2.0%</b>	<b>100.0%</b>	<b>16 475.9</b>	<b>18 761.6</b>	<b>19 911.8</b>	<b>9.8%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>15 240.0</b>			<b>15 055.0</b>	<b>14 681.0</b>	<b>15 240.0</b>			
<b>Statement of financial position</b>									
Carrying value of assets	354.0	17.6%	0.2%	416.5	469.1	232.3	-13.1%	0.2%	
<i>of which:</i>									
Acquisition of assets	(713.9)	67.7%	-0.2%	(1 057.9)	(277.1)	-	-100.0%	-0.3%	
Investments	167 417.5	11.6%	96.9%	178 145.7	190 892.4	206 294.7	7.2%	96.4%	
Receivables and prepayments	1 723.5	96.3%	0.9%	1 846.5	1 971.6	2 105.0	6.9%	1.0%	
Cash and cash equivalents	4 490.4	5.6%	2.1%	4 670.7	4 794.2	4 936.7	3.2%	2.5%	
<b>Total assets</b>	<b>173 985.5</b>	<b>11.7%</b>	<b>100.0%</b>	<b>185 079.4</b>	<b>198 127.4</b>	<b>213 568.7</b>	<b>7.1%</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	151 259.6	15.4%	75.0%	166 159.4	174 580.5	185 060.7	7.0%	87.9%	
Capital and reserves	6 235.8	-33.9%	18.5%	100.1	525.8	629.7	-53.4%	1.0%	
Trade and other payables	3.7	-77.3%	0.2%	4.0	4.3	4.2	5.0%	0.0%	
Benefits payable	16 459.9	57.2%	6.3%	18 789.4	22 990.4	27 847.6	19.2%	11.1%	
Provisions	26.4	0.8%	0.0%	26.4	26.4	26.4	-	0.0%	
<b>Total equity and liabilities</b>	<b>173 985.5</b>	<b>11.7%</b>	<b>100.0%</b>	<b>185 079.4</b>	<b>198 127.4</b>	<b>213 568.7</b>	<b>7.1%</b>	<b>100.0%</b>	

**Personnel information**

**Table 28.22 Unemployment Insurance Fund personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number						
Number of funded posts	Number of posts on approved establishment	Actual		Revised estimate		Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)							
		2017/18	2018/19	2018/19	2019/20	2020/21		2021/22		2018/19 - 2021/22										
<b>Unemployment Insurance Fund</b>		<b>3 233</b>	<b>3 728</b>	<b>3 233</b>	<b>1 160.7</b>	<b>0.4</b>	<b>3 233</b>	<b>1 519.1</b>	<b>0.5</b>	<b>3 728</b>	<b>1 619.4</b>	<b>0.4</b>	<b>3 728</b>	<b>1 724.7</b>	<b>0.5</b>	<b>3 728</b>	<b>1 836.8</b>	<b>0.5</b>	<b>6.5%</b>	<b>100.0%</b>
Salary level																				
1-6	1 887	2 202	1 887	346.1	0.2	1 887	638.5	0.3	2 202	680.7	0.3	2 202	724.9	0.3	2 202	772.0	0.4	6.5%	58.9%	
7-10	1 167	1 309	1 167	380.1	0.3	1 167	703.8	0.6	1 309	750.3	0.6	1 309	799.0	0.6	1 309	851.0	0.7	6.5%	35.4%	
11-12	148	180	148	70.4	0.5	148	135.8	0.9	180	144.7	0.8	180	154.1	0.9	180	164.2	0.9	6.5%	4.8%	
13-16	31	37	31	364.1	11.7	31	41.0	1.3	37	43.7	1.2	37	46.6	1.3	37	49.6	1.3	6.5%	1.0%	

1. Rand million.

## Other entities

- The **Commission for Conciliation, Mediation and Arbitration** aims to promote social justice and economic development in the world of work, and to be the best dispute management and dispute resolution organisation. The commission's total budget for 2019/20 is R1 billion.
- The **National Economic Development and Labour Council** requires organised labour, organised business, community-based organisations and government to work as a collective to promote the goals of economic growth, and social and economic equity. The council's total budget for 2019/20 is R41.5 million.
- **Productivity South Africa** aims to improve the productive capacity of the economy through interventions that encourage social dialogue and collaboration between government, labour and business. The entity's total budget for 2019/20 is R232.5 million.

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Departmental infrastructure</b>										
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Rustenburg labour centre: Construction of building	Construction of new labour centre	Construction	16.0	0.5	–	–	–	–	–	–
Security: Wendy houses	Labour centres security: Construction of wendy houses	Handed over	0.0	–	–	–	–	–	–	–
Construction of new office buildings; upgrade of the Ulundi and Prospecton labour centres and the installation of water tanks	New labour centre	Construction	74.0	–	29.2	2.4	16.0	16.0	16.9	18.1
<b>Total</b>			<b>90.0</b>	<b>0.5</b>	<b>29.2</b>	<b>2.4</b>	<b>16.0</b>	<b>16.0</b>	<b>16.9</b>	<b>18.1</b>

# Vote 29

## Mineral Resources

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	345.5	329.7	3.7	12.0	365.7	387.9
Mine Health and Safety	218.6	213.4	4.4	0.8	230.6	249.9
Mineral Regulation	443.7	254.6	189.0	0.0	474.0	502.2
Mineral Policy and Promotion	997.5	116.4	881.0	0.2	1 052.7	902.9
<b>Total expenditure estimates</b>	<b>2 005.2</b>	<b>914.2</b>	<b>1 078.0</b>	<b>13.0</b>	<b>2 123.0</b>	<b>2 042.8</b>

Executive authority Minister of Mineral Resources  
 Accounting officer Director-General of Mineral Resources  
 Website address [www.dmr.gov.za](http://www.dmr.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Promote and regulate the minerals and mining sector for transformation, growth and development. Ensure that all South Africans derive sustainable benefits from the country's mineral wealth.*

### Mandate

The mandate of the Department of Mineral Resources is broadly informed by:

- the Mineral and Petroleum Resources Development Act (2002), which provides the regulatory framework for equitable access to and the sustainable development of mineral resources and related matters
- the Mine Health and Safety Act (1996), which governs mine health and safety
- the 1998 White Paper on Minerals and Mining Policy for South Africa, which ensures the transparent and efficient regulation of the development of South Africa's mineral resources and minerals industry to meet national objectives and bring optimum benefits to the nation.

### Selected performance indicators

**Table 29.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of occupational health and safety inspections and mine audits conducted per year	Mine Health and Safety	Outcome 4: Decent employment through inclusive growth	8 005	9 869	9 952	8 396	8 396	8 396	8 396
Number of mining rights and permits granted or issued to historically disadvantaged South Africans per year	Mineral Regulation		204	175	178	120	150	150	150
Number of industry workshops on compliance issues conducted per year	Mineral Regulation		15	14	8	9	9	9	9

**Table 29.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections			
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	
Number of social and labour plan verification inspections per year	Mineral Regulation	Outcome 4: Decent employment through inclusive growth	270	275	306	212	212	212	212	
Number of environmental verification inspections conducted per year	Mineral Regulation		1 889	1 465	1 583	1 275	1 275	1 275	1 275	
Number of mine economics verification audits per year	Mineral Regulation		595	501	487	425	425	425	425	
Number of mineral legislation compliance inspections conducted per year	Mineral Regulation		502	264	212	150	150	150	150	
Number of consultations or engagements and conflict management sessions with stakeholders and the mining industry per year <sup>1</sup>	Mineral Regulation		341	342	306	150	150	150	150	
Number of procurement opportunities facilitated for black industrialists in the mining sector per year	Mineral Regulation		5	5	10	10	10	10	10	
Number of publications per year	Mineral Policy and Promotion		14	23	14	13	19	13	13	
Number of legislative instruments reviewed and amended per year	Mineral Policy and Promotion		2	4	1	3	2	2	2	
Number of derelict and ownerless mines rehabilitated per year	Mineral Policy and Promotion		Outcome 10: Protect and enhance our environmental assets and natural resources	50	45	43	45	43	43	43
Number of new and established small, medium and micro enterprises supported per year	Mineral Policy and Promotion		Outcome 7: Comprehensive rural development and land reform	125	103	96	80	40	80	80
Number of mining investment promotion events/forums/workshops per year <sup>1</sup>	Mineral Policy and Promotion	Outcome 4: Decent employment through inclusive growth	38	60	56	46	13	46	46	

1. As the mining charter has been finalised, investor certainty is expected to improve, resulting in fewer seminars and events being required.

## Expenditure analysis

Chapters 3, 4 and 5 of the National Development Plan detail a vision for South Africa in which a responsible mining sector prioritises the welfare of its human resources and the environment, and contributes significantly to GDP. This vision is expressed through outcome 4 (decent employment through inclusive growth), outcome 6 (an efficient, competitive and responsive economic infrastructure network) and outcome 10 (protect and enhance our environmental assets and natural resources) of government's 2014-2019 medium-term strategic framework. In line with these guiding policies, over the medium term, the Department of Mineral Resources will contribute to the sustainable growth and socioeconomic development of the mining sector by focusing on promoting investment in the sector, transforming the sector through skills development, and rehabilitating derelict mines.

The department has a total allocation of R6.2 billion over the medium term, 52.2 per cent (R3.2 billion) of which is for transfers to its entities, which carry out a significant portion of its functions. Due to the labour-intensive nature of the department's work, which requires inspections to be conducted to ensure that mining companies comply with legislative requirements, expenditure on compensation of employees accounts for an estimated 34.2 per cent (R2.1 billion) of the department's total budget over the MTEF period. This allocation will enable the department to conduct an estimated 30 099 mandatory inspections over the period ahead to monitor and enforce compliance.

### **Promoting investment in the mining sector**

The finalisation of the mining charter is expected to improve investor confidence in the sector despite general slowdown in global demand for mining commodities and low mining production. To leverage this improved confidence and increase the mining sector's contribution to GDP to ensure real mining investment in South Africa, more attention will be devoted to attracting domestic and foreign investment into the sector. With this imperative in mind, the department plans to conduct 105 mining promotional events and workshops both locally and internationally through an allocation of R245.7 million over the MTEF in the *Mineral Promotion and International Coordination* subprogramme in the *Mineral Policy and Promotion* programme. An additional R92.4 million over the medium term has been reprioritised from the programme to the Petroleum Agency South Africa to promote the exploration and optimal development of onshore and offshore oil and gas resources.

### **Transforming the mining sector**

Accelerating transformation in the mining sector remains a key priority. The department will facilitate this process by monitoring and enforcing compliance with the mining charter, and issuing a targeted 450 mining licences over the medium term to historically disadvantaged South Africans, with special focus on empowering women in the sector. This is set to result in spending of R245.7 million over the MTEF period in the *Mineral Regulation* programme, which is allocated 22.5 per cent (R1.4 billion) of the department's total budget over the same period. To provide financial and technical support to 200 new and established small, medium and micro enterprises (SMMEs), particularly those in small-scale mining, an estimated R98.7 million over the medium term is allocated in the *Mineral Policy and Promotion* programme.

The department aims to adopt a more proactive approach to engaging the mining industry, communities and stakeholders about the quality, sustainability and transformation of the industry. In this regard, the department intends to conduct 450 stakeholder engagements and consultations with the sector over the medium term at a projected cost of R90.1 million in the *Mineral Regulation* programme. These are engagements and consultations envisaged to facilitate communication between stakeholders and communities living in mining areas, and address mining charter objectives such as the provision of housing.

Further expenditure of R62 million over the MTEF period in the same programme will facilitate a targeted 636 inspections to ensure that mining companies comply with their social labour plans. These plans commit companies to invest in the upgrading of human settlements and skills development for mineworkers and the surrounding communities, in line with regulation 46 of the Mineral and Petroleum Resources Development Act (2002).

### **Rehabilitating derelict mines and protecting the environment**

Through the department's activities to rehabilitate old mines and minimise the impact of mining on the environment, it aims to improve the wellbeing of nearby communities by creating environmentally habitable areas, and reducing human and animal exposure to asbestos fibres. These efforts also contribute to a reduction in occupational health incidents, as the department enforces compliance with mine health and safety legislation, and prosecutes mines that do not comply. To conduct a targeted 25 188 occupational health and safety inspections and mine audits over the MTEF period, the *Mine Health and Safety* programme is set to receive an allocation of R699 million.

The department expects to conduct 3 825 environmental verification management inspections over the medium term to ensure compliance with the National Environmental Management Act (1998) at an estimated cost of R723 million; and rehabilitate 129 dangerous derelict and ownerless mine sites, including asbestos sites, at an estimated cost of R445 million. This spending is in the *Mineral Regulation and Administration* subprogramme in the *Mineral Regulation* programme. An additional R8.3 million through the expanded public works programme is earmarked for Mintek for the rehabilitation of the derelict and ownerless mines.

## Expenditure trends

**Table 29.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration 2. Mine Health and Safety 3. Mineral Regulation 4. Mineral Policy and Promotion														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	293.2	308.9	359.1	310.9	345.8	361.1	317.7	339.9	362.5	327.0	335.0	335.0	113.5%	106.6%
Programme 2	175.8	184.4	171.5	184.9	189.9	189.6	189.4	194.1	203.7	205.0	205.0	205.0	101.9%	99.5%
Programme 3	260.4	263.7	246.2	270.8	265.1	258.8	364.6	379.3	370.1	393.6	393.6	393.6	98.4%	97.5%
Programme 4	889.0	881.5	861.7	902.5	868.3	851.7	907.7	866.1	840.5	965.0	957.0	957.0	95.8%	98.3%
<b>Total</b>	<b>1 618.5</b>	<b>1 638.5</b>	<b>1 638.5</b>	<b>1 669.1</b>	<b>1 669.1</b>	<b>1 661.1</b>	<b>1 779.4</b>	<b>1 779.4</b>	<b>1 776.7</b>	<b>1 890.7</b>	<b>1 890.7</b>	<b>1 890.7</b>	<b>100.1%</b>	<b>99.8%</b>
Change to 2018 Budget estimate														
<b>Economic classification</b>														
<b>Current payments</b>	<b>806.1</b>	<b>800.1</b>	<b>805.2</b>	<b>831.4</b>	<b>863.9</b>	<b>858.6</b>	<b>846.7</b>	<b>871.0</b>	<b>867.3</b>	<b>876.9</b>	<b>871.1</b>	<b>871.1</b>	<b>101.2%</b>	<b>99.9%</b>
Compensation of employees	528.4	548.4	526.3	572.1	564.4	558.8	572.8	590.8	588.4	617.6	617.6	617.6	100.0%	98.7%
Goods and services	277.7	251.7	279.0	259.2	299.5	299.8	273.9	280.3	278.9	259.2	253.4	253.4	103.8%	102.4%
<b>Transfers and subsidies</b>	<b>800.9</b>	<b>826.9</b>	<b>819.7</b>	<b>824.1</b>	<b>791.6</b>	<b>791.3</b>	<b>921.1</b>	<b>896.8</b>	<b>896.7</b>	<b>1 001.5</b>	<b>1 007.3</b>	<b>1 007.3</b>	<b>99.1%</b>	<b>99.8%</b>
Departmental agencies and accounts	377.8	394.8	393.4	433.5	433.5	433.5	430.9	440.9	440.7	452.2	471.9	471.9	102.7%	99.9%
Public corporations and private enterprises	421.8	430.8	423.7	389.1	356.6	356.6	488.8	454.4	454.4	547.7	533.8	533.8	95.7%	99.6%
Households	1.4	1.4	2.5	1.4	1.4	1.2	1.5	1.5	1.6	1.6	1.6	1.6	116.6%	116.6%
<b>Payments for capital assets</b>	<b>11.5</b>	<b>11.5</b>	<b>10.6</b>	<b>13.6</b>	<b>13.6</b>	<b>9.9</b>	<b>11.7</b>	<b>11.7</b>	<b>12.7</b>	<b>12.4</b>	<b>12.4</b>	<b>12.4</b>	<b>92.7%</b>	<b>92.7%</b>
Buildings and other fixed structures	2.9	2.5	1.1	3.9	3.9	0.2	1.8	1.8	0.3	2.0	2.0	2.0	33.3%	34.6%
Machinery and equipment	8.6	8.9	9.3	9.8	9.8	9.8	9.8	9.8	11.6	10.4	10.4	10.4	106.5%	105.8%
Software and other intangible assets	–	0.1	0.1	–	–	–	–	–	0.8	–	–	–	–	714.6%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>2.9</b>	<b>–</b>	<b>–</b>	<b>1.3</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>1 618.5</b>	<b>1 638.5</b>	<b>1 638.5</b>	<b>1 669.1</b>	<b>1 669.1</b>	<b>1 661.1</b>	<b>1 779.4</b>	<b>1 779.4</b>	<b>1 776.7</b>	<b>1 890.7</b>	<b>1 890.7</b>	<b>1 890.7</b>	<b>100.1%</b>	<b>99.8%</b>

## Expenditure estimates

**Table 29.3 Vote expenditure estimates by programme and economic classification**

Programmes								
1. Administration 2. Mine Health and Safety 3. Mineral Regulation 4. Mineral Policy and Promotion								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	335.0	2.7%	20.3%	345.5	365.7	387.9	5.0%	17.8%
Programme 2	205.0	3.6%	11.0%	218.6	230.6	249.9	6.8%	11.2%
Programme 3	393.6	14.3%	18.2%	443.7	474.0	502.2	8.5%	22.5%
Programme 4	957.0	2.8%	50.4%	997.5	1 052.7	902.9	-1.9%	48.5%
<b>Total</b>	<b>1 890.7</b>	<b>4.9%</b>	<b>100.0%</b>	<b>2 005.2</b>	<b>2 123.0</b>	<b>2 042.8</b>	<b>2.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(10.8)	(16.7)	(13.1)		
<b>Economic classification</b>								
<b>Current payments</b>	<b>871.1</b>	<b>2.9%</b>	<b>48.8%</b>	<b>914.2</b>	<b>976.1</b>	<b>1 036.9</b>	<b>6.0%</b>	<b>47.1%</b>
Compensation of employees	617.6	4.0%	32.9%	665.2	715.6	762.1	7.3%	34.2%
Goods and services	253.4	0.2%	15.9%	249.0	260.5	274.8	2.7%	12.9%



**Table 29.3 Vote expenditure estimates by programme and economic classification**

Economic classification	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
<b>Transfers and subsidies</b>	<b>1 007.3</b>	<b>6.8%</b>	<b>50.5%</b>	<b>1 078.0</b>	<b>1 133.2</b>	<b>991.4</b>	<b>-0.5%</b>	<b>52.2%</b>
Departmental agencies and accounts	471.9	6.1%	25.0%	482.0	503.2	327.1	-11.5%	22.1%
Public corporations and private enterprises	533.8	7.4%	25.4%	594.4	628.2	662.5	7.5%	30.0%
Households	1.6	5.4%	0.1%	1.7	1.8	1.9	5.5%	0.1%
<b>Payments for capital assets</b>	<b>12.4</b>	<b>2.3%</b>	<b>0.7%</b>	<b>13.0</b>	<b>13.7</b>	<b>14.5</b>	<b>5.6%</b>	<b>0.7%</b>
Buildings and other fixed structures	2.0	-7.9%	0.1%	2.1	2.2	2.3	6.1%	0.1%
Machinery and equipment	10.4	5.4%	0.6%	11.0	11.6	12.2	5.5%	0.6%
<b>Total</b>	<b>1 890.7</b>	<b>4.9%</b>	<b>100.0%</b>	<b>2 005.2</b>	<b>2 123.0</b>	<b>2 042.8</b>	<b>2.6%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 29.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Council for Geoscience	342 914	378 598	366 988	405 983	5.8%	21.5%	414 062	435 734	251 402	-14.8%	18.7%
Mintek	414 742	356 416	367 256	420 368	0.5%	22.4%	436 022	460 401	485 405	4.9%	22.4%
<b>Total</b>	<b>757 656</b>	<b>735 014</b>	<b>734 244</b>	<b>826 351</b>	<b>6.3%</b>	<b>43.9%</b>	<b>850 084</b>	<b>896 135</b>	<b>736 807</b>	<b>-9.9%</b>	<b>41.1%</b>

## Goods and services expenditure trends and estimates

**Table 29.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administrative fees	2 618	3 248	2 484	6 143	32.9%	1.3%	6 394	6 684	7 058	4.7%	2.5%
Advertising	846	5 453	5 813	2 428	42.1%	1.3%	4 703	4 802	5 067	27.8%	1.6%
Minor assets	1 614	968	1 482	4 831	44.1%	0.8%	3 828	4 099	4 327	-3.6%	1.6%
Audit costs: External	6 465	6 247	7 013	4 924	-8.7%	2.2%	5 100	5 422	5 720	5.1%	2.0%
Bursaries: Employees	979	1 234	1 246	1 973	26.3%	0.5%	2 047	2 127	2 237	4.3%	0.8%
Catering: Departmental activities	1 528	951	1 435	4 002	37.8%	0.7%	3 317	3 390	3 578	-3.7%	1.4%
Communication	13 723	17 281	12 703	8 582	-14.5%	4.7%	7 951	8 559	9 028	1.7%	3.3%
Computer services	23 446	26 872	23 850	25 480	2.8%	9.0%	27 842	29 287	30 851	6.6%	10.9%
Consultants: Business and advisory services	5 461	8 237	2 134	5 512	0.3%	1.9%	6 467	6 595	6 958	8.1%	2.5%
Legal services	6 476	11 213	13 561	4 097	-14.2%	3.2%	2 882	3 063	3 232	-7.6%	1.3%
Contractors	1 875	1 057	4 481	10 004	74.7%	1.6%	4 148	4 362	4 603	-22.8%	2.2%
Agency and support/outsourced services	-	-	-	10	-	-	10	11	11	3.2%	-
Entertainment	-	-	5	164	-	-	85	78	82	-20.6%	-
Fleet services (including government motor transport)	10 503	10 518	10 657	6 395	-15.2%	3.4%	12 329	13 027	13 739	29.0%	4.4%
Inventory: Clothing material and accessories	-	53	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	16	19	-	51	47.2%	-	2	2	2	-66.0%	-
Inventory: Materials and supplies	67	218	-	-	-100.0%	-	-	-	-	-	-
Inventory: Medical supplies	2	2	-	-	-100.0%	-	-	-	-	-	-
Consumable supplies	1 740	2 063	2 251	3 991	31.9%	0.9%	3 801	4 004	4 225	1.9%	1.5%
Consumables: Stationery, printing and office supplies	4 683	4 673	3 887	10 895	32.5%	2.2%	10 427	10 893	11 490	1.8%	4.2%
Operating leases	94 177	89 325	88 614	44 449	-22.1%	28.5%	37 408	39 522	41 695	-2.1%	15.7%
Rental and hiring	1 002	232	1 118	2 110	28.2%	0.4%	2 516	2 558	2 700	8.6%	1.0%
Property payments	5 860	6 259	6 562	8 042	11.1%	2.4%	8 347	9 886	10 431	9.1%	3.5%
Travel and subsistence	71 021	68 383	69 141	70 048	-0.5%	25.1%	72 015	74 131	78 228	3.8%	28.4%
Training and development	5 410	4 892	4 749	8 751	17.4%	2.1%	6 197	6 391	6 736	-8.4%	2.7%
Operating payments	12 883	23 740	9 654	11 032	-5.0%	5.2%	13 024	13 790	14 555	9.7%	5.0%
Venues and facilities	6 581	6 643	6 081	9 516	13.1%	2.6%	8 140	7 792	8 228	-4.7%	3.2%
<b>Total</b>	<b>278 976</b>	<b>299 781</b>	<b>278 921</b>	<b>253 430</b>	<b>-3.2%</b>	<b>100.0%</b>	<b>248 980</b>	<b>260 475</b>	<b>274 781</b>	<b>2.7%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 29.6** Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
R thousand											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>1 762</b>	<b>1 059</b>	<b>1 573</b>	<b>1 295</b>	<b>-9.8%</b>	<b>0.2%</b>	<b>1 368</b>	<b>1 443</b>	<b>1 522</b>	<b>5.5%</b>	<b>0.1%</b>
Employee social benefits	1 762	1 059	1 573	1 295	-9.8%	0.2%	1 368	1 443	1 522	5.5%	0.1%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>358 408</b>	<b>396 629</b>	<b>405 319</b>	<b>468 541</b>	<b>9.3%</b>	<b>46.3%</b>	<b>478 479</b>	<b>499 459</b>	<b>323 157</b>	<b>-11.6%</b>	<b>42.0%</b>
Mine Health and Safety Council	–	–	6 162	4 803	–	0.3%	4 386	351	4 874	0.5%	0.3%
Council for Geoscience	307 881	341 708	330 574	311 613	0.4%	36.7%	410 553	432 032	247 496	-7.4%	33.3%
Council for Geoscience: Economic competitiveness and support package	–	–	–	90 000	–	2.6%	–	–	–	-100.0%	2.1%
Council for Geoscience: Expanded public works programme	–	–	1 000	1 047	–	0.1%	–	–	–	-100.0%	–
Mining Qualifications Authority	–	1 716	1 718	1 973	–	0.2%	1 996	2 147	2 286	5.0%	0.2%
South African Diamond and Precious Metals Regulator	50 527	53 205	65 865	59 105	5.4%	6.5%	61 544	64 929	68 501	5.0%	6.0%
<b>Capital</b>	<b>35 033</b>	<b>36 890</b>	<b>35 414</b>	<b>3 323</b>	<b>-54.4%</b>	<b>3.1%</b>	<b>3 509</b>	<b>3 702</b>	<b>3 906</b>	<b>5.5%</b>	<b>0.3%</b>
Council for Geoscience	35 033	36 890	35 414	3 323	-54.4%	3.1%	3 509	3 702	3 906	5.5%	0.3%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>833</b>	<b>122</b>	<b>40</b>	<b>311</b>	<b>-28.0%</b>	<b>–</b>	<b>328</b>	<b>346</b>	<b>365</b>	<b>5.5%</b>	<b>–</b>
Employee ex-gratia payments	20	120	40	311	149.6%	–	328	346	365	5.5%	–
Other transfers to households	813	2	–	–	-100.0%	–	–	–	–	–	–
<b>Public corporations and private enterprises</b>											
<b>Subsidies on products and production</b>											
<b>Current</b>	<b>–</b>	<b>–</b>	<b>87 138</b>	<b>98 439</b>	<b>–</b>	<b>5.3%</b>	<b>133 652</b>	<b>141 373</b>	<b>149 148</b>	<b>14.9%</b>	<b>12.4%</b>
Petroleum Agency South Africa	–	–	87 138	98 439	–	5.3%	127 446	134 826	142 241	13.1%	11.9%
Various institutions: Water management solutions subsidies for marginal mines	–	–	–	–	–	–	6 206	6 547	6 907	–	0.5%
<b>Public corporations and private enterprises</b>											
<b>Subsidies on products and production</b>											
<b>Current</b>	<b>8 993</b>	<b>200</b>	<b>–</b>	<b>14 976</b>	<b>18.5%</b>	<b>0.7%</b>	<b>24 683</b>	<b>26 453</b>	<b>27 908</b>	<b>23.1%</b>	<b>2.2%</b>
Industrial Development Corporation	8 993	–	–	14 976	19.0%	0.7%	24 683	26 453	27 908	23.1%	2.2%
State Diamond Trader	100	200	–	–	-100.0%	–	–	–	–	–	–
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>362 145</b>	<b>315 152</b>	<b>310 705</b>	<b>389 213</b>	<b>2.4%</b>	<b>39.2%</b>	<b>372 840</b>	<b>393 743</b>	<b>415 082</b>	<b>2.2%</b>	<b>37.3%</b>
Mintek	362 145	315 152	310 705	319 213	-4.1%	37.2%	370 208	390 968	412 155	8.9%	35.5%
Mintek: Economic competitiveness and support package	–	–	–	70 000	–	2.0%	–	–	–	-100.0%	1.7%
Mintek: Expanded public works programme	–	–	–	–	–	–	2 632	2 775	2 927	–	0.2%
<b>Capital</b>	<b>52 597</b>	<b>41 264</b>	<b>56 551</b>	<b>31 155</b>	<b>-16.0%</b>	<b>5.2%</b>	<b>63 182</b>	<b>66 658</b>	<b>70 323</b>	<b>31.2%</b>	<b>5.5%</b>
Mintek	52 597	41 264	56 551	31 155	-16.0%	5.2%	63 182	66 658	70 323	31.2%	5.5%
<b>Total</b>	<b>819 771</b>	<b>791 316</b>	<b>896 740</b>	<b>1 007 253</b>	<b>7.1%</b>	<b>100.0%</b>	<b>1 078 041</b>	<b>1 133 177</b>	<b>991 411</b>	<b>-0.5%</b>	<b>100.0%</b>

## Personnel information

**Table 29.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes																			
1. Administration																			
2. Mine Health and Safety																			
3. Mineral Regulation																			
4. Mineral Policy and Promotion																			
Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment										Number							
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate				Average growth rate (%)	Average: Salary level/Total (%)						
		2017/18			2018/19			2019/20		2020/21				2021/22					
		Number	Unit Cost	Unit cost	Number	Unit Cost	Unit cost	Number	Unit Cost	Unit cost	Number	Unit Cost	Unit cost	Number	Unit Cost	Unit cost	2018/19 - 2021/22		
<b>Mineral Resources</b>	<b>1 167</b>	<b>4</b>	<b>1 118</b>	<b>588.4</b>	<b>0.5</b>	<b>1 100</b>	<b>617.6</b>	<b>0.6</b>	<b>1 103</b>	<b>665.2</b>	<b>0.6</b>	<b>1 103</b>	<b>715.6</b>	<b>0.6</b>	<b>1 096</b>	<b>762.1</b>	<b>0.7</b>	<b>-0.1%</b>	<b>100.0%</b>
Salary level	1 167	4	1 118	588.4	0.5	1 100	617.6	0.6	1 103	665.2	0.6	1 103	715.6	0.6	1 096	762.1	0.7	-0.1%	100.0%
1 – 6	264	–	262	51.2	0.2	253	50.9	0.2	254	54.9	0.2	254	59.5	0.2	254	64.2	0.3	0.1%	23.1%
7 – 10	550	1	526	257.8	0.5	520	264.6	0.5	521	286.5	0.5	522	309.7	0.6	519	330.7	0.6	-0.1%	47.3%
11 – 12	262	1	249	211.1	0.8	241	225.1	0.9	241	240.6	1.0	241	258.1	1.1	237	272.8	1.2	-0.6%	21.8%
13 – 16	89	2	78	65.1	0.8	84	74.5	0.9	85	80.5	0.9	84	85.4	1.0	84	91.4	1.1	–	7.7%
Other	2	–	3	3.2	1.1	2	2.5	1.2	2	2.6	1.3	2	2.8	1.4	2	3.0	1.5	–	0.2%
<b>Programme</b>	<b>1 167</b>	<b>4</b>	<b>1 118</b>	<b>588.4</b>	<b>0.5</b>	<b>1 100</b>	<b>617.6</b>	<b>0.6</b>	<b>1 103</b>	<b>665.2</b>	<b>0.6</b>	<b>1 103</b>	<b>715.6</b>	<b>0.6</b>	<b>1 096</b>	<b>762.1</b>	<b>0.7</b>	<b>-0.1%</b>	<b>100.0%</b>
Programme 1	365	4	358	170.0	0.5	360	186.9	0.5	360	199.8	0.6	359	213.9	0.6	357	227.7	0.6	-0.3%	32.6%
Programme 2	303	–	292	165.9	0.6	274	166.3	0.6	274	178.3	0.7	277	192.4	0.7	275	205.1	0.7	0.1%	25.0%
Programme 3	386	–	361	185.6	0.5	361	193.2	0.5	363	209.4	0.6	363	226.4	0.6	361	241.0	0.7	–	32.9%
Programme 4	113	–	107	66.8	0.6	105	71.2	0.7	106	77.6	0.7	104	82.9	0.8	103	88.3	0.9	-0.6%	9.5%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million

## Departmental receipts

**Table 29.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>29 763</b>	<b>38 072</b>	<b>38 912</b>	<b>43 027</b>	<b>39 682</b>	<b>10.1%</b>	<b>100.0%</b>	<b>41 072</b>	<b>42 486</b>	<b>43 940</b>	<b>3.5%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>6 486</b>	<b>10 148</b>	<b>11 642</b>	<b>12 002</b>	<b>11 477</b>	<b>21.0%</b>	<b>27.1%</b>	<b>12 313</b>	<b>12 320</b>	<b>12 326</b>	<b>2.4%</b>	<b>29.0%</b>
Sales by market establishments	478	473	453	495	435	-3.1%	1.3%	475	476	476	3.0%	1.1%
of which:												
Market establishment: Rental parking: Covered and open	478	473	453	495	435	-3.1%	1.3%	475	476	476	3.0%	1.1%
Administrative fees	5 428	9 073	10 518	10 776	10 338	24.0%	24.1%	11 133	11 138	11 144	2.5%	26.2%
of which:												
Application fees in relation to the Mineral and Petroleum Resources Development Act (2002)	1 084	1 791	1 502	2 458	1 015	-2.2%	3.7%	1 577	1 577	1 578	15.8%	3.4%
Requested information: Promotion of Access to Information Act (2000)	23	30	29	25	30	9.3%	0.1%	30	30	30	–	0.1%
Environmental authorisation application fees	4 321	7 252	8 987	8 293	9 293	29.1%	20.4%	9 526	9 531	9 536	0.9%	22.7%
Other sales	580	602	671	731	704	6.7%	1.7%	705	706	706	0.1%	1.7%
of which:												
Services rendered: Commission on insurance and garnishee	210	224	238	244	252	6.3%	0.6%	250	251	251	-0.1%	0.6%
Services rendered: Marking of exam paper	345	351	398	454	427	7.4%	1.0%	418	418	418	-0.7%	1.0%
Services rendered: Photocopies and faxes	24	26	34	33	24	–	0.1%	36	36	36	14.5%	0.1%
Replacement of lost office property	1	1	1	–	1	–	–	1	1	1	–	–
Sales of scrap, waste, arms and other used current goods	–	1	–	2	–	–	–	–	–	–	–	–
of which:												
Sales: Scrap	–	1	–	2	–	–	–	–	–	–	–	–

**Table 29.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
Fines, penalties and forfeits	847	990	1 293	1 874	1 949	32.0%	3.5%	1 362	1 400	1 402	-10.4%	3.7%
Interest, dividends and rent on land	22 268	23 881	23 576	27 038	24 145	2.7%	64.1%	24 876	26 244	27 688	4.7%	61.6%
Interest	28	265	189	82	82	43.1%	0.4%	199	210	222	39.4%	0.4%
Rent on land	22 240	23 616	23 387	26 956	24 063	2.7%	63.7%	24 677	26 034	27 466	4.5%	61.2%
Transactions in financial assets and liabilities	162	3 052	2 401	2 111	2 111	135.3%	5.3%	2 521	2 522	2 524	6.1%	5.8%
<b>Total</b>	<b>29 763</b>	<b>38 072</b>	<b>38 912</b>	<b>43 027</b>	<b>39 682</b>	<b>10.1%</b>	<b>100.0%</b>	<b>41 072</b>	<b>42 486</b>	<b>43 940</b>	<b>3.5%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 29.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	33.1	35.1	34.4	27.3	-6.2%	9.2%	30.7	31.3	33.3	6.9%	8.5%
Corporate Services	180.3	187.8	181.8	133.2	-9.6%	48.2%	137.3	147.5	156.6	5.6%	40.1%
Department Management	15.6	12.5	15.5	30.1	24.5%	5.2%	24.1	24.2	25.7	-5.1%	7.3%
Financial Administration	95.4	93.5	97.6	96.8	0.5%	27.0%	102.9	109.6	116.3	6.3%	29.7%
Internal Audit	12.4	10.6	10.1	12.9	1.5%	3.2%	13.8	14.3	15.2	5.5%	3.9%
Office Accommodation	22.3	21.5	22.9	34.8	16.0%	7.2%	36.7	38.8	40.9	5.5%	10.5%
<b>Total</b>	<b>359.1</b>	<b>361.1</b>	<b>362.5</b>	<b>335.0</b>	<b>-2.3%</b>	<b>100.0%</b>	<b>345.5</b>	<b>365.7</b>	<b>387.9</b>	<b>5.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				8.0			-	0.0	(0.1)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>348.4</b>	<b>349.6</b>	<b>349.8</b>	<b>320.0</b>	<b>-2.8%</b>	<b>96.5%</b>	<b>329.7</b>	<b>349.1</b>	<b>370.3</b>	<b>5.0%</b>	<b>95.5%</b>
Compensation of employees	161.0	162.3	170.0	186.9	5.1%	48.0%	199.8	213.9	227.7	6.8%	57.8%
Goods and services <sup>1</sup>	187.4	187.4	179.8	133.1	-10.8%	48.5%	129.9	135.2	142.7	2.3%	37.7%
<i>of which:</i>											
Audit costs: External	6.5	6.2	7.0	4.9	-8.7%	1.7%	5.1	5.4	5.7	5.1%	1.5%
Computer services	23.0	24.3	23.1	17.8	-8.2%	6.2%	19.7	20.7	21.8	7.0%	5.6%
Fleet services (including government motor transport)	7.2	6.4	6.2	2.7	-28.3%	1.6%	5.0	5.1	5.4	26.5%	1.3%
Operating leases	93.6	88.8	88.2	44.1	-22.2%	22.2%	37.2	39.3	41.5	-2.0%	11.3%
Property payments	5.6	6.3	6.6	7.2	9.0%	1.8%	8.3	9.9	10.4	13.2%	2.5%
Travel and subsistence	21.5	20.0	20.5	19.2	-3.8%	5.7%	20.2	19.4	20.4	2.2%	5.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1.8</b>	<b>2.9</b>	<b>3.3</b>	<b>3.6</b>	<b>26.2%</b>	<b>0.8%</b>	<b>3.7</b>	<b>3.9</b>	<b>4.2</b>	<b>5.3%</b>	<b>1.1%</b>
Departmental agencies and accounts	-	1.7	1.7	2.0	-	0.4%	2.0	2.1	2.3	5.0%	0.6%
Households	1.8	1.2	1.6	1.6	-3.4%	0.4%	1.7	1.8	1.9	5.5%	0.5%
<b>Payments for capital assets</b>	<b>8.8</b>	<b>8.4</b>	<b>9.3</b>	<b>11.4</b>	<b>8.9%</b>	<b>2.7%</b>	<b>12.0</b>	<b>12.7</b>	<b>13.4</b>	<b>5.6%</b>	<b>3.5%</b>
Buildings and other fixed structures	1.1	0.2	0.3	2.0	19.7%	0.2%	2.1	2.2	2.3	6.1%	0.6%
Machinery and equipment	7.6	8.3	8.3	9.5	7.7%	2.4%	10.0	10.5	11.1	5.5%	2.9%
Software and other intangible assets	0.1	-	0.8	-	-100.0%	0.1%	-	-	-	-	-
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>359.1</b>	<b>361.1</b>	<b>362.5</b>	<b>335.0</b>	<b>-2.3%</b>	<b>100.0%</b>	<b>345.5</b>	<b>365.7</b>	<b>387.9</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>21.9%</b>	<b>21.7%</b>	<b>20.4%</b>	<b>17.7%</b>	<b>-</b>	<b>-</b>	<b>17.2%</b>	<b>17.2%</b>	<b>19.0%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
Current	-	1.7	1.7	2.0	-	0.4%	2.0	2.1	2.3	5.0%	0.6%
Mining Qualifications Authority	-	1.7	1.7	2.0	-	0.4%	2.0	2.1	2.3	5.0%	0.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Mine Health and Safety

### Programme purpose

Ensure the safe mining of minerals under healthy working conditions.

### Objectives

- Promote health and safety in the mining sector over the medium term by:
  - reducing occupational fatalities and injuries by 20 per cent
  - reducing occupational diseases by 10 per cent
  - conducting ongoing investigations, and 8 396 occupational health and safety inspections and audits per year
  - implementing the occupational health and safety improvement strategy, and enforcing the guidelines issued by the chief inspector of mines.
- Contribute to skills development in the mining sector by implementing, monitoring and evaluating the certificate of competency model on a continual basis.
- Improve health care in the mining sector over the medium term by ensuring:
  - 80 per cent adherence to prescribed timeframes for resolving medical appeals
  - 100 per cent adherence to prescribed timeframes for appeals to the chief inspector of mines
  - 100 per cent adherence to prescribed timeframes for applications in terms of the Mineral and Petroleum Resources Development Act (2002).

### Subprogrammes

- *Governance Policy and Oversight* develops policy and legislation to guide enforcement work; provides technical support to regional offices; chairs tripartite structures, which include the department, mining companies and labour; and facilitates workshops on HIV and AIDS awareness in the sector.
- *Mine Health and Safety Regions* is responsible for conducting audits and inspections to enforce the Mine Health and Safety Act (1996). This subprogramme is also responsible for providing competency certification through examination services and professional advice.
- *Mine Health and Safety Council* transfers funds annually to the Mine Health and Safety Council, which is tasked with promoting a culture of health and safety in the mining sector.

### Expenditure trends and estimates

**Table 29.10 Mine Health and Safety expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
Governance Policy and Oversight	44.9	46.4	45.0	59.8	10.0%	25.5%	65.5	70.8	75.4	8.0%	30.0%
Mine Health and Safety Regions	126.6	143.1	152.5	140.5	3.5%	73.1%	148.7	159.5	169.6	6.5%	68.4%
Mine Health and Safety Council	–	–	6.2	4.8	–	1.4%	4.4	0.4	4.9	0.5%	1.6%
<b>Total</b>	<b>171.5</b>	<b>189.6</b>	<b>203.7</b>	<b>205.0</b>	<b>6.1%</b>	<b>100.0%</b>	<b>218.6</b>	<b>230.6</b>	<b>249.9</b>	<b>6.8%</b>	<b>100.0%</b>
Change to 2018				–			(0.7)	(5.0)	(0.6)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>168.6</b>	<b>188.4</b>	<b>196.1</b>	<b>199.5</b>	<b>5.8%</b>	<b>97.8%</b>	<b>213.4</b>	<b>229.4</b>	<b>244.1</b>	<b>7.0%</b>	<b>98.1%</b>
Compensation of employees	141.5	158.0	165.9	166.3	5.5%	82.1%	178.3	192.4	205.1	7.2%	82.1%
Goods and services <sup>1</sup>	27.1	30.3	30.2	33.2	7.0%	15.7%	35.1	37.0	39.0	5.5%	16.0%
of which:											
Communication	1.3	2.9	0.5	1.7	11.6%	0.8%	1.2	1.3	1.4	-7.1%	0.6%
Computer services	0.1	–	–	0.8	81.7%	0.1%	1.0	1.0	1.0	11.8%	0.4%
Consultants: Business and advisory services	0.5	1.4	0.5	2.0	56.3%	0.6%	2.2	2.3	2.4	6.7%	1.0%
Fleet services (including government motor transport)	0.2	0.3	0.3	0.8	62.3%	0.2%	3.2	3.4	3.6	63.7%	1.2%

**Table 29.10 Mine Health and Safety expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19					2018/19 - 2021/22	
Consumables: Stationery, printing and office supplies	0.8	0.9	0.7	2.7	49.8%	0.6%	2.3	2.5	2.6	-1.0%	1.1%
Travel and subsistence	21.3	22.7	25.8	20.3	-1.7%	11.7%	20.3	21.4	22.6	3.7%	9.4%
Transfers and subsidies <sup>1</sup>	0.1	–	6.2	4.8	319.6%	1.4%	4.4	0.4	4.9	0.5%	1.6%
Departmental agencies and accounts	–	–	6.2	4.8	–	1.4%	4.4	0.4	4.9	0.5%	1.6%
Households	0.1	–	–	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.7	0.3	1.4	0.7	1.3%	0.4%	0.8	0.8	0.9	5.5%	0.4%
Machinery and equipment	0.7	0.3	1.4	0.7	1.3%	0.4%	0.8	0.8	0.9	5.5%	0.4%
Payments for financial assets	2.1	0.9	–	–	-100.0%	0.4%	–	–	–	–	–
<b>Total</b>	<b>171.5</b>	<b>189.6</b>	<b>203.7</b>	<b>205.0</b>	<b>–</b>	<b>100.0%</b>	<b>218.6</b>	<b>230.6</b>	<b>249.9</b>	<b>–</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	10.5%	11.4%	11.5%	10.8%	–	–	10.9%	10.9%	12.2%	–	–
<b>Details of selected transfers and subsidies</b>											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	–	–	6.2	4.8	–	1.4%	4.4	0.4	4.9	–	1.6%
Mine Health and Safety Council	–	–	6.2	4.8	–	1.4%	4.4	0.4	4.9	0.5%	1.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Mineral Regulation

### Programme purpose

Regulate the minerals and mining sector to promote economic growth, employment, transformation and sustainable development.

### Objectives

- Improve the participation of historically disadvantaged South Africans in the mining sector by issuing mining rights and permits to 450 historically disadvantaged South Africans over the medium term.
- Contribute to the transformation of the mining sector by monitoring and enforcing compliance with procurement requirements that relate to historically disadvantaged South Africans, as prescribed by the mining charter, on an ongoing basis.
- Promote job creation through the development of SMMEs by supporting mining enterprises and local development projects through income-generating projects over the medium term.
- Promote sustainable resource use and the environmental management of mines over the medium term by supporting approved and evaluated work programmes, social and labour plans, and environmental management plans; and conducting 27 industry workshops.
- Monitor and enforce compliance with the statutory obligations of the Mineral and Petroleum Resources Development Act (2002) and the mining charter by conducting 636 mining charter inspections and 3 825 environmental management inspections over the medium term.

### Subprogrammes

- *Mineral Regulation and Administration* administers prospecting and mining rights and licensing; and monitors compliance with the Mineral and Petroleum Resources Development Act (2002), including the compliance of mines with requirements for environmental protection.
- *Management Mineral Regulation* provides overall management to the programme. The subprogramme focuses on the functioning of the mineral resources administration system, ensuring that rights and licences for mining, environmental authorisation and water use are granted within 300 days.

- *South African Diamond and Precious Metals Regulator* implements and enforces the provisions of the Precious Metals Act (2005).
- *Petroleum Agency South Africa* promotes the exploration and optimal development of onshore and offshore oil and gas resources. The agency regulates exploration and production activities, and acts as the custodian of the national petroleum exploration and production database.

## Expenditure trends and estimates

**Table 29.11 Mineral Regulation expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Mineral Regulation and Administration	179.6	189.8	202.2	206.7	4.8%	61.3%	223.5	242.0	257.5	7.6%	51.3%
Management Mineral Regulation	16.1	15.8	14.9	29.4	22.1%	6.0%	31.1	32.2	33.9	5.0%	7.0%
South African Diamond and Precious Metals Regulator	50.5	53.2	65.9	59.1	5.4%	18.0%	61.5	64.9	68.5	5.0%	14.0%
Petroleum Agency South Africa	–	–	87.1	98.4	–	14.6%	127.4	134.8	142.2	13.1%	27.7%
<b>Total</b>	<b>246.2</b>	<b>258.8</b>	<b>370.1</b>	<b>393.6</b>	<b>16.9%</b>	<b>100.0%</b>	<b>443.7</b>	<b>474.0</b>	<b>502.2</b>	<b>8.5%</b>	<b>100.0%</b>
Change to 2018				–			28.3	29.9	31.4		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>195.5</b>	<b>204.8</b>	<b>216.0</b>	<b>236.0</b>	<b>6.5%</b>	<b>67.2%</b>	<b>254.6</b>	<b>274.2</b>	<b>291.4</b>	<b>7.3%</b>	<b>58.2%</b>
Compensation of employees	162.7	173.2	185.6	193.2	5.9%	56.3%	209.4	226.4	241.0	7.7%	48.0%
Goods and services <sup>1</sup>	32.7	31.6	30.3	42.8	9.4%	10.8%	45.2	47.7	50.3	5.5%	10.3%
of which:											
Communication	5.4	3.8	3.5	2.9	-18.7%	1.2%	3.5	3.8	4.0	11.6%	0.8%
Computer services	0.3	0.5	0.8	6.8	181.9%	0.7%	7.2	7.5	7.9	5.0%	1.6%
Fleet services (including government motor transport)	2.7	3.4	3.8	2.5	-1.9%	1.0%	4.2	4.5	4.8	23.6%	0.9%
Consumables: Stationery, printing and office supplies	1.0	1.3	0.9	2.3	32.7%	0.4%	2.5	2.7	2.8	7.2%	0.6%
Travel and subsistence	16.2	13.8	14.3	19.6	6.5%	5.0%	19.5	20.7	21.8	3.8%	4.5%
Venues and facilities	0.1	0.9	0.3	1.6	170.3%	0.2%	2.9	2.5	2.6	19.1%	0.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>50.5</b>	<b>53.2</b>	<b>153.0</b>	<b>157.5</b>	<b>46.2%</b>	<b>32.6%</b>	<b>189.0</b>	<b>199.8</b>	<b>210.7</b>	<b>10.2%</b>	<b>41.7%</b>
Departmental agencies and accounts	50.5	53.2	65.9	59.1	5.4%	18.0%	61.5	64.9	68.5	5.0%	14.0%
Public corporations and private enterprises	–	–	87.1	98.4	–	14.6%	127.4	134.8	142.2	13.1%	27.7%
Households	(0.1)	0.0	–	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.3</b>	<b>0.6</b>	<b>1.1</b>	<b>0.0</b>	<b>-48.8%</b>	<b>0.2%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>4.7%</b>	<b>–</b>
Machinery and equipment	0.3	0.6	1.1	0.0	-48.8%	0.2%	0.0	0.0	0.0	4.7%	–
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.2</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>246.2</b>	<b>258.8</b>	<b>370.1</b>	<b>393.6</b>	<b>–</b>	<b>100.0%</b>	<b>443.7</b>	<b>474.0</b>	<b>502.2</b>	<b>–</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>15.0%</b>	<b>15.6%</b>	<b>20.8%</b>	<b>20.8%</b>	<b>–</b>	<b>–</b>	<b>22.1%</b>	<b>22.3%</b>	<b>24.6%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	50.5	53.2	65.9	59.1	–	18.0%	61.5	64.9	68.5	–	14.0%
South African Diamond and Precious Metals Regulator	50.5	53.2	65.9	59.1	5.4%	18.0%	61.5	64.9	68.5	5.0%	14.0%
Public corporations and private enterprises											
Private enterprises											
Private enterprises (subsidies on products and production)											
Current	–	–	87.1	98.4	–	14.6%	127.4	134.8	142.2	–	27.7%
Petroleum Agency South Africa	–	–	87.1	98.4	-100.0%	14.6%	127.4	134.8	142.2	–	27.7%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Mineral Policy and Promotion

### Programme purpose

Develop relevant mineral policies that promote South Africa's mining and minerals industries to attract investment.

### Objectives

- Promote investment in the mining, minerals and upstream petroleum sectors over the medium term by:
  - hosting 39 promotional and awareness activities or events for local and foreign investment
  - participating in local and international mining and petroleum conferences and events, engaging with stakeholders in various forums, and leading the implementation of key government priorities on behalf of the department
  - supporting 120 SMMEs, mainly small-scale mining projects
  - ensuring the full implementation of plans for developing the oceans economy (oil and gas exploration) through Operation Phakisa
  - ensuring the full implementation of the shale gas action plan through consultations, advocacy, research and promotional activities for shale gas exploration.
- Manage diplomatic imperatives and relations with foreign countries to benefit South Africa by establishing and implementing bilateral and multilateral partnerships for mining and upstream petroleum development on an ongoing basis.
- Promote the sustainable use and management of mineral resources over the medium term by:
  - participating in technical and strategic partnerships such as the intergovernmental forum on mining, minerals, metals and sustainable development; the Benguela Current Commission; and United Nations programmes
  - reviewing the department's environmental management plan
  - reviewing and amending 6 legislative instruments
  - rehabilitating and closing 129 derelict and ownerless mines.

### Subprogrammes

- *Management* provides overall management for the programme.
- *Mineral Policy* develops new policies, reviews existing policies, and amends legislation to promote investment and achieve transformation in the mining, minerals and upstream petroleum sectors. This entails conducting research, organising consultations with stakeholders, attending parliamentary hearings on related bills, and gazetting the bills once they are assented to. This subprogramme also represents the department in international and regional forums such as the Kimberley Process certification scheme, the African Diamond Producers Association, and the Pan African Mineral Development Company.
- *Mineral Promotion and International Coordination* promotes mineral development and advises on trends in the mining industry to attract additional investment. This subprogramme produces various publications, participates in mining conferences, and supports the implementation of national initiatives for mineral beneficiation.
- *Assistance to Mines* prevents the uncontrolled movement of water into and out of underground mine openings and holdings. This entails providing subsidies to marginal mines to pump extraneous water from underground mine openings; and researching, developing and implementing strategic solutions for mine water management, including managing the decanting of contaminated water.
- *Council for Geoscience* transfers funds annually to the Council for Geoscience.
- *Mintek* transfers funds annually to Mintek.
- *Economic Advisory Services* undertakes macroeconomic research to analyse economic trends and produce departmental reports that inform and advise the minister and departmental management; and participates



in activities to transform the mining and minerals industry and enhance competitiveness. This entails leading and convening meetings of the mining industry growth, development and employment task team stakeholder forum, which researches and analyses the economic impact of the regulatory and legislative framework of the mining and minerals sector through regulatory impact assessments.

- *Mine Environmental Management* provides strategic guidance on the environmental management and closure of mines. This entails managing the rehabilitation of derelict and ownerless mines; and conducting research on the impact of mining on water, air quality and the environment in general.

## Expenditure trends and estimates

**Table 29.12 Mineral Policy and Promotion expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Management	18.1	26.4	23.9	22.3	7.1%	2.6%	23.3	24.4	26.0	5.2%	2.5%
Mineral Policy	19.2	28.1	18.2	20.0	1.3%	2.4%	21.6	23.1	24.5	7.0%	2.3%
Mineral Promotion and International Coordination	53.1	48.8	43.9	63.8	6.3%	6.0%	76.7	82.1	87.0	10.9%	7.9%
Assistance to Mines	–	–	–	–	–	–	6.2	6.5	6.9	–	0.5%
Council for Geoscience	342.9	378.6	367.0	406.0	5.8%	42.6%	414.1	435.7	251.4	-14.8%	38.5%
Mintek	414.7	356.4	367.3	420.4	0.5%	44.4%	436.0	460.4	485.4	4.9%	46.1%
Economic Advisory Services	4.0	4.0	3.4	4.5	4.3%	0.5%	4.9	5.2	5.5	7.3%	0.5%
Mine Environmental Management	9.6	9.4	16.8	20.1	27.8%	1.6%	14.7	15.3	16.3	-6.8%	1.7%
<b>Total</b>	<b>861.7</b>	<b>851.7</b>	<b>840.5</b>	<b>957.0</b>	<b>3.6%</b>	<b>100.0%</b>	<b>997.5</b>	<b>1 052.7</b>	<b>902.9</b>	<b>-1.9%</b>	<b>100.0%</b>
Change to 2018				(8.0)			(38.4)	(41.6)	(43.8)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>92.7</b>	<b>115.8</b>	<b>105.4</b>	<b>115.5</b>	<b>7.6%</b>	<b>12.2%</b>	<b>116.4</b>	<b>123.4</b>	<b>131.1</b>	<b>4.3%</b>	<b>12.4%</b>
Compensation of employees	61.0	65.3	66.8	71.2	5.3%	7.5%	77.6	82.9	88.3	7.4%	8.2%
Goods and services <sup>1</sup>	31.7	50.5	38.6	44.3	11.8%	4.7%	38.8	40.5	42.7	-1.2%	4.3%
<i>of which:</i>											
Administrative fees	1.0	1.5	0.8	3.6	51.5%	0.2%	3.8	4.0	4.2	5.9%	0.4%
Advertising	0.4	2.5	5.1	0.6	14.2%	0.2%	2.8	2.9	3.0	74.6%	0.2%
Contractors	0.0	0.0	3.9	7.7	1141.5%	0.3%	2.5	2.6	2.7	-29.2%	0.4%
Rental and hiring	0.5	0.0	0.9	2.0	61.5%	0.1%	2.3	2.4	2.5	7.5%	0.2%
Travel and subsistence	12.0	11.9	8.5	11.1	-2.7%	1.2%	12.0	12.6	13.3	6.4%	1.3%
Operating payments	6.2	20.1	6.8	6.7	2.4%	1.1%	7.4	7.8	8.2	7.0%	0.8%
<b>Transfers and subsidies<sup>1</sup></b>	<b>767.4</b>	<b>735.2</b>	<b>734.2</b>	<b>841.3</b>	<b>3.1%</b>	<b>87.7%</b>	<b>881.0</b>	<b>929.1</b>	<b>771.6</b>	<b>-2.8%</b>	<b>87.5%</b>
Departmental agencies and accounts	342.9	378.6	367.0	406.0	5.8%	42.6%	414.1	435.7	251.4	-14.8%	38.5%
Public corporations and private enterprises	423.7	356.6	367.3	435.3	0.9%	45.1%	466.9	493.4	520.2	6.1%	49.0%
Households	0.7	–	–	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.8</b>	<b>0.7</b>	<b>0.8</b>	<b>0.2</b>	<b>-40.4%</b>	<b>0.1%</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>5.4%</b>	<b>–</b>
Machinery and equipment	0.8	0.7	0.8	0.2	-40.4%	0.1%	0.2	0.2	0.2	5.4%	–
<b>Payments for financial assets</b>	<b>0.8</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>861.7</b>	<b>851.7</b>	<b>840.5</b>	<b>957.0</b>	<b>–</b>	<b>100.0%</b>	<b>997.5</b>	<b>1 052.7</b>	<b>902.9</b>	<b>–</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>52.6%</b>	<b>51.3%</b>	<b>47.3%</b>	<b>50.6%</b>	<b>–</b>	<b>–</b>	<b>49.7%</b>	<b>49.6%</b>	<b>44.2%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>307.9</b>	<b>341.7</b>	<b>331.6</b>	<b>402.7</b>	<b>–</b>	<b>39.4%</b>	<b>410.6</b>	<b>432.0</b>	<b>247.5</b>	<b>–</b>	<b>38.2%</b>
Council for Geoscience	307.9	341.7	330.6	311.6	5.8%	36.8%	410.6	432.0	247.5	-14.8%	35.8%
Council for Geoscience: Economic competitiveness and support package	–	–	–	90.0	–	2.6%	–	–	–	–	2.3%
Council for Geoscience: Expanded public works programme	–	–	1.0	1.0	–	0.1%	–	–	–	–	–
<b>Capital</b>	<b>35.0</b>	<b>36.9</b>	<b>35.4</b>	<b>3.3</b>	<b>0.9%</b>	<b>3.2%</b>	<b>3.5</b>	<b>3.7</b>	<b>3.9</b>	<b>6.1%</b>	<b>0.4%</b>
Council for Geoscience	35.0	36.9	35.4	3.3	–	3.2%	3.5	3.7	3.9	–	0.4%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>362.1</b>	<b>315.2</b>	<b>310.7</b>	<b>389.2</b>	<b>–</b>	<b>39.2%</b>	<b>372.8</b>	<b>393.7</b>	<b>415.1</b>	<b>–</b>	<b>40.2%</b>
Mintek	362.1	315.2	310.7	319.2	–	37.2%	370.2	391.0	412.2	–	38.2%
Mintek: Economic competitiveness and support package	–	–	–	70.0	-100.0%	2.0%	–	–	–	–	1.8%
Mintek: Expanded public works programme	–	–	–	–	3.6%	–	2.6	2.8	2.9	-1.9%	0.2%

**Table 29.12 Mineral Policy and Promotion expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Capital</b>	<b>52.6</b>	<b>41.3</b>	<b>56.6</b>	<b>31.2</b>	<b>-1.3%</b>	<b>5.2%</b>	<b>63.2</b>	<b>66.7</b>	<b>70.3</b>	<b>-4.4%</b>	<b>5.9%</b>
Mintek	52.6	41.3	56.6	31.2	–	5.2%	63.2	66.7	70.3	–	5.9%
<b>Public corporations and private enterprises</b>											
<b>Private enterprises</b>											
<b>Private enterprises (subsidies on products and production)</b>											
<b>Current</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>6.2</b>	<b>6.5</b>	<b>6.9</b>	<b>–</b>	<b>0.5%</b>
Various institutions: Water management solutions subsidies for marginal mines	–	–	–	–	9.4%	–	6.2	6.5	6.9	-15.0%	0.5%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Public corporations (subsidies on products and production)</b>											
<b>Current</b>	<b>9.0</b>	<b>0.2</b>	<b>–</b>	<b>15.0</b>	<b>-54.4%</b>	<b>0.7%</b>	<b>24.7</b>	<b>26.5</b>	<b>27.9</b>	<b>5.5%</b>	<b>2.4%</b>
Industrial Development Corporation	8.9	–	–	15.0	-54.4%	0.7%	24.7	26.5	27.9	5.5%	2.4%
State Diamond Trader	0.1	0.2	–	–	–	–	–	–	–	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

Comprehensive coverage of the following entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Council for Geoscience** was established in terms of the Geoscience Act (1993). Its principal mandate is to develop and publish world-class geoscience knowledge products, and provide geoscience-related services to the South African public and industry. The council's total budget for 2019/20 is R444.6 million.
- **Mintek** develops appropriate and innovative technology for transfer to the minerals industry, and provides the industry with test work, consultancy, and analytical and mineralogical services. The council's total budget for 2019/20 is R571.7 million.
- The **Mine Health and Safety Council** was established in terms of the Mine Health and Safety Act (1996). It is mandated to advise the Minister of Mineral Resources on occupational health and safety at mines, develop legislation, conduct research, and liaise with other statutory bodies on matters relating to occupational health and safety at mines. The council's total budget for 2019/20 is R131.9 million.
- The **South African Diamond and Precious Metals Regulator** was established in terms of section 3 of the Diamonds Act (1986), as amended. It is mandated to regulate control over the possession, purchase, sale, processing and export of diamonds, and the regulation of precious metals. The regulator's total budget for 2019/20 is R118.7 million.
- The **State Diamond Trader** is mandated to buy and sell rough diamonds to promote equitable access to diamonds and the local beneficiation of diamond resources. It generates revenue by selling rough diamonds to clients, mainly diamond polishers and cutters. The trader's total budget for 2019/20 is R594.9 million.

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Departmental infrastructure</b>										
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Maintenance of building	Maintenance of buildings of various branches	On-going	–	1.1	0.2	0.3	2.0	2.1	2.2	2.3
<b>Total</b>			–	<b>1.1</b>	<b>0.2</b>	<b>0.3</b>	<b>2.0</b>	<b>2.1</b>	<b>2.2</b>	<b>2.3</b>



# Vote 30

## Science and Technology

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	380.3	362.5	15.1	2.7	342.9	359.9
Technology Innovation	1 224.3	78.8	1 145.5	–	1 293.2	1 355.0
International Cooperation and Resources	149.0	77.0	72.0	–	158.1	165.0
Research Development and Support	4 572.9	58.6	4 514.4	–	4 900.9	5 155.4
Socioeconomic Innovation Partnerships	1 824.4	58.3	1 766.1	–	1 928.2	1 867.9
<b>Total expenditure estimates</b>	<b>8 151.0</b>	<b>635.3</b>	<b>7 513.0</b>	<b>2.7</b>	<b>8 623.2</b>	<b>8 903.2</b>

Executive authority: Minister of Science and Technology  
 Accounting officer: Director-General of Science and Technology  
 Website address: [www.dst.gov.za](http://www.dst.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

Realise the full potential of science and technology in social and economic development by developing human resources, research and innovation.

### Mandate

The Department of Science and Technology derives its mandate from the 1996 White Paper on Science and Technology, which introduced the concept of the national system of innovation, a set of interacting organisations and policies through which the country creates, acquires, diffuses and puts into practice new knowledge to help achieve individual and collective goals. A coordinated and efficient national system of innovation will help South Africa achieve its national development priorities by promoting change through innovation, enabling all South Africans to enjoy the economic, sociopolitical and intellectual benefits of science, technology and innovation.

### Selected performance indicators

**Table 30.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of instruments funded in support of knowledge utilisation per year	Technology Innovation	Outcome 4: Decent employment through inclusive growth	6	25	19	21	21	19 <sup>1</sup>	19 <sup>1</sup>
Number of commercial outputs in designated areas per year <sup>2</sup>	Technology Innovation		3	8	4	3	8	3	3
Amount of funds invested by international partners in their own organisations and initiatives targeted at cooperation with South African partners in the areas of research, innovation and science, technology and innovation human capital development, as part of cooperation initiatives implemented by the department per year	International Cooperation and Resources		R2.2m	R1.3bn <sup>3</sup>	R1.2bn <sup>3</sup>	R280m	R300m	R320m	R320m

**Table 30.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of doctoral students awarded bursaries per year, as reflected in reports from the National Research Foundation and relevant entities	Research, Development and Support		3 404	3 454	3 621	3 100	3 100	3 100	3 100
Number of pipeline postgraduate students (BTech, honours and masters students) awarded bursaries per year, as reflected in reports from the National Research Foundation and relevant entities	Research, Development and Support	Outcome 5: A skilled and capable workforce to support an inclusive growth path	10 996	10 268	10 601	10 800	10 800	10 800	10 800
Number of researchers awarded research grants per year through programmes managed by the National Research Foundation, as reflected in the foundation's project reports	Research, Development and Support		4 315	4 520	4 707	4 500	4 500	4 500	4 500
Number of knowledge and innovation products (patents, prototypes, technology demonstrators or technology transfer packages) added to the intellectual property portfolio through fully funded or co-funded research initiatives per year	Socioeconomic Innovation Partnerships	Outcome 4: Decent employment through inclusive growth	38	36	38	26	50 <sup>4</sup>	50 <sup>4</sup>	50 <sup>4</sup>

1. Target decreases in line with available budget and an expected decrease in the number of personnel.
2. As commercialisation is difficult to predict, estimates are based on knowledge of projects under way.
3. Between 2016/17 and 2017/18, funding from international partners, particularly the European Union Horizon 2020 programme, was higher. Funding from these sources is expected to decrease over the MTEF period and targets have been revised accordingly.
4. Higher targets have been set against the backdrop of the department exceeding previous targets.

## Expenditure analysis

The National Development Plan acknowledges that science, technology and innovation are crucial to enabling broad-based socioeconomic development through a skilled and innovative population. This is expressed in terms of outcome 5 (a skilled and capable workforce to support an inclusive growth path) and outcome 6 (an efficient, competitive and responsive economic infrastructure network) of government's 2014-2019 medium-term strategic framework. The work of the Department of Science and Technology is closely aligned with these outcomes. Accordingly, over the medium term, the department will focus on: producing new knowledge; developing human capital; funding research, innovation and infrastructure; and generating and exploiting knowledge and innovation for inclusive economic development.

As part of government's broader objective to lower national expenditure and reprioritise funds appropriately, Cabinet has approved reductions to the department's baseline budget amounting to R322.8 million over the MTEF period. Nevertheless, the department's overall budget is expected to increase at an average annual rate of 3.8 per cent, from R8.2 billion in 2019/20 to R8.9 billion in 2021/22. Of the department's total budget over the medium term, 92.5 per cent (R23.8 billion) is expected to be transferred to the department's entities. Spending on compensation of employees is expected to increase at an average annual rate of 8.6 per cent, from R339.8 million in 2018/19 to R435 million in 2021/22, with the number of personnel expected to increase from 444 in 2018/19 to 446 in 2021/22.

### Producing new knowledge

The department is committed to strengthening research and innovation competencies and programmes that form the strategic foundation for scientific innovation. Accordingly, through funds allocated in the *Technology Innovation* programme, the department plans to invest an estimated 15.1 per cent (R3.9 billion) of its total budget over the medium term towards the production of new knowledge, and the development and commercialisation of technology.

The department's investment in the industrial, health and agricultural sectors, as well as in the development of indigenous knowledge applications, is reflected in an allocation of R616.3 million over the MTEF period in the *Bio-innovation* subprogramme in the *Technology Innovation* programme. This investment will particularly seek to find solutions to the disposal of industrial and municipal waste; facilitate the development of biopharmaceuticals, vaccines and biofuels; and improve crop production. An estimated R564.7 million over the medium term is allocated in the *Technology Innovation* programme for developing hydrogen fuel cell technology, renewable energy technology and energy storage applications.

To ensure that publicly funded intellectual property is protected and used to create products, processes and services that improve the quality of life in South Africa, the department plans to spend R170.4 million over the medium term in the *National Intellectual Property Management Office* subprogramme in the *Technology Innovation* programme. Activities in the subprogramme provide support to institutions to protect and maintain their intellectual property through the Intellectual Property Fund.

The national space strategy aims to promote the peaceful use of space; support the creation of an environment conducive to industrial development in space technology; foster research in space science, communications, navigation and space physics; and advance scientific, engineering and technological competencies in space-related activities. As such, in implementing the national space strategy towards ensuring that South Africa captures a reasonable share of the global space market, which involves economic activities related to manufacturing components that enter the earth's orbit or go beyond, R597.9 million over the MTEF period is allocated in the *Space Science* subprogramme in the *Technology Innovation* programme.

### ***Developing human capital***

Highly skilled human capital is essential to developing a national system of innovation that is globally competitive and responsive to South Africa's developmental needs. Accordingly, the department has allocated R8.2 billion over the medium term in the *Human Capital and Science Promotions* subprogramme in the *Research, Development and Support* programme for postgraduate bursaries and scholarships, internships, and support for emerging and established researchers; and towards strategic instruments such as the South African research chairs initiative and centres of excellence programmes.

Over the medium term, the department aims to award 9 300 bursaries to PhD students, 32 400 bursaries to postgraduate students and place 1 750 graduates in department-funded work preparation programmes in science, engineering and technology institutions. To date, the department has established 216 research chairs and 15 centres of excellence across South Africa. Research chairs are designed to attract and retain excellence in research and innovation at South African public universities by expanding scientific research and innovation capacity; and centres of excellence bring together a range of universities and science councils in partnerships to tackle challenges in areas such as health, food security, human development, energy and biodiversity.

### ***Funding research, innovation and infrastructure***

The availability of adequate infrastructure is vital for the national system of innovation to be globally competitive. This infrastructure includes research equipment, pilot plants (small production plants that test processes before they are commercialised), technology demonstrators (proof concepts to showcase possible applications, feasibility, performance and methods of ideas for new technologies), and facilities for specialised sectors such as aerospace. To provide infrastructure for research and development across the national system of innovation, the department has earmarked R2.2 billion over the MTEF period in the *Research, Development and Support* programme.

An estimated R798 million will enable the implementation of the national integrated cyber-infrastructure system by the Council for Scientific and Industrial Research. The system supports the successful and sustainable implementation of national projects such as MeerKAT and the Square Kilometre Array, as well as large research infrastructure dependent on the presence of a robust cyber-infrastructure system. Funding for the system constitutes 40 per cent of the total allocation to the Council for Scientific and Industrial Research over the medium term. In addition, funds allocated to the *Basic Science and Infrastructure* subprogramme in the *Research Development and Support* programme will continue to enable students and researchers to access international

infrastructure such as the Large Hadron Collider in Switzerland, the Joint Institute for Nuclear Research in Russia, and the European Synchrotron Radiation Facility in France.

To support scientific research in strategic research areas defined by South Africa's geographic advantage, such as palaeosciences, astronomy, climate change, marine and polar research, and indigenous knowledge, R748.8 million over the MTEF period is allocated in the *Science Missions* subprogramme in the *Research, Development and Support* programme. Of this amount, R258.4 million over the medium term is earmarked to promote science through engagements such as exhibitions and festivals. This is expected to be done through the South African Agency for Science and Technology Advancement with the aim of advancing the South African public's awareness of, appreciation for and engagement with science, engineering and technology.

### **Generating and exploiting knowledge and innovation for inclusive economic development**

The work carried out in the *Socioeconomic Innovation Partnerships* programme is targeted at generating and exploiting knowledge and innovation that aligns with government's priorities for inclusive economic development. Over the medium term, R123.6 million is expected to be invested in a range of ICT initiatives such as artificial intelligence, nanotechnology, quantum computing and biotechnology, many of which are essential for South Africa to exploit the opportunities associated with the fourth industrial revolution.

Over the medium term, an estimated R3.3 billion in the *Sector Innovation and Green Economy* subprogramme in the *Socioeconomic Innovation Partnerships* programme will be used to advance a set of technology-based interventions. These interventions include the sector innovation funds, a partnership between industry and government formed to enhance South Africa's economic competitiveness with the aim of improving economic competitiveness and addressing local needs, with an emphasis on increased market share for exports. The overarching objective of the initiative is to create an environment where government can effectively partner with industry to co-fund research, development and innovation. In addition, to fund activities related to advancing the development of a joint industry-government mining research and development hub, R150 million in 2019/20 is allocated in the *Socioeconomic Innovation Partnerships* programme.

## **Expenditure trends**

**Table 30.2 Vote expenditure trends by programme and economic classification**

<b>Programmes</b>																																	
1. Administration																																	
2. Technology Innovation																																	
3. International Cooperation and Resources																																	
4. Research, Development and Support																																	
5. Socioeconomic Innovation Partnerships																																	
<b>Programme</b>																																	
	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Average: Outcome/Annual budget (%)			Average: Outcome/Adjusted appropriation (%)		
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19			2015/16 - 2018/19																	
Programme 1	299.8	300.5	279.1	304.0	345.1	311.8	383.7	376.0	321.0	383.8	379.5	379.5	94.2%	92.2%																			
Programme 2	1 008.8	1 008.5	1 067.4	1 007.1	1 005.4	1 019.8	1 073.6	1 075.1	1 118.0	1 131.7	1 131.7	1 131.7	102.7%	102.8%																			
Programme 3	122.0	121.4	124.4	124.5	124.5	125.8	128.7	132.4	135.2	136.4	137.9	137.9	102.3%	101.4%																			
Programme 4	4 247.1	4 238.8	4 223.5	4 200.6	4 171.0	4 157.5	4 348.9	4 350.1	4 299.3	4 360.3	4 531.0	4 531.0	100.3%	99.5%																			
Programme 5	1 804.5	1 796.9	1 743.1	1 792.9	1 783.0	1 768.6	1 622.3	1 623.6	1 616.1	1 778.3	1 778.3	1 778.3	98.7%	98.9%																			
<b>Total</b>	<b>7 482.1</b>	<b>7 466.1</b>	<b>7 437.5</b>	<b>7 429.0</b>	<b>7 429.0</b>	<b>7 383.6</b>	<b>7 557.2</b>	<b>7 557.2</b>	<b>7 489.5</b>	<b>7 790.5</b>	<b>7 958.4</b>	<b>7 958.4</b>	<b>100.0%</b>	<b>99.5%</b>																			
Change to 2018 Budget estimate													167.9																				
<b>Economic classification</b>																																	
<b>Current payments</b>	<b>496.4</b>	<b>495.0</b>	<b>464.8</b>	<b>509.7</b>	<b>532.3</b>	<b>507.9</b>	<b>575.8</b>	<b>570.7</b>	<b>514.2</b>	<b>603.3</b>	<b>602.7</b>	<b>602.7</b>	<b>95.6%</b>	<b>94.9%</b>																			
Compensation of employees	291.3	295.3	301.1	309.2	313.8	319.0	315.5	326.8	323.8	339.8	339.8	339.8	102.2%	100.6%																			
Goods and services	205.1	199.7	163.7	200.5	218.5	188.9	260.2	243.9	190.3	263.5	262.9	262.9	86.7%	87.1%																			



**Table 30.2 Vote expenditure trends by programme and economic classification**

Economic classification	2015/16			2016/17			2017/18			2018/19			Average: Outcome/Annual budget (%)		Average: Outcome/Adjusted appropriation (%)	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	2015/16	2018/19	2015/16	2018/19
R million																
<b>Transfers and subsidies</b>	<b>6 983.4</b>	<b>6 968.8</b>	<b>6 956.1</b>	<b>6 917.0</b>	<b>6 872.2</b>	<b>6 860.1</b>	<b>6 960.5</b>	<b>6 964.5</b>	<b>6 954.5</b>	<b>7 175.0</b>	<b>7 343.5</b>	<b>7 343.5</b>	<b>100.3%</b>	<b>99.9%</b>		
Departmental agencies and accounts	5 466.0	5 457.1	4 758.4	5 344.7	5 311.4	4 695.1	5 204.3	5 204.3	4 768.2	5 312.3	5 496.5	5 496.5	93.3%	92.7%		
Higher education institutions	114.6	114.6	225.7	-	-	204.3	-	-	-	-	-	-	375.3%	375.3%		
Public corporations and private enterprises	1 253.3	1 249.8	1 833.1	1 307.4	1 299.4	1 793.8	1 447.1	1 447.1	1 722.5	1 519.9	1 504.8	1 504.8	124.0%	124.6%		
Non-profit institutions	149.6	147.3	138.3	264.9	261.4	165.6	309.1	313.1	462.5	342.8	341.6	341.6	103.9%	104.2%		
Households	-	-	0.6	-	-	1.3	-	-	1.2	-	0.7	0.7	-	584.8%		
<b>Payments for capital assets</b>	<b>2.3</b>	<b>2.3</b>	<b>16.5</b>	<b>2.3</b>	<b>24.5</b>	<b>15.5</b>	<b>21.0</b>	<b>22.0</b>	<b>20.6</b>	<b>12.2</b>	<b>12.2</b>	<b>12.2</b>	<b>171.4%</b>	<b>106.2%</b>		
Machinery and equipment	2.3	2.3	16.5	2.3	24.5	15.5	21.0	22.0	20.6	12.2	12.2	12.2	171.4%	106.2%		
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>0.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Total</b>	<b>7 482.1</b>	<b>7 466.1</b>	<b>7 437.5</b>	<b>7 429.0</b>	<b>7 429.0</b>	<b>7 383.6</b>	<b>7 557.2</b>	<b>7 557.2</b>	<b>7 489.5</b>	<b>7 790.5</b>	<b>7 958.4</b>	<b>7 958.4</b>	<b>100.0%</b>	<b>99.5%</b>		

## Expenditure estimates

**Table 30.3 Vote expenditure estimates by programme and economic classification**

Programmes										
1. Administration										
2. Technology Innovation										
3. International Cooperation and Resources										
4. Research, Development and Support										
5. Socioeconomic Innovation Partnerships										
Programme	Revised estimate	Average growth rate (%)		Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)		Average: Expenditure/ Total (%)
		2018/19	2015/16		2018/19	2019/20	2020/21	2021/22	2018/19	
R million										
Programme 1	379.5	8.1%	4.3%	380.3	342.9	359.9	-1.8%	4.3%		
Programme 2	1 131.7	3.9%	14.3%	1 224.3	1 293.2	1 355.0	6.2%	14.9%		
Programme 3	137.9	4.4%	1.7%	149.0	158.1	165.0	6.2%	1.8%		
Programme 4	4 531.0	2.2%	56.9%	4 572.9	4 900.9	5 155.4	4.4%	57.0%		
Programme 5	1 778.3	-0.3%	22.8%	1 824.4	1 928.2	1 867.9	1.7%	22.0%		
<b>Total</b>	<b>7 958.4</b>	<b>2.2%</b>	<b>100.0%</b>	<b>8 151.0</b>	<b>8 623.2</b>	<b>8 903.2</b>	<b>3.8%</b>	<b>100.0%</b>		
Change to 2018 Budget estimate				(97.4)	(85.9)	(81.4)				
Economic classification										
<b>Current payments</b>	<b>602.7</b>	<b>6.8%</b>	<b>6.9%</b>	<b>635.3</b>	<b>616.1</b>	<b>649.3</b>	<b>2.5%</b>	<b>7.4%</b>		
Compensation of employees	339.8	4.8%	4.2%	380.5	408.4	435.0	8.6%	4.6%		
Goods and services	262.9	9.6%	2.7%	254.8	207.6	214.3	-6.6%	2.8%		
<b>Transfers and subsidies</b>	<b>7 343.5</b>	<b>1.8%</b>	<b>92.9%</b>	<b>7 513.0</b>	<b>8 004.3</b>	<b>8 251.0</b>	<b>4.0%</b>	<b>92.5%</b>		
Departmental agencies and accounts	5 496.5	0.2%	65.1%	5 583.1	5 968.4	6 126.8	3.7%	68.9%		
Public corporations and private enterprises	1 504.8	6.4%	22.6%	1 563.9	1 649.9	1 718.0	4.5%	19.1%		
Non-profit institutions	341.6	32.4%	3.7%	366.0	386.1	406.3	5.9%	4.5%		
Households	0.7	-	0.0%	-	-	-	-100.0%	0.0%		
<b>Payments for capital assets</b>	<b>12.2</b>	<b>74.1%</b>	<b>0.2%</b>	<b>2.7</b>	<b>2.8</b>	<b>2.9</b>	<b>-38.0%</b>	<b>0.1%</b>		
Machinery and equipment	12.2	74.1%	0.2%	2.7	2.8	2.9	-38.0%	0.1%		
<b>Total</b>	<b>7 958.4</b>	<b>2.2%</b>	<b>100.0%</b>	<b>8 151.0</b>	<b>8 623.2</b>	<b>8 903.2</b>	<b>3.8%</b>	<b>100.0%</b>		

## Expenditure trends and estimates for significant spending items

**Table 30.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
National Research Foundation	2 951 503	2 942 413	2 973 010	3 072 429	1.3%	39.4%	3 198 790	3 450 360	3 611 471	5.5%	39.6%
Human Sciences Research Council	294 151	290 149	311 609	313 717	2.2%	4.0%	326 259	344 295	360 584	4.8%	4.0%
Council for Scientific and Industrial Research	1 033 683	1 086 589	1 356 964	1 262 503	6.9%	15.7%	1 277 509	1 347 729	1 401 397	3.5%	15.7%
Technology Innovation Agency	385 188	382 364	396 732	420 322	3.0%	5.2%	440 929	465 161	481 018	4.6%	5.4%
<b>Total</b>	<b>4 664 525</b>	<b>4 701 515</b>	<b>5 038 315</b>	<b>5 068 971</b>	<b>2.8%</b>	<b>64.3%</b>	<b>5 243 487</b>	<b>5 607 545</b>	<b>5 854 470</b>	<b>4.9%</b>	<b>64.7%</b>

## Goods and services expenditure trends and estimates

**Table 30.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administrative fees	2 149	1 246	1 529	1 541	-10.5%	0.8%	1 782	1 880	2 045	9.9%	0.8%
Advertising	8 942	12 657	11 853	9 795	3.1%	5.4%	11 213	13 330	13 751	12.0%	5.1%
Minor assets	537	249	623	644	6.2%	0.3%	695	732	755	5.4%	0.3%
Audit costs: External	5 061	4 249	3 702	20 380	59.1%	4.1%	4 488	2 900	2 992	-47.2%	3.3%
Bursaries: Employees	1 067	1 485	2 620	3 540	49.1%	1.1%	2 927	3 088	3 186	-3.5%	1.4%
Catering: Departmental activities	3 501	3 496	2 072	3 181	-3.1%	1.5%	3 405	3 588	3 701	5.2%	1.5%
Communication	7 624	8 427	13 152	13 509	21.0%	5.3%	10 675	10 299	10 619	-7.7%	4.8%
Computer services	6 418	6 056	8 571	9 067	12.2%	3.7%	6 082	5 777	5 963	-13.0%	2.9%
Consultants: Business and advisory services	12 762	20 870	7 385	26 491	27.6%	8.4%	21 429	22 192	22 894	-4.7%	9.9%
Legal services	–	167	997	1 054	–	0.3%	1 113	1 174	1 211	4.7%	0.5%
Science and technological services	580	866	–	–	-100.0%	0.2%	–	–	–	–	–
Contractors	3 547	3 523	9 508	10 544	43.8%	3.4%	4 860	4 386	4 516	-24.6%	2.6%
Agency and support/outsourced services	8 616	13 718	11 437	17 639	27.0%	6.4%	16 132	16 061	16 647	-1.9%	7.1%
Entertainment	1 051	677	1 824	5 594	74.6%	1.1%	5 179	5 463	5 637	0.3%	2.3%
Fleet services (including government motor transport)	764	882	2	–	-100.0%	0.2%	–	–	–	–	–
Inventory: Clothing material and accessories	48	–	–	–	-100.0%	–	–	–	–	–	–
Inventory: Fuel, oil and gas	72	–	136	144	26.0%	–	152	160	165	4.6%	0.1%
Inventory: Materials and supplies	103	–	–	–	-100.0%	–	–	–	–	–	–
Inventory: Medical supplies	1	–	–	–	-100.0%	–	–	–	–	–	–
Inventory: Other supplies	1	–	1 270	1 343	1003.3%	0.3%	1 417	1 494	1 543	4.7%	0.6%
Consumable supplies	995	1 160	–	–	-100.0%	0.3%	3	3	3	–	–
Consumables: Stationery, printing and office supplies	2 659	4 967	3 795	9 070	50.5%	2.5%	5 863	6 185	6 380	-11.1%	2.9%
Operating leases	2 906	4 117	9 452	7 762	38.7%	3.0%	4 397	4 639	4 785	-14.9%	2.3%
Rental and hiring	542	1 280	–	–	-100.0%	0.2%	–	–	–	–	–
Property payments	–	10 455	16 837	23 886	–	6.4%	71 479	14 220	14 673	-15.0%	13.2%
Transport provided: Departmental activity	18 005	–	–	–	-100.0%	2.2%	–	–	–	–	–
Travel and subsistence	49 394	67 191	50 241	58 826	6.0%	28.0%	53 917	58 167	59 954	0.6%	24.6%
Training and development	8 890	4 944	7 968	8 101	-3.1%	3.7%	6 221	6 563	6 770	-5.8%	2.9%
Operating payments	10 607	10 521	10 693	8 136	-8.5%	5.0%	8 651	9 123	9 405	5.0%	3.8%
Venues and facilities	6 897	5 673	14 680	22 639	48.6%	6.2%	12 725	16 207	16 696	-9.7%	7.3%
<b>Total</b>	<b>163 739</b>	<b>188 876</b>	<b>190 347</b>	<b>262 886</b>	<b>17.1%</b>	<b>100.0%</b>	<b>254 805</b>	<b>207 631</b>	<b>214 291</b>	<b>-6.6%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 30.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>378</b>	<b>1 048</b>	<b>565</b>	<b>650</b>	<b>19.8%</b>	–	–	–	–	<b>-100.0%</b>	–
Households	378	1 048	565	650	19.8%	–	–	–	–	-100.0%	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>3 666 930</b>	<b>3 662 604</b>	<b>3 719 686</b>	<b>3 978 697</b>	<b>2.8%</b>	<b>53.5%</b>	<b>4 215 155</b>	<b>4 437 720</b>	<b>4 517 088</b>	<b>4.3%</b>	<b>55.1%</b>
Various institutions: Biofuels	6 000	–	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Technology transfer offices: Support of research units	4 411	687	6 901	–	-100.0%	–	–	–	–	–	–
Various institutions: Implementation of bioeconomy strategy	9 500	9 500	–	–	-100.0%	0.1%	–	–	–	–	–
Various institutions: Energy grand challenge research	26 373	22 316	17 501	37 049	12.0%	0.4%	40 946	43 198	45 411	7.0%	0.5%
Various institutions: Health innovation research	37 568	37 500	–	–	-100.0%	0.3%	–	–	–	–	–
Various institutions: HIV and AIDS prevention and treatment technologies research	24 535	23 800	55 007	24 588	0.1%	0.5%	27 866	29 399	31 684	8.8%	0.4%
Various institutions: Hydrogen strategy research	16 984	4 007	–	–	-100.0%	0.1%	–	–	–	–	–
Various institutions: Innovation projects research	12 000	10 000	25 750	38 529	47.5%	0.3%	35 318	37 260	39 285	0.6%	0.5%
International Centre for Genetic Engineering and Biotechnology	–	–	12 795	13 537	–	0.1%	14 295	15 081	16 914	7.7%	0.2%
Various institutions: Space science research: Economic competitiveness and support package	71 978	–	44 860	9 200	-49.6%	0.4%	30 000	31 650	34 006	54.6%	0.3%
National Research Foundation: Indigenous knowledge systems	1 840	–	–	–	-100.0%	–	–	–	–	–	–
Technology Innovation Agency	385 188	382 364	396 732	420 322	3.0%	5.6%	440 929	465 161	481 018	4.6%	5.8%
South African National Space Agency	124 355	154 630	131 226	138 036	3.5%	2.0%	143 464	151 338	157 427	4.5%	1.9%
Various institutions: Emerging research areas	11 802	11 498	–	–	-100.0%	0.1%	–	–	–	–	–
National Research Foundation: Research and development in indigenous knowledge systems	–	–	4 604	6 071	–	–	5 144	5 427	6 992	4.8%	0.1%
National Research Foundation: Bilateral cooperation for global science development	13 530	13 598	13 979	14 948	3.4%	0.2%	15 952	16 829	17 664	5.7%	0.2%
Various institutions: Global science: International multilateral agreements	22 353	28 088	27 857	–	-100.0%	0.3%	–	–	–	–	–
Various institutions: Global science: African multilateral agreements	958	2 900	3 300	–	-100.0%	–	–	–	–	–	–
Academy of Science of South Africa	–	–	25 261	25 668	–	0.2%	26 983	28 467	36 647	12.6%	0.4%
Various institutions: Astronomy research and development	25 155	14 069	29 348	31 050	7.3%	0.4%	32 789	34 592	42 585	11.1%	0.5%
Various institutions: Policy development on human and social development dynamics	10 283	10 283	26 012	27 409	38.7%	0.3%	28 896	30 485	38 731	12.2%	0.4%
National Research Foundation: Human resources development for science and engineering	878 609	841 728	794 601	889 172	0.4%	12.1%	950 582	1 000 577	1 041 455	5.4%	12.5%
National Research Foundation: Human resources development for science and engineering: Economic competitiveness and support package	–	38 388	39 056	13 800	–	0.3%	22 000	23 210	19 505	12.2%	0.3%
National Research Foundation	878 399	882 805	925 964	904 752	1.0%	12.8%	943 385	985 813	1 033 741	4.5%	12.4%
Various institutions: Science awareness, research and initiatives to encourage youth participation in science	57 766	66 221	73 018	77 253	10.2%	1.0%	81 579	86 066	96 069	7.5%	1.1%
National Research Foundation: Square Kilometre Array: Research and development	2 000	–	–	–	-100.0%	–	–	–	–	–	–
National Research Foundation: South African research chairs initiative	470 446	482 243	500 875	530 274	4.1%	7.1%	566 305	597 452	623 614	5.6%	7.4%

Table 30.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
Various institutions: Strategic science platforms for research and development	149 943	181 819	180 626	208 325	11.6%	2.6%	220 176	232 286	246 530	5.8%	2.9%
Various institutions: Economic competitiveness and support package: Local manufacturing capacity research and technical support	–	–	–	80 000	–	0.3%	80 000	84 400	–	-100.0%	0.8%
Various institutions: Economic competitiveness and support package: Local systems of innovation for the cold chain technologies project	–	–	–	62 000	–	0.2%	62 000	65 410	–	-100.0%	0.6%
Various institutions: Innovative research and development	13 786	6 866	35 049	39 890	42.5%	0.3%	41 955	46 683	50 656	8.3%	0.6%
Human Sciences Research Council	288 706	290 149	304 656	303 733	1.7%	4.2%	313 855	331 209	344 145	4.3%	4.2%
Various institutions: Local manufacturing capacity research and technical support	42 000	70 739	3 311	25 864	-14.9%	0.5%	28 689	30 267	34 162	9.7%	0.4%
Various institutions: Local systems of innovation for the cold chain technologies project	60 000	64 000	30 689	10 632	-43.8%	0.6%	11 793	12 442	15 774	14.1%	0.2%
Various institutions: Resource-based industries research and development	1 304	1 000	–	–	-100.0%	–	–	–	–	–	–
National Research Foundation: Research information management system	12 240	7 201	–	4 000	-31.1%	0.1%	8 448	8 913	11 693	43.0%	0.1%
Human Science Research Council: Develop and monitor science and technology indicators	5 445	–	6 953	9 984	22.4%	0.1%	12 404	13 086	16 439	18.1%	0.2%
Various institutions: Environmental innovation	1 473	4 205	3 755	32 611	180.8%	0.1%	29 402	31 019	34 941	2.3%	0.4%
<b>Capital</b>	<b>1 136 449</b>	<b>1 079 949</b>	<b>1 137 597</b>	<b>1 531 597</b>	<b>10.5%</b>	<b>17.4%</b>	<b>1 389 989</b>	<b>1 553 856</b>	<b>1 629 245</b>	<b>2.1%</b>	<b>19.6%</b>
Various institutions: Infrastructure projects for research and development	449 034	413 312	443 666	822 185	22.3%	7.6%	703 015	741 717	772 438	-2.1%	9.8%
National Research Foundation: Square Kilometre Array: Research	687 415	666 637	693 931	709 412	1.1%	9.8%	686 974	812 139	856 807	6.5%	9.9%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>125</b>	<b>230</b>	<b>280</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Households	–	–	280	–	–	–	–	–	–	–	–
Various institutions: Policy development on human and social development dynamics	125	200	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Strategic science platforms for research and development	–	30	–	–	–	–	–	–	–	–	–
<b>Public corporations and private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>42 227</b>	<b>–</b>	<b>15 812</b>	<b>–</b>	<b>-100.0%</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Various institutions: Technology transfer offices: Support for research units	–	–	1 417	–	–	–	–	–	–	–	–
South African Medical Research Council	–	–	1 000	–	–	–	–	–	–	–	–
Various institutions: Innovation projects research	–	–	50	–	–	–	–	–	–	–	–
Various institutions: Advanced manufacturing technology strategy implementation	42 227	–	13 345	–	-100.0%	0.2%	–	–	–	–	–
<b>Non-profit institutions</b>											
<b>Current</b>	<b>132 679</b>	<b>148 234</b>	<b>261 219</b>	<b>270 669</b>	<b>26.8%</b>	<b>2.9%</b>	<b>291 028</b>	<b>307 034</b>	<b>323 330</b>	<b>6.1%</b>	<b>3.8%</b>
Various institutions: Institutional and programme support research	14 760	17 021	16 642	14 286	-1.1%	0.2%	15 086	15 916	16 233	4.4%	0.2%
Various institutions: Biofuels research	–	1 799	5 348	7 245	–	0.1%	7 651	8 072	9 683	10.2%	0.1%
Various institutions: Implementation of the biotechnology strategy	8 089	11 556	36 112	37 742	67.1%	0.3%	41 651	43 942	46 179	7.0%	0.5%
Various institutions: Energy grand challenge research	–	700	–	–	–	–	–	–	–	–	–
Various institutions: Health innovation research	–	300	6 029	75 747	–	0.3%	51 160	53 974	57 036	-9.0%	0.8%
Various institutions: Hydrogen strategy (research)	–	–	46 274	40 206	–	0.3%	42 458	44 793	45 312	4.1%	0.6%
Various institutions: Innovation projects research	2 955	1 000	–	–	-100.0%	–	–	–	–	–	–
International Centre for Genetic Engineering and Biotechnology	11 621	22 186	–	–	-100.0%	0.1%	–	–	–	–	–
Various institutions: Space science research	–	–	3 595	–	–	–	–	–	–	–	–

Table 30.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Various institutions: Technology transfer offices: Support for research units	–	1 833	55 125	39 000	–	0.3%	41 184	43 449	45 720	5.4%	0.5%
National Research Foundation: Indigenous knowledge systems	500	–	–	–	-100.0%	–	–	–	–	–	–
Southern African Association of Science and Technology Centres: Technology top 100 awards	3 507	–	24 583	3 916	3.7%	0.1%	4 135	4 362	5 856	14.4%	0.1%
South African National AIDS Council	–	–	15 000	–	–	0.1%	31 680	33 422	35 834	–	0.3%
Various institutions: Emerging research areas	6 000	6 000	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Global science: International multilateral agreements	147	424	13 629	43 139	564.5%	0.2%	46 009	48 539	50 326	5.3%	0.6%
Various institutions: Global science: African multilateral agreements	723	2 950	649	9 388	135.0%	–	10 014	10 565	11 151	5.9%	0.1%
Academy of Science of South Africa	23 229	25 106	12 480	–	-100.0%	0.2%	–	–	–	–	–
Various institutions: Science awareness	3 310	3 060	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Strategic science platforms for research and development	1 500	3 311	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Advanced manufacturing technology strategy implementation	100	100	8 080	–	-100.0%	–	–	–	–	–	–
Various institutions: Innovative research and development	8 105	8 920	–	–	-100.0%	0.1%	–	–	–	–	–
Various institutions: Local systems of innovation for the cold chain technologies project	36 351	30 291	–	–	-100.0%	0.2%	–	–	–	–	–
Various institutions: Resource-based industries research and development	1 706	1 697	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Environmental innovation	10 076	9 980	17 673	–	-100.0%	0.1%	–	–	–	–	–
<b>Capital</b>	<b>–</b>	<b>11 301</b>	<b>151 714</b>	<b>70 971</b>	<b>–</b>	<b>0.8%</b>	<b>74 945</b>	<b>79 067</b>	<b>82 922</b>	<b>5.3%</b>	<b>1.0%</b>
Various institutions: Hydrogen strategy	–	–	67 080	70 971	–	0.5%	74 945	79 067	82 922	5.3%	1.0%
Various institutions: Infrastructure projects for research and development	–	11 301	84 634	–	–	0.3%	–	–	–	–	–
<b>Higher education institutions</b>											
<b>Current</b>	<b>126 185</b>	<b>174 225</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>1.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Various institutions: Biofuels	490	2 000	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Technology transfer offices: Support for research units	31 744	23 313	–	–	-100.0%	0.2%	–	–	–	–	–
Various institutions: Implementation of bioeconomy strategy	8 515	995	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Energy grand challenge research	7 360	5 250	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Health innovation research	150	463	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Hydrogen strategy research	16 448	81 438	–	–	-100.0%	0.3%	–	–	–	–	–
Various institutions: Innovation projects research	–	2 004	–	–	–	–	–	–	–	–	–
International Centre for Genetic Engineering and Biotechnology	504	10 000	–	–	-100.0%	–	–	–	–	–	–
National Research Foundation: Indigenous knowledge systems	4 789	3 663	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Emerging research areas	13 500	14 500	–	–	-100.0%	0.1%	–	–	–	–	–
Various institutions: Global science: International multilateral agreements	11 187	8 332	–	–	-100.0%	0.1%	–	–	–	–	–
Various institutions: Global science: African multilateral agreements	1 937	200	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Science awareness	8 118	200	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Strategic science platforms for research and development	6 796	7 244	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Advanced manufacturing technology strategy implementation	2 892	330	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Innovative research and development	4 498	8 000	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Local manufacturing capacity research and technical support	2 407	1 974	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Local systems of innovation for the cold chain technologies project	3 545	4 319	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Resource-based industries research and development	1 305	–	–	–	-100.0%	–	–	–	–	–	–

Table 30.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22		
<b>Capital</b>	<b>95 743</b>	<b>27 080</b>	–	–	–100.0%	0.4%	–	–	–	–	–	–
Various institutions: Hydrogen strategy	63 568	–	–	–	–100.0%	0.2%	–	–	–	–	–	–
Various institutions: Infrastructure projects for research and development	32 175	27 080	–	–	–100.0%	0.2%	–	–	–	–	–	–
<b>Public corporations and private enterprises</b>												
<b>Other transfers to public corporations</b>												
<b>Current</b>	<b>448 954</b>	<b>458 983</b>	<b>338 733</b>	<b>291 452</b>	<b>-13.4%</b>	<b>5.5%</b>	<b>324 399</b>	<b>342 241</b>	<b>365 287</b>	<b>7.8%</b>	<b>4.3%</b>	
Various institutions: Technology transfer offices: Support for research units	6 592	5 680	–	–	–100.0%	–	–	–	–	–	–	–
Various institutions: Implementation of bioeconomy strategy	6 850	76 620	11 973	–	–100.0%	0.3%	–	–	–	–	–	–
Various institutions: Energy grand challenge research	–	15 923	2 165	–	–	0.1%	–	–	–	–	–	–
Various institutions: Health innovation research	5 900	2 853	–	–	–100.0%	–	–	–	–	–	–	–
Various institutions: Hydrogen strategy: Research	2 580	–	–	–	–100.0%	–	–	–	–	–	–	–
Various institutions: Innovation projects: Research	14 657	7 450	–	–	–100.0%	0.1%	–	–	–	–	–	–
National Research Foundation: Indigenous knowledge systems	1 735	6 150	–	–	–100.0%	–	–	–	–	–	–	–
Various institutions: Emerging research areas	61 129	–	81 451	97 697	16.9%	0.9%	112 672	118 869	123 981	8.3%	1.5%	
Various institutions: Technology transfer offices: Support of research units	–	–	5 034	–	–	–	–	–	–	–	–	–
Various institutions: Global science: International multilateral agreements	5 338	2 115	1 680	–	–100.0%	–	–	–	–	–	–	–
Various institutions: Global science: African multilateral agreements	3 138	2 200	3 110	–	–100.0%	–	–	–	–	–	–	–
Various institutions: Strategic science platforms for research and development	4 500	4 611	5 215	–	–100.0%	0.1%	–	–	–	–	–	–
Various institutions: Advanced manufacturing technology strategy implementation	–	43 146	51 215	53 678	–	0.5%	59 542	62 817	67 301	7.8%	0.8%	
Council for Scientific and Industrial Research	–	–	3 953	–	–	–	–	–	–	–	–	–
Various institutions: Innovative research and development	12 343	19 295	5 182	–	–100.0%	0.1%	–	–	–	–	–	–
Various institutions: ICT	26 144	21 827	45 790	28 634	3.1%	0.4%	38 533	40 652	44 435	15.8%	0.5%	
Various institutions: Local manufacturing capacity research and technical support	143 101	141 925	–	–	–100.0%	1.0%	–	–	–	–	–	–
Council for Scientific and Industrial Research: Mining research and development	–	–	24 093	63 000	–	0.3%	60 000	63 300	68 239	2.7%	0.8%	
Various institutions: Local systems of innovation for the cold chain technologies project	104 840	54 413	–	–	–100.0%	0.6%	–	–	–	–	–	–
Various institutions: Resource-based industries research and development	45 193	41 100	97 872	48 443	2.3%	0.8%	53 652	56 603	61 331	8.2%	0.7%	
Various institutions: Environmental innovation	4 914	13 675	–	–	–100.0%	0.1%	–	–	–	–	–	–
<b>Capital</b>	<b>486 184</b>	<b>424 380</b>	<b>413 273</b>	<b>236 339</b>	<b>-21.4%</b>	<b>5.5%</b>	<b>251 686</b>	<b>265 529</b>	<b>280 820</b>	<b>5.9%</b>	<b>3.3%</b>	
Council for Scientific and Industrial Research: Cyber-infrastructure research and development	213 479	214 546	413 273	236 339	3.4%	3.8%	251 686	265 529	280 820	5.9%	3.3%	
Various institutions: Infrastructure projects for research and development	272 705	209 834	–	–	–100.0%	1.7%	–	–	–	–	–	–
<b>Public corporations and private enterprises</b>												
<b>Subsidies on products and production</b>												
<b>Current</b>	<b>820 204</b>	<b>872 043</b>	<b>915 645</b>	<b>963 164</b>	<b>5.5%</b>	<b>12.7%</b>	<b>965 823</b>	<b>1 018 900</b>	<b>1 052 338</b>	<b>3.0%</b>	<b>12.9%</b>	
Council for Scientific and Industrial Research	820 204	872 043	915 645	963 164	5.5%	12.7%	965 823	1 018 900	1 052 338	3.0%	12.9%	
<b>Total</b>	<b>6 956 058</b>	<b>6 860 077</b>	<b>6 954 524</b>	<b>7 343 539</b>	<b>1.8%</b>	<b>100.0%</b>	<b>7 513 025</b>	<b>8 004 347</b>	<b>8 251 030</b>	<b>4.0%</b>	<b>100.0%</b>	

## Personnel information

**Table 30.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>Science and Technology</b>																			
<b>Salary level</b>	<b>483</b>	–	<b>433</b>	<b>323.8</b>	<b>0.7</b>	<b>444</b>	<b>352.4</b>	<b>0.8</b>	<b>447</b>	<b>380.5</b>	<b>0.9</b>	<b>448</b>	<b>408.4</b>	<b>0.9</b>	<b>446</b>	<b>435.0</b>	<b>1.0</b>	<b>0.1%</b>	<b>100.0%</b>
1 – 6	75	–	60	11.7	0.2	64	13.1	0.2	65	14.3	0.2	65	15.4	0.2	65	16.6	0.3	0.5%	14.5%
7 – 10	144	–	126	44.4	0.4	130	49.4	0.4	130	53.2	0.4	131	57.6	0.4	130	61.3	0.5	–	29.2%
11 – 12	138	–	135	123.8	0.9	137	134.4	1.0	138	144.8	1.0	138	155.2	1.1	138	166.0	1.2	0.2%	30.9%
13 – 16	126	–	110	139.5	1.3	111	150.7	1.4	112	163.1	1.5	112	174.8	1.6	111	185.3	1.7	–	25.0%
Other	–	–	2	4.5	2.2	2	4.8	2.4	2	5.1	2.6	2	5.5	2.7	2	5.9	2.9	–	0.4%
<b>Programme</b>	<b>483</b>	–	<b>433</b>	<b>323.8</b>	<b>0.7</b>	<b>444</b>	<b>352.4</b>	<b>0.8</b>	<b>447</b>	<b>380.5</b>	<b>0.9</b>	<b>448</b>	<b>408.4</b>	<b>0.9</b>	<b>446</b>	<b>435.0</b>	<b>1.0</b>	<b>0.1%</b>	<b>100.0%</b>
Programme 1	265	–	217	148.1	0.7	222	160.7	0.7	224	174.0	0.8	224	186.8	0.8	223	199.1	0.9	0.1%	50.0%
Programme 2	65	–	55	46.6	0.8	60	53.0	0.9	60	56.7	0.9	60	60.9	1.0	60	65.2	1.1	–	13.4%
Programme 3	64	–	64	50.4	0.8	65	54.4	0.8	65	58.5	0.9	66	62.7	1.0	65	65.8	1.0	–	14.6%
Programme 4	44	–	42	36.4	0.9	42	39.1	0.9	43	42.6	1.0	43	45.8	1.1	43	49.0	1.1	0.8%	9.6%
Programme 5	45	–	55	42.4	0.8	55	45.2	0.8	55	48.6	0.9	55	52.2	0.9	55	55.9	1.0	–	12.3%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 30.8 Departmental receipts by economic classification**

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
R thousand												
<b>Departmental receipts</b>	<b>514</b>	<b>8 199</b>	<b>10 298</b>	<b>9 644</b>	<b>35 061</b>	<b>308.6%</b>	<b>100.0%</b>	<b>545</b>	<b>545</b>	<b>560</b>	<b>-74.8%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>51</b>	<b>57</b>	<b>60</b>	<b>55</b>	<b>35</b>	<b>-11.8%</b>	<b>0.4%</b>	<b>35</b>	<b>35</b>	<b>40</b>	<b>4.6%</b>	<b>0.4%</b>
Other sales	51	57	60	55	35	-11.8%	0.4%	35	35	40	4.6%	0.4%
of which:												
Services rendered: Commission on insurance	51	57	60	55	35	-11.8%	0.4%	35	35	40	4.6%	0.4%
Interest, dividends and rent on land	6	9	34	20	26	63.0%	0.1%	10	10	20	-8.4%	0.2%
Interest	6	9	34	20	26	63.0%	0.1%	10	10	20	-8.4%	0.2%
Sales of capital assets	–	45	430	217	–	–	0.9%	–	–	–	–	–
Transactions in financial assets and liabilities	457	8 088	9 774	9 352	35 000	324.7%	98.6%	500	500	500	-75.7%	99.4%
<b>Total</b>	<b>514</b>	<b>8 199</b>	<b>10 298</b>	<b>9 644</b>	<b>35 061</b>	<b>308.6%</b>	<b>100.0%</b>	<b>545</b>	<b>545</b>	<b>560</b>	<b>-74.8%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

## Expenditure trends and estimates

Table 30.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
R million											
Ministry	4.3	4.2	4.4	5.1	5.9%	1.4%	5.5	5.9	6.1	5.7%	1.5%
Institutional Planning and Support	140.7	151.1	141.7	118.1	-5.7%	42.7%	166.4	168.4	179.8	15.0%	43.3%
Corporate Services	134.1	152.1	167.4	251.2	23.3%	54.6%	145.1	163.0	168.2	-12.5%	49.7%
Office Accommodation	-	4.4	7.5	5.0	-	1.3%	63.3	5.6	5.8	4.8%	5.5%
<b>Total</b>	<b>279.1</b>	<b>311.8</b>	<b>321.0</b>	<b>379.5</b>	<b>10.8%</b>	<b>100.0%</b>	<b>380.3</b>	<b>342.9</b>	<b>359.9</b>	<b>-1.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(4.3)			56.5	(0.2)	(0.1)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>247.7</b>	<b>278.8</b>	<b>283.2</b>	<b>353.0</b>	<b>12.5%</b>	<b>90.0%</b>	<b>362.5</b>	<b>324.1</b>	<b>340.8</b>	<b>-1.2%</b>	<b>94.4%</b>
Compensation of employees	135.8	145.0	148.1	160.9	5.8%	45.7%	174.0	186.8	199.1	7.4%	49.3%
Goods and services <sup>1</sup>	111.9	133.8	135.2	192.1	19.8%	44.4%	188.5	137.3	141.6	-9.7%	45.1%
of which:											
Advertising	8.9	12.0	10.7	8.6	-1.2%	3.1%	10.1	12.1	12.5	13.2%	3.0%
Consultants: Business and advisory services	12.1	15.0	3.7	16.6	11.1%	3.7%	15.4	15.7	16.2	-0.8%	4.4%
Agency and support/outsourced services	2.9	6.9	5.7	9.1	45.9%	1.9%	7.6	7.2	7.4	-6.8%	2.1%
Property payments	-	10.5	16.0	23.0	-	3.8%	70.6	13.3	13.7	-15.9%	8.2%
Travel and subsistence	37.5	37.9	26.0	32.6	-4.5%	10.4%	29.3	32.0	33.0	0.4%	8.7%
Operating payments	7.4	8.7	8.8	6.1	-6.3%	2.4%	6.4	6.8	7.0	4.7%	1.8%
<b>Transfers and subsidies<sup>1</sup></b>	<b>14.9</b>	<b>17.5</b>	<b>17.0</b>	<b>14.3</b>	<b>-1.3%</b>	<b>4.9%</b>	<b>15.1</b>	<b>15.9</b>	<b>16.2</b>	<b>4.4%</b>	<b>4.2%</b>
Non-profit institutions	14.8	17.0	16.6	14.3	-1.1%	4.9%	15.1	15.9	16.2	4.4%	4.2%
Households	0.1	0.5	0.3	-	-100.0%	0.1%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>16.5</b>	<b>15.4</b>	<b>20.6</b>	<b>12.2</b>	<b>-9.5%</b>	<b>5.0%</b>	<b>2.7</b>	<b>2.8</b>	<b>2.9</b>	<b>-38.0%</b>	<b>1.4%</b>
Machinery and equipment	16.5	15.4	20.6	12.2	-9.5%	5.0%	2.7	2.8	2.9	-38.0%	1.4%
<b>Payments for financial assets</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>279.1</b>	<b>311.8</b>	<b>321.0</b>	<b>379.5</b>	<b>10.8%</b>	<b>100.0%</b>	<b>380.3</b>	<b>342.9</b>	<b>359.9</b>	<b>-1.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>3.8%</b>	<b>4.2%</b>	<b>4.3%</b>	<b>4.8%</b>	<b>-</b>	<b>-</b>	<b>4.7%</b>	<b>4.0%</b>	<b>4.0%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Non-profit institutions</b>											
<b>Current</b>	<b>14.8</b>	<b>17.0</b>	<b>16.6</b>	<b>14.3</b>	<b>-1.1%</b>	<b>4.9%</b>	<b>15.1</b>	<b>15.9</b>	<b>16.2</b>	<b>4.4%</b>	<b>4.2%</b>
Various institutions: Institutional and programme support research	14.8	17.0	16.6	14.3	-1.1%	4.9%	15.1	15.9	16.2	4.4%	4.2%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Technology Innovation

## Programme purpose

Enable research and development in space science and technology, energy security and the bioeconomy, and in the emerging and converging areas of nanotechnology, robotics, photonics and indigenous knowledge systems, to promote the realisation of commercial products, processes and services. Promote the protection and utilisation of intellectual property, technology transfer and technology commercialisation through the implementation of enabling policies and interventions along the entire innovation value chain.

## Objectives

- Facilitate and resource strategic investments in space science and technology, energy, the bioeconomy, nanotechnology, robotics, photonics, indigenous knowledge systems, intellectual property management, technology transfer and technology commercialisation by 31 March 2022, by:
  - funding and/or maintaining 59 instruments to support the use of knowledge
  - generating 360 knowledge products (including peer reviewed scientific articles published in scientific publications, and filings/applications or the registration/granting of intellectual property rights)
  - developing and approving 9 science, technology and innovation strategic policy directives to enhance understanding and analyses that support the implementation of relevant interventions



- developing and/or maintaining 6 decision support interventions to improve the delivery of government services or functions
- providing recommendations for 100 per cent of genetically modified organism permit applications received to support decision-making by government.
- Oversee, monitor and regulate key policy initiatives in the strategic areas of space science and technology, energy, bio-innovation, nanotechnology, robotics and photonics by 31 March 2022, by overseeing 610 new disclosures reported by publicly funded institutions.
- Coordinate and support high-level skills development by supporting 525 masters and doctoral students, and 710 trainees through department-funded research and development initiatives by 31 March 2022.
- Support, promote and advocate the development and translation of scientific research and development outputs into commercial products, processes and services that will contribute towards economic growth and better quality of life by 31 March 2022, by:
  - supporting 20 knowledge application products, including prototypes, technology demonstrators and pilots
  - supporting 14 commercial outputs, including licences, assignments, options, new companies, products, processes and services.

### Subprogrammes

- *Space Science* supports the creation of an environment conducive to the implementation of the national space strategy and South African earth observation strategy, and that addresses the development of innovative applications and human capital to respond to national priorities and support socioeconomic development.
- *Hydrogen and Energy* provides policy leadership in research, development and innovation initiatives in the energy sector. This subprogramme plays a key role in developing a sustainable and globally competitive South African energy knowledge base and industry.
- *Bio-innovation* leads the implementation of the national bioeconomy strategy approved by Cabinet in 2013.
- *Innovation Priorities and Instruments* supports and strengthens the innovation policy package aimed at creating and sustaining an enabling environment for innovation, technology and development, and the commercialisation of publicly funded research and development initiatives.
- *National Intellectual Property Management Office* is the implementing agency established to provide for the effective use of intellectual property emanating from publicly financed research and development.
- *Office of the Deputy Director-General: Technology Innovation* provides management and administrative support to the programme and the deputy director-general.

### Expenditure trends and estimates

**Table 30.10 Technology Innovation expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Space Science	209.1	167.8	188.0	161.9	-8.2%	16.8%	189.4	199.6	208.9	8.9%	15.2%
Hydrogen and Energy	147.7	143.6	147.5	167.8	4.4%	14.0%	178.5	188.5	197.6	5.6%	14.6%
Bio-innovation	136.1	220.2	162.5	178.4	9.5%	16.1%	193.3	204.2	218.8	7.0%	15.9%
Innovation Priorities and Instruments	518.1	442.0	535.6	572.7	3.4%	47.7%	605.4	638.8	664.2	5.1%	49.6%
National Intellectual Property Management Office	52.4	42.2	78.8	50.9	-1.0%	5.2%	53.6	56.8	60.1	5.7%	4.4%
Office of the Deputy-Director General: Technololgy Innovation	4.1	3.9	5.6	–	-100.0%	0.3%	4.2	5.3	5.3	–	0.3%
<b>Total</b>	<b>1 067.4</b>	<b>1 019.8</b>	<b>1 118.0</b>	<b>1 131.7</b>	<b>2.0%</b>	<b>100.0%</b>	<b>1 224.3</b>	<b>1 293.2</b>	<b>1 355.0</b>	<b>6.2%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			(4.2)	(4.9)	(7.2)		

**Table 30.10 Technology Innovation expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Current payments</b>	<b>55.7</b>	<b>59.6</b>	<b>60.2</b>	<b>71.9</b>	<b>8.9%</b>	<b>5.7%</b>	<b>78.8</b>	<b>84.7</b>	<b>89.7</b>	<b>7.7%</b>	<b>6.5%</b>
Compensation of employees	42.8	45.8	46.6	49.3	7.4%	4.3%	56.7	60.9	65.2	7.1%	4.7%
Goods and services <sup>1</sup>	12.8	13.8	13.6	22.6	13.7%	1.4%	22.1	23.8	24.6	9.3%	1.8%
<i>of which:</i>											
<i>Communication</i>	0.7	1.0	0.9	0.9	9.1%	0.1%	1.1	1.1	1.1	7.6%	0.1%
<i>Consultants: Business and advisory services</i>	0.2	2.1	1.7	1.7	99.3%	0.1%	1.7	1.8	1.9	2.9%	0.1%
<i>Agency and support/outsourced services</i>	1.0	0.2	4.0	6.7	72.6%	0.2%	6.6	6.9	7.2	12.5%	0.5%
<i>Entertainment</i>	0.0	0.0	0.2	3.9	386.2%	0.1%	3.4	3.5	3.7	8.3%	0.3%
<i>Travel and subsistence</i>	1.0	7.4	2.9	5.4	66.1%	0.4%	5.3	5.9	6.1	11.4%	0.4%
<i>Venues and facilities</i>	0.1	2.0	2.1	2.1	149.4%	0.1%	2.3	2.6	2.6	7.9%	0.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 011.7</b>	<b>960.2</b>	<b>1 057.7</b>	<b>1 059.9</b>	<b>1.6%</b>	<b>94.3%</b>	<b>1 145.5</b>	<b>1 208.5</b>	<b>1 265.3</b>	<b>6.1%</b>	<b>93.5%</b>
Departmental agencies and accounts	732.5	656.3	695.4	687.3	-2.1%	63.9%	738.0	778.5	812.7	5.7%	60.3%
Higher education institutions	147.1	143.6	–	–	-100.0%	6.7%	–	–	–	–	–
Public corporations and private enterprises	99.4	114.7	103.1	97.7	-0.6%	9.6%	112.7	118.9	124.0	8.3%	9.1%
Non-profit institutions	32.7	45.4	259.1	274.8	103.4%	14.1%	294.9	311.1	328.5	6.1%	24.2%
Households	–	0.2	0.1	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>0.0</b>	<b>–</b>	<b>0.1</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>1 067.4</b>	<b>1 019.8</b>	<b>1 118.0</b>	<b>1 131.7</b>	<b>2.0%</b>	<b>100.0%</b>	<b>1 224.3</b>	<b>1 293.2</b>	<b>1 355.0</b>	<b>6.2%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>14.4%</b>	<b>13.8%</b>	<b>14.9%</b>	<b>14.2%</b>	<b>–</b>	<b>–</b>	<b>15.0%</b>	<b>15.0%</b>	<b>15.2%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>732.5</b>	<b>656.3</b>	<b>695.4</b>	<b>687.3</b>	<b>-2.1%</b>	<b>63.9%</b>	<b>738.0</b>	<b>778.5</b>	<b>812.7</b>	<b>5.7%</b>	<b>60.3%</b>
Various institutions: Biofuels	6.0	–	–	–	-100.0%	0.1%	–	–	–	–	–
Various institutions: Technology transfer offices: Support for research units	4.4	0.7	6.9	–	-100.0%	0.3%	–	–	–	–	–
Various institutions: Implementation of bioeconomy strategy	9.5	9.5	–	–	-100.0%	0.4%	–	–	–	–	–
Various institutions: Energy grand challenge research	26.4	22.3	17.5	37.0	12.0%	2.4%	40.9	43.2	45.4	7.0%	3.3%
Various institutions: Health innovation research	37.6	37.5	–	–	-100.0%	1.7%	–	–	–	–	–
Various institutions: HIV and AIDS prevention and treatment technologies research	24.5	23.8	55.0	24.6	0.1%	2.9%	27.9	29.4	31.7	8.8%	2.3%
Various institutions: Hydrogen strategy research	17.0	4.0	–	–	-100.0%	0.5%	–	–	–	–	–
Various institutions: Innovation projects research	12.0	10.0	25.8	38.5	47.5%	2.0%	35.3	37.3	39.3	0.6%	3.0%
International Centre for Genetic Engineering and Biotechnology	–	–	12.8	13.5	–	0.6%	14.3	15.1	16.9	7.7%	1.2%
Various institutions: Space science research: Economic competitiveness and support package	72.0	–	44.9	9.2	-49.6%	2.9%	30.0	31.7	34.0	54.6%	2.1%
National Research Foundation: Indigenous knowledge systems	1.8	–	–	–	-100.0%	–	–	–	–	–	–
Technology Innovation Agency	385.2	382.4	396.7	420.3	3.0%	36.5%	440.9	465.2	481.0	4.6%	36.1%
South African National Space Agency	124.4	154.6	131.2	138.0	3.5%	12.6%	143.5	151.3	157.4	4.5%	11.8%
Various institutions: Emerging research areas	11.8	11.5	–	–	-100.0%	0.5%	–	–	–	–	–
National Research Foundation: Research and development in indigenous knowledge systems	–	–	4.6	6.1	–	0.2%	5.1	5.4	7.0	4.8%	0.5%

**Table 30.10 Technology Innovation expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>99.4</b>	<b>114.7</b>	<b>100.6</b>	<b>97.7</b>	<b>-0.6%</b>	<b>9.5%</b>	<b>112.7</b>	<b>118.9</b>	<b>124.0</b>	<b>8.3%</b>	<b>9.1%</b>
Various institutions: Technology transfer offices: Support for research units	6.6	5.7	-	-	-100.0%	0.3%	-	-	-	-	-
Various institutions: Implementation of bioeconomy strategy	6.9	76.6	12.0	-	-100.0%	2.2%	-	-	-	-	-
Various institutions: Energy grand challenge research	-	15.9	2.2	-	-	0.4%	-	-	-	-	-
Various institutions: Health innovation research	5.9	2.9	-	-	-100.0%	0.2%	-	-	-	-	-
Various institutions: Hydrogen strategy research	2.6	-	-	-	-100.0%	0.1%	-	-	-	-	-
Various institutions: Innovation projects research	14.7	7.5	-	-	-100.0%	0.5%	-	-	-	-	-
National Research Foundation: Indigenous knowledge systems	1.7	6.2	-	-	-100.0%	0.2%	-	-	-	-	-
Various institutions: Emerging research areas	61.1	-	81.5	97.7	16.9%	5.5%	112.7	118.9	124.0	8.3%	9.1%
Various institutions: Technology transfer offices for support of research units	-	-	5.0	-	-	0.1%	-	-	-	-	-
<b>Higher education institutions</b>											
<b>Current</b>	<b>83.5</b>	<b>143.6</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>5.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Various institutions: Biofuels	0.5	2.0	-	-	-100.0%	0.1%	-	-	-	-	-
Various institutions: Technology transfer offices support for research units	31.7	23.3	-	-	-100.0%	1.3%	-	-	-	-	-
Various institutions: Implementation of bioeconomy strategy	8.5	1.0	-	-	-100.0%	0.2%	-	-	-	-	-
Various institutions: Energy grand challenge research	7.4	5.3	-	-	-100.0%	0.3%	-	-	-	-	-
Various institutions: Health innovation research	0.2	0.5	-	-	-100.0%	-	-	-	-	-	-
Various institutions: Hydrogen strategy research	16.4	81.4	-	-	-100.0%	2.3%	-	-	-	-	-
Various institutions: Innovation projects research	-	2.0	-	-	-	-	-	-	-	-	-
International Centre for Genetic Engineering and Biotechnology	0.5	10.0	-	-	-100.0%	0.2%	-	-	-	-	-
National Research Foundation: Indigenous knowledge systems	4.8	3.7	-	-	-100.0%	0.2%	-	-	-	-	-
Various institutions: Emerging research areas	13.5	14.5	-	-	-100.0%	0.6%	-	-	-	-	-
<b>Capital</b>	<b>63.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>1.5%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Various institutions: Hydrogen strategy	63.6	-	-	-	-100.0%	1.5%	-	-	-	-	-
<b>Non-profit institutions</b>											
<b>Current</b>	<b>32.7</b>	<b>45.4</b>	<b>192.1</b>	<b>203.9</b>	<b>84.1%</b>	<b>10.9%</b>	<b>219.9</b>	<b>232.0</b>	<b>245.6</b>	<b>6.4%</b>	<b>18.0%</b>
Various institutions: Biofuels research	-	1.8	5.3	7.2	-	0.3%	7.7	8.1	9.7	10.2%	0.7%
Various institutions: Implementation of the biotechnology strategy	8.1	11.6	36.1	37.7	67.1%	2.2%	41.7	43.9	46.2	7.0%	3.4%
Various institutions: Energy grand challenge research	-	0.7	-	-	-	-	-	-	-	-	-
Various institutions: Health innovation research	-	0.3	6.0	75.7	-	1.9%	51.2	54.0	57.0	-9.0%	4.8%
Various institutions: Hydrogen strategy research	-	-	46.3	40.2	-	2.0%	42.5	44.8	45.3	4.1%	3.5%
Various institutions: Innovation projects research	3.0	1.0	-	-	-100.0%	0.1%	-	-	-	-	-
International Centre for Genetic Engineering and Biotechnology	11.6	22.2	-	-	-100.0%	0.8%	-	-	-	-	-
Various institutions: Space science research	-	-	3.6	-	-	0.1%	-	-	-	-	-
Various institutions: Technology transfer offices: Support for research units	-	1.8	55.1	39.0	-	2.2%	41.2	43.4	45.7	5.4%	3.4%

**Table 30.10 Technology Innovation expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
National Research Foundation: Indigenous knowledge systems	0.5	–	–	–	-100.0%	–	–	–	–	–	–
Southern African Association of Science and Technology Centres: Technology top 100 awards	3.5	–	24.6	3.9	3.7%	0.7%	4.1	4.4	5.9	14.4%	0.4%
South African National AIDS Council	–	–	15.0	–	–	0.3%	31.7	33.4	35.8	–	2.0%
Various institutions: Emerging research areas	6.0	6.0	–	–	-100.0%	0.3%	–	–	–	–	–
<b>Capital</b>	–	–	<b>67.1</b>	<b>71.0</b>	–	<b>3.2%</b>	<b>74.9</b>	<b>79.1</b>	<b>82.9</b>	<b>5.3%</b>	<b>6.2%</b>
Various institutions: Hydrogen strategy	–	–	67.1	71.0	–	3.2%	74.9	79.1	82.9	5.3%	6.2%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: International Cooperation and Resources

### Programme purpose

Strategically develop, promote and manage international partnerships that strengthen the national system of innovation. Enable an exchange of knowledge, capacity and resources between South Africa and its international partners, with a focus on supporting science, technology and innovation capacity building in Africa. Support South African foreign policy through science diplomacy.

### Objectives

- Complement South Africa's national investments in science, technology and innovation, including access to resources for departmental initiatives that require external investment, by securing international funding of R1.4 billion over the medium term.
- Enhance South Africa's national science, technology and innovation capabilities to contribute to the attainment of the department's targets for human capital development by accessing international knowledge and resources through securing the participation of 2 080 South African researchers in international postgraduate training programmes by 31 March 2022.
- Build capacity in and support initiatives for the Southern African Development Community (SADC) and African Union (AU) to advance Africa's growth and development agenda by strengthening cooperation in science, technology and innovation through technical and financial support for 66 approved SADC and AU science, technology and innovation initiatives and programmes by 31 March 2022.
- Support South Africa's foreign policy objectives of creating a better South Africa, a better Africa and a better world by maximising South Africa's strategic interests in international science, technology and innovation cooperation through interventions that ensure South Africa occupies 12 new leadership positions in international science, technology and innovation governance structures by 31 March 2022.

### Subprogrammes

- *Multilateral Cooperation and Africa* advances and facilitates South Africa's participation in bilateral science, technology and innovation cooperation initiatives with other African partners; in African multilateral programmes, especially those of the SADC and AU; and in broader multilateral science, technology and innovation partnerships, with a strategic focus on South-South cooperation.
- *International Resources* works to increase the flow of international funding into South African science, technology and innovation initiatives, as well as African regional and continental programmes, through concerted efforts to promote foreign investment and the fostering of strategic partnerships with partners such as the European Union, as well as foundations and philanthropic organisations and the multinational private sector.

- *Overseas Bilateral Cooperation* promotes and facilitates South Africa's bilateral science, technology and innovation cooperation with partners in Europe, the Americas, Asia and Australasia, especially for human capital development and collaborative research and innovation; and secures support for joint cooperation with other African partners.
- *Office of the Deputy Director-General: International Cooperation and Resources* provides management and administrative support to the programme and the deputy director-general.

## Expenditure trends and estimates

**Table 30.11 International Cooperation and Resources expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Multilateral Cooperation and Africa	25.7	30.4	30.8	32.9	8.6%	22.9%	32.7	34.9	36.1	3.1%	22.4%
International Resources	56.6	54.2	61.5	63.0	3.6%	45.0%	66.9	70.9	74.2	5.6%	45.1%
Overseas Bilateral Cooperation	32.7	33.9	37.8	42.0	8.8%	28.0%	43.8	46.6	49.1	5.3%	29.8%
Office of the Deputy Director-General: International Cooperation and Resources	9.4	7.4	5.2	–	-100.0%	4.2%	5.6	5.7	5.7	–	2.8%
<b>Total</b>	<b>124.4</b>	<b>125.8</b>	<b>135.2</b>	<b>137.9</b>	<b>3.5%</b>	<b>100.0%</b>	<b>149.0</b>	<b>158.1</b>	<b>165.0</b>	<b>6.2%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				1.5			–	–	(0.9)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>65.0</b>	<b>64.9</b>	<b>71.0</b>	<b>69.8</b>	<b>4.3%</b>	<b>52.5%</b>	<b>77.0</b>	<b>82.2</b>	<b>85.9</b>	<b>5.2%</b>	<b>52.3%</b>
Compensation of employees	46.6	48.9	50.4	50.4	5.2%	38.3%	58.5	62.7	65.8	6.6%	39.6%
Goods and services <sup>1</sup>	18.4	16.1	20.6	19.4	1.8%	14.2%	18.6	19.5	20.1	1.1%	12.7%
of which:											
Communication	0.8	1.4	1.5	1.5	23.8%	1.0%	1.6	1.7	1.8	6.6%	1.1%
Agency and support/outsourced services	0.7	0.1	0.7	0.7	-1.5%	0.4%	0.7	0.8	0.8	4.8%	0.5%
Entertainment	0.3	0.2	0.8	0.8	38.2%	0.4%	0.9	0.9	1.0	4.9%	0.6%
Travel and subsistence	1.3	10.4	10.1	8.9	92.1%	5.9%	7.5	7.7	8.0	-3.6%	5.3%
Operating payments	1.6	0.4	1.1	1.2	-9.1%	0.8%	1.3	1.4	1.4	6.3%	0.9%
Venues and facilities	2.1	1.3	4.3	4.1	25.0%	2.3%	3.9	4.1	4.2	0.7%	2.7%
<b>Transfers and subsidies<sup>1</sup></b>	<b>59.3</b>	<b>60.9</b>	<b>64.2</b>	<b>68.1</b>	<b>2.6%</b>	<b>47.5%</b>	<b>72.0</b>	<b>75.9</b>	<b>79.1</b>	<b>7.3%</b>	<b>47.7%</b>
Departmental agencies and accounts	36.8	44.6	45.1	14.9	-26.0%	27.0%	16.0	16.8	17.7	5.7%	10.7%
Higher education institutions	13.1	8.5	–	–	-100.0%	4.1%	–	–	–	–	–
Public corporations and private enterprises	8.5	4.3	4.8	–	-100.0%	3.4%	–	–	–	–	–
Non-profit institutions	0.9	3.4	14.3	52.5	282.1%	12.8%	56.0	59.1	61.5	8.2%	36.9%
Households	0.0	0.1	0.0	0.7	243.8%	0.1%	–	–	–	-100.0%	0.1%
<b>Total</b>	<b>124.4</b>	<b>125.8</b>	<b>135.2</b>	<b>137.9</b>	<b>3.5%</b>	<b>100.0%</b>	<b>149.0</b>	<b>158.1</b>	<b>165.0</b>	<b>6.2%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.7%</b>	<b>1.7%</b>	<b>1.8%</b>	<b>1.7%</b>	<b>–</b>	<b>–</b>	<b>1.8%</b>	<b>1.8%</b>	<b>1.9%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>36.8</b>	<b>44.6</b>	<b>45.1</b>	<b>14.9</b>	<b>-26.0%</b>	<b>27.0%</b>	<b>16.0</b>	<b>16.8</b>	<b>17.7</b>	<b>5.7%</b>	<b>10.7%</b>
National Research Foundation: Bilateral cooperation for global science development	13.5	13.6	14.0	14.9	3.4%	10.7%	16.0	16.8	17.7	5.7%	10.7%
Various institutions: Global science: International multilateral agreements	22.4	28.1	27.9	–	-100.0%	15.0%	–	–	–	–	–
Various institutions: Global science: African multilateral agreements	1.0	2.9	3.3	–	-100.0%	1.4%	–	–	–	–	–

**Table 30.11 International Cooperation and Resources expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies		Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	2018/19 - 2021/22	
<b>Public corporations and private enterprises</b>												
<b>Public corporations</b>												
<b>Other transfers to public corporations</b>												
<b>Current</b>	<b>8.5</b>	<b>4.3</b>	<b>4.8</b>	–	<b>-100.0%</b>	<b>3.4%</b>	–	–	–	–	–	
Various institutions: Global science: International multilateral agreements	5.3	2.1	1.7	–	-100.0%	1.7%	–	–	–	–	–	
Various institutions: Global science: African multilateral agreements	3.1	2.2	3.1	–	-100.0%	1.6%	–	–	–	–	–	
<b>Higher education institutions</b>												
<b>Current</b>	<b>13.1</b>	<b>8.5</b>	–	–	<b>-100.0%</b>	<b>4.1%</b>	–	–	–	–	–	
Various institutions: Global science: International multilateral agreements	11.2	8.3	–	–	-100.0%	3.7%	–	–	–	–	–	
Various institutions: Global science: African multilateral agreements	1.9	0.2	–	–	-100.0%	0.4%	–	–	–	–	–	
<b>Non-profit institutions</b>												
<b>Current</b>	<b>0.9</b>	<b>3.4</b>	<b>14.3</b>	<b>52.5</b>	<b>282.1%</b>	<b>12.8%</b>	<b>56.0</b>	<b>59.1</b>	<b>61.5</b>	<b>8.2%</b>	<b>36.9%</b>	
Various institutions: Global science: International multilateral agreements	0.1	0.4	13.6	43.1	543.3%	10.2%	46.0	48.5	50.3	8.7%	30.2%	
Various institutions: Global science: African multilateral agreements	0.7	3.0	0.6	9.4	135.0%	2.6%	10.0	10.6	11.2	5.9%	6.7%	

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Research, Development and Support

### Programme purpose

Provide an enabling environment for research and knowledge production that promotes the strategic development of basic sciences and priority science areas through the promotion of science, human capital development, and the provision of research infrastructure and relevant research support, in pursuit of South Africa's transition to a knowledge economy.

### Objectives

- Contribute to the development of representative, high-level human capital able to pursue locally relevant, globally competitive research and innovation activities over the medium term by:
  - awarding 9 300 bursaries to doctoral students
  - awarding 32 400 bursaries to postgraduate (BTech, honours and masters) students
  - placing 1 750 graduates and students in work preparation programmes funded by the department in science, engineering and technology institutions.
- Ensure the availability of and access to internationally comparable research and innovation infrastructure in order to generate new knowledge and train new researchers per year over the medium term by:
  - maintaining the number of research infrastructure grants at 20
  - maintaining the total available broadband capacity provided by the South African National Research Network to 3 500 Gbps.
- Support and promote research that develops basic sciences through the production of new knowledge and relevant training opportunities over the medium term by:
  - maintaining the total number of researchers awarded research grants through programmes managed by the National Research Foundation at 13 500 or above
  - maintaining the number of research articles published by researchers funded by the National Research Foundation and cited in the Thomson Reuters Web of Science citation database at 21 000.
- Develop strategic priority science areas in which South Africa enjoys a competitive advantage through promoting research and training activities and outputs by:

- installing 8 large survey projects correlators in 2019/20, and 64 S-band science mode receivers on the MeerKAT telescope by 2020/21.

## Subprogrammes

- *Human Capital and Science Promotions* formulates and implements policies and strategies that address the availability of human capital for science, technology and innovation; provide fundamental support for research activities; and contribute to the development of a society that is knowledgeable about science, critically engaged and scientifically literate.
- *Science Missions* promotes the development of research, the production of scientific knowledge, and human capital in science areas in which South Africa enjoys a geographic advantage.
- *Basic Science and Infrastructure* facilitates the strategic implementation of research and innovation equipment and facilities to promote knowledge production in areas of national priority, and sustain innovation led by research and development.
- *Astronomy* supports the development of astronomical sciences around a new multiwavelength astronomy strategy, and provides strategic guidance and support to relevant astronomy institutions in the implementation of strategic astronomy programmes.
- *Office of the Deputy Director-General: Research, Development and Support* provides management and administrative support to the programme and the deputy director-general.

## Expenditure trends and estimates

**Table 30.12 Research, Development and Support expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Human Capital and Science Promotions	2 331.8	2 354.6	2 384.9	2 457.1	1.8%	55.4%	2 608.7	2 739.5	2 869.9	5.3%	55.7%
Science Missions	177.0	213.1	201.7	225.8	8.4%	4.8%	235.5	248.9	264.3	5.4%	5.1%
Basic Science and Infrastructure	987.0	895.5	977.5	1 095.5	3.5%	23.0%	993.5	1 048.3	1 103.3	0.2%	22.1%
Astronomy	723.0	689.5	733.2	752.6	1.3%	16.8%	731.9	859.7	913.2	6.7%	17.0%
Office of the Deputy Director-General: Research, Development and Support	4.6	4.9	2.1	–	-100.0%	0.1%	3.4	4.5	4.7	–	0.1%
<b>Total</b>	<b>4 223.5</b>	<b>4 157.5</b>	<b>4 299.3</b>	<b>4 531.0</b>	<b>2.4%</b>	<b>100.0%</b>	<b>4 572.9</b>	<b>4 900.9</b>	<b>5 155.4</b>	<b>4.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				170.7			(91.8)	(22.2)	(10.9)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>48.4</b>	<b>53.2</b>	<b>50.9</b>	<b>55.4</b>	<b>6.4%</b>	<b>1.2%</b>	<b>58.6</b>	<b>62.6</b>	<b>66.4</b>	<b>4.5%</b>	<b>1.3%</b>
Compensation of employees	34.7	38.3	36.4	36.2	4.0%	0.9%	42.6	45.8	49.0	7.8%	0.9%
Goods and services <sup>1</sup>	13.6	14.9	14.5	19.1	12.0%	0.4%	15.9	16.8	17.4	-3.1%	0.4%
of which:											
Administrative fees	0.2	0.3	0.6	0.6	32.3%	–	0.7	0.7	0.8	11.6%	–
Communication	0.3	0.7	0.7	0.7	36.3%	–	0.8	0.8	0.8	6.9%	–
Consultants: Business and advisory services	0.4	2.3	1.0	4.2	118.6%	–	1.3	1.3	1.4	-31.4%	–
Agency and support/outsourced services	1.5	0.8	0.9	0.9	-14.1%	–	1.0	1.0	1.1	5.9%	–
Travel and subsistence	6.4	8.4	8.4	8.9	11.7%	0.2%	8.2	8.6	8.9	–	0.2%
Venues and facilities	1.1	1.0	1.4	2.1	22.9%	–	2.3	2.4	2.5	4.9%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>4 175.1</b>	<b>4 104.3</b>	<b>4 248.3</b>	<b>4 475.6</b>	<b>2.3%</b>	<b>98.8%</b>	<b>4 514.4</b>	<b>4 838.3</b>	<b>5 088.9</b>	<b>4.4%</b>	<b>98.7%</b>
Departmental agencies and accounts	3 609.1	3 597.5	3 732.4	4 239.3	5.5%	88.2%	4 262.7	4 572.8	4 808.1	4.3%	93.3%
Higher education institutions	47.1	34.5	–	–	-100.0%	0.5%	–	–	–	–	–
Public corporations and private enterprises	490.7	429.0	418.5	236.3	-21.6%	9.1%	251.7	265.5	280.8	5.9%	5.4%
Non-profit institutions	28.0	42.8	97.1	–	-100.0%	1.0%	–	–	–	–	–
Households	0.2	0.5	0.4	–	-100.0%	–	–	–	–	–	–

**Table 30.12 Research, Development and Support expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>4 223.5</b>	<b>4 157.5</b>	<b>4 299.3</b>	<b>4 531.0</b>	<b>2.4%</b>	<b>100.0%</b>	<b>4 572.9</b>	<b>4 900.9</b>	<b>5 155.4</b>	<b>4.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>56.8%</b>	<b>56.3%</b>	<b>57.4%</b>	<b>56.9%</b>	<b>–</b>	<b>–</b>	<b>56.1%</b>	<b>56.8%</b>	<b>57.9%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>2 472.6</b>	<b>2 517.6</b>	<b>2 594.8</b>	<b>2 707.7</b>	<b>3.0%</b>	<b>59.8%</b>	<b>2 872.7</b>	<b>3 018.9</b>	<b>3 178.9</b>	<b>5.5%</b>	<b>61.5%</b>
Academy of Science of South Africa	–	–	25.3	25.7	–	0.3%	27.0	28.5	36.6	12.6%	0.6%
Various institutions: Astronomy research and development	25.2	14.1	29.3	31.1	7.3%	0.6%	32.8	34.6	42.6	11.1%	0.7%
Various institutions: Policy development on human and social development dynamics	10.3	10.3	26.0	27.4	38.7%	0.4%	28.9	30.5	38.7	12.2%	0.7%
National Research Foundation: Human resources development for science and engineering	878.6	841.7	794.6	889.2	0.4%	19.8%	950.6	1 000.6	1 041.5	5.4%	20.3%
National Research Foundation: Human resources development for science and engineering: Economic competitiveness and support package	–	38.4	39.1	13.8	–	0.5%	22.0	23.2	19.5	12.2%	0.4%
National Research Foundation	878.4	882.8	926.0	904.8	1.0%	20.9%	943.4	985.8	1 033.7	4.5%	20.2%
Various institutions: Science awareness, research and initiatives to encourage youth participation in science	57.8	66.2	73.0	77.3	10.2%	1.6%	81.6	86.1	96.1	7.5%	1.8%
National Research Foundation: Square Kilometre Array: Research and development	2.0	–	–	–	-100.0%	–	–	–	–	–	–
National Research Foundation: South African Research Chairs Initiative to develop human resources in science	470.4	482.2	500.9	530.3	4.1%	11.5%	566.3	597.5	623.6	5.6%	12.1%
Various institutions: Strategic science platforms for research and development	149.9	181.8	180.6	208.3	11.1%	4.2%	220.2	232.3	246.5	6.3%	4.7%
<b>Capital</b>	<b>1 136.4</b>	<b>1 079.9</b>	<b>1 137.6</b>	<b>1 531.6</b>	<b>10.5%</b>	<b>28.4%</b>	<b>1 390.0</b>	<b>1 553.9</b>	<b>1 629.2</b>	<b>2.1%</b>	<b>31.9%</b>
Various institutions: Infrastructure projects for research and development	449.0	413.3	443.7	822.2	22.3%	12.4%	703.0	741.7	772.4	-2.1%	15.9%
National Research Foundation: Square Kilometre Array: Research	687.4	666.6	693.9	709.4	1.1%	16.0%	687.0	812.1	856.8	6.5%	16.0%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>4.5</b>	<b>4.6</b>	<b>5.2</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Various institutions: Strategic science platforms for research and development	4.5	4.6	5.2	–	-100.0%	0.1%	–	–	–	–	–
<b>Capital</b>	<b>486.2</b>	<b>424.4</b>	<b>413.3</b>	<b>236.3</b>	<b>-21.4%</b>	<b>9.1%</b>	<b>251.7</b>	<b>265.5</b>	<b>280.8</b>	<b>5.9%</b>	<b>5.4%</b>
Council for Scientific and Industrial Research: Cyber-infrastructure research and development	213.5	214.5	413.3	236.3	3.4%	6.3%	251.7	265.5	280.8	5.9%	5.4%
Various institutions: Infrastructure projects for research and development	272.7	209.8	–	–	-100.0%	2.8%	–	–	–	–	–
<b>Higher education institutions</b>											
<b>Current</b>	<b>14.9</b>	<b>7.4</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Various institutions: Science awareness	8.1	0.2	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Strategic science platforms for research and development	6.8	7.2	–	–	-100.0%	0.1%	–	–	–	–	–
<b>Capital</b>	<b>32.2</b>	<b>27.1</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.3%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Various institutions: Infrastructure projects for research and development	32.2	27.1	–	–	-100.0%	0.3%	–	–	–	–	–



**Table 30.12 Research, Development and Support expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies		Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22		
<b>Non-profit institutions</b>												
<b>Current</b>	<b>28.0</b>	<b>31.5</b>	<b>12.5</b>	–	<b>-100.0%</b>	<b>0.4%</b>	–	–	–	–		
Academy of Science of South Africa	23.2	25.1	12.5	–	-100.0%	0.4%	–	–	–	–		
Various institutions: Science awareness	3.3	3.1	–	–	-100.0%	–	–	–	–	–		
Various institutions: Strategic science platforms for research and development	1.5	3.3	–	–	-100.0%	–	–	–	–	–		
<b>Capital</b>	–	<b>11.3</b>	<b>84.6</b>	–	–	<b>0.6%</b>	–	–	–	–		
Various institutions: Infrastructure projects for research and development	–	11.3	84.6	–	–	0.6%	–	–	–	–		

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Socioeconomic Innovation Partnerships

### Programme purpose

Enhance the growth and development priority areas of government through targeted science and technology-based innovation interventions, and the development of strategic partnerships with other government departments, industry, research institutions and communities.

### Objectives

- Inform and influence how science and technology can be used to achieve inclusive development through knowledge, evidence and learning over the medium term by:
  - publishing 26 knowledge products on innovation for inclusive development
  - maintaining and improving 10 decision support systems
  - generating 45 learning interventions.
- Identify, grow and sustain niche, high-potential science, technology and innovation capabilities for sustainable development and the greening of society and the economy by fully funding and co-funding 375 honours, masters and doctoral students, and adding 22 knowledge and innovation products to the intellectual property portfolio over the medium term.
- Identify, grow and sustain niche, high-potential science, technology and innovation capabilities that improve the competitiveness of existing industries with growth potential in aerospace, advanced manufacturing, chemicals, advanced metals, mining, ICT and sector innovation funds; and facilitate the development of new targeted industries over the medium term by:
  - fully funding or co-funding 1 454 masters and doctoral students, and 590 interns
  - adding 137 new knowledge and innovation products to the intellectual property portfolio
  - funding 9 instruments in support of increased localisation, competitiveness
  - researching and developing the development-led industry.
- Strengthen provincial and rural innovation and production systems through analysis and catalytic interventions over the medium term by funding or co-funding 12 interventions that strengthen provincial or rural innovation systems.
- Enhance understanding and analysis that support improvements in the functioning and performance of the national system of innovation through executive committee approval by publishing 29 reports and policy briefings on the national system of innovation and innovation policy over the medium term.
- Introduce and manage interventions and incentive programmes that increase the level of private-sector investment in scientific or technological research and development by providing pre-approval decisions, within 90 days of the date of receipt of applications, for the research and development tax incentive over the medium term.

## Subprogrammes

- *Sector Innovation and Green Economy* provides policy, strategy and direction for research and the development-led growth of strategic sectors of the economy; and supports the transition to a green economy.
- *Innovation for Inclusive Development* supports the development of science and technology-based innovations for tackling poverty, including the creation of sustainable jobs and human settlements, and the enhanced delivery of basic services.
- *Science and Technology Investment* leads and supports the development of indicators and instruments for monitoring investments in science and technology, the performance of the national system of innovation, and ways of strengthening policy in relation to the national system of innovation.
- *Technology Localisation, Beneficiation and Advanced Manufacturing* funds technology and innovation development programmes to advance strategic medium- and long-term sustainable economic growth and sector development priorities, as well as service delivery.
- *Office of the Deputy Director-General: Socioeconomic Innovation Partnerships* provides management and administrative support to the programme and the deputy director-general.

## Expenditure trends and estimates

**Table 30.13 Socioeconomic Innovation Partnerships expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Sector Innovation and Green Economy	873.9	932.0	996.0	1 036.8	5.9%	55.6%	1 046.0	1 103.7	1 145.9	3.4%	58.6%
Innovation for Inclusive Development	334.5	344.5	356.7	354.8	2.0%	20.1%	367.8	390.7	408.5	4.8%	20.6%
Science and Technology Investment	32.3	22.2	22.2	27.3	-5.4%	1.5%	34.9	37.1	44.2	17.4%	1.9%
Technology Localisation, Beneficiation and Advanced Manufacturing	497.7	465.3	237.0	359.3	-10.3%	22.6%	372.3	393.1	265.6	-9.6%	18.8%
Office of the Deputy Director-General: Socioeconomic Innovation Partnership	4.8	4.6	4.2	-	-100.0%	0.2%	3.5	3.5	3.6	-	0.1%
<b>Total</b>	<b>1 743.1</b>	<b>1 768.6</b>	<b>1 616.1</b>	<b>1 778.3</b>	<b>0.7%</b>	<b>100.0%</b>	<b>1 824.4</b>	<b>1 928.2</b>	<b>1 867.9</b>	<b>1.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			(57.9)	(58.6)	(62.4)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>48.1</b>	<b>51.3</b>	<b>48.8</b>	<b>52.6</b>	<b>4.5%</b>	<b>2.9%</b>	<b>58.3</b>	<b>62.5</b>	<b>66.4</b>	<b>6.6%</b>	<b>3.3%</b>
Compensation of employees	41.0	41.0	42.4	43.0	3.2%	2.5%	48.6	52.2	55.9	7.3%	2.7%
Goods and services <sup>1</sup>	7.0	10.3	6.4	9.7	11.1%	0.5%	9.7	10.2	10.6	3.0%	0.5%
of which:											
Advertising	0.0	0.0	0.2	0.2	231.7%	-	0.2	0.2	0.3	4.8%	-
Catering: Departmental activities	0.1	0.1	0.3	0.3	30.4%	-	0.3	0.3	0.4	6.4%	-
Communication	0.4	0.8	1.0	1.0	42.5%	-	1.2	1.2	1.3	6.8%	0.1%
Consultants: Business and advisory services	0.0	0.4	0.7	3.7	511.6%	0.1%	2.8	3.1	3.1	-4.9%	0.2%
Travel and subsistence	3.3	3.1	2.9	3.0	-3.2%	0.2%	3.7	3.8	3.9	9.5%	0.2%
Venues and facilities	0.5	0.0	0.9	0.9	21.6%	-	0.9	0.9	1.0	2.4%	-

**Table 30.13 Socioeconomic Innovation Partnerships expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 695.0</b>	<b>1 717.3</b>	<b>1 567.3</b>	<b>1 725.6</b>	<b>0.6%</b>	<b>97.1%</b>	<b>1 766.1</b>	<b>1 865.7</b>	<b>1 801.5</b>	<b>1.5%</b>	<b>96.7%</b>
Departmental agencies and accounts	425.0	444.2	384.4	568.7	10.1%	26.4%	588.5	623.4	507.8	-3.6%	30.9%
Higher education institutions	14.6	14.6	–	–	-100.0%	0.4%	–	–	–	–	–
Public corporations and private enterprises	1 199.0	1 207.4	1 157.1	1 156.9	-1.2%	68.4%	1 177.6	1 242.3	1 293.6	3.8%	65.8%
Non-profit institutions	56.3	51.0	25.8	–	-100.0%	1.9%	–	–	–	–	–
Households	0.1	0.1	0.0	–	-100.0%	–	–	–	–	–	–
<b>Total</b>	<b>1 743.1</b>	<b>1 768.6</b>	<b>1 616.1</b>	<b>1 778</b>	<b>0.7%</b>	<b>100.0%</b>	<b>1 824.4</b>	<b>1 928.2</b>	<b>1 867.9</b>	<b>1.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>23.4%</b>	<b>24.0%</b>	<b>21.6%</b>	<b>22.3%</b>	<b>–</b>	<b>–</b>	<b>22.4%</b>	<b>22.4%</b>	<b>21.0%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>425.0</b>	<b>444.2</b>	<b>384.4</b>	<b>568.7</b>	<b>10.1%</b>	<b>26.4%</b>	<b>588.5</b>	<b>623.4</b>	<b>507.8</b>	<b>-3.6%</b>	<b>30.9%</b>
Various institutions: Economic competitiveness and support package: Local manufacturing capacity research and technical support	–	–	–	80.0	–	1.2%	80.0	84.4	–	-100.0%	3.3%
Various institutions: Economic competitiveness and support package: Local systems of innovation for the cold chain technologies project	–	–	–	62.0	–	0.9%	62.0	65.4	–	-100.0%	2.6%
Various institutions: Innovative research and development	13.8	6.9	35.0	39.9	42.5%	1.4%	42.0	46.7	50.7	8.3%	2.4%
Human Sciences Research Council	288.7	290.1	304.7	303.7	1.7%	17.2%	313.9	331.2	344.1	4.3%	17.5%
Various institutions: Local manufacturing capacity research and technical support	42.0	70.7	3.3	25.9	-14.9%	2.1%	28.7	30.3	34.2	9.7%	1.6%
Various institutions: Local systems of innovation for the cold chain technologies project	60.0	64.0	30.7	10.6	-43.8%	2.4%	11.8	12.4	15.8	14.1%	0.7%
Various institutions: Resource-based industries research and development	1.3	1.0	–	–	-100.0%	–	–	–	–	–	–
National Research Foundation: Research information management system	12.2	7.2	–	4.0	-31.1%	0.3%	8.4	8.9	11.7	43.0%	0.4%
Human Sciences Research Council: Develop and monitor science and technology indicators	5.4	–	7.0	10.0	22.4%	0.3%	12.4	13.1	16.4	18.1%	0.7%
Various institutions: Environmental innovation	1.5	4.2	3.8	32.6	174.3%	0.6%	29.4	31.0	34.9	4.7%	1.7%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>336.5</b>	<b>335.4</b>	<b>228.1</b>	<b>193.8</b>	<b>-16.8%</b>	<b>15.8%</b>	<b>211.7</b>	<b>223.4</b>	<b>241.3</b>	<b>7.6%</b>	<b>11.8%</b>
Various institutions: Advanced manufacturing technology strategy implementation	–	43.1	51.2	53.7	–	2.1%	59.5	62.8	67.3	7.8%	3.3%
Council for Scientific and Industrial Research	–	–	4.0	–	–	0.1%	–	–	–	–	–
Various institutions: Innovative research and development	12.3	19.3	5.2	–	-100.0%	0.5%	–	–	–	–	–
Various institutions: ICT	26.1	21.8	45.8	28.6	3.1%	1.8%	38.5	40.7	44.4	15.8%	2.1%
Various institutions: Local manufacturing capacity research and technical support	143.1	141.9	–	–	-100.0%	4.1%	–	–	–	–	–
Council for Scientific and Industrial Research: Mining research and development	–	–	24.1	63.0	–	1.3%	60.0	63.3	68.2	2.7%	3.4%
Various institutions: Local systems of innovation for the cold chain technologies project	104.8	54.4	–	–	-100.0%	2.3%	–	–	–	–	–
Various institutions: Resource-based industries research and development	45.2	41.1	97.9	48.4	2.3%	3.4%	53.7	56.6	61.3	8.2%	3.0%
Various institutions: Environmental innovation	4.9	13.7	–	–	-100.0%	0.3%	–	–	–	–	–

**Table 30.13 Socioeconomic Innovation Partnerships expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies											
R million	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
<b>Higher education institutions</b>											
<b>Current</b>	<b>14.6</b>	<b>14.6</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.4%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Various institutions: Advanced manufacturing technology strategy implementation	2.9	0.3	-	-	-100.0%	-	-	-	-	-	-
Various institutions: Innovative research and development	4.5	8.0	-	-	-100.0%	0.2%	-	-	-	-	-
Various institutions: Local manufacturing capacity research and technical support	2.4	2.0	-	-	-100.0%	0.1%	-	-	-	-	-
Various institutions: Local systems of innovation for the cold chain technologies project	3.5	4.3	-	-	-100.0%	0.1%	-	-	-	-	-
Various institutions: Resource-based industries research and development	1.3	-	-	-	-100.0%	-	-	-	-	-	-
<b>Non-profit institutions</b>											
<b>Current</b>	<b>56.3</b>	<b>51.0</b>	<b>25.8</b>	<b>-</b>	<b>-100.0%</b>	<b>1.9%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Various institutions: Advanced manufacturing technology strategy implementation	0.1	0.1	8.1	-	-100.0%	0.1%	-	-	-	-	-
Various institutions: Innovative research and development	8.1	8.9	-	-	-100.0%	0.2%	-	-	-	-	-
Various institutions: Local systems of innovation for the cold chain technologies project	36.4	30.3	-	-	-100.0%	1.0%	-	-	-	-	-
Various institutions: Resource-based industries research and development	1.7	1.7	-	-	-100.0%	-	-	-	-	-	-
Various institutions: Environmental innovation	10.1	10.0	17.7	-	-100.0%	0.5%	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>42.2</b>	<b>-</b>	<b>13.3</b>	<b>-</b>	<b>-100.0%</b>	<b>0.8%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Various institutions: Advanced manufacturing technology strategy implementation	42.2	-	13.3	-	-100.0%	0.8%	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Public corporations (subsidies on products and production)</b>											
<b>Current</b>	<b>820.2</b>	<b>872.0</b>	<b>915.6</b>	<b>963.2</b>	<b>5.5%</b>	<b>51.7%</b>	<b>965.8</b>	<b>1 018.9</b>	<b>1 052.3</b>	<b>3.0%</b>	<b>54.1%</b>
Council for Scientific and Industrial Research	820.2	872.0	915.6	963.2	5.5%	51.7%	965.8	1 018.9	1 052.3	3.0%	54.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

### Council for Scientific and Industrial Research

#### Mandate

The Council for Scientific and Industrial Research was established in 1945 and is governed in terms of the Scientific Research Council Act (1988). The council fosters industrial and scientific development in the national interest through multidisciplinary research and technological innovation.

**Selected performance indicators****Table 30.14 Council for Scientific and Industrial Research performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of journal articles published per year	Council for Scientific and Industrial Research science, engineering and technology operating units and centres	Outcome 5: A skilled and capable workforce to support an inclusive growth path	300	300	317	310	310	320	340
Number of conference papers delivered per year	Council for Scientific and Industrial Research science, engineering and technology operating units and centres		290	290	325	335	340	345	350
Number of new technology demonstrators per year	Council for Scientific and Industrial Research science, engineering and technology operating units and centres	Outcome 4: Decent employment through inclusive growth	30	40	60	50	55	55	55
Amount of contract research and development income per year	Council for Scientific and Industrial Research science, engineering and technology operating units and centres		R1.9bn	R1.9bn	R1.8bn	R2bn	R2.1bn	R2.2bn	R2.4bn
Number of science, engineering and technology staff per year	Council for Scientific and Industrial Research science, engineering and technology operating units and centres	Outcome 5: A skilled and capable workforce to support an inclusive growth path	1 850	1 966	1 850	1 860	1 860	1 950	2 150
Percentage of black science, engineering and technology staff per year	Council for Scientific and Industrial Research science, engineering and technology operating units and centres		57% (1 055/ 1 850)	60% (1 180/ 1 966)	61% (1 129/ 1 850)	62% (1 153/ 1 860)	63% (1 172/ 1 860)	64% (1 248/ 1 950)	72% (1 398/ 1 950)
Number of science, engineering and technology staff with doctorates per year	Council for Scientific and Industrial Research science, engineering and technology operating units and centres		330	351	339	369	390	430	510
Number of new patents granted per year	Council for Scientific and Industrial Research science, engineering and technology operating units and centres	Outcome 4: Decent employment through inclusive growth	15	15	19	15	15	15	15

**Expenditure analysis**

Over the medium term, the Council for Scientific and Industrial Research will focus on conducting high-quality and relevant research, and pursuing technological innovation to foster industrial and scientific development. In its continuing effort to develop, renew and transform the science, engineering and technology base, the council plans to provide knowledge solutions for the inclusive and sustainable advancement of industry and society, and foster strategic partnerships for the development of innovative and technological capabilities for local industries. In addition, the council expects to build on current industrial development opportunities such as pharmaceutical innovation and agro-processing. As part of its strategic intent for innovation, the council will focus on striking the right balance between scientific development and industrial development.

To achieve these objectives, over the period ahead, the council plans to implement a range of research, development and innovation programmes in areas such as health, energy, defence and security. Spending on these activities is expected to amount to R2.5 billion over the MTEF period.

As the nature of the council's work requires highly specialised skills and is labour intensive, spending on compensation of employees accounts for 56.5 per cent (R5.4 billion) of total expenditure over the medium term. Spending on compensation of employees is projected to increase at an average annual rate of 5.7 per cent, from R1.6 billion in 2018/19 to R1.9 billion in 2021/22, as the council capacitates the newly launched biorefinery industry development and photonics prototyping facilities.

Total revenue is projected to be R9.8 billion over the medium term, of which 40.2 per cent (R4 billion) is derived from transfers from the department. Transfers from the department are expected to increase at an average annual rate of 3.5 per cent, from R1.3 billion in 2018/19 to R1.4 billion in 2021/22. The remaining revenue is generated from services rendered and other revenue streams, which include contract research and development income from local and international public and private sectors, income from intellectual property, and proceeds from technology transfer proceeds. The council expects to achieve a net profit of R267 million

over the MTEF period, which it plans to invest in property, plant and equipment.

### Programmes/objectives/activities

**Table 30.15 Council for Scientific and Industrial Research expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	372.7	391.1	374.8	432.3	5.1%	14.5%	544.7	567.8	598.8	11.5%	17.2%
Council for Scientific and Industrial Research science, engineering and technology operating units and centres	2 323.6	2 277.4	2 182.4	2 471.2	2.1%	85.5%	2 481.4	2 586.8	2 727.9	3.3%	82.8%
<b>Total</b>	<b>2 696.3</b>	<b>2 668.5</b>	<b>2 557.2</b>	<b>2 903.5</b>	<b>2.5%</b>	<b>100.0%</b>	<b>3 026.1</b>	<b>3 154.6</b>	<b>3 326.7</b>	<b>4.6%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 30.16 Council for Scientific and Industrial Research statements of historical financial performance and position**

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2015/16 - 2018/19	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>1 878.6</b>	<b>2 067.2</b>	<b>2 039.6</b>	<b>2 031.7</b>	<b>2 185.4</b>	<b>1 821.5</b>	<b>2 348.7</b>	<b>2 134.8</b>	<b>95.3%</b>
Sale of goods and services other than capital assets	1 832.4	1 970.3	1 998.6	1 937.1	2 143.9	1 776.1	2 308.0	1 973.5	92.4%
<i>of which:</i>									
<i>Sales by market establishment</i>	1 832.4	1 970.3	1 998.6	1 937.1	2 143.9	1 776.1	2 308.0	1 973.5	92.4%
Other non-tax revenue	46.2	96.9	41.0	94.7	41.5	45.4	40.7	161.2	235.2%
<b>Transfers received</b>	<b>795.0</b>	<b>680.5</b>	<b>815.6</b>	<b>714.1</b>	<b>835.7</b>	<b>722.4</b>	<b>879.7</b>	<b>1 262.5</b>	<b>101.6%</b>
<b>Total revenue</b>	<b>2 673.6</b>	<b>2 747.7</b>	<b>2 855.2</b>	<b>2 745.8</b>	<b>3 021.1</b>	<b>2 543.9</b>	<b>3 228.4</b>	<b>3 397.3</b>	<b>97.1%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>2 610.4</b>	<b>2 694.8</b>	<b>2 793.1</b>	<b>2 668.5</b>	<b>2 958.9</b>	<b>2 557.2</b>	<b>3 159.2</b>	<b>2 903.5</b>	<b>93.9%</b>
Compensation of employees	1 455.0	1 468.2	1 541.2	1 487.9	1 671.3	1 538.9	1 787.2	1 624.3	94.8%
Goods and services	1 103.8	1 163.7	1 194.2	1 109.9	1 222.2	952.4	1 302.6	1 195.9	91.7%
Depreciation	51.6	54.5	57.8	61.7	65.5	65.9	69.4	83.3	108.7%
Interest, dividends and rent on land	–	8.4	–	9.0	–	–	–	–	–
<b>Total expenses</b>	<b>2 610.4</b>	<b>2 696.3</b>	<b>2 793.1</b>	<b>2 668.5</b>	<b>2 958.9</b>	<b>2 557.2</b>	<b>3 159.2</b>	<b>2 903.5</b>	<b>94.0%</b>
<b>Surplus/(Deficit)</b>	<b>63.0</b>	<b>51.0</b>	<b>62.0</b>	<b>77.0</b>	<b>62.0</b>	<b>(13.0)</b>	<b>69.0</b>	<b>494.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	784.4	753.7	813.4	762.9	841.3	784.4	873.8	791.9	93.4%
<i>of which:</i>									
<i>Acquisition of assets</i>	(99.9)	(100.5)	(117.5)	(72.0)	(143.8)	(87.4)	(102.0)	(106.1)	79.0%
Investments	16.5	7.6	18.1	20.2	20.7	9.1	25.1	19.0	69.5%
Inventory	103.6	106.0	106.9	85.4	107.9	113.7	118.7	113.6	95.8%
Receivables and prepayments	247.9	252.5	264.4	281.9	280.2	224.7	299.8	294.9	96.5%
Cash and cash equivalents	810.7	1 012.9	793.7	1 106.5	798.0	1 100.6	806.9	815.6	125.7%
Non-current assets held for sale	–	27.6	–	–	–	–	–	–	–
<b>Total assets</b>	<b>1 963.1</b>	<b>2 160.2</b>	<b>1 996.5</b>	<b>2 256.9</b>	<b>2 048.0</b>	<b>2 232.4</b>	<b>2 124.3</b>	<b>2 035.0</b>	<b>106.8%</b>
Accumulated surplus/(deficit)	942.4	930.5	992.6	1 007.8	1 088.3	994.5	1 157.5	985.8	93.7%
Deferred income	–	23.5	–	4.2	–	11.2	–	–	–
Trade and other payables	1 009.1	1 195.5	991.3	1 234.1	945.9	1 215.7	952.1	1 038.4	120.1%
Provisions	11.6	10.7	12.7	10.8	13.8	11.0	14.8	10.9	82.0%
<b>Total equity and liabilities</b>	<b>1 963.1</b>	<b>2 160.2</b>	<b>1 996.5</b>	<b>2 256.9</b>	<b>2 048.0</b>	<b>2 232.4</b>	<b>2 124.3</b>	<b>2 035.0</b>	<b>106.8%</b>

## Statements of estimates of financial performance and position

**Table 30.17 Council for Scientific and Industrial Research statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22		
R million								
<b>Revenue</b>								
Non-tax revenue	2 134.8	1.1%	70.9%	1 830.4	1 893.2	2 024.3	-1.8%	59.8%
Sale of goods and services other than capital assets of which:	1 973.5	0.1%	67.5%	1 654.5	1 709.7	1 830.7	-2.5%	54.4%
Sales by market establishment	1 973.5	0.1%	67.5%	1 654.5	1 709.7	1 830.7	-2.5%	54.4%
Other non-tax revenue	161.2	18.5%	3.4%	175.9	183.5	193.6	6.3%	5.4%
Transfers received	1 262.5	22.9%	29.1%	1 277.5	1 347.7	1 401.4	3.5%	40.2%
<b>Total revenue</b>	<b>3 397.3</b>	<b>7.3%</b>	<b>100.0%</b>	<b>3 107.9</b>	<b>3 240.9</b>	<b>3 425.7</b>	<b>0.3%</b>	<b>100.0%</b>
<b>Expenses</b>								
Current expenses	2 903.5	2.5%	100.0%	3 026.1	3 154.6	3 326.7	4.6%	100.0%
Compensation of employees	1 624.3	3.4%	56.6%	1 677.3	1 793.0	1 918.6	5.7%	56.5%
Goods and services	1 195.9	0.9%	40.8%	1 261.2	1 291.0	1 333.9	3.7%	41.0%
Depreciation	83.3	15.2%	2.4%	87.7	70.6	74.3	-3.8%	2.6%
<b>Total expenses</b>	<b>2 903.5</b>	<b>2.5%</b>	<b>100.0%</b>	<b>3 026.1</b>	<b>3 154.6</b>	<b>3 326.7</b>	<b>4.6%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>494.0</b>			<b>82.0</b>	<b>86.0</b>	<b>99.0</b>		
<b>Statement of financial position</b>								
Carrying value of assets of which:	791.9	1.7%	35.7%	819.6	848.3	886.4	3.8%	38.6%
Acquisition of assets	(106.1)	1.8%	-4.2%	(74.0)	(151.7)	(160.8)	14.9%	-5.6%
Investments	19.0	35.7%	0.6%	19.0	19.0	19.0	-	0.9%
Inventory	113.6	2.3%	4.8%	120.8	128.3	137.9	6.7%	5.8%
Receivables and prepayments	294.9	5.3%	12.2%	313.6	333.0	358.0	6.7%	15.0%
Cash and cash equivalents	815.6	-7.0%	46.3%	839.6	881.0	916.2	4.0%	39.8%
<b>Total assets</b>	<b>2 035.0</b>	<b>-2.0%</b>	<b>100.0%</b>	<b>2 112.5</b>	<b>2 209.6</b>	<b>2 317.6</b>	<b>4.4%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	985.8	1.9%	45.2%	985.8	985.8	993.3	0.3%	45.6%
Trade and other payables	1 038.4	-4.6%	53.9%	1 115.7	1 212.7	1 313.1	8.1%	53.8%
Provisions	10.9	0.5%	0.5%	11.0	11.1	11.2	1.0%	0.5%
<b>Total equity and liabilities</b>	<b>2 035.0</b>	<b>-2.0%</b>	<b>100.0%</b>	<b>2 112.5</b>	<b>2 209.6</b>	<b>2 317.6</b>	<b>4.4%</b>	<b>100.0%</b>

## Personnel information

**Table 30.18 Council for Scientific and Industrial Research personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019			Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22											
Council for Scientific and Industrial Research			Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost					
Salary level	3 170	3 170	3 170	1 538.9	0.5	3 170	1 624.3	0.5	3 170	1 677.3	0.5	3 323	1 793.0	0.5	3 323	1 918.6	0.6	5.7%	100.0%
1 - 6	695	695	695	63.4	0.1	695	66.9	0.1	695	69.1	0.1	736	73.8	0.1	736	79.0	0.1	5.7%	22.0%
7 - 10	1 531	1 531	1 531	572.9	0.4	1 531	604.7	0.4	1 531	624.4	0.4	1 603	667.5	0.4	1 603	714.3	0.4	5.7%	48.3%
11 - 12	453	453	453	326.6	0.7	453	344.7	0.8	453	356.0	0.8	475	380.5	0.8	475	407.2	0.9	5.7%	14.3%
13 - 16	470	470	470	531.1	1.1	470	560.5	1.2	470	578.8	1.2	488	618.8	1.3	488	662.1	1.4	5.7%	14.8%
17 - 22	21	21	21	45.0	2.1	21	47.5	2.3	21	49.0	2.3	21	52.4	2.5	21	56.1	2.7	5.7%	0.6%

1. Rand million.

## National Research Foundation

### Mandate

The National Research Foundation was established in terms of the National Research Foundation Act (1998), as amended. In terms of the National Research Foundation Amendment Bill (2016), the organisation is mandated to support research through funding, human resource development and the provision of research facilities to enable knowledge creation, innovation and development in all fields of science and technology, and promote indigenous knowledge.

**Selected performance indicators****Table 30.19 National Research Foundation performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of members of the public reached through interactions focusing on science awareness activities per year	Science engagement	Entity mandate	1 013 716	1 084 760	1 191 892	1 080 000	680 300 <sup>1</sup>	682 150 <sup>1</sup>	683 300
Number of black researchers funded per year	Research and innovation support and advancement		1 355	1 563	1 698	2 182	2 154	2 295	2 368
Number of female researchers funded per year	Research and innovation support and advancement		1 610	1 699	1 698	1 520	1 478	2 423	2 496
Number of black postgraduate students funded per year	Research and innovation support and advancement	Outcome 5: A skilled and capable workforce to support an inclusive growth path	8 980	10 747	11 328	9 350	9 418	9 941	10 079
Number of female postgraduate students funded per year	Research and innovation support and advancement		7 032	8 017	8 266	7 119	6 479	6 969	7 064
Number of masters students supported per year	Research and innovation support and advancement		4 853	4 995	5 435	4 582	3 706	3 892	3 938
Number of doctoral students supported per year	Research and innovation support and advancement		3 181	3 363	3 519	3 066	2 941	3 075	3 110
Number of researchers rated through the National Research Foundation system per year	Research and innovation support and advancement		3 369	3 663	3 885	3 750	3 900	4 050	4 200
Number of active grants emanating from binational, multinational and agency-to-agency agreements per year	Research and innovation support and advancement	Entity mandate	1 161	1 008	996	990	945	950	955
Number of users of equipment funded by the national equipment programme and national nanotechnology programme per year	Research and innovation support and advancement	Outcome 6: An efficient, competitive and responsive economic infrastructure network	2 360	2 937	2 881	2 641	593 <sup>2</sup>	1 843 <sup>2</sup>	884
Number of publications emanating from the usage of equipment funded by the national equipment programme and national nanotechnology programme per year	Research and innovation support and advancement		1 105	779	908	695	593 <sup>3</sup>	485 <sup>3</sup>	233
Number of Web of Science publications in nuclear, biodiversity, conservation and environment at the National Research Foundation's facilities per year	National research infrastructure platforms	Entity mandate	275	321	574	397	558 <sup>1</sup>	583 <sup>1</sup>	624 <sup>1</sup>

1. Targets decrease in line with available budget.

2. Due to a significant change in the budget allocation for new equipment grants, the foundation will service only 41 per cent of the demand for equipment support over the medium term.

3. Decrease in the number of publications emanating from the usage of national equipment programme due to a change in budget allocation.

**Expenditure analysis**

The National Research Foundation executes its mandate through the National Research Foundation Strategy 2020, a five-year plan in its final year of implementation. Over the medium term, the foundation plans to continue striving to become a globally competitive institution by focusing on research and development in support of human capacity, knowledge generation and innovation.

The foundation provides support across the full spectrum of current and future knowledge workers' careers, particularly for highly qualified technicians. This is achieved through a human capacity development pipeline, which informs the support for next-generation researchers, emerging researchers and established researchers. Accordingly, the foundation expects to invest 36 per cent (R2.8 billion) of its total human capital development budget over the MTEF period in developing the next generation of researchers. It intends to do this by awarding scholarships and bursaries; and offering academic development programmes to honours, masters, doctoral and postdoctoral students. R880.6 million has been earmarked for this purpose in 2019/20, when the foundation expects to support 3 706 masters and 2 941 doctoral students.



Advanced infrastructure is a key enabler of globally competitive research, development and innovation. As such, an estimated R4.6 billion over the MTEF period will provide unique national research facilities in the nuclear sciences, biodiversity, astronomy and geosciences fields that require highly qualified technicians. A further R2.4 billion over the period has been earmarked for the Square Kilometre Array, which will be the world's largest and most sensitive radio telescope.

Over the medium term, the foundation expects to receive an estimated 79 per cent (R11.2 billion) of its revenue through a parliamentary grant; and the remainder through contract funding from the Department of Science and Technology, and other government departments and entities. The parliamentary funding includes an additional R167.9 million set aside for maintaining and enhancing the research and training activities of iThemba Laboratories in 2018/19.

### Programmes/objectives/activities

**Table 30.20 National Research Foundation expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2019/20	2020/21	2021/22			
Administration	82.2	85.0	89.7	126.6	15.5%	2.4%	126.7	133.9	142.0	3.9%	3.0%
Science engagement	163.9	169.5	169.9	125.2	-8.6%	3.9%	118.4	118.5	132.5	1.9%	2.8%
Research and innovation support and advancement	2 645.2	2 690.5	2 793.8	2 504.2	-1.8%	66.4%	2 799.4	2 846.5	2 805.1	3.9%	61.5%
National research infrastructure platforms	394.7	430.0	1 140.8	1 272.4	47.7%	20.0%	1 413.1	1 467.0	1 712.1	10.4%	32.8%
National research facilities: Astronomy	514.0	637.9	-	-	-100.0%	7.4%	-	-	-	-	-
<b>Total</b>	<b>3 800.1</b>	<b>4 013.0</b>	<b>4 194.2</b>	<b>4 028.4</b>	<b>2.0%</b>	<b>100.0%</b>	<b>4 457.6</b>	<b>4 565.9</b>	<b>4 791.7</b>	<b>6.0%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 30.21 National Research Foundation statements of historical financial performance and position**

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%) 2015/16 - 2018/19
	Budget	2015/16	Budget	2016/17	Budget	2017/18			
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>1 307.5</b>	<b>1 487.1</b>	<b>1 241.6</b>	<b>1 383.0</b>	<b>1 237.5</b>	<b>1 416.8</b>	<b>630.3</b>	<b>1 011.5</b>	<b>120.0%</b>
Sale of goods and services other than capital assets	122.0	127.6	130.5	106.7	129.7	115.3	65.8	65.8	92.7%
<i>of which:</i>									
<i>Sales by market establishment</i>	69.1	72.1	76.6	68.0	81.7	80.6	63.6	63.6	97.7%
<i>Other sales</i>	52.8	55.4	53.9	38.7	48.0	34.7	2.1	2.1	83.5%
Other non-tax revenue	1 185.5	1 359.6	1 111.1	1 276.3	1 107.8	1 301.4	564.5	945.7	123.0%
<b>Transfers received</b>	<b>2 877.1</b>	<b>2 675.5</b>	<b>3 197.8</b>	<b>3 118.2</b>	<b>3 378.1</b>	<b>3 309.8</b>	<b>3 691.4</b>	<b>3 478.2</b>	<b>95.7%</b>
<b>Total revenue</b>	<b>4 184.6</b>	<b>4 162.6</b>	<b>4 439.4</b>	<b>4 501.1</b>	<b>4 615.6</b>	<b>4 726.5</b>	<b>4 321.7</b>	<b>4 489.6</b>	<b>101.8%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 308.6</b>	<b>1 243.4</b>	<b>1 362.2</b>	<b>1 415.0</b>	<b>1 459.6</b>	<b>1 474.1</b>	<b>1 579.2</b>	<b>1 577.8</b>	<b>100.0%</b>
Compensation of employees	666.4	577.9	678.8	627.1	750.0	717.8	791.9	792.0	94.0%
Goods and services	563.1	573.8	585.5	663.1	596.9	601.5	637.5	636.0	103.8%
Depreciation	79.0	91.6	97.9	124.7	112.7	154.8	149.8	149.8	118.5%
Interest, dividends and rent on land	0.0	0.1	0.0	0.0	0.0	0.0	-	-	233.3%
<b>Transfers and subsidies</b>	<b>2 394.5</b>	<b>2 556.7</b>	<b>2 460.5</b>	<b>2 598.0</b>	<b>2 504.6</b>	<b>2 720.1</b>	<b>2 509.2</b>	<b>2 450.6</b>	<b>104.6%</b>
<b>Total expenses</b>	<b>3 703.1</b>	<b>3 800.1</b>	<b>3 822.6</b>	<b>4 013.0</b>	<b>3 964.2</b>	<b>4 194.2</b>	<b>4 088.4</b>	<b>4 028.4</b>	<b>102.9%</b>
<b>Surplus/(Deficit)</b>	<b>481.0</b>	<b>362.0</b>	<b>617.0</b>	<b>488.0</b>	<b>651.0</b>	<b>532.0</b>	<b>233.0</b>	<b>461.0</b>	
Statement of financial position									
Carrying value of assets	1 862.0	1 708.3	2 353.6	2 209.7	2 873.0	2 745.4	3 106.3	3 216.1	96.9%
<i>of which:</i>									
<i>Acquisition of assets</i>	(565.9)	(440.0)	(741.7)	(630.0)	(776.0)	(694.1)	(383.1)	(620.5)	96.7%
Investments	25.8	22.8	20.0	18.4	17.0	16.1	15.0	15.0	93.1%
Inventory	6.5	6.2	6.5	7.1	6.3	6.1	3.4	3.4	100.4%
Receivables and prepayments	1 000.8	1 500.4	986.4	1 513.0	945.7	1 080.8	874.1	890.1	130.9%
Cash and cash equivalents	648.4	671.5	589.1	494.8	510.0	463.4	505.0	505.0	94.8%
Defined benefit plan assets	0.5	1.5	1.3	3.7	1.2	4.0	1.0	4.2	338.1%
<b>Total assets</b>	<b>3 544.0</b>	<b>3 910.6</b>	<b>3 956.9</b>	<b>4 246.7</b>	<b>4 353.2</b>	<b>4 315.9</b>	<b>4 504.7</b>	<b>4 633.7</b>	<b>104.6%</b>

**Table 30.21 National Research Foundation statements of historical financial performance and position**

Statement of financial position								Average: Outcome/ Budget (%)	
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Accumulated surplus/(deficit)	–	4.1	–	0.4	–	2.6	–	–	–
Capital and reserves	97.7	104.1	78.3	94.5	83.1	89.0	82.1	82.1	108.4%
Capital reserve fund	1 862.0	1 708.3	2 353.6	2 209.7	2 873.0	2 745.4	3 106.3	3 216.1	96.9%
Finance lease	0.6	0.2	0.2	0.2	0.2	0.1	0.2	0.1	47.9%
Deferred income	1 478.8	1 972.0	1 420.4	1 798.7	1 294.4	1 335.9	1 225.1	1 232.0	117.0%
Trade and other payables	96.0	103.7	94.9	134.8	94.5	107.7	82.6	95.0	119.9%
Provisions	8.9	18.1	9.4	8.4	8.0	35.2	8.5	8.5	201.6%
<b>Total equity and liabilities</b>	<b>3 544.0</b>	<b>3 910.6</b>	<b>3 956.9</b>	<b>4 246.7</b>	<b>4 353.2</b>	<b>4 315.9</b>	<b>4 504.7</b>	<b>4 633.7</b>	<b>104.6%</b>

**Statements of estimates of financial performance and position****Table 30.22 National Research Foundation statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
	Revised estimate			2019/20	2020/21	2021/22		
R million	2018/19	2015/16 - 2018/19					2018/19 - 2021/22	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>1 011.5</b>	<b>-12.1%</b>	<b>29.7%</b>	<b>1 010.7</b>	<b>919.1</b>	<b>956.4</b>	<b>-1.8%</b>	<b>21.0%</b>
Sale of goods and services other than capital assets	65.8	-19.8%	2.3%	67.9	70.8	76.2	5.0%	1.5%
<i>of which:</i>								
<i>Sales by market establishment</i>	63.6	-4.1%	1.6%	66.2	68.6	73.9	5.1%	1.5%
<i>Other sales</i>	2.1	-66.2%	0.7%	1.7	2.2	2.3	2.9%	0.0%
Other non-tax revenue	945.7	-11.4%	27.4%	942.8	848.3	880.2	-2.4%	19.5%
<b>Transfers received</b>	<b>3 478.2</b>	<b>9.1%</b>	<b>70.3%</b>	<b>3 605.5</b>	<b>3 765.8</b>	<b>3 826.1</b>	<b>3.2%</b>	<b>79.0%</b>
<b>Total revenue</b>	<b>4 489.6</b>	<b>2.6%</b>	<b>100.0%</b>	<b>4 616.2</b>	<b>4 684.8</b>	<b>4 782.6</b>	<b>2.1%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>1 577.8</b>	<b>8.3%</b>	<b>35.6%</b>	<b>1 727.4</b>	<b>1 799.0</b>	<b>1 923.2</b>	<b>6.8%</b>	<b>39.4%</b>
Compensation of employees	792.0	11.1%	16.9%	870.6	936.8	995.4	7.9%	20.1%
Goods and services	636.0	3.5%	15.4%	675.5	670.4	724.5	4.4%	15.2%
Depreciation	149.8	17.8%	3.2%	181.4	191.8	203.3	10.7%	4.1%
<b>Transfers and subsidies</b>	<b>2 450.6</b>	<b>-1.4%</b>	<b>64.4%</b>	<b>2 730.2</b>	<b>2 766.9</b>	<b>2 868.6</b>	<b>5.4%</b>	<b>60.6%</b>
<b>Total expenses</b>	<b>4 028.4</b>	<b>2.0%</b>	<b>100.0%</b>	<b>4 457.6</b>	<b>4 565.9</b>	<b>4 791.7</b>	<b>6.0%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>461.0</b>			<b>159.0</b>	<b>119.0</b>	<b>(9.0)</b>		
<b>Statement of financial position</b>								
Carrying value of assets	3 216.1	23.5%	57.2%	3 365.1	3 474.6	3 454.3	2.4%	72.5%
<i>of which:</i>								
<i>Acquisition of assets</i>	(620.5)	12.1%	-13.9%	(330.3)	(301.3)	(183.0)	-33.4%	-7.7%
Investments	15.0	-13.0%	0.4%	14.0	12.0	11.0	-9.8%	0.3%
Inventory	3.4	-18.5%	0.1%	3.3	3.2	3.3	-1.0%	0.1%
Receivables and prepayments	890.1	-16.0%	29.6%	842.1	827.8	820.0	-2.7%	18.2%
Cash and cash equivalents	505.0	-9.1%	12.6%	406.0	388.0	350.0	-11.5%	8.9%
Defined benefit plan assets	4.2	42.3%	0.1%	4.3	4.0	4.0	-1.6%	0.1%
<b>Total assets</b>	<b>4 633.7</b>	<b>5.8%</b>	<b>100.0%</b>	<b>4 634.7</b>	<b>4 709.6</b>	<b>4 642.6</b>	<b>0.1%</b>	<b>100.0%</b>
Capital and reserves	82.1	-7.6%	2.2%	80.8	78.2	77.2	-2.0%	1.7%
Capital reserve fund	3 216.1	23.5%	57.2%	3 365.1	3 474.6	3 454.3	2.4%	72.5%
Finance lease	0.1	-27.7%	0.0%	0.1	0.1	0.1	-5.5%	0.0%
Deferred income	1 232.0	-14.5%	37.6%	1 090.1	1 059.7	1 016.8	-6.2%	23.6%
Trade and other payables	95.0	-2.9%	2.6%	90.0	88.0	85.0	-3.6%	1.9%
Provisions	8.5	-22.3%	0.4%	8.7	9.0	9.2	2.7%	0.2%
<b>Total equity and liabilities</b>	<b>4 633.7</b>	<b>5.8%</b>	<b>100.0%</b>	<b>4 634.7</b>	<b>4 709.6</b>	<b>4 642.6</b>	<b>0.1%</b>	<b>100.0%</b>

## Personnel information

**Table 30.23 National Research Foundation personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment											Number						
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost			2021/22		Unit cost	
National Research Foundation		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2018/19 - 2021/22		
Salary level	1 302	1 302	1 193	717.8	0.6	1 302	792.0	0.6	1 211	880.6	0.7	1 211	946.8	0.8	1 211	1 006.6	0.8	8.3%	100.0%
1 – 6	176	176	159	32.1	0.2	176	35.5	0.2	161	37.3	0.2	161	40.1	0.2	161	42.6	0.3	6.3%	13.4%
7 – 10	802	802	725	349.1	0.5	802	385.0	0.5	741	423.7	0.6	741	455.6	0.6	741	484.3	0.7	7.9%	61.3%
11 – 12	185	185	175	147.4	0.8	185	162.6	0.9	173	182.4	1.1	173	196.2	1.1	173	208.5	1.2	8.6%	14.3%
13 – 16	131	131	126	166.6	1.3	131	183.8	1.4	128	208.1	1.6	128	223.7	1.7	128	237.9	1.9	9.0%	10.4%
17 – 22	8	8	8	22.6	2.8	8	25.2	3.1	8	29.0	3.6	8	31.2	3.9	8	33.2	4.1	9.7%	0.6%

1. Rand million.

## Other entities

Comprehensive coverage of the following entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Academy of Science of South Africa** links South Africa with scientific communities at the highest levels in the SADC region, the rest of Africa and internationally; promotes common ground in scientific thinking across all disciplines; encourages and promotes innovative and independent scientific thinking; promotes the development of intellectual capacity in all people; provides effective scientific, evidence-based advice; and facilitates appropriate action in the public interest. The academy's total budget for 2019/20 is R37.2 million.
- The **Human Sciences Research Council** undertakes, promotes and coordinates research in the human and social sciences. The council's total budget for 2019/20 is R599.9 million.
- The **South African National Space Agency** was established in terms of the South African National Space Agency Act (2008) and came into existence in December 2010. The agency aims to be a key contributor to the South African earth observation strategy by providing space-based data platforms in collaboration with other entities that focus on in situ observation measurements such as the South African earth observation network. The agency's total budget for 2019/20 is R242.7 million.
- The **Technology Innovation Agency** draws its mandate from the Technology Innovation Agency Act (2008) and came into operation in April 2010. The agency was established as an intervention to improve research and development from higher education institutions, scientific councils, public entities and private companies, as well as commercialisation, thereby increasing technological innovation in the economy. The agency's total budget for 2019/20 is R589.8 million.

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
<b>Infrastructure transfers to other spheres, agencies and departments</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Square Kilometre Array	Construction of telescopes	Construction	10 021.2	687.4	652.8	693.9	709.4	687.0	812.1	856.8
<b>Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)</b>										
Space infrastructure	Construction of satellite	Construction	210.8	31.4	29.7	44.9	9.2	30.0	31.7	34.0
Hydrogen strategy	Purchase of equipment	Various	1 087.5	63.6	63.9	67.1	71.0	74.9	77.7	81.5
National nanotechnology centres	Equipping of centres	Various	246.1	50.4	50.7	81.5	–	–	–	–
Cyber-infrastructure	Creation of broadband network connectivity and high-performance computing	Various	2 822.1	213.5	214.5	413.3	236.3	251.7	260.8	273.8
<b>Total</b>			<b>14 387.5</b>	<b>1 046.3</b>	<b>1 011.5</b>	<b>1 300.6</b>	<b>1 025.9</b>	<b>1 043.6</b>	<b>1 182.2</b>	<b>1 246.2</b>

# Vote 31

## Small Business Development

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	124.4	120.6	–	3.8	131.5	139.6
Sector Policy and Research	35.6	35.5	–	0.1	39.4	42.3
Integrated Cooperative Development	127.6	39.5	88.0	0.1	135.1	142.3
Enterprise Development and Entrepreneurship	2 280.9	42.3	2 238.4	0.2	2 407.3	2 539.1
<b>Total expenditure estimates</b>	<b>2 568.6</b>	<b>237.9</b>	<b>2 326.3</b>	<b>4.3</b>	<b>2 713.3</b>	<b>2 863.3</b>

Executive authority Minister of Small Business Development  
 Accounting officer Director-General of Small Business Development  
 Website address [www.dsbd.gov.za](http://www.dsbd.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Promote the development of small businesses and cooperatives that contribute to inclusive economic growth and job creation.*

### Mandate

The department is tasked with the responsibility of leading an integrated approach to the promotion and development of small businesses and cooperatives through focusing on the economic and legislative drivers that stimulate entrepreneurship to contribute to radical economic transformation. The realisation of this mandate will lead to increased employment, poverty reduction and reduced inequality.

The department's mandate is guided by a legislative framework that includes:

- the National Small Business Act (1996)
- the National Small Business Amendment Act (2004)
- the Small Business Development Act (1981)
- the Cooperatives Act (2005)
- the Cooperatives Amendment Act (2013).

### Selected performance indicators

**Table 31.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Value of funding disbursed to cooperatives through the cooperatives incentive scheme per year <sup>1</sup>	Integrated Cooperative Development	Outcome 4: Decent employment through inclusive growth	R74.9m	R63.9m	R70.7m	R83.3m	R87.9m	R92.8m	R97.9m
Number of cooperatives supported through training per year	Integrated Cooperative Development		350	370	270	122	240	300	350

**Table 31.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of black-owned small, medium and micro enterprises assisted through the black business supplier development programme per year	Enterprise Development and Entrepreneurship	Outcome 4: Decent employment through inclusive growth	480	600	641	677	715	800	845
Number of informal business infrastructure funded through the shared economic Infrastructure facility per year	Enterprise Development and Entrepreneurship	Outcome 7: Comprehensive rural development and land reform	- <sup>2</sup>	- <sup>2</sup>	6	6	10	15	20
Number of informal enterprises financially assisted through the national informal business upliftment scheme per year	Enterprise Development and Entrepreneurship		- <sup>2</sup>	1 666	1 696	1 000	1 500	2 000	2 112
Number of incubators established through the enterprise incubation programme per year	Enterprise Development and Entrepreneurship	Outcome 5: A skilled and capable workforce to support an inclusive growth path	- <sup>2</sup>	1	4	11	- <sup>3</sup>	- <sup>3</sup>	- <sup>3</sup>

1. Indicator revised to measure the value of funding disbursed, as per the department's annual performance plan.

2. No historical data available.

3. Indicator discontinued as this function will be migrated to the Small Enterprise Development Agency from 2019/20.

## Expenditure analysis

The National Development Plan identifies the pivotal role of small, medium and micro enterprises (SMMEs) and cooperatives in contributing to inclusive economic growth and employment. In doing so, the plan highlights the benefits of providing incentive schemes, and reducing the costs of doing business and regulatory burdens for small enterprises. The work of the Department of Small Business Development is aligned with and aims to give expression to this vision. Accordingly, over the medium term, the department will focus on: developing, evaluating and reviewing strategies and legislation for small enterprises and cooperatives; increasing support for small enterprises; and developing and supporting cooperatives.

The department has a total budget of R8.1 billion over the medium term, 72.8 percent (R5.9 billion) of which is for transfers to the Small Enterprise Development Agency for its operations, and the Small Enterprise Finance Agency for administering the small business and innovation fund. The department's expenditure is expected to increase at an average annual rate of 24.4 percent, from R1.5 billion in 2018/19 to R2.9 billion in 2021/22. This is mainly due to allocations amounting to R3.2 billion over the MTEF period to operationalise the small business and innovation fund.

### ***Developing, evaluating and reviewing strategies and legislation for small enterprises and cooperatives***

In seeking to fulfil its mandate to provide strategic and legislative drivers that stimulate entrepreneurship and economic transformation, the department plans to undertake various legislative and policy reviews and amendments, which are expected to be completed by 2020. Key among these are drafting the National Small Business Amendment Bill, which seeks to standardise the definition of SMMEs to allow for the development of more appropriate policy and support interventions; and reviewing the integrated strategy on the promotion of entrepreneurship and small enterprises to enable it to be responsive to current economic conditions and business life cycles. Over the medium term, the department plans to conduct research focused on examining barriers to entry and other impediments to small businesses that result in increases to the cost of doing business in South Africa. Research findings will assist the department, in partnership with other stakeholders, to develop strategies related to reducing red tape, accessing markets and conducting business rescue. These activities will

be carried out in the *Sector Policy and Research* programme which has a budget of R117.3 million over the MTEF period. Expenditure in the programme is expected to increase at an average annual rate of 12.3 percent, from R29.9 million in 2018/19 to R42.3 million in 2021/22.

### Increasing support for small enterprises

The department provides support for small enterprises directly and indirectly through the Small Enterprise Development Agency and the Small Enterprise Finance Agency. However, the black business supplier development programme and the national informal business upliftment scheme are implemented directly by the department. The black business supplier development programme offers a cost-sharing grant for small enterprises to acquire tools, machinery, equipment and training to a maximum of R1 million per applicant, while the national informal business upliftment scheme aims to develop and grow informal businesses by providing financial, non-financial and infrastructure support services. Over the medium term, 2 360 small enterprises are expected to benefit from the black business supplier development programme, which is allocated R906.5 million in the *Enterprise Development and Entrepreneurship* programme. Over the same period, 5 612 informal businesses are expected to benefit from the national informal business upliftment scheme and 45 informal business structures are expected to be supported through the scheme's infrastructure facility, which provides a 50-50 cost-sharing grant for public and private sector investments in economic infrastructure. Spending on the scheme is in the *SMMEs Programme Design and Support* subprogramme in the *Enterprise Development and Entrepreneurship* programme, which has a total allocation of R248.4 million over the MTEF period.

### Developing and supporting cooperatives

The department will continue providing financial support to cooperatives through the cooperatives incentive scheme. The scheme provides a 100 percent grant to the maximum of R350 000 per registered primary cooperative and R11 million per registered clustered cooperatives. In doing so, the scheme intends to improve the viability and competitiveness of cooperatives by lowering the cost of doing business. Over the MTEF period, the scheme aims to support 890 cooperatives with a total allocation of R278.7 million in the *Cooperatives Programme Design and Support* subprogramme in the *Integrated Cooperative Development* programme.

## Expenditure trends

**Table 31.2 Vote expenditure trends by programme and economic classification**

Programmes																																										
1. Administration																																										
2. Sector Policy and Research																																										
3. Integrated Cooperative Development																																										
4. Enterprise Development and Entrepreneurship																																										
Programme	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Average: Annual Outcome/Annual budget (%)			Average: Outcome/Adjusted appropriation (%)		
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19			2015/16 - 2018/19																										
Programme 1	64.0	81.4	66.4	118.1	114.0	98.9	127.6	121.6	117.0	124.7	127.1	121.9	93.1%	91.0%																												
Programme 2	12.2	12.2	11.7	26.1	25.8	13.8	22.0	18.0	16.7	22.4	22.4	29.9	87.2%	91.9%																												
Programme 3	88.4	92.1	89.7	112.0	109.2	78.6	106.8	106.8	99.2	111.0	115.0	118.8	92.4%	91.3%																												
Programme 4	938.5	941.8	931.0	1 069.3	1 069.5	1 005.7	1 193.4	1 229.3	1 226.5	1 230.3	1 223.9	1 217.8	98.9%	98.1%																												
<b>Total</b>	<b>1 103.2</b>	<b>1 127.5</b>	<b>1 098.9</b>	<b>1 325.4</b>	<b>1 318.4</b>	<b>1 197.0</b>	<b>1 449.8</b>	<b>1 475.7</b>	<b>1 459.5</b>	<b>1 488.5</b>	<b>1 488.5</b>	<b>1 488.5</b>	<b>97.7%</b>	<b>96.9%</b>																												
Change to 2018 Budget estimate														-																												
Economic classification																																										
Current payments	166.2	166.5	137.5	215.5	208.5	178.7	217.0	204.0	207.1	221.1	222.4	222.4	91.0%	93.0%																												
Compensation of employees	109.7	111.5	93.1	136.7	129.7	114.0	137.5	132.5	129.0	140.8	140.6	140.6	90.9%	92.7%																												
Goods and services	56.5	55.0	44.3	78.8	78.8	64.6	79.5	71.5	78.1	80.3	81.8	81.8	91.1%	93.6%																												

**Table 31.2 Vote expenditure trends by programme and economic classification**

Economic classification	Annual budget			Annual budget			Annual budget			Annual budget			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate		
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
<b>Transfers and subsidies</b>	<b>935.8</b>	<b>958.4</b>	<b>958.2</b>	<b>1 105.8</b>	<b>1 105.8</b>	<b>1 015.4</b>	<b>1 230.3</b>	<b>1 266.1</b>	<b>1 245.9</b>	<b>1 261.6</b>	<b>1 262.1</b>	<b>1 262.1</b>	<b>98.9%</b>	<b>97.6%</b>
Departmental agencies and accounts	610.4	610.4	622.8	633.8	633.8	652.9	735.7	767.3	811.3	769.5	840.1	840.1	106.5%	102.7%
Higher education institutions	-	12.5	-	-	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	308.8	318.8	318.6	472.0	472.0	362.3	494.6	498.8	434.5	492.1	421.5	421.5	87.0%	89.8%
Non-profit institutions	16.7	16.7	16.7	-	-	0.1	-	-	-	-	-	-	100.6%	100.6%
Households	-	0.1	0.1	-	-	0.1	-	-	0.2	-	0.5	0.5	-	148.2%
<b>Payments for capital assets</b>	<b>1.1</b>	<b>2.6</b>	<b>3.2</b>	<b>4.2</b>	<b>4.2</b>	<b>3.0</b>	<b>2.6</b>	<b>5.6</b>	<b>6.5</b>	<b>5.8</b>	<b>4.0</b>	<b>4.0</b>	<b>121.6%</b>	<b>101.5%</b>
Machinery and equipment	1.1	2.6	3.2	4.2	4.2	3.0	2.6	5.6	5.0	5.8	4.0	4.0	110.4%	92.2%
Software and other intangible assets	-	-	0.0	-	-	-	-	-	1.5	-	0.0	0.0	-	10 921.4%
<b>Total</b>	<b>1 103.2</b>	<b>1 127.5</b>	<b>1 098.9</b>	<b>1 325.4</b>	<b>1 318.4</b>	<b>1 197.0</b>	<b>1 449.8</b>	<b>1 475.7</b>	<b>1 459.5</b>	<b>1 488.5</b>	<b>1 488.5</b>	<b>1 488.5</b>	<b>97.7%</b>	<b>96.9%</b>

## Expenditure estimates

**Table 31.3 Vote expenditure estimates by programme and economic classification**

Programmes									
1. Administration									
2. Sector Policy and Research									
3. Integrated Cooperative Development									
4. Enterprise Development and Entrepreneurship									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
				2018/19	2015/16 - 2018/19	2019/20			2020/21
R million	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22			
Programme 1	121.9	14.4%	7.7%	124.4	131.5	139.6	4.6%	5.4%	
Programme 2	29.9	34.6%	1.4%	35.6	39.4	42.3	12.3%	1.5%	
Programme 3	118.8	8.9%	7.4%	127.6	135.1	142.3	6.2%	5.4%	
Programme 4	1 217.8	8.9%	83.5%	2 280.9	2 407.3	2 539.1	27.8%	87.7%	
<b>Total</b>	<b>1 488.5</b>	<b>9.7%</b>	<b>100.0%</b>	<b>2 568.6</b>	<b>2 713.3</b>	<b>2 863.3</b>	<b>24.4%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				(5.9)	(6.2)	(7.3)			
Economic classification									
<b>Current payments</b>	<b>222.4</b>	<b>10.1%</b>	<b>14.2%</b>	<b>237.9</b>	<b>254.2</b>	<b>269.9</b>	<b>6.7%</b>	<b>10.2%</b>	
Compensation of employees	140.6	8.0%	9.1%	151.8	163.3	173.9	7.3%	6.5%	
Goods and services	81.8	14.1%	5.1%	86.1	90.9	95.9	5.5%	3.7%	
<b>Transfers and subsidies</b>	<b>1 262.1</b>	<b>9.6%</b>	<b>85.5%</b>	<b>2 326.3</b>	<b>2 454.7</b>	<b>2 588.9</b>	<b>27.1%</b>	<b>89.6%</b>	
Departmental agencies and accounts	840.1	11.2%	55.8%	867.8	909.0	958.2	4.5%	37.1%	
Public corporations and private enterprises	421.5	9.8%	29.3%	1 458.6	1 545.7	1 630.7	57.0%	52.5%	
Households	0.5	98.5%	0.0%	-	-	-	-100.0%	0.0%	
<b>Payments for capital assets</b>	<b>4.0</b>	<b>15.1%</b>	<b>0.3%</b>	<b>4.3</b>	<b>4.4</b>	<b>4.6</b>	<b>4.5%</b>	<b>0.2%</b>	
Machinery and equipment	4.0	15.0%	0.3%	4.3	4.4	4.6	4.6%	0.2%	
<b>Total</b>	<b>1 488.5</b>	<b>9.7%</b>	<b>100.0%</b>	<b>2 568.6</b>	<b>2 713.3</b>	<b>2 863.3</b>	<b>24.4%</b>	<b>100.0%</b>	

## Expenditure trends and estimates for significant spending items

**Table 31.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Small Enterprise Development Agency	622 835	652 914	811 301	840 089	10.5%	55.8%	867 763	908 960	958 160	4.5%	37.1%
Black business supplier development programme	224 874	268 009	256 743	270 953	6.4%	19.5%	286 126	301 863	318 465	5.5%	12.2%
Cooperatives incentive scheme	74 998	63 879	70 695	83 318	3.6%	5.6%	87 984	92 823	97 928	5.5%	3.8%
National informal business upliftment scheme	-	-	26 422	57 238	-	1.6%	73 914	84 904	89 574	16.1%	3.2%
Enterprise incubation programme	-	20 400	70 600	-	-	1.7%	-	-	-	-	-
<b>Total</b>	<b>922 707</b>	<b>1 005 202</b>	<b>1 235 761</b>	<b>1 251 598</b>	<b>10.7%</b>	<b>84.2%</b>	<b>1 315 787</b>	<b>1 388 550</b>	<b>1 464 127</b>	<b>5.4%</b>	<b>56.3%</b>



## Goods and services expenditure trends and estimates

**Table 31.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
Administrative fees	509	1 009	1 251	1 095	29.1%	1.4%	1 157	1 221	1 285	5.5%	1.3%
Advertising	1 946	2 072	1 412	1 733	-3.8%	2.7%	982	1 004	1 056	-15.2%	1.3%
Minor assets	40	279	159	357	107.4%	0.3%	69	73	77	-40.0%	0.2%
Audit costs: External	1 072	3 189	3 289	5 143	68.7%	4.7%	5 665	5 949	6 253	6.7%	6.5%
Bursaries: Employees	7	172	186	313	254.9%	0.3%	340	357	375	6.2%	0.4%
Catering: Departmental activities	956	3 507	3 711	1 216	8.4%	3.5%	2 250	2 368	2 492	27.0%	2.3%
Communication	1 481	1 001	780	702	-22.0%	1.5%	594	640	678	-1.2%	0.7%
Computer services	3 897	2 949	4 965	8 236	28.3%	7.5%	8 490	8 915	9 362	4.4%	9.9%
Consultants: Business and advisory services	745	5 066	13 524	11 687	150.3%	11.5%	14 719	15 043	16 362	11.9%	16.3%
Legal services	-	-	55	900	-	0.4%	320	336	353	-26.8%	0.5%
Science and technological services	-	142	-	-	-	0.1%	-	-	-	-	-
Contractors	673	1 352	2 980	671	-0.1%	2.1%	919	850	894	10.0%	0.9%
Agency and support/outsourced services	-	10	170	500	-	0.3%	510	536	563	4.0%	0.6%
Entertainment	-	-	-	26	-	-	10	11	12	-22.7%	-
Fleet services (including government motor transport)	278	947	1 071	956	51.0%	1.2%	870	905	814	-5.2%	1.0%
Inventory: Clothing material and accessories	-	-	-	71	-	-	-	-	-	-100.0%	-
Consumable supplies	355	170	486	356	0.1%	0.5%	313	333	353	-0.3%	0.4%
Consumables: Stationery, printing and office supplies	907	2 083	966	1 166	8.7%	1.9%	869	1 028	1 086	-2.3%	1.2%
Operating leases	6 839	16 014	18 928	20 238	43.6%	23.1%	21 913	23 010	24 161	6.1%	25.2%
Rental and hiring	4	62	260	-	-100.0%	0.1%	130	137	144	-	0.1%
Travel and subsistence	19 309	18 229	20 672	20 200	1.5%	29.2%	20 620	23 105	24 262	6.3%	24.9%
Training and development	3 738	501	2 141	1 100	-33.5%	2.8%	1 178	1 237	1 299	5.7%	1.4%
Operating payments	335	978	708	1 358	59.4%	1.3%	1 625	1 134	1 210	-3.8%	1.5%
Venues and facilities	1 234	4 906	387	3 728	44.6%	3.8%	2 580	2 721	2 858	-8.5%	3.4%
<b>Total</b>	<b>44 324</b>	<b>64 638</b>	<b>78 101</b>	<b>81 752</b>	<b>22.6%</b>	<b>100.0%</b>	<b>86 123</b>	<b>90 913</b>	<b>95 949</b>	<b>5.5%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 31.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>63</b>	<b>93</b>	<b>163</b>	<b>469</b>	<b>95.3%</b>	-	-	-	-	<b>-100.0%</b>	-
Households	-	25	50	135	-	-	-	-	-	-100.0%	-
Employee social benefits	63	68	113	334	74.4%	-	-	-	-	-100.0%	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>622 835</b>	<b>652 914</b>	<b>811 301</b>	<b>840 089</b>	<b>10.5%</b>	<b>65.3%</b>	<b>1 867 763</b>	<b>1 963 960</b>	<b>2 071 185</b>	<b>35.1%</b>	<b>78.1%</b>
Small Enterprise Development Agency	478 183	496 495	619 766	580 241	6.7%	48.5%	665 076	702 446	740 288	8.5%	31.1%
Small Enterprise Development Agency: Technology programme	132 181	139 187	146 146	199 359	14.7%	13.8%	152 281	160 261	169 075	-5.3%	7.9%
Small Enterprise Development Agency: National gazelles programme	-	-	15 000	30 000	-	1.0%	35 000	30 000	31 650	1.8%	1.5%
Small Enterprise Development Agency: Capacity-building programme	12 471	17 232	30 389	30 489	34.7%	2.0%	15 406	16 253	17 147	-17.5%	0.9%
Small Enterprise Finance Agency	-	-	-	-	-	-	1 000 000	1 055 000	1 113 025	-	36.7%
Small business and innovation fund											

**Table 31.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
<b>Public corporations and private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>309 872</b>	<b>362 288</b>	<b>434 460</b>	<b>421 509</b>	<b>10.8%</b>	<b>34.1%</b>	<b>458 584</b>	<b>490 731</b>	<b>517 721</b>	<b>7.1%</b>	<b>21.9%</b>
Various institutions: Cooperatives incentive scheme	74 998	63 879	70 695	83 318	3.6%	6.5%	87 984	92 823	97 928	5.5%	4.2%
Various institutions: Black business supplier development programme	224 874	268 009	256 743	270 953	6.4%	22.8%	286 126	301 863	318 465	5.5%	13.6%
Various institutions: National informal business upliftment scheme	–	–	26 422	57 238	–	1.9%	73 914	84 904	89 574	16.1%	3.5%
Various institutions: Enterprise incubation programme	–	20 400	70 600	–	–	2.0%	–	–	–	–	–
Various institutions: Craft customised sector programme	10 000	10 000	10 000	10 000	–	0.9%	10 560	11 141	11 754	5.5%	0.5%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>16 726</b>	<b>100</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.4%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
South African Women Entrepreneurs Network	16 726	–	–	–	-100.0%	0.4%	–	–	–	–	–
Primesters Marketing	–	100	–	–	–	–	–	–	–	–	–
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>8 753</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Gifts and donations	2	–	–	–	-100.0%	–	–	–	–	–	–
Industrial Development Corporation: Isivande women's fund	8 751	–	–	–	-100.0%	0.2%	–	–	–	–	–
<b>Total</b>	<b>958 249</b>	<b>1 015 395</b>	<b>1 245 924</b>	<b>1 262 067</b>	<b>9.6%</b>	<b>100.0%</b>	<b>2 326 347</b>	<b>2 454 691</b>	<b>2 588 906</b>	<b>27.1%</b>	<b>100.0%</b>

## Personnel information

**Table 31.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes																			
1. Administration																			
2. Sector Policy and Research																			
3. Integrated Cooperative Development																			
4. Enterprise Development and Entrepreneurship																			
Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment													Number				
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		Unit cost	2018/19		Unit cost	2019/20		2020/21		2021/22				2018/19 - 2021/22			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>Small Business Development</b>																			
<b>Salary level</b>	<b>226</b>	<b>19</b>	<b>213</b>	<b>129.0</b>	<b>0.6</b>	<b>211</b>	<b>140.6</b>	<b>0.7</b>	<b>215</b>	<b>151.8</b>	<b>0.7</b>	<b>215</b>	<b>163.3</b>	<b>0.8</b>	<b>213</b>	<b>173.9</b>	<b>0.8</b>	<b>0.3%</b>	<b>100.0%</b>
1 – 6	42	13	51	11.2	0.2	46	11.1	0.2	46	12.0	0.3	45	12.8	0.3	44	13.5	0.3	-1.5%	21.2%
7 – 10	91	4	72	22.4	0.3	68	31.6	0.5	72	36.0	0.5	73	39.2	0.5	72	41.4	0.6	1.9%	33.4%
11 – 12	48	–	50	46.0	0.9	52	44.4	0.9	54	49.1	0.9	54	52.6	1.0	54	56.3	1.0	1.3%	25.1%
13 – 16	45	2	40	49.5	1.2	45	53.6	1.2	43	54.8	1.3	43	58.7	1.4	43	62.7	1.5	-1.5%	20.4%
<b>Programme</b>	<b>226</b>	<b>19</b>	<b>213</b>	<b>129.0</b>	<b>0.6</b>	<b>211</b>	<b>140.6</b>	<b>0.7</b>	<b>215</b>	<b>151.8</b>	<b>0.7</b>	<b>215</b>	<b>163.3</b>	<b>0.8</b>	<b>213</b>	<b>173.9</b>	<b>0.8</b>	<b>0.3%</b>	<b>100.0%</b>
Programme 1	105	6	97	62.5	0.6	103	62.3	0.6	99	64.2	0.6	98	68.8	0.7	98	73.7	0.8	-1.6%	46.6%
Programme 2	24	2	18	10.2	0.6	24	18.2	0.8	25	19.8	0.8	26	21.8	0.8	26	23.3	0.9	2.7%	11.8%
Programme 3	41	2	19	20.2	1.1	39	30.1	0.8	41	33.2	0.8	41	35.6	0.9	40	37.3	0.9	0.8%	18.9%
Programme 4	56	9	79	36.0	0.5	45	30.0	0.7	50	34.6	0.7	50	37.1	0.7	49	39.5	0.8	2.9%	22.7%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.  
 2. Rand million.

## Departmental receipts

**Table 31.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>121</b>	<b>88</b>	<b>551</b>	<b>112</b>	<b>1 167</b>	<b>112.9%</b>	<b>100.0%</b>	<b>70</b>	<b>80</b>	<b>90</b>	<b>-57.4%</b>	<b>100.0%</b>
Sales of goods and services produced by department	121	88	52	60	60	-20.8%	16.7%	70	80	90	14.5%	21.3%
Sales by market establishments of which:												
Packing	121	88	52	60	60	-20.8%	16.7%	70	80	90	14.5%	21.3%
Interest, dividends and rent on land	-	-	2	2	3	-	0.3%	-	-	-	-100.0%	0.2%
Interest	-	-	2	2	3	-	0.3%	-	-	-	-100.0%	0.2%
Transactions in financial assets and liabilities	-	-	497	50	1 104	-	83.1%	-	-	-	-100.0%	78.5%
<b>Total</b>	<b>121</b>	<b>88</b>	<b>551</b>	<b>112</b>	<b>1 167</b>	<b>112.9%</b>	<b>100.0%</b>	<b>70</b>	<b>80</b>	<b>90</b>	<b>-57.4%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 31.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	29.9	29.7	30.9	29.3	-0.6%	29.3%	26.5	29.0	30.1	0.8%	22.0%
Departmental Management	15.2	14.5	16.9	20.6	10.6%	16.4%	18.5	18.6	20.7	0.2%	15.0%
Corporate Services	21.3	33.5	45.2	52.5	35.1%	37.2%	54.1	57.5	60.5	4.8%	43.0%
Financial Management	-	14.9	16.3	19.3	-	12.3%	20.3	21.0	22.6	5.5%	15.9%
Communication	-	6.3	7.8	5.4	-	4.8%	5.0	5.3	5.7	2.0%	4.1%
<b>Total</b>	<b>66.4</b>	<b>98.9</b>	<b>117.0</b>	<b>127.1</b>	<b>24.1%</b>	<b>100.0%</b>	<b>124.4</b>	<b>131.5</b>	<b>139.6</b>	<b>3.2%</b>	<b>100.0%</b>
Change to 2018				5.2			(2.0)	(2.7)	(1.0)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>63.5</b>	<b>96.0</b>	<b>110.8</b>	<b>123.5</b>	<b>24.8%</b>	<b>96.2%</b>	<b>120.6</b>	<b>127.5</b>	<b>135.4</b>	<b>3.1%</b>	<b>97.0%</b>
Compensation of employees	34.6	52.2	62.5	67.5	25.0%	53.0%	64.2	68.8	73.7	3.0%	52.5%
Goods and services <sup>1</sup>	28.9	43.8	48.3	56.0	24.7%	43.2%	56.4	58.7	61.7	3.3%	44.5%
of which:											
Audit costs: External	1.1	3.2	3.3	5.1	68.7%	3.1%	5.7	5.9	6.3	6.7%	4.4%
Computer services	3.9	2.9	5.0	8.2	28.3%	4.9%	8.5	8.9	9.4	4.4%	6.7%
Consultants: Business and advisory services	0.7	1.3	1.2	1.5	25.9%	1.2%	1.9	1.5	1.6	2.9%	1.3%
Operating leases	6.8	16.0	18.9	20.2	43.6%	15.1%	21.9	23.0	24.2	6.1%	17.1%
Travel and subsistence	10.6	10.1	10.8	10.8	0.6%	10.3%	10.4	10.9	11.5	2.0%	8.3%
Training and development	0.0	0.4	1.5	1.1	204.4%	0.7%	1.2	1.2	1.3	5.7%	0.9%
Transfers and subsidies <sup>1</sup>	-	0.0	0.1	0.1	-	0.1%	-	-	-	-100.0%	-
Households	-	0.0	0.1	0.1	-	0.1%	-	-	-	-100.0%	-
Payments for capital assets	3.0	2.9	6.2	3.5	5.7%	3.8%	3.8	4.0	4.2	6.6%	3.0%
Machinery and equipment	3.0	2.9	4.7	3.5	5.7%	3.4%	3.8	4.0	4.2	6.8%	3.0%
Software and other intangible assets	0.0	-	1.5	0.0	-6.3%	0.4%	-	-	-	-100.0%	-
<b>Total</b>	<b>66.4</b>	<b>98.9</b>	<b>117.0</b>	<b>127.1</b>	<b>24.1%</b>	<b>100.0%</b>	<b>124.4</b>	<b>131.5</b>	<b>139.6</b>	<b>3.2%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	6.0%	8.3%	8.0%	8.5%	-	-	4.8%	4.8%	4.9%	-	-
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	-	25.0	50.0	135.0	-	51.3%	-	-	-	-100.0%	25.8%
Households	-	25.0	50.0	135.0	-	51.3%	-	-	-	-100.0%	25.8%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Sector Policy And Research

### Programme purpose

Develop and review policies and legislation, conduct research, promote sound intergovernmental relations, and monitor and evaluate programmes to ensure the development and growth of sustainable small, medium and micro enterprises and cooperatives that contribute to the creation of employment and economic growth.

### Objectives

- Create or promote an environment conducive to the establishment, development and growth of SMMEs and cooperatives on an ongoing basis by:
  - developing relevant legislative and policy frameworks, and enforcing their implementation
  - conducting comprehensive research on key areas of support for SMMEs and cooperatives
  - aligning and coordinating intergovernmental policy on SMMEs and cooperatives
  - negotiating and lobbying at regional and international SMME and cooperative forums
  - monitoring and reviewing programmes for SMMEs and cooperatives.

### Subprogrammes

- *Research* provides knowledge management services to direct thought leadership in the sector, and guides evidence-based policy-making and programme design.
- *Policy and Legislation* develops and reviews policies and legislation to create and promote sustainable growth for small businesses and cooperatives, and advances coordination and cooperation among the different spheres of government.
- *International Relations* promotes sector interests in the global marketplace through negotiations and lobbying at different regional and international forums, and the development of strategies and position papers.
- *Monitoring and Evaluation* provides monitoring and evaluation services to evaluate performance and identify factors that improve service delivery outcomes.

### Expenditure trends and estimates

**Table 31.10 Sector Policy and Research expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Research	11.7	13.6	10.8	9.3	-7.3%	70.2%	17.3	18.2	19.1	27.0%	45.7%
Policy and Legislation	-	-	-	6.5	-	10.1%	5.7	7.8	8.3	8.2%	20.3%
International Relations	-	-	3.8	4.0	-	12.0%	6.0	6.4	6.7	19.5%	16.5%
Monitoring and Evaluation	-	0.2	2.1	2.6	-	7.6%	6.6	7.0	8.2	45.8%	17.5%
<b>Total</b>	<b>11.7</b>	<b>13.8</b>	<b>16.7</b>	<b>22.4</b>	<b>24.3%</b>	<b>100.0%</b>	<b>35.6</b>	<b>39.4</b>	<b>42.3</b>	<b>23.5%</b>	<b>100.0%</b>
Change to 2018				(7.4)			(0.5)	(0.1)	0.0		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>11.7</b>	<b>13.8</b>	<b>16.7</b>	<b>22.3</b>	<b>24.0%</b>	<b>99.6%</b>	<b>35.5</b>	<b>39.3</b>	<b>42.3</b>	<b>23.8%</b>	<b>99.7%</b>
Compensation of employees	9.9	10.3	10.2	10.8	2.8%	63.6%	19.8	21.8	23.3	29.3%	54.1%
Goods and services <sup>1</sup>	1.8	3.6	6.5	11.5	86.5%	35.9%	15.7	17.6	18.9	18.2%	45.5%
of which:											
Administrative fees	-	0.1	0.1	0.1	-	0.4%	0.1	0.1	0.1	5.4%	0.3%
Catering: Departmental activities	0.0	0.2	0.2	0.1	152.0%	0.8%	0.3	0.3	0.3	31.6%	0.8%
Consultants: Business and advisory services	-	1.7	4.8	7.7	-	21.9%	11.2	11.8	13.0	19.0%	31.2%
Consumables: Stationery, printing and office supplies	0.2	0.1	0.0	0.1	-22.3%	0.7%	0.1	0.2	0.3	32.4%	0.5%
Travel and subsistence	1.2	1.1	1.4	2.8	34.0%	10.0%	3.1	4.7	4.9	20.5%	11.1%
Operating payments	-	-	0.0	0.4	-	0.7%	0.8	0.3	0.3	-12.5%	1.3%

**Table 31.10 Sector Policy and Research expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2015/16	2016/17	2017/18		2018/19	2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
R million												
Transfers and subsidies <sup>1</sup>	–	–	–	0.1	–	0.2%	–	–	–	-100.0%	0.1%	
Households	–	–	–	0.1	–	0.2%	–	–	–	-100.0%	0.1%	
Payments for capital assets	0.0	0.0	0.0	0.1	77.8%	0.3%	0.1	0.1	0.1	-12.6%	0.2%	
Machinery and equipment	0.0	0.0	0.0	0.1	77.8%	0.3%	0.1	0.1	0.1	-12.6%	0.2%	
<b>Total</b>	<b>11.7</b>	<b>13.8</b>	<b>16.7</b>	<b>22.4</b>	<b>24.3%</b>	<b>100.0%</b>	<b>35.6</b>	<b>39.4</b>	<b>42.3</b>	<b>23.5%</b>	<b>100.0%</b>	
Proportion of total programme expenditure to vote expenditure	1.1%	1.2%	1.1%	1.5%	–	–	1.4%	1.5%	1.5%	–	–	

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Integrated Cooperative Development

### Programme purpose

Create and maintain a sound ecosystem that enhances the establishment, growth and sustainability of cooperatives that create jobs and contribute to economic growth.

### Objectives

- Establish an environment that promotes the establishment, growth and sustainability of cooperatives on an ongoing basis by:
  - undertaking an integrated approach to the planning, monitoring and evaluation of the cooperatives sector to inform policy decision-making
  - overseeing and coordinating the design and implementation of targeted financial and non-financial support programmes for new and existing cooperatives
  - facilitating partnerships with the private sector, state-owned entities and the public sector to support cooperatives.

### Subprogrammes

- Cooperatives Development* manages and facilitates the creation of new cooperatives and the growth of existing cooperatives in order to improve their competitiveness.
- Cooperatives Programme Design and Support* reviews existing programmes, and designs new ones based on the review outcomes and changes in the cooperatives development landscape and economic conditions.
- Supplier Development and Market Access Support* manages strategic partnerships with the private sector, state-owned entities and public sector with the aim of developing cooperatives to become suppliers of goods and services, and facilitates their readiness to access market opportunities.

### Expenditure trends and estimates

**Table 31.11 Integrated Cooperative Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2015/16	2016/17	2017/18		2018/19	2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
R million												
Cooperatives Development	3.9	5.4	9.8	8.3	28.1%	7.2%	9.0	9.7	10.3	7.4%	7.2%	
Cooperatives Programme Design and Support	85.8	72.6	82.7	93.9	3.1%	87.6%	105.5	111.7	117.5	7.8%	82.4%	
Supplier Development and Market Access Support	–	0.5	6.7	12.8	–	5.3%	13.1	13.7	14.5	4.1%	10.4%	
<b>Total</b>	<b>89.7</b>	<b>78.6</b>	<b>99.2</b>	<b>115.0</b>	<b>8.6%</b>	<b>100.0%</b>	<b>127.6</b>	<b>135.1</b>	<b>142.3</b>	<b>7.3%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				(3.8)			0.4	0.5	(1.2)			

**Table 31.11 Integrated Cooperative Development expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2015/16 - 2021/22	
<b>Current payments</b>	<b>14.7</b>	<b>14.7</b>	<b>28.4</b>	<b>31.5</b>	<b>28.9%</b>	<b>23.3%</b>	<b>39.5</b>	<b>42.1</b>	<b>44.2</b>	<b>12.0%</b>	<b>30.3%</b>
Compensation of employees	13.4	10.7	20.2	26.3	25.3%	18.4%	33.2	35.6	37.3	12.4%	25.5%
Goods and services <sup>1</sup>	1.3	4.0	8.2	5.2	58.0%	4.9%	6.3	6.5	6.8	9.5%	4.8%
<i>of which:</i>											
Administrative fees	–	0.1	0.2	0.2	–	0.1%	0.2	0.2	0.2	8.3%	0.2%
Catering: Departmental activities	0.0	1.0	1.8	0.3	127.1%	0.8%	0.4	0.4	0.4	11.9%	0.3%
Communication	0.1	0.0	0.0	0.1	-2.5%	–	0.1	0.1	0.1	11.7%	–
Consultants: Business and advisory services	–	0.1	0.1	0.1	–	0.1%	0.5	0.5	0.5	75.0%	0.3%
Travel and subsistence	1.2	2.3	3.5	3.3	40.8%	2.7%	4.4	4.6	4.8	13.5%	3.3%
Venues and facilities	–	0.0	–	0.8	–	0.2%	0.6	0.6	0.6	-9.4%	0.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>75.0</b>	<b>63.9</b>	<b>70.7</b>	<b>83.3</b>	<b>3.6%</b>	<b>76.6%</b>	<b>88.0</b>	<b>92.8</b>	<b>97.9</b>	<b>5.5%</b>	<b>69.6%</b>
Public corporations and private enterprises	75.0	63.9	70.7	83.3	3.6%	76.6%	88.0	92.8	97.9	5.5%	69.6%
<b>Payments for capital assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.2</b>	<b>165.1%</b>	<b>0.1%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.2</b>	<b>-9.9%</b>	<b>0.1%</b>
Machinery and equipment	0.0	0.0	0.1	0.2	165.1%	0.1%	0.1	0.1	0.2	-9.9%	0.1%
<b>Total</b>	<b>89.7</b>	<b>78.6</b>	<b>99.2</b>	<b>115.0</b>	<b>8.6%</b>	<b>100.0%</b>	<b>127.6</b>	<b>135.1</b>	<b>142.3</b>	<b>7.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>8.2%</b>	<b>6.6%</b>	<b>6.8%</b>	<b>7.7%</b>			<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>		
<b>Details of selected transfers and subsidies</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>75.0</b>	<b>63.9</b>	<b>70.7</b>	<b>83.3</b>	<b>3.6%</b>	<b>76.6%</b>	<b>88.0</b>	<b>92.8</b>	<b>97.9</b>	<b>5.5%</b>	<b>69.6%</b>
Various institutions: Cooperatives incentive scheme	75.0	63.9	70.7	83.3	3.6%	76.6%	88.0	92.8	97.9	5.5%	69.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Enterprise Development and Entrepreneurship

### Programme purpose

Create an enabling ecosystem that enhances entrepreneurship and the establishment, growth and sustainability of small, medium and micro enterprises.

### Objectives

- Create an environment that promotes the establishment, growth and sustainability of SMMEs by:
  - undertaking an integrated approach to the planning, monitoring and evaluation of the SMME development sector to inform policy decision-making on an ongoing basis
  - overseeing and coordinating the design and implementation of targeted financial and non-financial support programmes to support new and existing SMMEs on an ongoing basis
  - coordinating and facilitating sustainable partnerships with the private sector, state-owned entities and the public sector to support SMME development on an ongoing basis
  - implementing institutional governance systems and overseeing entities in the department's portfolio on an ongoing basis.

### Subprogrammes

- *Enterprise and Supplier Development* manages and facilitates the establishment of new and productive enterprises, and the sustainability and growth of existing enterprises.
- *SMMEs Programme Design and Support* reviews existing programmes, and designs new programmes based on review outcomes and changes in economic conditions and the SMME development environment.
- *SMME Competitiveness* manages and facilitates strategic partnerships that seek to enhance the work of the department in the provision of market access for SMMEs in the supply value chains of corporations, state-owned enterprises and government departments. The subprogramme also works with municipalities to develop, enhance and implement the enterprise development programmes towards improved local economic development.

- *Entrepreneurship* provides leadership and oversight on the conceptualisation, design and implementation of the entrepreneurship development framework, and instruments and programmes in support of enterprise development.

## Expenditure trends and estimates

**Table 31.12 Enterprise Development and Entrepreneurship expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Enterprise and Supplier Development	652.8	689.9	845.0	861.3	9.7%	69.5%	889.0	930.9	981.4	4.4%	43.3%
SMMEs Programme Design and Support	235.6	283.4	270.7	297.8	8.1%	24.8%	1 384.9	1 468.9	1 549.8	73.3%	55.6%
SMME Competitiveness	42.6	12.0	40.2	57.3	10.4%	3.5%	–	–	–	-100.0%	0.7%
Entrepreneurship	–	20.4	70.6	7.4	–	2.2%	7.0	7.5	7.9	2.2%	0.4%
<b>Total</b>	<b>931.0</b>	<b>1 005.7</b>	<b>1 226.5</b>	<b>1 223.9</b>	<b>9.5%</b>	<b>100.0%</b>	<b>2 280.9</b>	<b>2 407.3</b>	<b>2 539.1</b>	<b>27.5%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				6.0			(3.8)	(3.9)	(5.1)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>47.6</b>	<b>54.2</b>	<b>51.2</b>	<b>45.2</b>	<b>-1.7%</b>	<b>4.5%</b>	<b>42.3</b>	<b>45.3</b>	<b>48.0</b>	<b>2.1%</b>	<b>2.1%</b>
Compensation of employees	35.3	40.8	36.0	36.0	0.7%	3.4%	34.6	37.1	39.5	3.1%	1.7%
Goods and services <sup>1</sup>	12.3	13.3	15.2	9.1	-9.6%	1.1%	7.8	8.2	8.5	-2.4%	0.4%
of which:											
Administrative fees	0.1	0.3	0.4	0.2	42.6%	–	0.3	0.3	0.3	11.2%	–
Catering: Departmental activities	0.7	1.1	0.6	0.4	-12.6%	0.1%	0.8	0.8	0.9	25.7%	–
Consultants: Business and advisory services	–	2.0	7.4	2.4	–	0.3%	1.1	1.2	1.2	-20.0%	0.1%
Contractors	0.3	0.2	0.4	–	-100.0%	–	0.5	0.5	0.6	–	–
Travel and subsistence	6.3	4.7	5.0	3.3	-19.8%	0.4%	2.8	2.9	3.1	-2.3%	0.1%
Venues and facilities	0.8	4.6	0.4	2.4	46.8%	0.2%	2.0	2.1	2.2	-2.9%	0.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>883.2</b>	<b>951.5</b>	<b>1 175.2</b>	<b>1 178.5</b>	<b>10.1%</b>	<b>95.5%</b>	<b>2 238.4</b>	<b>2 361.9</b>	<b>2 491.0</b>	<b>28.3%</b>	<b>97.9%</b>
Departmental agencies and accounts	622.8	652.9	811.3	840.1	10.5%	66.7%	1 867.8	1 964.0	2 071.2	35.1%	79.8%
Public corporations and private enterprises	243.6	298.4	363.8	338.2	11.6%	28.4%	370.6	397.9	419.8	7.5%	18.1%
Non-profit institutions	16.7	0.1	–	–	-100.0%	0.4%	–	–	–	–	–
Households	0.0	0.1	0.1	0.2	72.8%	–	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>0.2</b>	<b>0.1</b>	<b>0.2</b>	<b>0.2</b>	<b>2.5%</b>	<b>–</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>	<b>-18.5%</b>	<b>–</b>
Machinery and equipment	0.2	0.1	0.2	0.2	2.5%	–	0.2	0.1	0.1	-18.5%	–
<b>Total</b>	<b>931</b>	<b>1 006</b>	<b>1 227</b>	<b>1 224</b>	<b>9.5%</b>	<b>100.0%</b>	<b>2 281</b>	<b>2 407</b>	<b>2 539</b>	<b>27.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>84.7%</b>	<b>84.0%</b>	<b>84.0%</b>	<b>82.2%</b>	<b>–</b>	<b>–</b>	<b>88.8%</b>	<b>88.7%</b>	<b>88.7%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>622.8</b>	<b>652.9</b>	<b>811.3</b>	<b>840.1</b>	<b>10.5%</b>	<b>66.7%</b>	<b>1 867.8</b>	<b>1 964.0</b>	<b>2 071.2</b>	<b>35.1%</b>	<b>79.8%</b>
Small Enterprise Development Agency	478.2	496.5	619.8	580.2	6.7%	49.6%	665.1	702.4	740.3	8.5%	31.8%
Small Enterprise Development Agency: Technology programme	132.2	139.2	146.1	199.4	14.7%	14.1%	152.3	160.3	169.1	-5.3%	8.1%
Small Enterprise Development Agency: National gazelles programme	–	–	15.0	30.0	–	1.0%	35.0	30.0	31.7	1.8%	1.5%
Small Enterprise Development Agency: Capacity-building programme	12.5	17.2	30.4	30.5	34.7%	2.1%	15.4	16.3	17.1	-17.5%	0.9%
Small Enterprise Finance Agency: Small business and innovation fund	–	–	–	–	–	–	1 000.0	1 055.0	1 113.0	–	37.5%

**Table 31.12 Enterprise Development and Entrepreneurship expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16	2018/19	2019/20	2020/21		
R million											
<b>Public corporations and private enterprises</b>											
<b>Private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>234.9</b>	<b>298.4</b>	<b>363.8</b>	<b>338.2</b>	<b>12.9%</b>	<b>28.2%</b>	<b>370.6</b>	<b>397.9</b>	<b>419.8</b>	<b>7.5%</b>	<b>18.1%</b>
Various institutions: Black business supplier development programme	224.9	268.0	256.7	271.0	6.4%	23.3%	286.1	301.9	318.5	5.5%	13.9%
Various institutions: National informal business upliftment scheme	–	–	26.4	57.2	–	1.9%	73.9	84.9	89.6	16.1%	3.6%
Various institutions: Enterprise incubation programme	–	20.4	70.6	–	–	2.1%	–	–	–	–	–
Various institutions: Craft customised sector programme	10.0	10.0	10.0	10.0	–	0.9%	10.6	11.1	11.8	5.5%	0.5%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>16.7</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.4%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
South African Women Entrepreneurs Network	16.7	–	–	–	-100.0%	0.4%	–	–	–	–	–
Primesters Marketing	–	0.1	–	–	–	–	–	–	–	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entity

Comprehensive coverage of the following entity is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Small Enterprise Development Agency** was established in 2004 in terms of the National Small Business Amendment Act (2004). It is mandated to implement government’s small business strategy, design and implement a standard and common national delivery network for small enterprise development, and integrate government funded small enterprise support agencies across all spheres of government. The agency’s total budget for 2019/20 is R884.8 million.



# Vote 32

## Telecommunications and Postal Services

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	276.8	235.9	27.4	13.6	267.8	283.7
International Affairs and Trade	57.1	26.7	29.8	0.5	57.6	59.8
Policy, Research and Capacity Development	90.2	89.5	–	0.7	97.2	103.6
ICT Enterprise Development and Public Entities Oversight	744.2	30.1	713.9	0.2	784.4	829.7
ICT Infrastructure Support	516.3	230.7	277.5	8.1	575.9	396.9
<b>Total expenditure estimates</b>	<b>1 684.6</b>	<b>612.8</b>	<b>1 048.7</b>	<b>23.1</b>	<b>1 783.0</b>	<b>1 673.8</b>
Executive authority	Minister of Telecommunications and Postal Services					
Accounting officer	Director-General of Telecommunications and Postal Services					
Website address	<a href="http://www.dtps.gov.za">www.dtps.gov.za</a>					

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Develop ICT policies and legislation that create favourable conditions for accelerated and shared sustainable economic growth that positively impacts on the wellbeing of all South Africans.*

### Mandate

The mandate of the Department of Telecommunications and Postal Services is to develop ICT policies that will contribute to an inclusive information society. The department has a responsibility to modernise the economy and economic infrastructure by: facilitating the rollout of ICT infrastructure, applications and services; enabling the rollout of postal and banking services; developing e-strategies to roll out e-government and e-sectoral services; promoting cybersecurity and the security of networks; and promoting universal service and access to electronic communications in underserved areas.

The department also sets guidelines for the determinations of the Independent Communications Authority of South Africa, and oversees and strengthens the capacity of state-owned companies and public entities within its portfolio.

The department derives its legislative mandate from the Electronic Communications Act (2005) and the Electronic Communications and Transactions Act (2002).

## Selected performance indicators

**Table 32.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of ICT position papers developed for international engagements per year	International Affairs and Trade		5	2	4	4	2 <sup>1</sup>	2 <sup>1</sup>	2 <sup>1</sup>
Total number of identified connected government institutions maintained as part of the national broadband plan: Digital development (phase 1) per year	ICT Infrastructure Support	Outcome 6: An efficient, competitive and responsive economic infrastructure network	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	570	570	970	970

1. Targets reduced due to budget reprioritisation and a more focused approach on the international ICT agenda.

2. No historical data available as project commenced in 2018/19.

## Expenditure analysis

Chapter 4 of the National Development Plan recognises that ICT is a key enabler of inclusive economic growth that is critical to addressing inequality in South Africa. In response to this, over the medium term, the Department of Telecommunications and Postal Services will focus on: implementing the 2016 White Paper on National Integrated ICT Policy; implementing the South Africa Connect broadband policy; and implementing the rationalisation of its public entities, improving the performance of the entities under the department's portfolio, and promoting innovation and transformation of the ICT sector as a catalyst for economic growth.

The department's budget is expected to decrease at an average annual rate of 25.2 per cent, from R4 billion in 2018/19 to R1.7 billion in 2021/22. This is due to a one-off allocation of R2.9 billion in 2018/19 in the *ICT Enterprise Development and Public Entities Oversight* programme for the recapitalisation of South African Post Office. This allocation also accounts for the 36.3 per cent average annual decrease in expenditure in the programme, from R3.2 billion in 2018/19 to R829.7 million in 2021/22.

The department has a total budget of R5.1 billion over the MTEF period, of which 58.8 per cent is transferred to its entities. Cabinet has approved a budget increase to South African Post Office amounting to R1.5 billion over the MTEF period as a subsidy for universal service obligations. Sentech receives an additional R396.5 million over the same period to cover the costs of dual illumination, which entails simultaneous digital and analogue broadcasting, and R190.5 million to cover the costs of full migration to digital broadcasting.

The department's number of personnel is expected to increase from 290 in 2018/19 to 293 in 2021/22. As such, spending on compensation of employees is projected to increase at an average annual rate of 7.2 per cent, from R224.3 million in 2018/19 to R276.4 million in 2021/22, accounting for R777.3 million of the department's total budget over the period.

### **Implementing the 2016 White Paper on National Integrated ICT Policy**

The department plans to continue with the phased implementation of the 2016 White Paper on National Integrated ICT Policy. In this regard, over the MTEF period, the focus will be on introducing prioritised legislation to Parliament, including the Electronic Communications and Transactions Amendment Bill, the ICT Sector Commission and Tribunal Bill, and the Digital Development Fund Bill. The department will also focus on implementing the ICT small, medium and micro enterprises (SMMEs) development strategy, the national e-strategy and the e-government strategy. Activities related to implementing the white paper are carried out in the *Policy, Research and Capacity Development* programme, spending in which increases at an average annual rate of 6.8 per cent, from R85 million in 2018/19 to R103.6 million in 2021/22.

### **Implementing the South Africa Connect broadband policy**

Over the MTEF period, the department plans to continue increasing access to broadband by implementing phase 1 of the South Africa Connect broadband policy. After delays arising from concerns about the policy's

procurement model, a new model was developed in 2017 in collaboration with the State Information Technology Agency and Broadband Infraco. The department anticipates the implementation of this new model to result in the provision of broadband services at 970 government sites by 2021/22. Related activities are carried out in the *Broadband* subprogramme in the *ICT Infrastructure Support* programme. Spending in the *Broadband* subprogramme increases at an average annual rate of 16.5 per cent, from R162.4 million in 2018/19 to R256.6 million in 2021/22.

### Implementing the rationalisation process for public entities

In addition to overseeing and managing government's shareholding interest in the public entities reporting to the Minister of Telecommunications and Postal Services, the department will focus on strengthening these entities to ensure that they support government's developmental objectives and are streamlined for efficient service delivery. To this end, over the medium term, the department plans to continue the process of rationalising the functions of the State Information Technology Agency, Sentech and Broadband Infraco towards the establishment of a state ICT infrastructure company and a state ICT services company. Following Cabinet's approval of the framework to establish these two companies in December 2017, the department is now in the process of developing draft legislation for both companies, which is expected to go to Cabinet for approval in 2019/20, for implementation over the medium term. These activities will be carried out in the *ICT Enterprise Development and Public Entities Oversight* programme, which is allocated R2.4 billion over the MTEF period.

## Expenditure trends

**Table 32.2 Vote expenditure trends by programme and economic classification**

Programmes																																	
1. Administration																																	
2. International Affairs and Trade																																	
3. Policy, Research and Capacity Development																																	
4. ICT Enterprise Development and Public Entities Oversight																																	
5. ICT Infrastructure Support																																	
Programme	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Average: Outcome/Annual budget (%)			Average: Outcome/Adjusted appropriation (%)		
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19			2015/16 - 2018/19			2015/16 - 2018/19			2015/16 - 2018/19			2015/16 - 2018/19			2015/16 - 2018/19					
Programme 1	173.7	180.3	221.9	193.3	207.9	211.6	194.2	198.1	209.5	218.3	235.2	234.2	112.5%	116.5%	106.8%	112.5%	116.5%	106.8%	112.5%	116.5%	106.8%	112.5%	116.5%	106.8%	112.5%	116.5%	106.8%	112.5%	116.5%	106.8%			
Programme 2	43.4	43.4	41.5	44.7	45.7	46.9	47.8	50.9	50.6	52.0	80.0	80.0	116.5%	116.5%	99.6%	116.5%	116.5%	99.6%	116.5%	116.5%	99.6%	116.5%	116.5%	99.6%	116.5%	116.5%	99.6%	116.5%	116.5%	99.6%			
Programme 3	105.6	105.6	74.0	95.6	88.8	78.5	90.4	85.5	78.5	86.0	85.0	85.0	83.7%	83.7%	86.6%	83.7%	83.7%	86.6%	83.7%	83.7%	86.6%	83.7%	83.7%	86.6%	83.7%	83.7%	86.6%	83.7%	83.7%	86.6%			
Programme 4	447.9	447.9	482.6	884.6	878.8	874.3	243.4	3 944.1	3 941.5	250.4	3 205.1	3 205.1	465.6%	465.6%	100.3%	465.6%	465.6%	100.3%	465.6%	465.6%	100.3%	465.6%	465.6%	100.3%	465.6%	465.6%	100.3%	465.6%	465.6%	100.3%			
Programme 5	642.8	628.0	480.1	1 199.2	1 196.3	864.4	1 038.4	895.7	611.9	316.6	401.6	400.8	73.7%	73.7%	75.5%	73.7%	73.7%	75.5%	73.7%	73.7%	75.5%	73.7%	73.7%	75.5%	73.7%	73.7%	75.5%	73.7%	73.7%	75.5%			
<b>Total</b>	<b>1 413.3</b>	<b>1 405.3</b>	<b>1 300.1</b>	<b>2 417.4</b>	<b>2 417.4</b>	<b>2 075.7</b>	<b>1 614.2</b>	<b>5 174.4</b>	<b>4 892.1</b>	<b>923.4</b>	<b>4 006.9</b>	<b>4 005.1</b>	<b>192.7%</b>	<b>192.7%</b>	<b>94.4%</b>	<b>192.7%</b>	<b>192.7%</b>	<b>94.4%</b>	<b>192.7%</b>	<b>192.7%</b>	<b>94.4%</b>	<b>192.7%</b>	<b>192.7%</b>	<b>94.4%</b>	<b>192.7%</b>	<b>192.7%</b>	<b>94.4%</b>	<b>192.7%</b>	<b>192.7%</b>	<b>94.4%</b>			
Change to 2018 Budget estimate										3 083.5																							
Economic classification																																	
<b>Current payments</b>	<b>679.7</b>	<b>671.6</b>	<b>412.1</b>	<b>708.3</b>	<b>698.6</b>	<b>358.9</b>	<b>795.5</b>	<b>655.6</b>	<b>372.1</b>	<b>403.3</b>	<b>541.2</b>	<b>540.4</b>	<b>65.1%</b>	<b>65.6%</b>	<b>65.6%</b>	<b>65.1%</b>	<b>65.6%</b>	<b>65.6%</b>	<b>65.1%</b>	<b>65.6%</b>	<b>65.6%</b>	<b>65.1%</b>	<b>65.6%</b>	<b>65.6%</b>	<b>65.1%</b>	<b>65.6%</b>	<b>65.6%</b>	<b>65.1%</b>	<b>65.6%</b>	<b>65.6%</b>			
Compensation of employees	191.8	198.5	181.7	213.7	213.7	205.2	214.7	221.2	219.8	224.3	224.3	224.3	98.4%	98.4%	96.9%	98.4%	98.4%	96.9%	98.4%	98.4%	96.9%	98.4%	98.4%	96.9%	98.4%	98.4%	96.9%	98.4%	98.4%	96.9%			
Goods and services	487.9	473.1	230.4	494.6	484.9	153.6	580.8	434.4	152.3	179.0	316.9	316.1	48.9%	48.9%	49.9%	48.9%	48.9%	49.9%	48.9%	48.9%	49.9%	48.9%	48.9%	49.9%	48.9%	48.9%	49.9%	48.9%	48.9%	49.9%			
<b>Transfers and subsidies</b>	<b>728.6</b>	<b>728.6</b>	<b>882.0</b>	<b>1 054.1</b>	<b>1 054.1</b>	<b>1 057.5</b>	<b>806.7</b>	<b>806.7</b>	<b>808.9</b>	<b>498.9</b>	<b>497.5</b>	<b>497.5</b>	<b>105.1%</b>	<b>105.2%</b>	<b>105.2%</b>	<b>105.1%</b>	<b>105.2%</b>	<b>105.2%</b>	<b>105.1%</b>	<b>105.2%</b>	<b>105.2%</b>	<b>105.1%</b>	<b>105.2%</b>	<b>105.2%</b>	<b>105.1%</b>	<b>105.2%</b>	<b>105.2%</b>	<b>105.1%</b>	<b>105.2%</b>	<b>105.2%</b>			
Departmental agencies and accounts	597.4	597.4	532.6	790.8	790.8	790.8	295.2	295.2	295.2	266.5	247.6	247.6	95.7%	95.7%	96.6%	95.7%	95.7%	96.6%	95.7%	95.7%	96.6%	95.7%	95.7%	96.6%	95.7%	95.7%	96.6%	95.7%	95.7%	96.6%			
Foreign governments and international organisations	22.2	22.2	24.6	23.4	23.4	26.1	25.5	25.5	26.0	28.5	27.1	27.1	104.3%	104.3%	105.7%	104.3%	104.3%	105.7%	104.3%	104.3%	105.7%	104.3%	104.3%	105.7%	104.3%	104.3%	105.7%	104.3%	104.3%	105.7%			
Public corporations and private enterprises	109.0	109.0	324.1	240.0	240.0	240.1	486.0	486.0	486.0	203.9	203.9	203.9	120.7%	120.7%	120.7%	120.7%	120.7%	120.7%	120.7%	120.7%	120.7%	120.7%	120.7%	120.7%	120.7%	120.7%	120.7%	120.7%	120.7%	120.7%			
Households	–	–	0.7	–	–	0.5	–	–	1.8	–	18.9	18.9	–	–	115.7%	–	–	115.7%	–	–	115.7%	–	–	115.7%	–	–	115.7%	–	–	115.7%			
<b>Payments for capital assets</b>	<b>5.1</b>	<b>5.1</b>	<b>5.5</b>	<b>5.0</b>	<b>14.6</b>	<b>9.3</b>	<b>12.0</b>	<b>12.0</b>	<b>10.7</b>	<b>21.3</b>	<b>21.3</b>	<b>20.3</b>	<b>105.9%</b>	<b>105.9%</b>	<b>86.4%</b>	<b>105.9%</b>	<b>105.9%</b>	<b>86.4%</b>	<b>105.9%</b>	<b>105.9%</b>	<b>86.4%</b>	<b>105.9%</b>	<b>105.9%</b>	<b>86.4%</b>	<b>105.9%</b>	<b>105.9%</b>	<b>86.4%</b>	<b>105.9%</b>	<b>105.9%</b>	<b>86.4%</b>			
Machinery and equipment	5.1	5.1	3.4	4.6	7.7	5.1	10.6	9.1	4.7	10.1	10.1	9.1	73.7%	73.7%	70.0%	73.7%	73.7%	70.0%	73.7%	73.7%	70.0%	73.7%	73.7%	70.0%	73.7%	73.7%	70.0%	73.7%	73.7%	70.0%			
Software and other intangible assets	–	–	2.1	0.4	6.9	4.2	1.4	3.0	6.0	11.1	11.1	11.1	181.7%	181.7%	111.5%	181.7%	181.7%	111.5%	181.7%	181.7%	111.5%	181.7%	181.7%	111.5%	181.7%	181.7%	111.5%	181.7%	181.7%	111.5%			
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>0.4</b>	<b>650.0</b>	<b>650.0</b>	<b>650.0</b>	<b>–</b>	<b>3 700.0</b>	<b>3 700.3</b>	<b>–</b>	<b>2 947.0</b>	<b>2 947.0</b>	<b>1 122.7%</b>	<b>1 122.7%</b>	<b>100.0%</b>	<b>1 122.7%</b>	<b>1 122.7%</b>	<b>100.0%</b>	<b>1 122.7%</b>	<b>1 122.7%</b>	<b>100.0%</b>	<b>1 122.7%</b>	<b>1 122.7%</b>	<b>100.0%</b>	<b>1 122.7%</b>	<b>1 122.7%</b>	<b>100.0%</b>	<b>1 122.7%</b>	<b>1 122.7%</b>	<b>100.0%</b>			
<b>Total</b>	<b>1 413.3</b>	<b>1 405.3</b>	<b>1 300.1</b>	<b>2 417.4</b>	<b>2 417.4</b>	<b>2 075.7</b>	<b>1 614.2</b>	<b>5 174.4</b>	<b>4 892.1</b>	<b>923.4</b>	<b>4 006.9</b>	<b>4 005.1</b>	<b>192.7%</b>	<b>192.7%</b>	<b>94.4%</b>	<b>192.7%</b>	<b>192.7%</b>	<b>94.4%</b>	<b>192.7%</b>	<b>192.7%</b>	<b>94.4%</b>	<b>192.7%</b>	<b>192.7%</b>	<b>94.4%</b>	<b>192.7%</b>	<b>192.7%</b>	<b>94.4%</b>	<b>192.7%</b>	<b>192.7%</b>	<b>94.4%</b>			

## Expenditure estimates

**Table 32.3 Vote expenditure estimates by programme and economic classification**

Programme									
1. Administration 2. International Affairs and Trade 3. Policy, Research and Capacity Development 4. ICT Enterprise Development and Public Entities Oversight 5. ICT Infrastructure Support									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
Programme 1	234.2	9.1%	7.1%	276.8	267.8	283.7	6.6%	11.6%	
Programme 2	80.0	22.6%	1.8%	57.1	57.6	59.8	-9.2%	2.8%	
Programme 3	85.0	-7.0%	2.6%	90.2	97.2	103.6	6.8%	4.1%	
Programme 4	3 205.1	92.7%	69.3%	744.2	784.4	829.7	-36.3%	60.8%	
Programme 5	400.8	-13.9%	19.2%	516.3	575.9	396.9	-0.3%	20.7%	
<b>Total</b>	<b>4 005.1</b>	<b>41.8%</b>	<b>100.0%</b>	<b>1 684.6</b>	<b>1 783.0</b>	<b>1 673.8</b>	<b>-25.2%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				660.2	697.4	525.9			
Economic classification									
<b>Current payments</b>	<b>540.4</b>	<b>-7.0%</b>	<b>13.7%</b>	<b>612.8</b>	<b>660.1</b>	<b>701.9</b>	<b>9.1%</b>	<b>27.5%</b>	
Compensation of employees	224.3	4.2%	6.8%	241.4	259.5	276.4	7.2%	11.0%	
Goods and services	316.1	-12.6%	6.9%	371.4	400.6	425.5	10.4%	16.5%	
<b>Transfers and subsidies</b>	<b>497.5</b>	<b>-11.9%</b>	<b>26.4%</b>	<b>1 048.7</b>	<b>1 106.1</b>	<b>956.5</b>	<b>24.3%</b>	<b>39.5%</b>	
Departmental agencies and accounts	247.6	-25.4%	15.2%	265.9	309.1	326.1	9.6%	12.6%	
Foreign governments and international organisations	27.1	6.9%	0.8%	29.8	30.5	31.6	5.3%	1.3%	
Public corporations and private enterprises	203.9	23.2%	10.2%	725.6	766.4	598.7	43.2%	25.1%	
Households	18.9	-	0.2%	27.4	-	-	-100.0%	0.5%	
<b>Payments for capital assets</b>	<b>20.3</b>	<b>58.8%</b>	<b>0.4%</b>	<b>23.1</b>	<b>16.8</b>	<b>15.4</b>	<b>-8.8%</b>	<b>0.8%</b>	
Machinery and equipment	9.1	21.8%	0.2%	9.7	8.7	7.3	-7.4%	0.4%	
Software and other intangible assets	11.1	-	0.2%	13.4	8.1	8.1	-9.9%	0.4%	
<b>Payments for financial assets</b>	<b>2 947.0</b>	<b>-</b>	<b>59.5%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>32.2%</b>	
<b>Total</b>	<b>4 005.1</b>	<b>41.8%</b>	<b>100.0%</b>	<b>1 684.6</b>	<b>1 783.0</b>	<b>1 673.8</b>	<b>-25.2%</b>	<b>100.0%</b>	

## Expenditure trends and estimates for significant spending items

**Table 32.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R thousand											
Broadband	83 540	26 935	39 313	162 412	24.8%	2.5%	221 389	244 018	256 584	16.5%	9.7%
<b>Total</b>	<b>83 540</b>	<b>26 935</b>	<b>39 313</b>	<b>162 412</b>	<b>24.8%</b>	<b>2.5%</b>	<b>221 389</b>	<b>244 018</b>	<b>256 584</b>	<b>16.5%</b>	<b>9.7%</b>

## Goods and services expenditure trends and estimates

**Table 32.5 Vote goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R thousand											
Administrative fees	1 627	1 445	1 355	1 629	-	0.7%	1 491	1 721	1 828	3.9%	0.4%
Advertising	3 198	3 312	2 120	5 473	19.6%	1.7%	3 176	3 877	3 985	-10.0%	1.1%
Minor assets	479	114	336	1 448	44.6%	0.3%	1 781	1 823	2 189	14.8%	0.5%
Audit costs: External	28 067	6 499	6 962	5 379	-42.3%	5.5%	4 850	6 314	6 319	5.5%	1.5%
Bursaries: Employees	513	817	1 291	2 132	60.8%	0.6%	2 627	2 883	1 818	-5.2%	0.6%
Catering: Departmental activities	1 969	1 794	1 771	2 549	9.0%	0.9%	2 853	2 951	3 096	6.7%	0.8%
Communication	5 182	5 714	5 245	7 082	11.0%	2.7%	5 061	5 434	6 526	-2.7%	1.6%
Computer services	5 117	5 726	6 971	7 176	11.9%	2.9%	17 339	7 713	9 571	10.1%	2.8%
Consultants: Business and advisory services	75 146	8 872	25 445	128 005	19.4%	27.8%	200 186	229 750	214 799	18.8%	51.0%

Table 32.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2019/20 - 2021/22
Legal services	6 155	7 454	5 074	5 000	-6.7%	2.8%	8 476	8 360	9 829	25.3%	2.1%
Contractors	2 060	2 803	4 101	6 078	43.4%	1.8%	3 912	3 930	3 318	-18.3%	1.1%
Agency and support/outsourced services	144	24	3	6 802	261.5%	0.8%	819	2 167	31 213	66.2%	2.7%
Entertainment	494	23	50	269	-18.3%	0.1%	269	281	297	3.4%	0.1%
Fleet services (including government motor transport)	999	1 194	1 159	1 571	16.3%	0.6%	849	856	1 045	-12.7%	0.3%
Inventory: Clothing material and accessories	-	-	23	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	12	20	-	30	35.7%	-	1	-	-	-100.0%	-
Consumable supplies	208	225	178	444	28.8%	0.1%	478	519	551	7.5%	0.1%
Consumables: Stationery, printing and office supplies	5 186	6 197	4 826	5 680	3.1%	2.6%	5 002	5 211	5 373	-1.8%	1.4%
Operating leases	43 180	41 922	34 434	39 870	-2.6%	18.7%	39 002	42 687	46 768	5.5%	11.1%
Rental and hiring	1 364	489	1 014	1 480	2.8%	0.5%	614	698	682	-22.8%	0.2%
Property payments	10 152	12 064	12 350	10 320	0.5%	5.3%	14 357	15 584	15 706	15.0%	3.7%
Transport provided: Departmental activity	-	-	-	100	-	-	-	-	-	-100.0%	-
Travel and subsistence	33 140	31 547	30 862	36 241	3.0%	15.4%	36 932	37 570	40 528	3.8%	10.0%
Training and development	2 433	9 955	2 610	9 133	55.4%	2.8%	11 343	10 463	10 045	3.2%	2.7%
Operating payments	1 325	912	1 002	3 243	34.8%	0.8%	1 610	1 676	1 849	-17.1%	0.6%
Venues and facilities	2 277	4 483	3 109	29 749	135.5%	4.6%	8 327	8 164	8 142	-35.1%	3.6%
<b>Total</b>	<b>230 427</b>	<b>153 605</b>	<b>152 291</b>	<b>316 883</b>	<b>11.2%</b>	<b>100.0%</b>	<b>371 355</b>	<b>400 632</b>	<b>425 477</b>	<b>10.3%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 32.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2019/20 - 2021/22
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>438</b>	<b>318</b>	<b>1 240</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Households	438	318	1 240	-	-100.0%	0.1%	-	-	-	-	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>532 574</b>	<b>790 789</b>	<b>295 181</b>	<b>247 556</b>	<b>-22.5%</b>	<b>57.5%</b>	<b>265 918</b>	<b>309 144</b>	<b>326 147</b>	<b>9.6%</b>	<b>31.8%</b>
National Electronic Media Institute of South Africa	36 601	77 200	85 785	90 761	35.4%	8.9%	95 347	100 583	106 115	5.3%	10.9%
Universal Service and Access Agency of South Africa	262 429	69 045	75 684	80 074	-32.7%	15.0%	82 949	87 467	92 277	4.8%	9.5%
Universal Service and Access Fund	52 380	55 156	54 614	57 781	3.3%	6.8%	61 017	64 373	67 914	5.5%	7.0%
Universal Service and Access Fund: Broadcasting digital migration	181 160	589 384	79 098	18 940	-52.9%	26.8%	26 605	56 721	59 841	46.7%	4.5%
Radio Licences	4	4	-	-	-100.0%	-	-	-	-	-	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>291</b>	<b>158</b>	<b>532</b>	<b>18 940</b>	<b>302.2%</b>	<b>0.6%</b>	<b>27 396</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>1.3%</b>
Households	291	158	532	-	-100.0%	-	-	-	-	-	-
Claims against the State	-	-	-	18 940	-	0.6%	27 396	-	-	-100.0%	1.3%
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>17</b>	<b>19</b>	<b>26</b>	<b>20.1%</b>	<b>-</b>
Vehicle licences	-	-	-	15	-	-	17	19	26	20.1%	-
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>24 629</b>	<b>26 136</b>	<b>25 964</b>	<b>27 084</b>	<b>3.2%</b>	<b>3.2%</b>	<b>29 808</b>	<b>30 476</b>	<b>31 632</b>	<b>5.3%</b>	<b>3.3%</b>
Universal Postal Union	5 446	5 960	5 522	6 311	5.0%	0.7%	6 741	6 258	6 602	1.5%	0.7%
International Telecommunication Union	16 545	17 581	16 816	17 077	1.1%	2.1%	18 905	19 421	19 969	5.4%	2.1%
African Telecommunication Union	940	1 044	1 006	988	1.7%	0.1%	1 119	1 286	1 357	11.2%	0.1%
Pan-African Postal Union	1 071	1 033	1 031	1 061	-0.3%	0.1%	1 120	1 182	1 247	5.5%	0.1%
Organisation for Economic Cooperation and Development	185	166	158	200	2.6%	-	194	569	600	44.2%	-
Commonwealth Telecommunications Organisation	442	352	426	440	-0.2%	0.1%	529	491	518	5.6%	0.1%
DONA Foundation	-	-	1 005	1 007	-	0.1%	1 200	1 269	1 339	10.0%	0.1%

Table 32.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
<b>Public corporations and private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>											
Claims against the State	-	5	-	-	-	-	-	-	-	-	-
<b>Non-profit institutions</b>											
<b>Current</b>											
Universal Postal Union	-	25	-	-	-	-	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>											
South African Post Office	115 092	240 045	240 000	-	-100.0%	18.3%	474 627	500 731	528 276	-	41.7%
South African Post Office: Broadcasting digital migration	-	240 000	240 000	-	-	14.8%	-	-	-	-	-
Claims against the State	12	45	-	-	-100.0%	-	-	-	-	-	-
<b>Capital</b>											
Sentech: Dual illumination costs relating to the digital migration project	209 000	-	246 000	203 900	-0.8%	20.3%	250 934	265 694	70 455	-29.8%	21.9%
Sentech: Migration of digital signals	209 000	-	193 000	203 900	-0.8%	18.7%	192 494	204 044	-	-100.0%	16.6%
	-	-	53 000	-	-	1.6%	58 440	61 650	70 455	-	5.3%
<b>Provinces and municipalities</b>											
<b>Provincial agencies and funds</b>											
<b>Current</b>											
Vehicle licences	13	17	-	-	-100.0%	-	-	-	-	-	-
<b>Provinces and municipalities</b>											
<b>Municipal agencies and funds</b>											
<b>Current</b>											
Vehicle licences	-	-	14	-	-	-	-	-	-	-	-
<b>Total</b>	<b>882 049</b>	<b>1 057 493</b>	<b>808 931</b>	<b>497 495</b>	<b>-17.4%</b>	<b>100.0%</b>	<b>1 048 700</b>	<b>1 106 064</b>	<b>956 536</b>	<b>24.3%</b>	<b>100.0%</b>

## Personnel information

Table 32.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost			2021/22		Unit cost	
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2018/19 - 2021/22		
<b>Telecommunications and Postal Services</b>																			
<b>Salary level</b>	<b>282</b>	-	<b>293</b>	<b>219.8</b>	<b>0.8</b>	<b>290</b>	<b>224.3</b>	<b>0.8</b>	<b>291</b>	<b>241.4</b>	<b>0.8</b>	<b>294</b>	<b>259.5</b>	<b>0.9</b>	<b>293</b>	<b>276.4</b>	<b>0.9</b>	<b>0.3%</b>	<b>100.0%</b>
1 – 6	23	-	37	7.7	0.2	27	8.8	0.3	27	9.6	0.4	27	10.4	0.4	26	10.8	0.4	-1.3%	9.2%
7 – 10	99	-	99	47.1	0.5	106	54.0	0.5	100	55.8	0.6	100	60.3	0.6	100	64.8	0.6	-1.9%	34.8%
11 – 12	63	-	61	48.8	0.8	61	49.8	0.8	61	53.3	0.9	61	57.1	0.9	61	61.1	1.0	-	20.9%
13 – 16	93	-	93	109.4	1.2	93	105.7	1.1	95	116.0	1.2	95	124.3	1.3	94	131.6	1.4	0.4%	32.3%
Other	4	-	3	6.7	2.2	3	5.9	2.0	8	6.7	0.8	11	7.4	0.7	12	8.0	0.7	58.7%	2.9%
<b>Programme</b>	<b>282</b>	-	<b>293</b>	<b>219.8</b>	<b>0.8</b>	<b>290</b>	<b>224.3</b>	<b>0.8</b>	<b>291</b>	<b>241.4</b>	<b>0.8</b>	<b>294</b>	<b>259.5</b>	<b>0.9</b>	<b>293</b>	<b>276.4</b>	<b>0.9</b>	<b>0.3%</b>	<b>100.0%</b>
Programme 1	145	-	154	102.9	0.7	146	108.8	0.7	156	119.9	0.8	159	129.2	0.8	158	136.8	0.9	2.7%	53.0%
Programme 2	15	-	16	17.0	1.1	16	13.7	0.9	17	16.1	0.9	17	17.3	1.0	17	18.6	1.1	2.0%	5.7%
Programme 3	71	-	68	52.1	0.8	69	52.6	0.8	73	59.9	0.8	73	64.2	0.9	73	68.8	0.9	1.9%	24.7%
Programme 4	23	-	25	22.0	0.9	26	23.1	0.9	22	22.7	1.0	22	24.3	1.1	22	26.0	1.2	-5.4%	7.9%
Programme 5	28	-	30	25.8	0.9	33	26.2	0.8	23	22.9	1.0	23	24.5	1.1	23	26.2	1.1	-11.3%	8.7%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 32.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>26 804 435</b>	<b>831 411</b>	<b>1 141 106</b>	<b>517 828</b>	<b>517 828</b>	<b>-73.2%</b>	<b>100.0%</b>	<b>600 635</b>	<b>600 647</b>	<b>600 682</b>	<b>5.1%</b>	<b>-</b>
<b>Sales of goods and services produced by department</b>	<b>52</b>	<b>51</b>	<b>57</b>	<b>53</b>	<b>53</b>	<b>0.6%</b>	<b>-</b>	<b>53</b>	<b>55</b>	<b>55</b>	<b>1.2%</b>	<b>-</b>
Administrative fees	5	4	4	4	4	-7.2%	-	5	6	6	14.5%	-
<i>of which:</i>												
Cryptography fees	5	4	4	3	3	-15.7%	-	5	6	6	26.0%	-
Request for Information: Promotion of Access to Information Act (2000)	-	-	-	1	1	-	-	-	-	-	-100.0%	-
Other sales	47	47	53	49	49	1.4%	-	48	49	49	-	-
<i>of which:</i>												
Commission on insurance	47	47	53	47	47	-	-	48	49	49	1.4%	-
Sale of obsolete equipment	-	-	-	2	2	-	-	-	-	-	-100.0%	-
Transfers received	-	-	-	26 250	26 250	-	0.1%	-	-	-	-100.0%	-
<b>Interest, dividends and rent on land</b>	<b>1 335 925</b>	<b>831 077</b>	<b>1 140 002</b>	<b>490 877</b>	<b>490 877</b>	<b>-28.4%</b>	<b>13.0%</b>	<b>600 142</b>	<b>600 152</b>	<b>600 162</b>	<b>6.9%</b>	<b>-</b>
Interest	446	264	293 399	200	200	-23.5%	1.0%	110	120	130	-13.4%	-
Dividends	1 335 479	830 813	846 603	490 677	490 677	-28.4%	12.0%	600 032	600 032	600 032	6.9%	-
<i>of which:</i>												
Vodacom shares	828 216	-	-	32	32	-96.6%	2.8%	32	32	32	-	-
Telkom shares	507 263	830 813	846 603	490 645	490 645	-1.1%	9.1%	600 000	600 000	600 000	6.9%	-
Sales of capital assets	-	-	713	68	68	-	-	-	-	25	-28.4%	-
Transactions in financial assets and liabilities	25 468 458	283	334	580	580	-97.2%	86.9%	440	440	440	-8.8%	-
<b>Total</b>	<b>26 804 435</b>	<b>831 411</b>	<b>1 141 106</b>	<b>517 828</b>	<b>517 828</b>	<b>-73.2%</b>	<b>100.0%</b>	<b>600 635</b>	<b>600 647</b>	<b>600 682</b>	<b>-</b>	<b>-</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 32.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	4.2	4.2	4.2	4.2	-	1.9%	4.8	4.9	5.2	7.1%	1.8%
Departmental Management	73.3	52.1	48.0	43.3	-16.1%	24.7%	49.2	54.6	59.2	11.0%	19.4%
Internal Audit	5.2	3.9	5.4	7.6	13.1%	2.5%	9.9	9.7	8.9	5.6%	3.4%
Corporate Services	62.6	70.5	74.2	93.5	14.3%	34.3%	117.8	95.4	103.0	3.3%	38.5%
Financial Management	70.4	75.7	74.8	77.5	3.3%	34.0%	75.4	82.0	84.4	2.9%	30.0%
Office Accommodation	6.1	5.2	2.8	9.2	14.4%	2.7%	19.7	21.3	22.9	35.6%	6.9%
<b>Total</b>	<b>221.9</b>	<b>211.6</b>	<b>209.5</b>	<b>235.2</b>	<b>2.0%</b>	<b>100.0%</b>	<b>276.8</b>	<b>267.8</b>	<b>283.7</b>	<b>6.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				16.9			33.1	6.2	6.5		
<b>Economic classification</b>											
<b>Current payments</b>	<b>217.2</b>	<b>204.1</b>	<b>198.8</b>	<b>204.5</b>	<b>-2.0%</b>	<b>93.9%</b>	<b>235.9</b>	<b>253.1</b>	<b>270.5</b>	<b>9.8%</b>	<b>90.6%</b>
Compensation of employees	86.2	94.8	102.9	108.8	8.1%	44.7%	119.9	129.2	136.8	7.9%	46.5%
Goods and services <sup>1</sup>	131.0	109.3	95.9	95.7	-9.9%	49.2%	116.0	123.9	133.7	11.8%	44.1%
<i>of which:</i>											
Audit costs: External	28.1	6.5	7.0	5.1	-43.4%	5.3%	4.9	6.2	6.3	7.1%	2.1%
Computer services	5.0	5.5	5.3	5.3	2.1%	2.4%	8.0	7.5	9.3	20.2%	2.8%
Legal services	6.2	7.5	5.1	5.0	-6.7%	2.7%	8.5	8.3	9.8	25.2%	3.0%
Operating leases	42.4	41.0	33.7	37.7	-3.9%	17.6%	37.9	41.5	45.5	6.5%	15.3%
Property payments	10.1	11.7	11.9	10.3	0.5%	5.0%	14.4	15.6	15.7	15.1%	5.3%
Travel and subsistence	16.9	17.2	15.7	10.7	-13.9%	6.9%	14.9	17.4	19.4	21.8%	5.9%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.3</b>	<b>0.3</b>	<b>1.1</b>	<b>19.0</b>	<b>308.5%</b>	<b>2.4%</b>	<b>27.4</b>	<b>0.0</b>	<b>0.0</b>	<b>-88.9%</b>	<b>4.4%</b>
Households	0.2	0.3	1.1	18.9	323.7%	2.3%	27.4	-	-	-100.0%	4.4%

**Table 32.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Payments for capital assets</b>	<b>3.9</b>	<b>7.1</b>	<b>9.3</b>	<b>11.8</b>	<b>44.3%</b>	<b>3.7%</b>	<b>13.6</b>	<b>14.7</b>	<b>13.2</b>	<b>3.8%</b>	<b>5.0%</b>
Machinery and equipment	1.9	3.3	3.3	7.3	57.5%	1.8%	6.6	6.7	5.2	-10.8%	2.4%
Software and other intangible assets	2.1	3.8	6.0	4.5	29.9%	1.9%	6.9	8.0	8.0	21.2%	2.6%
<b>Payments for financial assets</b>	<b>0.4</b>	<b>0.0</b>	<b>0.3</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>221.9</b>	<b>211.6</b>	<b>209.5</b>	<b>235.2</b>	<b>2.0%</b>	<b>100.0%</b>	<b>276.8</b>	<b>267.8</b>	<b>283.7</b>	<b>6.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>17.1%</b>	<b>10.2%</b>	<b>4.3%</b>	<b>5.9%</b>	<b>-</b>	<b>-</b>	<b>16.4%</b>	<b>15.0%</b>	<b>16.9%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>0.2</b>	<b>-</b>	<b>0.5</b>	<b>18.9</b>	<b>384.0%</b>	<b>2.2%</b>	<b>27.4</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>4.4%</b>
Households	0.2	-	0.5	-	-100.0%	0.1%	-	-	-	-	-
Claims against the State	-	-	-	18.9	-	2.2%	27.4	-	-	-100.0%	4.4%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: International Affairs and Trade

### Programme purpose

Ensure alignment between South Africa's foreign policy and international activities in the field of ICT.

### Objectives

- Advance South Africa's ICT interests in regional and international forums to attain partnerships for economic growth and development by:
  - participating in the World Radio Conference, focusing on spectrum management and allocations for future technologies to support the development agenda, in March 2019
  - developing 3 South African position papers for the Brazil-Russia-India-China-South Africa (BRICS) group of countries' ICT ministerial meetings over the medium term.

### Subprogrammes

- *International Affairs* coordinates the functions and responsibilities of the department to meet South Africa's international ICT obligations.
- *ICT Trade/Partnership* develops and advances the country's interests in international trade forums by participating in the World Trade Organisation's ICT-related initiatives, and other international trade agreements such as the South Africa-European Union trade agreement and bilateral agreements with counterpart countries.

### Expenditure trends and estimates

**Table 32.10 International Affairs and Trade expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
International Affairs	10.5	13.4	12.5	14.8	12.2%	23.4%	13.8	18.1	19.3	9.2%	26.0%
ICT Trade/Partnership	31.0	33.5	38.1	65.1	28.0%	76.6%	43.2	39.5	40.5	-14.6%	74.0%
<b>Total</b>	<b>41.5</b>	<b>46.9</b>	<b>50.6</b>	<b>80.0</b>	<b>24.4%</b>	<b>100.0%</b>	<b>57.1</b>	<b>57.6</b>	<b>59.8</b>	<b>-9.2%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				28.0			(1.3)	1.2	0.2		



**Table 32.10 International Affairs and Trade expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2015/16 - 2021/22	
R million												
<b>Current payments</b>	<b>16.5</b>	<b>20.3</b>	<b>24.6</b>	<b>52.5</b>	<b>47.1%</b>	<b>52.0%</b>	<b>26.7</b>	<b>26.6</b>	<b>27.6</b>	<b>-19.3%</b>	<b>52.4%</b>	
Compensation of employees	10.6	12.7	17.0	13.7	9.1%	24.6%	16.1	17.3	18.6	10.6%	25.8%	
Goods and services <sup>1</sup>	5.9	7.5	7.6	38.8	87.0%	27.3%	10.6	9.3	9.1	-38.4%	26.6%	
<i>of which:</i>												
Administrative fees	0.1	0.2	0.1	0.2	22.3%	0.3%	0.2	0.2	0.2	3.9%	0.3%	
Minor assets	0.1	0.0	0.0	0.2	18.4%	0.1%	0.2	0.2	0.3	19.8%	0.4%	
Contractors	–	0.1	0.8	0.2	–	0.5%	0.6	0.9	0.2	5.5%	0.7%	
Operating leases	0.1	0.1	0.1	0.1	12.6%	0.2%	0.3	0.3	0.3	38.7%	0.4%	
Travel and subsistence	5.0	4.3	4.8	7.7	15.7%	9.9%	5.6	4.6	4.9	-14.2%	8.9%	
Venues and facilities	0.2	1.4	1.2	25.4	407.5%	12.9%	2.7	2.2	2.3	-55.3%	12.8%	
<b>Transfers and subsidies<sup>1</sup></b>	<b>24.7</b>	<b>26.3</b>	<b>26.0</b>	<b>27.1</b>	<b>3.2%</b>	<b>47.5%</b>	<b>29.8</b>	<b>30.5</b>	<b>31.6</b>	<b>5.3%</b>	<b>46.8%</b>	
Foreign governments and international organisations	24.6	26.1	26.0	27.1	3.2%	47.4%	29.8	30.5	31.6	5.3%	46.8%	
Households	0.0	0.1	0.0	–	–	–	–	–	–	–	–	
<b>Payments for capital assets</b>	<b>0.4</b>	<b>0.4</b>	<b>0.0</b>	<b>0.4</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>0.5</b>	<b>0.6</b>	<b>0.6</b>	<b>–</b>	<b>–</b>	
Machinery and equipment	0.4	0.4	0.0	0.4	0.6%	0.6%	0.5	0.6	0.6	14.1%	0.8%	
<b>Total</b>	<b>41.5</b>	<b>46.9</b>	<b>50.6</b>	<b>80.0</b>	<b>0.6%</b>	<b>0.6%</b>	<b>57.1</b>	<b>57.6</b>	<b>59.8</b>	<b>14.1%</b>	<b>0.8%</b>	
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>3.2%</b>	<b>2.3%</b>	<b>1.0%</b>	<b>2.0%</b>	<b>24.4%</b>	<b>100.0%</b>	<b>3.4%</b>	<b>3.2%</b>	<b>3.6%</b>	<b>-9.2%</b>	<b>100.0%</b>	
<b>Details of selected transfers and subsidies</b>												
<b>Foreign governments and international organisations</b>												
<b>Current</b>	<b>24.6</b>	<b>26.1</b>	<b>26.0</b>	<b>27.1</b>	<b>3.2%</b>	<b>47.4%</b>	<b>29.8</b>	<b>30.5</b>	<b>31.6</b>	<b>5.3%</b>	<b>46.8%</b>	
Universal Postal Union	5.4	6.0	5.5	6.3	–	10.6%	6.7	6.3	6.6	–	10.2%	
International	16.5	17.6	16.8	17.1	–	31.0%	18.9	19.4	20.0	–	29.6%	
Telecommunications Union												
Pan-African Postal Union	1.1	1.0	1.0	1.1	-100.0%	1.9%	1.1	1.2	1.2	–	1.8%	
Organisation for Economic Cooperation and Development	0.2	0.2	0.2	0.2	0.6%	0.3%	0.2	0.6	0.6	14.1%	0.6%	
DONA Foundation	–	–	1.0	1.0	–	0.9%	1.2	1.3	1.3	–	1.9%	
African Telecommunication Union	0.9	1.0	1.0	1.0	0.6%	1.8%	1.1	1.3	1.4	14.1%	1.9%	
Commonwealth Telecommunication Organisation	0.4	0.4	0.4	0.4	–	0.8%	0.5	0.5	0.5	–	0.8%	

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Policy, Research and Capacity Development

### Programme purpose

Develop ICT policies and legislation that support the development of an ICT sector that creates favourable conditions for accelerated and shared economic growth. Develop strategies that increase the adoption and use of ICT by the majority of the South African population to bridge the digital divide.

### Objectives

- Improve access to and the affordability of ICTs by facilitating the development of ICT policy and priority legislation, in line with the 2016 White Paper on National Integrated ICT Policy, and introducing them to Parliament over the medium term.
- Promote the growth and sustainability of SMMEs through facilitating the implementation of the ICT SMME development strategy, focusing on identified priority areas, over the medium term.
- Develop and implement a national e-strategy to prioritise e-government services by March 2020 by:
  - facilitating the implementation of the e-government programme for smart communities
  - developing the national digital skills strategy.

### Subprogrammes

- *ICT Policy Development* drafts legislation, regulations, policy and guidelines that govern the telecommunications, postal and IT sectors to ensure broad-based economic development.

- *Economic and Market Analysis* conducts economic analyses of the telecommunications, postal and IT sectors to determine trends and make growth projections. This subprogramme also undertakes market research to explore areas that require policy intervention; and is responsible for the reduction of the cost of communication.
- *Research* is responsible for understanding the ICT landscape and delivering a national ICT strategy.
- *Information Society Development* supports the effective and efficient functioning of the information society; and the development of institutional mechanisms. These include the interministerial committee on information society and development, the information society and development intergovernmental relations forum, the forum of South African directors-general for information society and development, and the intergovernmental relations forum technical committee.
- *Capacity Development* provides direction for the advancement of e-skills graduates and society in general to function effectively in the emerging information society.

## Expenditure trends and estimates

**Table 32.11 Policy, Research and Capacity Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
ICT Policy Development	14.4	12.5	10.0	14.3	-0.3%	16.2%	16.1	16.5	17.5	7.1%	17.1%
Economic and Market Analysis	4.4	3.5	8.7	4.6	1.5%	6.7%	5.9	5.2	5.5	6.4%	5.6%
Research	4.2	6.9	6.9	7.2	19.9%	8.0%	7.1	7.6	8.1	4.0%	8.0%
Information Society Development	41.4	46.1	43.8	49.6	6.2%	57.3%	51.5	58.0	62.0	7.7%	58.8%
Capacity Development	9.6	9.5	9.0	9.3	-1.0%	11.8%	9.7	9.9	10.5	3.9%	10.5%
<b>Total</b>	<b>74.0</b>	<b>78.5</b>	<b>78.5</b>	<b>85.0</b>	<b>4.7%</b>	<b>100.0%</b>	<b>90.2</b>	<b>97.2</b>	<b>103.6</b>	<b>6.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(1.0)			1.0	1.1	1.6		
<b>Economic classification</b>											
<b>Current payments</b>	<b>73.4</b>	<b>77.8</b>	<b>77.7</b>	<b>84.6</b>	<b>4.9%</b>	<b>99.2%</b>	<b>89.5</b>	<b>96.5</b>	<b>102.8</b>	<b>6.7%</b>	<b>99.3%</b>
Compensation of employees	49.4	52.6	52.1	52.6	2.1%	65.4%	59.9	64.2	68.8	9.4%	65.3%
Goods and services <sup>1</sup>	24.0	25.2	25.6	32.0	10.1%	33.8%	29.6	32.3	34.0	2.0%	34.0%
<i>of which:</i>											
<i>Catering: Departmental activities</i>	0.5	0.3	0.5	0.7	8.0%	0.7%	1.1	1.1	1.2	19.5%	1.1%
<i>Communication</i>	1.3	1.4	1.3	2.4	22.3%	2.1%	1.2	1.4	1.5	-15.9%	1.7%
<i>Consultants: Business and advisory services</i>	10.1	5.5	13.1	6.0	-16.2%	11.0%	7.2	9.0	9.8	18.0%	8.5%
<i>Travel and subsistence</i>	6.2	4.6	4.8	8.7	12.2%	7.7%	7.6	6.4	6.9	-7.7%	7.9%
<i>Training and development</i>	1.3	7.8	0.6	7.2	77.8%	5.3%	7.1	7.3	7.5	1.6%	7.7%
<i>Venues and facilities</i>	1.1	2.4	1.1	1.4	6.4%	1.9%	1.1	1.1	1.1	-7.3%	1.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.3</b>	<b>0.0</b>	<b>0.4</b>	<b>-</b>	<b>-100.0%</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Households	0.3	0.0	0.4	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>0.3</b>	<b>0.6</b>	<b>0.4</b>	<b>0.3</b>	<b>-100.0%</b>	<b>0.2%</b>	<b>0.7</b>	<b>0.7</b>	<b>0.8</b>	<b>-</b>	<b>-</b>
Machinery and equipment	0.3	0.6	0.4	0.3	7.1%	0.5%	0.7	0.7	0.8	31.6%	0.7%
Software and other intangible assets	-	-	-	0.1	1.6%	0.5%	0.0	-	-	38.7%	0.7%
<b>Total</b>	<b>74.0</b>	<b>78.5</b>	<b>78.5</b>	<b>85.0</b>	<b>-</b>	<b>-</b>	<b>90.2</b>	<b>97.2</b>	<b>103.6</b>	<b>-100.0%</b>	<b>-</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>5.7%</b>	<b>3.8%</b>	<b>1.6%</b>	<b>2.1%</b>	<b>4.7%</b>	<b>100.0%</b>	<b>5.4%</b>	<b>5.5%</b>	<b>6.2%</b>	<b>6.8%</b>	<b>100.0%</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: ICT Enterprise Development and Public Entities Oversight

### Programme purpose

Oversee and manage government's shareholding interest in the ICT public entities and state-owned companies. Facilitate the growth and development of small, medium and micro enterprises in the ICT sector.

### Objectives

- Improve the performance of public entities through proactive oversight by:

- developing and submitting the State ICT Infrastructure Company Bill to Cabinet for approval by March 2020
- developing and submitting the State IT Services Company Bill to Cabinet for approval by March 2020
- monitoring and evaluating the service delivery performance and compliance of public entities against strategic plans and relevant prescripts in quarterly performance reports over the medium term.

## Subprogrammes

- *Public Entity Oversight* provides oversight on public entities and companies by managing government's shareholder interests in them. This includes facilitating their corporate plans and strategic plans, and ensuring that planning cycles are aligned with legislation and comply with guidelines.
- *SMME Development* facilitates the growth and development of, and hosts an e-commerce platform for, SMMEs in the ICT sector.

## Expenditure trends and estimates

**Table 32.12 ICT Enterprise Development and Public Entities Oversight expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Public Entity Oversight	480.1	869.8	3 937.1	3 200.0	88.2%	99.8%	739.2	779.3	824.2	-36.4%	99.6%
SMME Development	2.5	4.4	4.4	5.2	26.6%	0.2%	5.0	5.2	5.5	2.1%	0.4%
<b>Total</b>	<b>482.6</b>	<b>874.3</b>	<b>3 941.5</b>	<b>3 205.1</b>	<b>88.0%</b>	<b>100.0%</b>	<b>744.2</b>	<b>784.4</b>	<b>829.7</b>	<b>-36.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				2 954.7			478.2	503.5	533.2		
<b>Economic classification</b>											
<b>Current payments</b>	<b>15.6</b>	<b>22.3</b>	<b>25.1</b>	<b>29.0</b>	<b>23.0%</b>	<b>1.1%</b>	<b>30.1</b>	<b>30.8</b>	<b>34.7</b>	<b>6.1%</b>	<b>2.2%</b>
Compensation of employees	12.8	19.8	22.0	23.1	21.6%	0.9%	22.7	24.3	26.0	4.1%	1.7%
Goods and services <sup>1</sup>	2.8	2.5	3.1	6.0	29.2%	0.2%	7.4	6.5	8.7	13.2%	0.5%
<i>of which:</i>											
<i>Bursaries: Employees</i>	0.1	0.2	0.1	0.6	70.4%	–	0.7	0.7	0.1	-51.8%	–
<i>Communication</i>	0.3	0.4	0.5	0.6	22.3%	–	0.4	0.6	0.7	5.9%	–
<i>Consultants: Business and advisory services</i>	0.8	0.2	0.0	0.1	-45.5%	–	3.4	2.5	4.6	227.2%	0.2%
<i>Operating leases</i>	0.1	0.2	0.2	0.2	14.9%	–	0.2	0.2	0.2	7.3%	–
<i>Travel and subsistence</i>	0.6	1.0	1.1	1.5	38.6%	–	1.7	1.8	1.5	-0.6%	0.1%
<i>Training and development</i>	0.0	0.2	0.3	–	-100.0%	–	0.3	0.1	0.6	–	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>466.6</b>	<b>201.4</b>	<b>216.1</b>	<b>228.6</b>	<b>-21.2%</b>	<b>13.1%</b>	<b>713.9</b>	<b>753.2</b>	<b>794.6</b>	<b>51.5%</b>	<b>44.8%</b>
Departmental agencies and accounts	351.4	201.4	216.1	228.6	-13.4%	11.7%	239.3	252.4	266.3	5.2%	17.7%
Public corporations and private enterprises	115.1	–	–	–	-100.0%	1.4%	474.6	500.7	528.3	–	27.0%
Households	0.1	–	0.0	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.4</b>	<b>0.6</b>	<b>0.3</b>	<b>0.5</b>	<b>9.0%</b>	<b>–</b>	<b>0.2</b>	<b>0.5</b>	<b>0.5</b>	<b>-1.0%</b>	<b>–</b>
Machinery and equipment	0.4	0.6	0.3	0.5	9.0%	–	0.2	0.5	0.5	-1.0%	–
<b>Payments for financial assets</b>	<b>–</b>	<b>650.0</b>	<b>3 700.0</b>	<b>2 947.0</b>	<b>–</b>	<b>85.8%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>53.0%</b>
<b>Total</b>	<b>482.6</b>	<b>874.3</b>	<b>3 941.5</b>	<b>3 205.1</b>	<b>88.0%</b>	<b>100.0%</b>	<b>744.2</b>	<b>784.4</b>	<b>829.7</b>	<b>-36.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>37.1%</b>	<b>42.1%</b>	<b>80.6%</b>	<b>80.0%</b>	<b>–</b>	<b>–</b>	<b>44.2%</b>	<b>44.0%</b>	<b>49.6%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>351.4</b>	<b>201.4</b>	<b>216.1</b>	<b>228.6</b>	<b>-100.0%</b>	<b>11.7%</b>	<b>239.3</b>	<b>252.4</b>	<b>266.3</b>	<b>–</b>	<b>17.7%</b>
National Electronic Media Institute of South Africa	36.6	77.2	85.8	90.8	–	3.4%	95.3	100.6	106.1	–	7.1%
Universal Service and Access Agency of South Africa	262.4	69.0	75.7	80.1	-100.0%	5.7%	82.9	87.5	92.3	–	6.2%
Universal Service and Access Fund	52.4	55.2	54.6	57.8	9.0%	2.6%	61.0	64.4	67.9	-1.0%	4.5%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>115.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1.4%</b>	<b>474.6</b>	<b>500.7</b>	<b>528.3</b>	<b>–</b>	<b>27.0%</b>
South African Post Office	115.1	–	–	–	–	1.4%	474.6	500.7	528.3	–	27.0%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: ICT Infrastructure Support

### Programme purpose

Promote investment in robust, reliable, secure and affordable ICT infrastructure that supports the provision of a multiplicity of applications and services.

### Objectives

- Coordinate broadband connectivity through contributing to the achievement of 100 per cent population coverage by:
  - coordinating and monitoring the provision of broadband connectivity and services to 970 connected sites over the medium term
  - supporting the operations of the rapid deployment national coordination centre by establishing a certified cybersecurity hub by March 2020.
- Develop and implement ICT policy and legislation aimed at improving access to and the affordability of ICT by completing the world radiocommunication 2019 outcomes report to inform the revision of the 2020 national frequency plan, by March 2020.

### Subprogrammes

- *Broadband* is responsible for developing and facilitating the implementation of the broadband policy, strategy and implementation plan, and ensuring that goals for broadband are achieved.
- *Digital Terrestrial Television* is responsible for supporting the conversion from analogue to digital television transmission technology, with the ultimate goal of making the frequency spectrum available for next generation mobile broadband and other applications.
- *ICT Support* is responsible for the management and protection of South Africa's ICT environment.

## Expenditure trends and estimates

**Table 32.13 ICT Infrastructure Support expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Broadband	83.5	26.9	39.3	162.4	24.8%	13.2%	221.4	244.0	256.6	16.5%	46.8%
Digital Terrestrial Television	390.2	829.4	565.1	222.8	-17.0%	85.1%	277.5	322.4	130.3	-16.4%	50.4%
ICT Support	6.3	8.1	7.5	16.4	37.3%	1.6%	17.3	9.5	10.0	-15.0%	2.8%
<b>Total</b>	<b>480.1</b>	<b>864.4</b>	<b>611.9</b>	<b>401.6</b>	<b>-5.8%</b>	<b>100.0%</b>	<b>516.3</b>	<b>575.9</b>	<b>396.9</b>	<b>-0.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				85.0			149.1	185.3	(15.5)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>89.4</b>	<b>34.4</b>	<b>45.9</b>	<b>170.5</b>	<b>24.0%</b>	<b>14.4%</b>	<b>230.7</b>	<b>253.2</b>	<b>266.3</b>	<b>16.0%</b>	<b>48.7%</b>
Compensation of employees	22.7	25.3	25.8	26.2	4.8%	4.2%	22.9	24.5	26.2	0.1%	5.3%
Goods and services <sup>1</sup>	66.7	9.1	20.1	144.4	29.4%	10.2%	207.8	228.7	240.1	18.5%	43.4%
of which:											
Advertising	0.4	1.8	0.1	0.4	0.3%	0.1%	1.1	1.1	1.2	47.0%	0.2%
Computer services	0.1	0.2	1.6	1.7	160.4%	0.1%	9.2	0.1	0.2	-52.0%	0.6%
Consultants: Business and advisory services	59.9	0.8	11.5	120.2	26.1%	8.2%	184.2	213.7	195.3	17.5%	37.7%
Agency and support/outourced services	–	–	–	3.7	–	0.2%	0.6	0.7	29.6	100.4%	1.8%
Travel and subsistence	4.6	4.4	4.5	7.6	18.3%	0.9%	7.1	7.4	7.9	1.5%	1.6%
Venues and facilities	0.2	0.1	0.2	1.9	127.2%	0.1%	2.8	3.0	2.8	13.9%	0.6%
<b>Transfers and subsidies<sup>1</sup></b>	<b>390.2</b>	<b>829.5</b>	<b>565.3</b>	<b>222.8</b>	<b>-17.0%</b>	<b>85.1%</b>	<b>277.5</b>	<b>322.4</b>	<b>130.3</b>	<b>-16.4%</b>	<b>50.4%</b>
Departmental agencies and accounts	181.2	589.4	79.1	18.9	-52.9%	36.8%	26.6	56.7	59.8	46.7%	8.6%
Public corporations and private enterprises	209.0	240.0	486.0	203.9	-0.8%	48.3%	250.9	265.7	70.5	-29.8%	41.8%
Households	0.0	0.1	0.2	–	-100.0%	–	–	–	–	–	–

**Table 32.13 ICT Infrastructure Support expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Payments for capital assets</b>	<b>0.5</b>	<b>0.6</b>	<b>0.7</b>	<b>8.2</b>	<b>152.5%</b>	<b>0.4%</b>	<b>8.1</b>	<b>0.3</b>	<b>0.3</b>	<b>-65.2%</b>	<b>0.9%</b>
Machinery and equipment	0.5	0.2	0.7	1.7	48.6%	0.1%	1.6	0.2	0.3	-46.6%	0.2%
Software and other intangible assets	–	0.4	0.0	6.6	–	0.3%	6.5	0.1	0.1	-75.8%	0.7%
<b>Total</b>	<b>480.1</b>	<b>864.4</b>	<b>611.9</b>	<b>401.6</b>	<b>-100.0%</b>	<b>–</b>	<b>516.3</b>	<b>575.9</b>	<b>396.9</b>	<b>–</b>	<b>–</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>36.9%</b>	<b>41.6%</b>	<b>12.5%</b>	<b>10.0%</b>	<b>-5.8%</b>	<b>100.0%</b>	<b>30.6%</b>	<b>32.3%</b>	<b>23.7%</b>	<b>-0.4%</b>	<b>100.0%</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>181.2</b>	<b>589.4</b>	<b>79.1</b>	<b>18.9</b>	<b>-0.8%</b>	<b>36.8%</b>	<b>26.6</b>	<b>56.7</b>	<b>59.8</b>	<b>-29.8%</b>	<b>8.6%</b>
Universal Service and Access Fund: Broadcasting digital migration	181.2	589.4	79.1	18.9	–	36.8%	26.6	56.7	59.8	–	8.6%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>–</b>	<b>240.0</b>	<b>240.0</b>	<b>–</b>	<b>48.6%</b>	<b>20.4%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-46.6%</b>	<b>–</b>
South African Post Office: Broadcasting digital migration	–	240.0	240.0	–	–	20.4%	–	–	–	–	–
<b>Capital</b>	<b>209.0</b>	<b>–</b>	<b>246.0</b>	<b>203.9</b>	<b>–</b>	<b>27.9%</b>	<b>250.9</b>	<b>265.7</b>	<b>70.5</b>	<b>–</b>	<b>41.8%</b>
Sentech: Dual illumination costs relating to the digital migration project	209.0	–	193.0	203.9	–	25.7%	192.5	204.0	–	–	31.8%
Sentech: Migration of digital signals	–	–	53.0	–	–	2.2%	58.4	61.7	70.5	–	10.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

### Sentech

#### Mandate

Sentech was established as a state-owned enterprise to provide common carrier broadcasting signal distribution services to licensed broadcasters in South Africa and is listed as a schedule 3B entity in the Public Finance Management Act (1999). In 2002, the entity's mandate was expanded to provide an international voice gateway and common carrier multimedia services in accordance with government's imperative to liberalise the telecommunications sector.

#### Selected performance indicators

**Table 32.14 Sentech performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage availability of digital terrestrial television per year	Attain digital terrestrial television network	Outcome 6: An efficient, competitive and responsive economic infrastructure network	99% (1.01 million hours/ 1.02 million hours)	99% (1.01 million hours/ 1.02 million hours)	99% (1.01 million hours/ 1.02 million hours)	99% (1.01 million hours/ 1.02 million hours)	99% (1.01 million hours/ 1.02 million hours)	99% (1.01 million hours/ 1.02 million hours)	99% (1.01 million hours/ 1.02 million hours)
Broadband sites connected in support of Internet for All project per year	Administration	Entity mandate	– <sup>1</sup>	– <sup>1</sup>	– <sup>1</sup>	4	6	6	6

1. No historical data available.

#### Expenditure analysis

Over the medium term, Sentech will focus on: increasing revenue and addressing challenges in areas of customer satisfaction; expanding its managed infrastructure services and connectivity services businesses; identifying possible acquisition targets; and executing its African business strategy, which involves expanding broadcasting services to other African markets.

The company generates revenue from providing terrestrial television and radio services, satellite linking, facility rentals and sales, and direct-to-home satellite services. Revenue generated from these activities is expected to increase at an average annual rate of 1.1 per cent, from R3 billion in 2018/19 to R3.1 billion in 2021/22. Sentech also receives project-related funding from the department amounting to R587.1 million over the MTEF period. Of this, R396.5 million is allocated for dual illumination costs in 2019/20 and 2020/21, and R190.5 million is allocated for digital migration over the medium term.

The company aims to deliver digital terrestrial signals at 99 per cent availability per year and connect 6 broadband sites per year over the medium term. The latter is in support of Internet for All, a partnership between the Department of Telecommunications and Postal Services, the World Economic Forum and other public, private and community organisations, which identifies areas with the most pressing need for internet connectivity and channels resources into them.

The company's number of personnel is expected to decrease from 533 in 2018/19 to 524 by 2021/22, mainly due to natural attrition. This explains the below inflation average annual increase of 1.9 per cent in spending on compensation of employees, from R468.8 million in 2018/19 to R496.6 million in 2021/22. Nevertheless, the company's total expenditure is expected to increase at an average annual rate of 6.3 per cent, from R1.5 billion in 2018/19 to R1.8 billion in 2021/22, mainly driven by spending on developing services.

### Programmes/Objectives/Activities

**Table 32.15 Sentech expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	940.9	1 202.4	1 375.3	1 365.6	13.2%	91.0%	1 425.2	1 481.0	1 648.6	6.5%	89.6%
Attain digital terrestrial television network	100.7	89.8	134.9	159.4	16.5%	9.0%	167.4	175.8	184.4	5.0%	10.4%
<b>Total</b>	<b>1 041.6</b>	<b>1 292.2</b>	<b>1 510.3</b>	<b>1 525.0</b>	<b>13.5%</b>	<b>100.0%</b>	<b>1 592.6</b>	<b>1 656.8</b>	<b>1 832.9</b>	<b>6.3%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 32.16 Sentech statements of historical financial performance and position**

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2015/16 - 2018/19	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>1 111.9</b>	<b>1 079.7</b>	<b>1 199.1</b>	<b>1 144.1</b>	<b>1 277.1</b>	<b>1 216.1</b>	<b>1 353.7</b>	<b>1 291.1</b>	<b>95.7%</b>
Sale of goods and services other than capital assets	1 111.8	1 079.6	1 199.0	1 144.0	1 277.1	1 215.9	1 353.7	1 290.9	95.7%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>1 110.7</i>	<i>1 078.5</i>	<i>1 197.8</i>	<i>1 142.8</i>	<i>1 275.8</i>	<i>1 214.7</i>	<i>1 352.4</i>	<i>1 289.6</i>	<i>95.7%</i>
<i>Terrestrial television services</i>	<i>547.8</i>	<i>555.2</i>	<i>615.0</i>	<i>576.1</i>	<i>636.3</i>	<i>614.5</i>	<i>728.2</i>	<i>667.2</i>	<i>95.5%</i>
<i>Terrestrial FM, AM and short wave radio services</i>	<i>299.1</i>	<i>302.2</i>	<i>343.6</i>	<i>325.2</i>	<i>365.4</i>	<i>521.7</i>	<i>355.0</i>	<i>547.4</i>	<i>124.5%</i>
<i>Other</i>	<i>263.8</i>	<i>221.1</i>	<i>239.3</i>	<i>241.5</i>	<i>274.2</i>	<i>78.6</i>	<i>269.1</i>	<i>75.0</i>	<i>58.9%</i>
Other non-tax revenue	21.3	53.9	24.0	154.2	32.1	202.3	9.6	183.6	682.1%
<b>Transfers received</b>	<b>95.6</b>	<b>209.0</b>	<b>2.8</b>	<b>100.0</b>	<b>246.0</b>	<b>246.0</b>	<b>203.9</b>	<b>203.9</b>	<b>138.4%</b>
<b>Total revenue</b>	<b>112.0</b>	<b>1 079.9</b>	<b>1 199.1</b>	<b>1 144.2</b>	<b>1 277.4</b>	<b>1 216.4</b>	<b>1 353.9</b>	<b>1 291.3</b>	<b>95.7%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 011.1</b>	<b>1 001.5</b>	<b>1 195.4</b>	<b>1 302.2</b>	<b>1 297.8</b>	<b>1 457.8</b>	<b>1 321.9</b>	<b>1 483.1</b>	<b>108.7%</b>
Compensation of employees	366.9	398.3	386.3	410.0	426.0	457.1	448.5	468.8	106.5%
Goods and services	583.1	512.5	727.2	784.5	771.5	897.5	764.2	900.2	108.7%
Depreciation	60.6	80.6	82.0	103.5	100.2	99.1	109.3	114.1	112.8%
Interest, dividends and rent on land	0.5	10.1	-	4.2	-	4.2	-	0.1	3 722.4%
<b>Total expenses</b>	<b>1 071.8</b>	<b>1 041.6</b>	<b>1 203.6</b>	<b>1 292.2</b>	<b>1 345.4</b>	<b>1 510.3</b>	<b>1 323.2</b>	<b>1 525.0</b>	<b>108.6%</b>
<b>Surplus/(Deficit)</b>	<b>1 110.9</b>	<b>1 078.8</b>	<b>1 197.9</b>	<b>1 142.9</b>	<b>1 276.0</b>	<b>1 214.9</b>	<b>1 352.6</b>	<b>1 289.8</b>	

**Table 32.16 Sentech statements of historical financial performance and position**

Statement of financial position									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	2015/16 - 2018/19
R million	2015/16		2016/17		2017/18		2018/19		
Carrying value of assets	931.4	846.4	1 081.3	946.5	1 163.6	954.4	1 176.7	941.4	84.7%
<i>of which:</i>									
<i>Acquisition of assets</i>	(300.0)	(194.2)	(552.0)	(274.6)	(405.0)	(110.2)	(524.7)	(175.4)	42.3%
Inventory	83.2	73.3	47.8	80.3	63.9	82.3	51.1	58.8	119.9%
Receivables and prepayments	66.5	63.8	22.1	43.1	58.8	297.9	47.1	119.5	269.6%
Cash and cash equivalents	544.5	957.2	507.3	907.4	812.3	916.1	766.2	1 170.7	150.2%
Taxation	50.4	13.3	-	18.1	-	12.7	-	-	87.5%
<b>Total assets</b>	<b>1 676.0</b>	<b>1 954.0</b>	<b>1 658.6</b>	<b>1 995.4</b>	<b>2 098.6</b>	<b>2 263.5</b>	<b>2 041.0</b>	<b>2 290.4</b>	<b>113.8%</b>
Accumulated surplus/(deficit)	953.3	918.8	927.0	1 023.7	1 164.9	1 176.3	1 161.8	1 314.1	105.4%
Capital and reserves	586.7	743.8	586.7	743.8	743.8	743.8	743.8	743.8	111.8%
Borrowings	4.9	-	-	-	-	-	-	-	-
Deferred income	-	76.4	-	10.2	9.3	94.3	-	54.9	2 545.3%
Trade and other payables	63.9	120.2	88.4	133.1	112.0	146.5	84.0	118.3	148.7%
Taxation	67.1	68.6	56.5	40.6	68.6	53.1	51.5	40.6	83.2%
Provisions	-	26.2	-	44.1	-	49.6	-	18.7	-
<b>Total equity and liabilities</b>	<b>1 676.0</b>	<b>1 954.0</b>	<b>1 658.6</b>	<b>1 995.4</b>	<b>2 098.6</b>	<b>2 263.5</b>	<b>2 041.0</b>	<b>2 290.4</b>	<b>113.8%</b>

**Statements of estimates of financial performance and position****Table 32.17 Sentech statements of estimates of financial performance and position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>1 291.1</b>	<b>6.1%</b>	<b>100.0%</b>	<b>1 355.5</b>	<b>1 423.2</b>	<b>1 490.0</b>	<b>4.9%</b>	<b>100.0%</b>
Sale of goods and services other than capital assets	1 290.9	6.1%	100.0%	1 355.5	1 423.2	1 490.0	4.9%	100.0%
<i>of which:</i>								
<i>Sales by market establishment</i>	1 289.6	6.1%	0.1%	1 354.1	1 421.8	1 488.5	4.9%	0.1%
<i>Terrestrial television services</i>	667.2	6.3%	51.0%	689.0	721.4	755.2	4.2%	51.0%
<i>Terrestrial FM, AM and short wave radio services</i>	547.4	21.9%	35.4%	571.1	597.9	625.9	4.6%	42.1%
<i>Other</i>	75.0	-30.2%	13.5%	94.0	102.6	107.4	12.7%	6.8%
Other non-tax revenue	183.6	50.5%	0.0%	74.1	15.8	16.7	-55.0%	0.0%
<b>Transfers received</b>	<b>203.9</b>	<b>-0.8%</b>	<b>0.0%</b>	<b>250.9</b>	<b>265.7</b>	<b>70.5</b>	<b>-29.8%</b>	<b>0.0%</b>
<b>Total revenue</b>	<b>1 291.3</b>	<b>6.1%</b>	<b>100.0%</b>	<b>1 355.9</b>	<b>1 423.5</b>	<b>1 490.1</b>	<b>4.9%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>1 483.1</b>	<b>14.0%</b>	<b>97.7%</b>	<b>1 583.2</b>	<b>1 646.9</b>	<b>1 827.1</b>	<b>7.2%</b>	<b>98.9%</b>
Compensation of employees	468.8	5.6%	32.7%	477.0	491.4	496.6	1.9%	29.4%
Goods and services	900.2	20.7%	57.1%	1 001.6	1 049.8	1 218.9	10.6%	62.9%
Depreciation	114.1	12.3%	7.4%	104.6	105.7	111.6	-0.7%	6.6%
Interest, dividends and rent on land	0.1	-78.2%	0.4%	-	-	-	-100.0%	0.0%
<b>Total expenses</b>	<b>1 525.0</b>	<b>13.5%</b>	<b>100.0%</b>	<b>1 592.6</b>	<b>1 656.8</b>	<b>1 832.9</b>	<b>6.3%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>1 289.8</b>			<b>1 354.2</b>	<b>1 421.9</b>	<b>1 488.2</b>		
<b>Statement of financial position</b>								
Carrying value of assets	941.4	3.6%	43.5%	958.3	978.5	1 076.4	4.6%	43.8%
<i>of which:</i>								
<i>Acquisition of assets</i>	(175.4)	-3.3%	-9.1%	(213.4)	(216.8)	(229.0)	9.3%	-9.2%
Inventory	58.8	-7.1%	3.5%	54.2	46.0	50.6	-4.9%	2.3%
Receivables and prepayments	119.5	23.3%	6.0%	149.8	163.0	179.3	14.5%	6.8%
Cash and cash equivalents	1 170.7	6.9%	46.5%	1 059.0	966.9	1 063.5	-3.1%	47.1%
<b>Total assets</b>	<b>2 290.4</b>	<b>5.4%</b>	<b>100.0%</b>	<b>2 221.3</b>	<b>2 154.4</b>	<b>2 369.8</b>	<b>1.1%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	1 314.1	12.7%	51.9%	1 299.9	1 233.0	1 356.3	1.1%	57.6%
Capital and reserves	743.8	0.0%	35.2%	743.8	743.8	818.1	3.2%	33.8%
Deferred income	54.9	-10.4%	2.7%	-	-	-	-100.0%	0.6%
Trade and other payables	118.3	-0.5%	6.1%	118.3	118.3	130.1	3.2%	5.4%
Taxation	40.6	-16.1%	2.4%	40.6	40.6	44.6	3.2%	1.8%
Provisions	18.7	-10.6%	1.6%	18.7	18.7	20.6	3.2%	0.8%
<b>Total equity and liabilities</b>	<b>2 290.4</b>	<b>5.4%</b>	<b>100.0%</b>	<b>2 221.3</b>	<b>2 154.4</b>	<b>2 369.8</b>	<b>1.1%</b>	<b>100.0%</b>

**Personnel information**

**Table 32.18 Sentech personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost		Unit cost		
Sentech		533			533			533			533			524			1.9%	100.0%	
Salary level																			
7 – 10	102	102	102	50.3	0.5	102	52.0	0.5	102	53.3	0.5	102	55.7	0.5	95	51.3	0.5	-0.5%	18.9%
11 – 12	302	302	306	190.3	0.6	302	192.5	0.6	302	195.6	0.6	302	199.4	0.7	300	205.5	0.7	2.2%	56.8%
13 – 16	126	126	127	210.6	1.7	126	216.1	1.7	126	219.6	1.7	126	227.6	1.8	126	230.8	1.8	2.2%	23.7%
17 – 22	3	3	3	5.9	2.0	3	8.2	2.7	3	8.5	2.8	3	8.8	2.9	3	9.1	3.0	3.5%	0.6%

1. Rand million.

**South African Post Office**

**Mandate**

South African Post Office is a schedule 2 public entity in terms of the Public Finance Management Act (1999). It is a government business enterprise established to provide postal and related services to the public, and derives its mandate from the Postal Services Act (1998), the South African Post Office SOC Ltd Act (2011) and the South African Postbank Limited Act (2010). The Postal Services Act (1998) grants the post office an exclusive mandate to conduct postal services, making provision for the regulation of postal services and operational functions of the postal company, including universal service obligations and the financial services activities of Postbank.

**Selected performance indicators**

**Table 32.19 South African Post Office performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total number of points of presence	Mail and retail business units	Entity mandate	2 368	2 222	2 209	2 209	2 209	2 209	2 209
Number of new addresses rolled out per year as part of the address expansion programme	Mail and retail business units		261 340	241 416	265 002	500 000	500 000	500 000	500 000

**Expenditure analysis**

Over the medium term, South African Post Office will focus on: stabilising its financial position by addressing its liquidity challenges and settling its debts, providing universal access to postal and related services, finalising the corporatisation of Postbank, optimising its personnel base to ensure operational effectiveness, and distributing social grants on behalf of the South African Social Security Agency.

After posting a net loss in 2017/18, Cabinet approved R2.9 billion in 2018/19 towards recapitalising the company to stabilise its financial position. Additional allocations amounting to R1.5 billion over the MTEF period have also been approved to subsidise universal service obligations. As a result, the company’s financial outlook is expected to improve, with projected budget surpluses of R744.9 million in 2020/21 and R934 million in 2021/22.

In its continuing effort to provide universal access to postal and related services, the company expects to roll out 500 000 verifiable community addresses per year over the medium term in areas where they are lacking. In addition, 2 209 points of presence per year, including post offices, mobile units and retail postal agencies, are expected to be maintained to meet government’s social mandate to provide postal services in underserved areas. These activities are carried out in the mail, retail and transport programme.

Postbank, a division of South African Post Office, is expected to provide inclusive and affordable financial services to communities in rural areas. In realising this expectation, the company plans to meet the Reserve Bank’s requirements for licensing Postbank and finalise its transition into a commercial bank. Accordingly, spending in the Postbank programme is expected to increase at an average annual rate of 37 per cent, from R436.4 million in 2018/19 to R1.1 billion in 2021/22, due to increases in spending on compensation of employees, interest on loans, depreciation and IT services costs.



The company generates revenue by providing postal and courier services, and from fees for financial transactions; and derives other income from interest on investments, and transfers from the Department of Telecommunications and Postal Services for its obligations to provide universal access to postal and related services. Total revenue is expected to increase at an average annual rate of 18 per cent, from R5 billion in 2018/19 to R8.2 billion in 2021/22, due to an expected increase in business opportunities such as the provision of courier services.

Total expenditure is expected to increase at an average annual rate of 5.3 per cent, from R6.2 billion in 2018/19 to R7.2 billion in 2021/22. Due to the labour-intensive nature of the company's work, compensation of employees is its largest spending area, amounts to R11 billion over the medium term. The company's number of personnel is expected to decrease from 17 770 in 2018/19 to 14 256 in 2021/22, mainly due to the personnel optimisation project. This explains the below inflation average annual increase of 0.1 per cent in spending on compensation of employees, which remains at R3.6 billion in 2021/22.

### Programmes/Objectives/Activities

**Table 32.20 South African Post Office expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	2 131.2	1 850.5	1 572.0	1 675.4	-7.7%	28.9%	1 320.2	1 506.6	1 769.6	1.8%	23.0%
Logistics	262.6	113.0	45.6	39.4	-46.9%	1.8%	41.6	43.7	46.0	5.4%	0.6%
Postbank	169.6	301.9	311.8	436.4	37.0%	4.9%	1 008.9	1 064.4	1 123.0	37.0%	13.0%
Mail and Retail business units	4 020.1	4 044.6	3 950.4	4 047.2	0.2%	64.4%	4 778.8	4 249.6	4 303.4	2.1%	63.4%
<b>Total</b>	<b>6 583.5</b>	<b>6 310.0</b>	<b>5 879.8</b>	<b>6 198.4</b>	<b>-2.0%</b>	<b>100.0%</b>	<b>7 149.5</b>	<b>6 864.4</b>	<b>7 242.0</b>	<b>5.3%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 32.21 South African Post Office statements of historical financial performance and position**

Statement of financial performance									Average: Outcome/ Budget (%) 2015/16 - 2018/19
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
	2015/16		2016/17		2017/18		2018/19		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>6 720.0</b>	<b>5 356.8</b>	<b>6 596.8</b>	<b>5 083.2</b>	<b>6 667.3</b>	<b>4 731.6</b>	<b>5 994.9</b>	<b>4 975.4</b>	<b>77.6%</b>
Sale of goods and services other than capital assets	5 618.6	4 730.8	6 397.5	4 626.3	6 493.7	4 515.3	5 873.7	4 881.1	76.9%
of which:									
<i>Sales by market establishment</i>	<i>5 618.6</i>	<i>4 730.8</i>	<i>6 397.5</i>	<i>4 626.3</i>	<i>6 493.7</i>	<i>4 515.3</i>	<i>5 873.7</i>	<i>4 881.1</i>	<i>76.9%</i>
<i>Postal services and courier services</i>	<i>4 475.7</i>	<i>3 654.9</i>	<i>4 751.0</i>	<i>3 391.3</i>	<i>4 742.1</i>	<i>3 166.8</i>	<i>4 052.5</i>	<i>3 135.3</i>	<i>74.1%</i>
<i>Financial services (Retail and Postbank)</i>	<i>656.6</i>	<i>585.8</i>	<i>1 131.3</i>	<i>644.7</i>	<i>1 071.0</i>	<i>729.9</i>	<i>1 224.0</i>	<i>1 138.7</i>	<i>75.9%</i>
<i>Postbank interest revenue</i>	<i>486.3</i>	<i>490.0</i>	<i>515.2</i>	<i>590.3</i>	<i>680.6</i>	<i>618.6</i>	<i>597.2</i>	<i>607.2</i>	<i>101.2%</i>
Other non-tax revenue	1 101.4	626.0	199.3	456.8	173.7	216.3	121.2	94.2	87.3%
<b>Transfers received</b>	<b>64.9</b>	<b>115.1</b>	<b>240.0</b>	<b>240.0</b>	<b>240.0</b>	<b>240.0</b>	<b>-</b>	<b>-</b>	<b>109.2%</b>
<b>Total revenue</b>	<b>6 800.0</b>	<b>5 471.9</b>	<b>6 836.8</b>	<b>5 323.2</b>	<b>6 907.3</b>	<b>4 971.6</b>	<b>5 994.9</b>	<b>4 975.4</b>	<b>78.2%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>6 902.5</b>	<b>6 583.4</b>	<b>7 984.7</b>	<b>6 290.3</b>	<b>6 820.7</b>	<b>5 879.7</b>	<b>6 500.5</b>	<b>6 198.4</b>	<b>88.5%</b>
Compensation of employees	4 152.8	3 476.2	3 914.2	3 560.4	3 488.2	3 532.4	3 788.2	3 603.4	92.4%
Goods and services	2 505.9	2 775.4	3 561.2	2 194.8	2 699.2	1 784.5	2 204.1	2 114.5	80.8%
Depreciation	151.8	165.2	204.5	142.3	150.7	139.7	159.5	36.6	87.6%
Interest, dividends and rent on land	92.0	166.7	304.8	392.8	482.7	423.0	348.6	343.9	108.0%
<b>Total expenses</b>	<b>6 902.5</b>	<b>6 583.5</b>	<b>7 984.7</b>	<b>6 310.0</b>	<b>6 820.7</b>	<b>5 879.8</b>	<b>6 500.5</b>	<b>6 198.4</b>	<b>88.5%</b>
<b>Surplus/(Deficit)</b>	<b>(102.0)</b>	<b>(1 112.0)</b>	<b>(1 148.0)</b>	<b>(987.0)</b>	<b>87.0</b>	<b>(908.0)</b>	<b>(506.0)</b>	<b>(1 223.0)</b>	
Statement of financial position									
Carrying value of assets	2 050.1	1 190.6	1 962.6	2 733.9	2 831.7	2 714.9	3 793.1	3 044.8	91.0%
of which:									
<i>Acquisition of assets</i>	<i>(530.2)</i>	<i>(45.8)</i>	<i>(900.0)</i>	<i>(54.4)</i>	<i>(58.3)</i>	<i>(44.1)</i>	<i>(1 196.4)</i>	<i>(597.2)</i>	<i>27.6%</i>
Investments	4 589.3	5 510.3	5 502.4	5 966.5	6 064.5	5 968.9	6 409.2	6 320.0	105.3%
Inventory	69.8	54.8	74.8	70.0	69.3	61.5	68.6	65.2	89.0%
Receivables and prepayments	522.3	428.2	574.6	408.7	400.2	480.0	487.3	454.5	89.3%
Cash and cash equivalents	4 342.0	2 885.0	2 790.9	4 055.5	4 536.8	4 242.8	3 670.1	3 992.4	98.9%
Taxation	735.9	0.7	-	-	-	-	-	-	0.1%
<b>Total assets</b>	<b>12 309.5</b>	<b>10 069.7</b>	<b>10 905.2</b>	<b>13 234.5</b>	<b>13 902.5</b>	<b>13 468.1</b>	<b>14 428.4</b>	<b>13 876.9</b>	<b>98.3%</b>

**Table 32.21 South African Post Office statements of historical financial performance and position**

Statement of financial position									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Accumulated surplus/(deficit)	(1.2)	(1 203.2)	(2 274.5)	(2 236.4)	(3 561.7)	(3 325.2)	(4 067.2)	(4 943.7)	118.2%
Capital and reserves	1 806.6	961.3	1 578.1	3 137.8	6 956.7	6 848.0	6 956.7	9 795.0	119.9%
Borrowings	1 200.0	1 237.7	3 850.2	3 701.0	1 000.0	400.3	2 000.0	-	66.3%
Finance lease	4.5	6.1	-	11.0	10.1	4.2	9.1	3.1	103.4%
Deferred income	346.6	258.6	266.1	223.6	240.9	226.8	261.9	238.2	84.9%
Trade and other payables	7 264.9	7 183.7	5 825.2	6 776.1	7 145.6	7 712.3	7 041.5	7 088.4	105.4%
Provisions	1 688.2	1 625.4	1 660.1	1 621.4	1 710.8	1 601.7	1 826.3	1 696.0	95.1%
<b>Total equity and liabilities</b>	<b>12 309.5</b>	<b>10 069.7</b>	<b>10 905.2</b>	<b>13 234.5</b>	<b>13 502.5</b>	<b>13 468.1</b>	<b>14 028.4</b>	<b>13 876.9</b>	<b>99.8%</b>

**Statements of estimates of financial performance and position****Table 32.22 South African Post Office statements of estimates of financial performance and position**

Statement of financial performance									Average: Expenditure/ Total (%)
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>4 975.4</b>	<b>-2.4%</b>	<b>97.1%</b>	<b>6 368.2</b>	<b>7 108.6</b>	<b>7 647.7</b>	<b>15.4%</b>	<b>95.0%</b>	
Sale of goods and services other than capital assets	4 881.1	1.0%	90.6%	5 942.4	6 252.0	6 727.2	11.3%	87.3%	
<i>of which:</i>									
<i>Sales by market establishment</i>	4 881.1	1.0%	90.6%	5 942.4	6 252.0	6 727.2	11.3%	87.3%	
<i>Postal services and courier services</i>	3 135.3	-5.0%	64.3%	5 483.5	3 341.8	3 595.8	4.7%	57.8%	
<i>Financial services (Retail and Postbank)</i>	1 138.7	24.8%	15.1%	1 286.8	2 093.4	2 252.4	25.5%	24.2%	
<i>Postbank interest revenue</i>	607.2	7.4%	11.2%	621.3	816.9	879.0	13.1%	10.7%	
Other non-tax revenue	94.2	-46.8%	6.6%	425.8	856.5	920.5	113.8%	7.7%	
<b>Transfers received</b>	<b>-</b>	<b>-100.0%</b>	<b>2.9%</b>	<b>474.6</b>	<b>500.7</b>	<b>528.3</b>	<b>-</b>	<b>5.0%</b>	
<b>Total revenue</b>	<b>4 975.4</b>	<b>-3.1%</b>	<b>100.0%</b>	<b>6 842.8</b>	<b>7 609.3</b>	<b>8 176.0</b>	<b>18.0%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>6 198.4</b>	<b>-2.0%</b>	<b>99.9%</b>	<b>7 149.5</b>	<b>6 864.4</b>	<b>7 242.0</b>	<b>5.3%</b>	<b>100.0%</b>	
Compensation of employees	3 603.4	1.2%	56.9%	4 001.7	3 429.8	3 618.4	0.1%	53.5%	
Goods and services	2 114.5	-8.7%	35.4%	2 693.6	2 955.4	3 117.8	13.8%	39.5%	
Depreciation	136.6	-6.1%	2.3%	325.6	343.5	362.4	38.4%	4.2%	
Interest, dividends and rent on land	343.9	27.3%	5.4%	128.7	135.8	143.3	-25.3%	2.8%	
<b>Total expenses</b>	<b>6 198.4</b>	<b>-2.0%</b>	<b>100.0%</b>	<b>7 149.5</b>	<b>6 864.4</b>	<b>7 242.0</b>	<b>5.3%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>(1 223.0)</b>			<b>(307.0)</b>	<b>745.0</b>	<b>934.0</b>			
<b>Statement of financial position</b>									
Carrying value of assets	3 044.8	36.8%	18.6%	3 899.2	4 247.7	4 512.0	14.0%	26.2%	
<i>of which:</i>									
<i>Acquisition of assets</i>	(597.2)	135.4%	-1.4%	(1 179.0)	(750.0)	(687.0)	4.8%	-5.5%	
Investments	6 320.0	4.7%	47.4%	6 809.6	7 286.2	8 128.5	8.8%	47.8%	
Inventory	65.2	6.0%	0.5%	69.1	73.2	77.6	6.0%	0.5%	
Receivables and prepayments	454.5	2.0%	3.5%	467.4	502.6	520.0	4.6%	3.3%	
Cash and cash equivalents	3 992.4	11.4%	29.9%	2 570.2	2 990.2	3 709.3	-2.4%	22.3%	
<b>Total assets</b>	<b>13 876.9</b>	<b>11.3%</b>	<b>100.0%</b>	<b>13 815.5</b>	<b>15 099.9</b>	<b>16 947.4</b>	<b>6.9%</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	(4 943.7)	60.2%	-22.3%	(5 250.5)	(4 505.6)	(3 571.6)	-10.3%	-31.1%	
Capital and reserves	9 795.0	116.8%	38.7%	9 795.0	9 795.0	9 795.0	-	66.0%	
Finance lease	3.1	-20.2%	0.0%	-	-	-	-100.0%	0.0%	
Deferred income	238.2	-2.7%	1.9%	250.1	262.6	275.7	5.0%	1.7%	
Trade and other payables	7 088.4	-0.4%	57.7%	7 222.5	7 637.1	8 415.3	5.9%	50.9%	
Provisions	1 696.0	1.4%	13.1%	1 798.3	1 910.9	2 033.0	6.2%	12.5%	
<b>Total equity and liabilities</b>	<b>13 876.9</b>	<b>11.3%</b>	<b>100.0%</b>	<b>13 815.5</b>	<b>15 099.9</b>	<b>16 947.4</b>	<b>6.9%</b>	<b>100.0%</b>	

## Personnel information

**Table 32.23 South African Post Office personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment											Number						
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate					Average growth rate (%)	Average: Salary level/Total (%)					
		2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost	2020/21				Unit cost	2021/22		2018/19 - 2021/22	
South African Post Office		Number	Cost		Unit cost	Number		Cost	Unit cost		Number	Cost	Unit cost	Number		Cost	Unit cost		Number
Salary level	17 770	17 770	18 104	3 532.4	0.2	17 770	3 603.4	0.2	17 770	4 001.7	0.2	14 254	3 429.8	0.2	14 256	3 618.4	0.3	0.1%	100.0%
1 – 6	14 066	14 066	14 443	2 239.4	0.2	14 066	2 279.9	0.2	14 066	2 536.6	0.2	11 262	2 153.8	0.2	11 262	2 271.7	0.2	-0.1%	79.1%
7 – 10	3 574	3 574	3 526	1 151.0	0.3	3 574	1 180.2	0.3	3 574	1 313.1	0.4	2 861	1 115.0	0.4	2 864	1 176.0	0.4	-0.1%	20.1%
11 – 12	78	78	82	74.0	0.9	78	76.1	1.0	78	80.6	1.0	78	85.5	1.1	78	90.6	1.2	6.0%	0.5%
13 – 16	48	48	49	56.3	1.1	48	54.2	1.1	48	57.5	1.2	48	60.9	1.3	48	64.6	1.3	6.0%	0.3%
17 – 22	4	4	4	11.8	3.0	4	13.0	3.3	4	13.8	3.5	4	14.6	3.7	4	15.5	3.9	6.0%	0.0%

1. Rand million.

## State Information Technology Agency

### Mandate

The State Information Technology Agency is governed by the State Information Technology Agency Act (1998), as amended, and is listed as a schedule 3A public entity in the Public Finance Management Act (1999). The State Information Technology Agency Act (1998) mandates the agency to consolidate and coordinate government's IT resources to achieve cost savings through economies of scale, increased delivery capabilities and the enhanced interoperability of systems. It also separates the agency's services into mandatory services, which are services that it must provide; and non-mandatory services, which are services that it may provide. Mandatory services include the provision and maintenance of transversal information systems and data processing or associated services for transversal systems.

### Selected performance indicators

**Table 32.24 State Information Technology Agency performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF Outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of e-government services implemented per year	Business operations		24	28	23	50	80	100	100
Percentage of projects timely, successfully and satisfactorily delivered within budget per year	Business operations	Entity mandate	85% (809/955)	90% (851/941)	86% (787/920)	85% (799/935)	96% (892/930)	100% (910)	100% (910)

### Expenditure analysis

Over the medium term, the State Information Technology Agency will focus on connecting government as part of the South Africa Connect broadband policy, and addressing long-standing service delivery and internal inefficiency challenges by implementing revised business and operating models. This will be done in the context of the agency being repositioned by the Department of Telecommunications and Postal Services to provide services to government in a reliable, efficient and cost-effective manner.

Activities over the MTEF period include continuing projects such as the e-government programme, which aims to develop applications for government; and the cloud computing programme, which allows government to securely store and manage large volumes of data. The agency plans to increase the number of e-government services implemented from 50 in 2018/19 to 100 in 2021/22 in the business operations programme.

Expenditure is expected to increase at an average annual rate of 8.2 per cent, from R6.2 billion in 2018/19 to R7.8 billion in 2020/22. Compensation of employees is one of the agency's main spending areas, accounting for 29.2 per cent of total expenditure from 2018/19 to 2021/22. Spending on compensation of employees increases at an average annual rate of 5.4 per cent, from R1.9 billion in 2018/19 to R2.2 billion in 2021/22, in line with cost of living adjustments, as the agency's number of personnel remains constant at 3 220 over the MTEF period.

The agency derives its revenue mainly from providing ICT infrastructure and services to customers. Revenue is projected to increase at an average annual rate of 9.3 per cent, from R6.3 billion in 2018/19 to R8.2 billion in 2021/22. The agency projects surpluses amounting to R848.2 million over the medium term, mainly due to long-term financial commitments for assets and services.

### Programmes/Objectives/Activities

**Table 32.25 State Information Technology Agency expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	1 132.5	954.8	1 057.3	1 274.8	4.0%	18.9%	1 355.9	1 442.4	1 534.8	6.4%	20.3%
Business operations	4 710.3	4 661.9	4 574.9	4 908.3	1.4%	81.1%	5 235.7	5 590.4	6 305.0	8.7%	79.7%
<b>Total</b>	<b>5 842.8</b>	<b>5 616.7</b>	<b>5 632.2</b>	<b>6 183.1</b>	<b>1.9%</b>	<b>100.0%</b>	<b>6 591.6</b>	<b>7 032.9</b>	<b>7 839.8</b>	<b>8.2%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 32.26 State Information Technology Agency statements of historical financial performance and position**

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%) 2015/16 - 2018/19
	Budget 2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>5 676.9</b>	<b>5 685.5</b>	<b>6 464.0</b>	<b>5 777.6</b>	<b>6 441.5</b>	<b>5 859.1</b>	<b>6 925.5</b>	<b>6 279.9</b>	<b>92.5%</b>
Sale of goods and services other than capital assets	5 592.3	5 458.6	6 395.4	5 680.8	6 360.7	5 746.2	6 839.8	6 204.6	91.7%
<i>of which:</i>									
<i>Sales by market establishment</i>	5 592.3	5 458.6	6 395.4	5 680.8	6 360.7	5 746.2	6 839.8	6 204.6	91.7%
Other non-tax revenue	84.5	226.9	68.5	96.8	80.9	112.9	85.7	75.2	160.1%
<b>Total revenue</b>	<b>5 676.9</b>	<b>5 685.5</b>	<b>6 464.0</b>	<b>5 777.6</b>	<b>6 441.5</b>	<b>5 859.1</b>	<b>6 925.5</b>	<b>6 279.9</b>	<b>92.5%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>6 127.4</b>	<b>5 792.1</b>	<b>6 290.7</b>	<b>5 532.5</b>	<b>6 184.6</b>	<b>5 564.5</b>	<b>6 853.7</b>	<b>6 111.3</b>	<b>90.4%</b>
Compensation of employees	2 354.6	1 743.8	2 245.5	1 786.6	1 774.2	1 753.3	1 880.7	1 876.9	86.7%
Goods and services	3 532.6	3 836.4	3 780.6	3 521.8	4 191.4	3 591.1	4 759.7	4 008.9	92.0%
Depreciation	240.2	167.8	264.6	174.5	219.0	220.1	213.3	225.5	84.1%
Interest, dividends and rent on land	-	44.0	-	49.7	-	-	-	-	-
<b>Total expenses</b>	<b>6 165.1</b>	<b>5 842.8</b>	<b>6 328.6</b>	<b>5 616.7</b>	<b>6 252.3</b>	<b>5 632.2</b>	<b>6 925.5</b>	<b>6 183.1</b>	<b>90.7%</b>
<b>Surplus/(Deficit)</b>	<b>(488.0)</b>	<b>(157.0)</b>	<b>135.0</b>	<b>161.0</b>	<b>189.0</b>	<b>227.0</b>	<b>-</b>	<b>97.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	1 583.0	1 171.2	1 950.6	1 271.1	1 657.6	1 166.6	1 917.2	1 174.2	67.3%
<i>of which:</i>									
<i>Acquisition of assets</i>	(1 151.0)	(511.4)	(496.2)	(203.9)	(545.7)	(99.1)	(442.3)	(201.6)	38.6%
Investments	-	13.7	-	70.3	-	41.1	-	-	-
Receivables and prepayments	973.1	1 067.3	804.1	1 176.5	1 081.8	1 223.9	1 082.4	2 048.8	140.0%
Cash and cash equivalents	875.1	1 152.5	1 117.7	1 183.3	1 209.1	1 605.1	1 239.6	1 221.8	116.2%
Taxation	115.0	387.5	202.7	215.3	205.1	112.4	195.7	1.1	99.7%
<b>Total assets</b>	<b>3 546.2</b>	<b>3 792.2</b>	<b>4 075.1</b>	<b>3 916.5</b>	<b>4 153.5</b>	<b>4 149.1</b>	<b>4 434.9</b>	<b>4 446.0</b>	<b>100.6%</b>
Accumulated surplus/(deficit)	2 200.5	1 946.3	2 287.4	2 107.2	2 409.0	2 334.0	2 621.9	2 350.1	91.8%
Capital and reserves	627.3	627.3	627.3	627.3	627.3	627.3	627.3	627.3	100.0%
Trade and other payables	569.8	1 095.9	1 009.4	1 067.7	991.5	1 090.0	1 047.3	1 089.0	120.0%
Taxation	-	-	-	-	-	-	-	272.1	-
Provisions	148.7	122.6	150.9	114.3	125.7	97.7	138.3	107.4	78.4%
<b>Total equity and liabilities</b>	<b>3 546.2</b>	<b>3 792.2</b>	<b>4 075.1</b>	<b>3 916.5</b>	<b>4 153.5</b>	<b>4 149.1</b>	<b>4 434.9</b>	<b>4 446.0</b>	<b>100.6%</b>

### Statements of estimates of financial performance and position

**Table 32.27 State Information Technology Agency statements of estimates of financial performance and position**

Statement of financial performance								
R million	Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
				2019/20	2020/21	2021/22		
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>6 279.9</b>	<b>3.4%</b>	<b>100.0%</b>	<b>6 781.7</b>	<b>7 328.0</b>	<b>8 202.6</b>	<b>9.3%</b>	<b>100.0%</b>
Sale of goods and services other than capital assets	6 204.6	4.4%	97.8%	6 701.0	7 237.3	8 105.5	9.3%	98.8%
<i>of which:</i>								
<i>Sales by market establishment</i>	6 204.6	4.4%	97.8%	6 701.0	7 237.3	8 105.5	9.3%	98.8%
Other non-tax revenue	75.2	-30.8%	2.2%	80.7	90.8	97.1	8.9%	1.2%
<b>Total revenue</b>	<b>6 279.9</b>	<b>3.4%</b>	<b>100.0%</b>	<b>6 781.7</b>	<b>7 328.0</b>	<b>8 202.6</b>	<b>9.3%</b>	<b>100.0%</b>

**Table 32.27 State Information Technology Agency statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	
R million		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Expenses</b>								
<b>Current expenses</b>	<b>6 111.3</b>	<b>1.8%</b>	<b>98.8%</b>	<b>6 515.4</b>	<b>6 953.6</b>	<b>7 756.5</b>	<b>8.3%</b>	<b>98.9%</b>
Compensation of employees	1 876.9	2.5%	30.8%	1 924.4	2 050.3	2 199.5	5.4%	29.2%
Goods and services	4 008.9	1.5%	64.2%	4 328.3	4 623.5	5 260.5	9.5%	65.8%
Depreciation	225.5	10.3%	3.4%	262.7	279.7	296.5	9.6%	3.8%
<b>Total expenses</b>	<b>6 183.1</b>	<b>1.9%</b>	<b>100.0%</b>	<b>6 591.6</b>	<b>7 032.9</b>	<b>7 839.8</b>	<b>8.2%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>97.0</b>			<b>190.0</b>	<b>295.0</b>	<b>363.0</b>		
<b>Statement of financial position</b>								
Carrying value of assets	1 174.2	0.1%	29.5%	1 425.3	1 759.3	2 074.3	20.9%	33.0%
<i>of which:</i>								
Acquisition of assets	(201.6)	-26.7%	-6.4%	(400.0)	(480.0)	(480.0)	33.5%	-8.0%
Receivables and prepayments	2 048.8	24.3%	33.4%	2 069.7	2 170.6	2 239.6	3.0%	44.3%
Cash and cash equivalents	1 221.8	2.0%	31.7%	1 043.4	1 026.9	1 036.9	-5.3%	22.6%
Taxation	1.1	-85.7%	4.6%	1.2	1.3	1.3	5.7%	0.0%
<b>Total assets</b>	<b>4 446.0</b>	<b>5.4%</b>	<b>100.0%</b>	<b>4 539.5</b>	<b>4 958.1</b>	<b>5 352.2</b>	<b>6.4%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	2 350.1	6.5%	53.6%	2 453.8	2 624.4	2 840.6	6.5%	53.2%
Capital and reserves	627.3	0.0%	15.4%	627.3	627.3	627.3	-	13.1%
Trade and other payables	1 089.0	-0.2%	26.7%	1 193.2	1 274.6	1 436.8	9.7%	25.8%
Taxation	272.1	-	1.5%	147.0	301.7	304.5	3.8%	5.3%
Provisions	107.4	-4.3%	2.7%	118.2	130.0	143.0	10.0%	2.6%
<b>Total equity and liabilities</b>	<b>4 446.0</b>	<b>5.4%</b>	<b>100.0%</b>	<b>4 539.5</b>	<b>4 958.1</b>	<b>5 352.2</b>	<b>6.4%</b>	<b>100.0%</b>

**Personnel information****Table 32.28 State Information Technology Agency personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
State Information Technology Agency		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	3 220	3 220	3 157	1 753.3	0.6	3 220	1 876.9	0.6	3 220	1 924.4	0.6	3 220	2 050.3	0.6	3 220	2 199.5	0.7	5.4%	100.0%
1 – 6	187	187	183	26.1	0.1	187	27.9	0.1	187	28.6	0.2	187	30.5	0.2	187	32.7	0.2	5.4%	5.8%
7 – 10	2 079	2 079	2 038	830.3	0.4	2 079	888.8	0.4	2 079	911.3	0.4	2 079	971.0	0.5	2 079	1 041.6	0.5	5.4%	64.6%
11 – 12	329	329	323	249.9	0.8	329	267.5	0.8	329	274.3	0.8	329	292.2	0.9	329	313.5	1.0	5.4%	10.2%
13 – 16	615	615	603	619.0	1.0	615	662.6	1.1	615	679.4	1.1	615	723.9	1.2	615	776.5	1.3	5.4%	19.1%
17 – 22	10	10	10	28.1	2.9	10	30.0	3.0	10	30.8	3.1	10	32.8	3.3	10	35.2	3.5	5.4%	0.3%

1. Rand million.

**Other entities**

Comprehensive coverage of the following entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- **Broadband Infraco's** legislative mandate, which is set out in the Broadband Infraco Act (2007), is to provide ICT infrastructure and broadband capacity in South Africa. The main objectives in terms of the act are to expand the availability and affordability of access to electronic communications, including but not limited to, underdeveloped and underserved areas; to ensure that the bandwidth requirements for specific projects of national interest are met; and to enable the state to provide affordable access to electronic communications networks and services. The company's total budget for 2019/20 is R684.2 million.
- The **National Electronic Media Institute of South Africa** was established as a non-profit institute for education in terms of the Companies Act (1973) and is listed as a schedule 3A public entity in terms of the Public Finance Management Act (1999). The institute's ongoing activities include offering national certificates and short courses in the areas of television production, animation and radio production. The institute is in the process of being merged with other entities to form the iKamva National Digital Skills Institute. The institute's programmes are structured to enhance the market readiness of students in a wide range of broadcasting and e-skills disciplines. The institute's total budget for 2019/20 is R114.3 million.

- The **Universal Service and Access Agency of South Africa** was established in terms of section 80 of the Electronic Communications Act (2005) as a statutory body and is listed as a schedule 3A public entity in terms of the Public Finance Management Act (1999). Its sole mandate is to promote universal service and access to electronic communications services, electronic communications network services and broadcasting services. The agency's total budget for 2019/20 is R83.8 million.
- The **Universal Service and Access Fund** was established in terms of section 89(1) of the Electronic Communications Act (2005). The fund's sole mandate is to make payments for subsidies towards the provision of ICT equipment and services as well as the construction and extension of electronic communication and broadcasting networks for those in underserved areas. The fund is managed by the Universal Service and Access Agency of South Africa and is financed by contributions from all telecommunications licensees except community broadcasting service licensees. The fund's total budget for 2019/20 is R137.6 million.

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Department infrastructure</b>										
<b>Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)</b>										
Sentech: Digital signal migration	Efficient use of spectrum, achievement of broadcast digital dividend, achievement of multiple channel possibilities and generation of new content	Design	113.0	–	–	53.0	–	58.4	61.7	70.5
<b>Total</b>			<b>113.0</b>	<b>–</b>	<b>–</b>	<b>53.0</b>	<b>–</b>	<b>58.4</b>	<b>61.7</b>	<b>70.5</b>





# Vote 33

## Tourism

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	291.5	280.9	0.2	10.4	304.4	323.1
Tourism Research, Policy and International Relations	1 331.1	70.7	1 259.8	0.5	1 405.5	1 479.8
Destination Development	463.3	209.3	120.4	133.6	495.7	530.0
Tourism Sector Support Services	306.8	132.6	174.1	0.2	330.5	315.7
<b>Total expenditure estimates</b>	<b>2 392.7</b>	<b>693.6</b>	<b>1 554.5</b>	<b>144.6</b>	<b>2 536.2</b>	<b>2 648.5</b>
Executive authority	Minister of Tourism					
Accounting officer	Director-General of Tourism					
Website address	www.tourism.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

### Vote purpose

Promote and support the growth and development of an equitable, competitive and sustainable tourism sector, enhancing its contribution to national priorities.

### Mandate

The mandate of the Department of Tourism, as outlined in the Tourism Act (2014), is to promote the growth and development of the tourism sector; promote quality tourism products and services; provide for the effective domestic and international marketing of South Africa as a tourist destination; enhance cooperation and coordination between all spheres of government in developing and managing tourism; and promote responsible tourism for the benefit of South Africa and for the enjoyment of all its residents and foreign visitors.

In recognition of tourism as a national priority with the potential to contribute significantly to economic development, the 1996 White Paper on the Development and Promotion of Tourism in South Africa provides for the promotion of domestic and international tourism. The national tourism sector strategy provides a blueprint for the sector to meet the growth targets contained in the National Development Plan (NDP).

### Selected performance indicators

**Table 33.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of subsystems developed for the national tourism information and monitoring system per year	Tourism Research, Policy and International Relations	Outcome 4: Decent employment through inclusive growth	-1	-1	-1	-1	2	1	1
Number of full-time equivalent jobs created through the Working for Tourism programme per year	Destination Development		3 059	1 734	3 457	4 813	4 331	4 331	4 331

**Table 33.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of master plans progressively implemented to support coastal and marine tourism per year	Destination Development	Outcome 4: Decent employment through inclusive growth	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	4	4	4
Total number of enterprise development incubators implemented <sup>2</sup>	Tourism Sector Support Services	Outcome 7: Comprehensive rural development and land reform	- <sup>1</sup>	- <sup>1</sup>	4	5	6	8	10
Number of incentivised programmes implemented per year	Tourism Sector Support Services	Outcome 4: Decent employment through inclusive growth	- <sup>1</sup>	3	4	4	5	5	5
Number of capacity-building programmes implemented per year	Tourism Sector Support Services	Outcome 4: Decent employment through inclusive growth	3	8	9	9	9	6 <sup>3</sup>	6 <sup>3</sup>

1. No historical data available.

2. Old indicator revised.

3. Targets decrease to align with available budget.

## Expenditure analysis

The NDP recognises tourism as one of the main drivers of employment and economic growth, and envisages the promotion of South Africa as a major tourist and business events destination. Outcome 4 (decent employment through inclusive growth) of government's 2014-2019 medium-term expenditure framework gives expression to this vision and is closely aligned with the work of the Department of Tourism. Over the medium term, the department will focus on: ensuring tourism remains one of the main drivers of employment and economic growth, and encouraging transformation in the tourism sector.

The department relies on South African Tourism to market the country as a destination of choice for leisure tourism and business events. For this purpose, it is expected to transfer 52.6 per cent (R4 billion) of its total budget over the MTEF period to the entity. The department expects a reduction in its personnel from 484 in 2018/19 to 471 in 2021/22 to remain within government's expenditure ceiling for compensation of employees. Nevertheless, spending on compensation of employees is expected to increase at an average annual rate 7.3 per cent, from R310.4 million in 2018/19 to R383.7 million in 2021/22, in line with cost of living adjustments.

### Creating employment

International tourist arrivals to South Africa continue to grow every year. In 2017, 722 013 jobs were recorded as being directly supported by the tourism sector. Over the period ahead, the department aims to create an estimated 12 993 full-time equivalent jobs through the Working for Tourism programme. As part of the broader expanded public works programme, the Working for Tourism programme focuses on job creation linked to the development of tourism infrastructure and skills development. For this purpose, the *Working for Tourism* subprogramme in the *Destination Development* programme is allocated 15.4 per cent (R1.2 billion) of the department's total budget over the medium term. This includes additional funding approved by Cabinet amounting to R67 million over the MTEF period for the expanded public works programme incentive.

### Encouraging transformation

Encouraging transformation in the tourism sector remains a priority for the department. To facilitate enterprise growth and expansion, and thereby stimulate job creation and transformation in the tourism sector, the *Tourism Incentive Programme* subprogramme in the Tourism Sector Support Services programme is allocated 7.6 per cent (R576.9 million) of the department's total budget over the MTEF period. These funds are expected to: facilitate conformity to quality standards through wider participation in the tourism grading system, enable black-owned businesses to access foreign tourism markets, unlock black investment in viable tourism projects by reducing funding gaps that may exist between loans and own contributions, encourage enterprises to become more energy efficient, and support the growth of the green economy through job

creation and enterprise development. A projected 10 incubators over the period ahead are expected to be created to support emerging enterprises, with 2.2 per cent (R168.3 million) of the department's total budget over the period allocated for the creation of virtual platforms aimed at providing remote support to small, medium and micro enterprises in the sector.

## Expenditure trends

**Table 33.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Tourism Research, Policy and International Relations														
3. Destination Development														
4. Tourism Sector Support Services														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	231.8	233.7	222.8	237.5	237.5	227.1	219.1	234.1	241.9	271.4	271.4	271.4	100.4%	98.6%
Programme 2	1 055.9	1 056.7	1 034.4	1 107.4	1 108.4	1 102.8	1 208.7	1 203.1	1 196.7	1 282.0	1 282.0	1 282.0	99.2%	99.3%
Programme 3	279.1	280.0	277.3	417.1	418.3	400.3	444.0	431.9	433.5	401.8	401.8	401.8	98.1%	98.8%
Programme 4	233.4	223.9	242.8	247.6	245.4	189.4	268.4	271.1	261.8	306.7	306.7	306.7	94.8%	95.6%
<b>Total</b>	<b>1 800.2</b>	<b>1 794.2</b>	<b>1 777.4</b>	<b>2 009.5</b>	<b>2 009.5</b>	<b>1 919.6</b>	<b>2 140.2</b>	<b>2 140.2</b>	<b>2 134.0</b>	<b>2 261.8</b>	<b>2 261.8</b>	<b>2 261.8</b>	<b>98.6%</b>	<b>98.6%</b>
Change to 2018 Budget estimate											-			
Economic classification														
<b>Current payments</b>	<b>403.0</b>	<b>559.0</b>	<b>452.6</b>	<b>671.1</b>	<b>615.6</b>	<b>584.7</b>	<b>635.9</b>	<b>648.9</b>	<b>591.1</b>	<b>555.9</b>	<b>556.5</b>	<b>556.5</b>	<b>96.4%</b>	<b>91.8%</b>
Compensation of employees	246.1	250.1	252.9	265.5	269.5	266.1	271.9	284.9	296.2	310.4	310.4	310.4	102.9%	101.0%
Goods and services	156.9	309.0	199.7	405.5	346.1	318.6	364.1	364.1	294.9	245.6	246.1	246.1	90.4%	83.7%
<b>Transfers and subsidies</b>	<b>1 391.1</b>	<b>1 229.0</b>	<b>1 230.8</b>	<b>1 226.1</b>	<b>1 167.3</b>	<b>1 169.7</b>	<b>1 392.0</b>	<b>1 379.0</b>	<b>1 320.1</b>	<b>1 481.8</b>	<b>1 481.2</b>	<b>1 481.2</b>	<b>94.7%</b>	<b>99.0%</b>
Departmental agencies and accounts	983.9	983.9	1 045.6	1 029.4	1 029.4	1 040.0	1 139.1	1 139.1	1 174.1	1 232.5	1 232.5	1 232.5	102.4%	102.4%
Higher education institutions	3.8	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	6.0	6.0	5.8	6.3	6.3	6.4	6.6	6.6	6.4	2.5	2.5	2.5	98.2%	98.2%
Public corporations and private enterprises	-	93.6	72.9	109.0	79.2	75.3	88.3	88.3	48.0	161.5	160.9	160.9	99.5%	84.6%
Non-profit institutions	14.8	14.8	24.2	16.0	16.0	0.2	0.5	0.5	0.6	0.5	0.5	0.5	80.1%	80.1%
Households	382.7	130.8	82.3	65.3	36.4	47.8	157.5	144.5	91.1	84.9	84.9	84.9	44.3%	77.2%
<b>Payments for capital assets</b>	<b>6.1</b>	<b>6.1</b>	<b>93.4</b>	<b>112.4</b>	<b>226.6</b>	<b>164.5</b>	<b>112.2</b>	<b>112.2</b>	<b>222.6</b>	<b>224.1</b>	<b>224.1</b>	<b>224.1</b>	<b>155.0%</b>	<b>123.9%</b>
Buildings and other fixed structures	-	-	87.2	104.7	218.8	159.0	107.5	107.5	214.5	218.6	218.6	218.6	157.7%	124.7%
Machinery and equipment	5.8	5.8	6.2	7.3	7.3	5.4	4.7	4.7	6.6	5.3	5.3	5.3	102.0%	102.0%
Software and other intangible assets	0.3	0.3	0.0	0.4	0.4	0.2	-	-	1.4	0.2	0.2	0.2	196.0%	196.0%
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.6</b>	<b>-</b>	<b>-</b>	<b>0.8</b>	<b>-</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 800.2</b>	<b>1 794.2</b>	<b>1 777.4</b>	<b>2 009.5</b>	<b>2 009.5</b>	<b>1 919.6</b>	<b>2 140.2</b>	<b>2 140.2</b>	<b>2 134.0</b>	<b>2 261.8</b>	<b>2 261.8</b>	<b>2 261.8</b>	<b>98.6%</b>	<b>98.6%</b>

## Expenditure estimates

**Table 33.3 Vote expenditure estimates by programme and economic classification**

Programmes									
1. Administration									
2. Tourism Research, Policy and International Relations									
3. Destination Development									
4. Tourism Sector Support Services									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
Programme 1	271.4	5.1%	11.9%	291.5	304.4	323.1	6.0%	12.1%	
Programme 2	1 282.0	6.7%	57.0%	1 331.1	1 405.5	1 479.8	4.9%	55.9%	
Programme 3	401.8	12.8%	18.7%	463.3	495.7	530.0	9.7%	19.2%	
Programme 4	306.7	11.1%	12.4%	306.8	330.5	315.7	1.0%	12.8%	
<b>Total</b>	<b>2 261.8</b>	<b>8.0%</b>	<b>100.0%</b>	<b>2 392.7</b>	<b>2 536.2</b>	<b>2 648.5</b>	<b>5.4%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				(11.6)	(6.4)	(3.0)			
Economic classification									
<b>Current payments</b>	<b>556.5</b>	<b>-0.2%</b>	<b>27.0%</b>	<b>693.6</b>	<b>741.1</b>	<b>791.4</b>	<b>12.5%</b>	<b>28.3%</b>	
Compensation of employees	310.4	7.5%	13.9%	334.4	360.3	383.7	7.3%	14.1%	
Goods and services	246.1	-7.3%	13.1%	359.2	380.8	407.7	18.3%	14.2%	
<b>Transfers and subsidies</b>	<b>1 481.2</b>	<b>6.4%</b>	<b>64.3%</b>	<b>1 554.5</b>	<b>1 645.8</b>	<b>1 699.8</b>	<b>4.7%</b>	<b>64.9%</b>	
Departmental agencies and accounts	1 232.5	7.8%	55.5%	1 258.0	1 327.5	1 397.1	4.3%	53.0%	
Foreign governments and international organisations	2.5	-25.2%	0.3%	2.2	2.3	2.4	-0.9%	0.1%	
Public corporations and private enterprises	160.9	19.8%	4.4%	169.9	183.6	160.6	-0.1%	6.9%	
Non-profit institutions	0.5	-68.3%	0.3%	0.4	0.4	0.5	-1.0%	0.0%	
Households	84.9	-13.4%	3.8%	123.9	132.0	139.2	17.9%	4.9%	
<b>Payments for capital assets</b>	<b>224.1</b>	<b>232.6%</b>	<b>8.7%</b>	<b>144.6</b>	<b>149.2</b>	<b>157.3</b>	<b>-11.1%</b>	<b>6.9%</b>	
Buildings and other fixed structures	218.6	-	8.4%	133.3	143.3	151.0	-11.6%	6.6%	
Machinery and equipment	5.3	-2.7%	0.3%	10.6	5.2	5.5	1.2%	0.3%	
Software and other intangible assets	0.2	-15.8%	0.0%	0.7	0.7	0.7	54.0%	0.0%	
<b>Total</b>	<b>2 261.8</b>	<b>8.0%</b>	<b>100.0%</b>	<b>2 392.7</b>	<b>2 536.2</b>	<b>2 648.5</b>	<b>5.4%</b>	<b>100.0%</b>	

## Expenditure trends and estimates for significant spending items

**Table 33.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
South African Tourism	977 712	1 024 847	1 129 288	1 208 048	7.3%	53.6%	1 254 161	1 323 456	1 392 808	4.9%	52.6%
Working for Tourism	249 013	365 984	339 655	334 786	10.4%	15.9%	371 344	392 093	414 016	7.3%	15.4%
<b>Total</b>	<b>1 226 725</b>	<b>1 390 831</b>	<b>1 468 943</b>	<b>1 542 834</b>	<b>7.9%</b>	<b>69.6%</b>	<b>1 625 505</b>	<b>1 715 549</b>	<b>1 806 824</b>	<b>5.4%</b>	<b>68.0%</b>

## Goods and services expenditure trends and estimates

**Table 33.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administrative fees	240	160	669	512	28.7%	0.1%	528	563	588	4.7%	0.2%
Advertising	2 673	2 303	4 018	3 075	4.8%	1.1%	1 678	1 773	1 859	-15.4%	0.6%
Minor assets	269	619	622	2 389	107.1%	0.4%	2 507	2 638	2 775	5.1%	0.7%
Audit costs: External	4 985	6 257	6 086	6 029	6.5%	2.2%	8 518	8 980	9 465	16.2%	2.4%
Bursaries: Employees	1 171	1 734	1 448	2 836	34.3%	0.7%	1 689	1 779	1 877	-12.9%	0.6%
Catering: Departmental activities	1 868	3 247	5 694	3 008	17.2%	1.3%	6 280	6 616	6 983	32.4%	1.6%
Communication	5 194	5 161	5 240	6 862	9.7%	2.1%	10 370	11 090	11 821	19.9%	2.9%
Computer services	19 109	18 251	11 705	25 453	10.0%	7.0%	20 296	21 400	22 856	-3.5%	6.5%
Consultants: Business and advisory services	19 490	20 799	22 934	65 793	50.0%	12.2%	8 015	8 452	8 611	-49.2%	6.5%

Table 33.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Legal services	520	607	194	415	-7.2%	0.2%	-	-	-	-100.0%	-
Contractors	4 530	4 932	5 401	5 320	5.5%	1.9%	6 913	7 288	7 680	13.0%	2.0%
Agency and support/outsourced services	1 124	2 029	73	302	-35.5%	0.3%	313	330	347	4.7%	0.1%
Entertainment	45	42	15	107	33.5%	-	275	290	306	41.9%	0.1%
Fleet services (including government motor transport)	895	937	1 324	2 138	33.7%	0.5%	1 698	1 790	1 886	-4.1%	0.5%
Consumable supplies	2 083	1 611	1 424	3 596	20.0%	0.8%	3 457	3 729	4 013	3.7%	1.1%
Consumables: Stationery, printing and office supplies	3 958	2 972	3 040	5 967	14.7%	1.5%	4 671	4 935	5 220	-4.4%	1.5%
Operating leases	34 390	33 874	35 738	33 515	-0.9%	13.0%	37 758	39 810	41 958	7.8%	11.0%
Rental and hiring	229	212	1 179	12	-62.6%	0.2%	4 468	4 710	4 965	645.2%	1.0%
Property payments	3 335	3 146	3 984	5 067	15.0%	1.5%	4 674	4 929	5 196	0.8%	1.4%
Transport provided:	-	65	-	-	-	-	-	-	-	-	-
Departmental activity											
Travel and subsistence	33 062	32 293	43 121	41 177	7.6%	14.1%	84 887	91 560	98 594	33.8%	22.7%
Training and development	51 247	165 667	123 128	12 255	-37.9%	33.3%	127 992	133 456	143 324	127.0%	29.9%
Operating payments	4 747	3 385	3 978	4 557	-1.4%	1.6%	8 004	8 665	9 360	27.1%	2.2%
Venues and facilities	4 548	8 251	13 843	15 742	51.3%	4.0%	14 192	16 065	18 052	4.7%	4.6%
<b>Total</b>	<b>199 712</b>	<b>318 554</b>	<b>294 858</b>	<b>246 127</b>	<b>7.2%</b>	<b>100.0%</b>	<b>359 183</b>	<b>380 848</b>	<b>407 736</b>	<b>18.3%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 33.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>2 264</b>	<b>433</b>	<b>923</b>	-	<b>-100.0%</b>	<b>0.1%</b>	-	-	-	-	-
Employee social benefits	2 264	433	923	-	-100.0%	0.1%	-	-	-	-	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>1 045 570</b>	<b>1 040 012</b>	<b>1 174 097</b>	<b>1 232 475</b>	<b>5.6%</b>	<b>86.4%</b>	<b>1 258 033</b>	<b>1 327 545</b>	<b>1 397 118</b>	<b>4.3%</b>	<b>81.7%</b>
Culture, Arts, Tourism, Hospitality and Sports Sector	176	185	197	179	0.6%	-	157	172	181	0.4%	-
Education and Training Authority											
South African Tourism	977 712	1 024 847	1 129 288	1 208 048	7.3%	83.4%	1 254 161	1 323 456	1 392 808	4.9%	81.1%
Tourism incentive programme	61 689	10 588	40 000	20 000	-31.3%	2.5%	-	-	-	-100.0%	0.3%
National tourism careers expo	3 993	4 392	4 612	4 248	2.1%	0.3%	3 715	3 917	4 129	-0.9%	0.3%
Tourism accelerated apprenticeship programme	2 000	-	-	-	-100.0%	-	-	-	-	-	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>80 025</b>	<b>47 347</b>	<b>90 203</b>	<b>84 852</b>	<b>2.0%</b>	<b>5.8%</b>	<b>123 903</b>	<b>131 965</b>	<b>139 166</b>	<b>17.9%</b>	<b>7.5%</b>
Employee social benefits	403	-	-	-	-100.0%	-	-	-	-	-	-
Bursaries for non-employees	3 800	4 791	5 052	3 979	1.5%	0.3%	3 480	3 669	3 867	-0.9%	0.2%
Claims against the state	-	-	492	-	-	-	-	-	-	-	-
Expanded public works programme	66 027	42 556	57 094	50 000	-8.9%	4.1%	66 667	71 637	75 523	14.7%	4.1%
Expanded public works programme incentive	9 745	-	27 565	30 873	46.9%	1.3%	53 756	56 659	59 776	24.6%	3.2%
Tourism incentive programme	50	-	-	-	-100.0%	-	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>72 915</b>	<b>75 312</b>	<b>47 966</b>	<b>160 934</b>	<b>30.2%</b>	<b>6.9%</b>	<b>169 932</b>	<b>183 584</b>	<b>160 623</b>	<b>-0.1%</b>	<b>10.6%</b>
Southern African Tourism Services Association	725	-	-	-	-100.0%	-	-	-	-	-	-
N12 Treasure Route Association	300	600	600	-	-100.0%	-	-	-	-	-	-
Tourism incentive programme	71 890	74 712	47 366	160 934	30.8%	6.8%	169 932	183 584	160 623	-0.1%	10.6%

Table 33.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
<b>Non-profit institutions</b>											
<b>Current</b>	<b>24 200</b>	<b>200</b>	<b>560</b>	<b>472</b>	<b>-73.1%</b>	<b>0.5%</b>	<b>413</b>	<b>435</b>	<b>458</b>	<b>-1.0%</b>	<b>-</b>
Tourism incentive programme	10 000	-	-	-	-100.0%	0.2%	-	-	-	-	-
Federated Hospitality Association of South Africa	200	200	560	472	33.1%	-	413	435	458	-1.0%	-
Various Institutions: Small, medium and micro enterprises development	13 500	-	-	-	-100.0%	0.3%	-	-	-	-	-
Tourism interpretive signage	500	-	-	-	-100.0%	-	-	-	-	-	-
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>5 810</b>	<b>6 368</b>	<b>6 394</b>	<b>2 508</b>	<b>-24.4%</b>	<b>0.4%</b>	<b>2 194</b>	<b>2 313</b>	<b>2 438</b>	<b>-0.9%</b>	<b>0.1%</b>
Regional Tourism Organisation of Southern Africa	3 712	3 529	4 056	-	-100.0%	0.2%	-	-	-	-	-
United Nations World Tourism Organisation	2 098	2 839	2 338	2 508	6.1%	0.2%	2 194	2 313	2 438	-0.9%	0.1%
<b>Total</b>	<b>1 230 784</b>	<b>1 169 672</b>	<b>1 320 143</b>	<b>1 481 241</b>	<b>6.4%</b>	<b>100.0%</b>	<b>1 554 475</b>	<b>1 645 842</b>	<b>1 699 803</b>	<b>4.7%</b>	<b>100.0%</b>

## Personnel information

Table 33.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
		2017/18	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22											
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
<b>Tourism</b>	<b>484</b>	<b>488</b>	<b>296.2</b>	<b>0.6</b>	<b>484</b>	<b>310.4</b>	<b>0.6</b>	<b>471</b>	<b>334.4</b>	<b>0.7</b>	<b>473</b>	<b>360.3</b>	<b>0.8</b>	<b>471</b>	<b>383.7</b>	<b>0.8</b>	<b>-0.9%</b>	<b>100.0%</b>
Salary level																		
1 – 6	102	87	25.1	0.3	102	31.7	0.3	80	26.0	0.3	80	28.1	0.4	80	30.3	0.4	-7.8%	18.0%
7 – 10	206	214	103.3	0.5	206	105.3	0.5	216	123.2	0.6	218	133.8	0.6	218	143.8	0.7	1.9%	45.2%
11 – 12	112	116	89.2	0.8	112	96.8	0.9	113	104.8	0.9	113	112.3	1.0	112	118.9	1.1	-	23.7%
13 – 16	62	69	74.2	1.1	62	71.8	1.2	60	75.3	1.3	60	80.7	1.3	59	85.0	1.4	-1.6%	12.7%
Other	2	2	4.3	2.2	2	4.7	2.4	2	5.0	2.5	2	5.4	2.7	2	5.8	2.9	-	0.4%
<b>Programme</b>	<b>484</b>	<b>488</b>	<b>296.2</b>	<b>0.6</b>	<b>484</b>	<b>310.4</b>	<b>0.6</b>	<b>471</b>	<b>334.4</b>	<b>0.7</b>	<b>473</b>	<b>360.3</b>	<b>0.8</b>	<b>471</b>	<b>383.7</b>	<b>0.8</b>	<b>-0.9%</b>	<b>100.0%</b>
Programme 1	254	246	137.5	0.6	254	147.9	0.6	238	151.0	0.6	238	162.3	0.7	238	173.3	0.7	-2.1%	51.0%
Programme 2	62	70	39.7	0.6	62	45.5	0.7	63	46.9	0.7	63	50.4	0.8	62	53.6	0.9	-	13.2%
Programme 3	67	73	49.0	0.7	67	48.3	0.7	68	55.8	0.8	68	59.9	0.9	68	64.2	0.9	0.5%	14.3%
Programme 4	101	99	70.1	0.7	101	68.6	0.7	102	80.6	0.8	104	87.6	0.8	103	92.5	0.9	0.7%	21.6%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

Table 33.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
<b>Departmental receipts</b>	<b>6 770</b>	<b>5 321</b>	<b>1 138</b>	<b>3 863</b>	<b>3 883</b>	<b>-16.9%</b>	<b>100.0%</b>	<b>3 928</b>	<b>4 032</b>	<b>4 033</b>	<b>1.3%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>165</b>	<b>157</b>	<b>160</b>	<b>163</b>	<b>163</b>	<b>-0.4%</b>	<b>3.8%</b>	<b>165</b>	<b>167</b>	<b>169</b>	<b>1.2%</b>	<b>4.2%</b>
Sales by market establishments	77	72	71	82	82	2.1%	1.8%	83	84	85	1.2%	2.1%
of which:												
Rent collected from the letting of open and covered parking	77	72	71	82	82	2.1%	1.8%	83	84	85	1.2%	2.1%
Administrative fees	-	1	-	-	-	-	-	-	-	-	-	-
of which:												
Appeals Fees	-	1	-	-	-	-	-	-	-	-	-	-
Other sales	88	84	89	81	81	-2.7%	2.0%	82	83	84	1.2%	2.1%
of which:												
Commission received on deduction of insurance and other premiums from employees salaries	88	84	89	81	81	-2.7%	2.0%	82	83	84	1.2%	2.1%

**Table 33.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)	
	2015/16	2016/17	2017/18					2018/19	2015/16 - 2018/19	2019/20			2020/21
Sales of scrap, waste, arms and other used current goods	-	6	-	-	-	-	-	-	-	-	-	-	-
of which:													
Sales of scrap	-	6	-	-	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	559	146	104	100	100	-43.7%	5.3%	101	102	-	-100.0%	1.9%	
Interest	559	146	104	100	100	-43.7%	5.3%	101	102	-	-100.0%	1.9%	
Sales of capital assets	84	39	38	40	60	-10.6%	1.3%	62	63	64	2.2%	1.6%	
Transactions in financial assets and liabilities	5 962	4 973	836	3 560	3 560	-15.8%	89.6%	3 600	3 700	3 800	2.2%	92.3%	
<b>Total</b>	<b>6 770</b>	<b>5 321</b>	<b>1 138</b>	<b>3 863</b>	<b>3 883</b>	<b>-16.9%</b>	<b>100.0%</b>	<b>3 928</b>	<b>4 032</b>	<b>4 033</b>	<b>1.3%</b>	<b>100.0%</b>	

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 33.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20			2020/21
R million												
Ministry	26.0	26.8	25.8	23.6	-3.2%	10.6%	26.4	28.1	29.8	8.1%	9.1%	
Management	13.4	17.1	3.0	2.7	-41.6%	3.8%	3.3	3.6	3.8	12.6%	1.1%	
Corporate Management	120.8	120.5	142.2	172.7	12.7%	57.7%	180.7	186.7	198.2	4.7%	62.0%	
Financial Management	25.4	25.6	32.3	35.0	11.3%	12.3%	40.1	42.8	45.7	9.4%	13.7%	
Office Accommodation	37.3	37.0	38.6	37.5	0.2%	15.6%	41.0	43.2	45.5	6.7%	14.1%	
<b>Total</b>	<b>222.8</b>	<b>227.1</b>	<b>241.9</b>	<b>271.4</b>	<b>6.8%</b>	<b>100.0%</b>	<b>291.5</b>	<b>304.4</b>	<b>323.1</b>	<b>6.0%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				-			0.6	(7.2)	0.2			
<b>Economic classification</b>												
<b>Current payments</b>	<b>216.8</b>	<b>221.8</b>	<b>235.5</b>	<b>266.3</b>	<b>7.1%</b>	<b>97.6%</b>	<b>280.9</b>	<b>299.3</b>	<b>317.7</b>	<b>6.1%</b>	<b>97.8%</b>	
Compensation of employees	119.3	125.8	137.5	147.9	7.4%	55.1%	151.0	162.3	173.3	5.4%	53.3%	
Goods and services <sup>1</sup>	97.5	96.0	98.0	118.4	6.7%	42.6%	129.9	137.0	144.4	6.8%	44.5%	
of which:												
Audit costs: External	5.0	5.2	6.1	6.0	6.5%	2.3%	8.0	8.4	8.8	13.7%	2.6%	
Communication	3.9	3.8	4.0	4.6	5.6%	1.7%	6.9	7.2	7.6	18.2%	2.2%	
Computer services	18.2	14.7	9.9	22.3	6.9%	6.8%	19.7	20.8	22.2	-0.1%	7.1%	
Contractors	2.8	4.2	3.3	4.2	14.4%	1.5%	6.5	6.9	7.2	20.0%	2.1%	
Operating leases	34.4	33.9	35.7	33.3	-1.1%	14.3%	37.8	39.8	42.0	8.0%	12.8%	
Travel and subsistence	13.4	12.0	14.6	15.5	5.2%	5.8%	19.5	20.5	21.6	11.7%	6.5%	
Transfers and subsidies <sup>1</sup>	2.2	1.2	2.0	0.2	-56.9%	0.6%	0.2	0.2	0.2	0.4%	0.1%	
Departmental agencies and accounts	0.2	0.2	0.2	0.2	0.6%	0.1%	0.2	0.2	0.2	0.4%	0.1%	
Households	2.1	1.0	1.8	-	-100.0%	0.5%	-	-	-	-	-	
<b>Payments for capital assets</b>	<b>3.6</b>	<b>3.6</b>	<b>4.4</b>	<b>4.9</b>	<b>10.8%</b>	<b>1.7%</b>	<b>10.4</b>	<b>5.0</b>	<b>5.2</b>	<b>2.0%</b>	<b>2.1%</b>	
Buildings and other fixed structures	-	-	-	0.7	-	0.1%	-	-	-	-100.0%	0.1%	
Machinery and equipment	3.6	3.4	3.0	4.1	4.5%	1.5%	9.7	4.2	4.5	3.2%	1.9%	
Software and other intangible assets	0.0	0.2	1.4	0.2	66.8%	0.2%	0.7	0.7	0.7	56.6%	0.2%	
<b>Payments for financial assets</b>	<b>0.1</b>	<b>0.5</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>222.8</b>	<b>227.1</b>	<b>241.9</b>	<b>271.4</b>	<b>6.8%</b>	<b>100.0%</b>	<b>291.5</b>	<b>304.4</b>	<b>323.1</b>	<b>6.0%</b>	<b>100.0%</b>	
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>12.5%</b>	<b>11.8%</b>	<b>11.3%</b>	<b>12.0%</b>	<b>-</b>	<b>-</b>	<b>12.2%</b>	<b>12.0%</b>	<b>12.2%</b>	<b>-</b>	<b>-</b>	

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Tourism Research, Policy and International Relations

### Programme purpose

Enhance the strategic policy environment, monitor the tourism sector's performance and enable stakeholder relations.

### Objectives

- Create an enabling legislative and regulatory environment for tourism development and growth by conducting 2 tourism facilitation initiatives by March 2020.
- Enhance understanding and awareness of the value of tourism and its opportunities by hosting a public lecture and annual tourism research seminar in each year over the medium term.
- Provide knowledge services to inform policy, planning and decision-making by:
  - developing the national tourism information and monitoring system to collect data from tourism sector stakeholders by March 2021
  - collecting and analysing statistics on the state of tourism by March 2021
  - developing the national tourism sector strategy implementation report, the state of tourism report, the evaluation report on incubators in the tourism enterprise development programme, the impact evaluation report on departmental capacity-building programmes, and the report on the facilitation and monitoring implementation of the signed bilateral agreements by March 2020.
- Enhance regional tourism integration by:
  - hosting a workshop on sharing best practices by March 2020, targeted at African countries that have tourism agreements with South Africa
  - hosting the indaba ministerial session by March 2021.

### Subprogrammes

- *Tourism Research, Policy and International Relations Management* provides strategic direction, comprehensive administration and operational support services, research, and information and knowledge management. This subprogramme also manages policy development and evaluation, and promotes sector transformation and responsible tourism.
- *Research and Knowledge Management* oversees tourism research, knowledge management and impact evaluation of the sector.
- *Policy Planning and Strategy* oversees and guides policy and strategy development for the tourism sector, and ensures the efficient and effective management of stakeholder relations.
- *South African Tourism* stimulates sustainable international and domestic demand for South African tourism experiences, and regulates the standard of tourism facilities and services.
- *International Relations and Cooperation* drives South Africa's interests through international relations and cooperation.

### Expenditure trends and estimates

**Table 33.10 Tourism Research, Policy and International Relations expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Tourism Research, Policy and International Relations Management	2.7	6.6	5.6	8.7	48.1%	0.5%	10.6	11.4	11.7	10.6%	0.8%
Research and Knowledge Management	27.2	31.2	27.7	26.3	-1.1%	2.4%	28.1	30.0	31.9	6.7%	2.1%
Policy Planning and Strategy	11.6	19.1	10.9	11.7	0.4%	1.2%	12.9	13.7	14.7	7.8%	1.0%
South African Tourism	977.7	1 024.8	1 129.3	1 208.0	7.3%	94.0%	1 254.2	1 323.5	1 392.8	4.9%	94.2%
International Relations and Cooperation	15.3	21.1	23.3	27.3	21.3%	1.9%	25.3	26.9	28.7	1.7%	2.0%
<b>Total</b>	<b>1 034.4</b>	<b>1 102.8</b>	<b>1 196.7</b>	<b>1 282.0</b>	<b>7.4%</b>	<b>100.0%</b>	<b>1 331.1</b>	<b>1 405.5</b>	<b>1 479.8</b>	<b>4.9%</b>	<b>100.0%</b>
Change to 2018							(19.4)	(19.3)	(20.5)		
Budget estimate											



**Table 33.10 Tourism Research, Policy and International Relations expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Current payments</b>	<b>46.1</b>	<b>66.9</b>	<b>56.2</b>	<b>66.9</b>	<b>13.2%</b>	<b>5.1%</b>	<b>70.7</b>	<b>75.5</b>	<b>80.1</b>	<b>6.2%</b>	<b>5.3%</b>
Compensation of employees	33.4	51.7	39.7	45.5	10.8%	3.7%	46.9	50.4	53.6	5.7%	3.6%
Goods and services <sup>1</sup>	12.7	15.2	16.4	21.5	19.1%	1.4%	23.8	25.1	26.5	7.2%	1.8%
<i>of which:</i>											
<i>Catering: Departmental activities</i>	0.2	0.5	0.9	0.4	22.8%	–	1.4	1.5	1.6	57.7%	0.1%
<i>Communication</i>	0.2	0.4	0.3	0.5	29.2%	–	1.3	1.3	1.4	39.6%	0.1%
<i>Consumables: Stationery, printing and office supplies</i>	0.4	0.4	0.4	0.7	25.3%	–	0.8	0.9	0.9	9.5%	0.1%
<i>Travel and subsistence</i>	3.5	4.1	4.3	5.9	18.9%	0.4%	15.1	15.9	16.8	41.6%	1.0%
<i>Training and development</i>	2.4	3.4	0.3	0.6	-36.3%	0.1%	1.2	1.3	1.4	29.5%	0.1%
<i>Venues and facilities</i>	0.6	1.6	6.3	2.5	59.7%	0.2%	1.8	1.9	2.0	-7.1%	0.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>987.5</b>	<b>1 035.3</b>	<b>1 139.9</b>	<b>1 214.5</b>	<b>7.1%</b>	<b>94.8%</b>	<b>1 259.8</b>	<b>1 329.4</b>	<b>1 399.1</b>	<b>4.8%</b>	<b>94.6%</b>
Departmental agencies and accounts	977.7	1 024.8	1 129.3	1 208.0	7.3%	94.0%	1 254.2	1 323.5	1 392.8	4.9%	94.2%
Foreign governments and international organisations	5.8	6.4	6.4	2.5	-24.4%	0.5%	2.2	2.3	2.4	-0.9%	0.2%
Households	3.9	4.1	4.2	4.0	0.3%	0.4%	3.5	3.7	3.9	-0.9%	0.3%
<b>Payments for capital assets</b>	<b>0.8</b>	<b>0.6</b>	<b>0.7</b>	<b>0.5</b>	<b>-13.2%</b>	<b>0.1%</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.4%</b>	<b>–</b>
Machinery and equipment	0.8	0.6	0.6	0.5	-13.2%	0.1%	0.5	0.5	0.5	0.4%	–
Software and other intangible assets	–	–	0.1	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>1 034.4</b>	<b>1 102.8</b>	<b>1 196.7</b>	<b>1 282.0</b>	<b>7.4%</b>	<b>100.0%</b>	<b>1 331.1</b>	<b>1 405.5</b>	<b>1 479.8</b>	<b>4.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>58.2%</b>	<b>57.4%</b>	<b>56.1%</b>	<b>56.7%</b>	<b>–</b>	<b>–</b>	<b>55.6%</b>	<b>55.4%</b>	<b>55.9%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>977.7</b>	<b>1 024.8</b>	<b>1 129.3</b>	<b>1 208.0</b>	<b>–</b>	<b>94.0%</b>	<b>1 254.2</b>	<b>1 323.5</b>	<b>1 392.8</b>	<b>–</b>	<b>94.2%</b>
South African Tourism	977.7	1 024.8	1 129.3	1 208.0	–	94.0%	1 254.2	1 323.5	1 392.8	–	94.2%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>3.8</b>	<b>4.0</b>	<b>4.2</b>	<b>4.0</b>	<b>–</b>	<b>0.3%</b>	<b>3.5</b>	<b>3.7</b>	<b>3.9</b>	<b>–</b>	<b>0.3%</b>
Bursaries for non-employees	3.8	4.0	4.2	4.0	-13.2%	0.3%	3.5	3.7	3.9	0.4%	0.3%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>5.8</b>	<b>6.4</b>	<b>6.4</b>	<b>2.5</b>	<b>–</b>	<b>0.5%</b>	<b>2.2</b>	<b>2.3</b>	<b>2.4</b>	<b>–</b>	<b>0.2%</b>
Regional Tourism Organisation of Southern Africa	3.7	3.5	4.1	–	–	0.2%	–	–	–	–	–
United Nations World Tourism Organisation	2.1	2.8	2.3	2.5	–	0.2%	2.2	2.3	2.4	–	0.2%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Destination Development

### Programme purpose

Facilitate and coordinate tourism destination development.

### Objectives

- Diversify and enhance tourism offerings by:
  - refining and finalising 4 draft master plans to support coastal and marine tourism by March 2020
  - supporting 5 South African National Parks sites through the tourism maintenance programme over the medium term
  - managing the pipeline of nationally prioritised tourism investment projects and opportunities by March 2020
  - piloting the ownership and operational/management model and modalities to implement budget resort initiatives in prioritised nodes by March 2020
  - implementing destination enhancement initiatives at iconic tourism sites.

- Create 12 993 full-time equivalent jobs by implementing tourism projects (Lotlamoreng Dam, Phiphidi Waterfall, Platfontein Game Farm, National Youth Chefs training programme, 1 sommelier training course, youth hospitality training and 1 food safety programme) through the Working for Tourism programme over the medium term.

### Subprogrammes

- *Destination Development Management* provides strategic leadership and administrative support to the programme's activities.
- *Tourism Enhancement* increases the competitiveness of South Africa's tourism industry.
- *Destination Planning and Investment Coordination* ensures that tourism infrastructure supports the current and future growth of the sector.
- *Working for Tourism* facilitates the development of tourism infrastructure projects under the expanded public works programme through labour-intensive methods targeted at youth, women, unemployed and disabled people, and small, medium and micro enterprises.

### Expenditure trends and estimates

**Table 33.11 Destination Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Destination Development Management	4.1	4.4	32.7	20.3	70.5%	4.1%	39.0	47.2	55.9	40.1%	8.6%
Tourism Enhancement	14.7	4.6	16.0	18.4	7.7%	3.6%	23.3	24.9	26.5	12.9%	4.9%
Destination Planning and Investment Coordination	9.5	25.3	45.1	28.3	43.9%	7.2%	29.7	31.6	33.6	6.0%	6.5%
Working for Tourism	249.0	366.0	339.7	334.8	10.4%	85.2%	371.3	392.1	414.0	7.3%	80.0%
<b>Total</b>	<b>277.3</b>	<b>400.3</b>	<b>433.5</b>	<b>401.8</b>	<b>13.1%</b>	<b>100.0%</b>	<b>463.3</b>	<b>495.7</b>	<b>530.0</b>	<b>9.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			17.1	25.5	23.5		
<b>Economic classification</b>											
<b>Current payments</b>	<b>111.7</b>	<b>235.2</b>	<b>178.0</b>	<b>102.6</b>	<b>-2.8%</b>	<b>41.5%</b>	<b>209.3</b>	<b>223.9</b>	<b>243.4</b>	<b>33.4%</b>	<b>41.2%</b>
Compensation of employees	51.7	56.8	49.0	48.3	-2.2%	13.6%	55.8	59.9	64.2	9.9%	12.1%
Goods and services <sup>1</sup>	60.0	178.4	129.0	54.2	-3.3%	27.9%	153.5	164.0	179.1	48.9%	29.1%
of which:											
Communication	0.7	0.7	0.6	0.7	-0.3%	0.2%	1.7	2.0	2.2	50.0%	0.3%
Consultants: Business and advisory services	0.7	3.6	2.1	28.0	249.8%	2.3%	3.3	3.4	3.6	-49.4%	2.0%
Travel and subsistence	8.2	9.7	7.2	9.7	5.7%	2.3%	29.5	33.2	37.1	56.3%	5.8%
Training and development	46.7	156.9	115.6	7.5	-45.5%	21.6%	105.0	109.2	117.7	149.9%	18.0%
Operating payments	0.6	0.1	0.7	0.8	9.9%	0.2%	3.1	3.5	3.9	69.1%	0.6%
Venues and facilities	0.8	3.0	0.3	1.8	33.1%	0.4%	7.6	9.2	10.8	82.5%	1.6%
<b>Transfers and subsidies<sup>1</sup></b>	<b>77.2</b>	<b>43.3</b>	<b>85.6</b>	<b>80.9</b>	<b>1.6%</b>	<b>19.0%</b>	<b>120.4</b>	<b>128.3</b>	<b>135.3</b>	<b>18.7%</b>	<b>24.6%</b>
Public corporations and private enterprises	1.0	0.6	0.6	-	-100.0%	0.1%	-	-	-	-	-
Households	76.2	42.7	85.0	80.9	2.0%	18.8%	120.4	128.3	135.3	18.7%	24.6%
<b>Payments for capital assets</b>	<b>88.4</b>	<b>121.6</b>	<b>169.9</b>	<b>218.3</b>	<b>35.2%</b>	<b>39.5%</b>	<b>133.6</b>	<b>143.5</b>	<b>151.3</b>	<b>-11.5%</b>	<b>34.2%</b>
Buildings and other fixed structures	87.2	121.0	169.1	217.9	35.7%	39.3%	133.3	143.3	151.0	-11.5%	34.1%
Machinery and equipment	1.2	0.6	0.7	0.4	-32.7%	0.2%	0.2	0.3	0.3	-10.5%	0.1%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.2</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>277.3</b>	<b>400.3</b>	<b>433.5</b>	<b>401.8</b>	<b>13.1%</b>	<b>100.0%</b>	<b>463.3</b>	<b>495.7</b>	<b>530.0</b>	<b>9.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>15.6%</b>	<b>20.9%</b>	<b>20.3%</b>	<b>17.8%</b>	<b>-</b>	<b>-</b>	<b>19.4%</b>	<b>19.5%</b>	<b>20.0%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>76.2</b>	<b>42.6</b>	<b>84.7</b>	<b>80.9</b>	<b>-100.0%</b>	<b>18.8%</b>	<b>120.4</b>	<b>128.3</b>	<b>135.3</b>	<b>-</b>	<b>24.6%</b>
Employee social benefits	0.4	-	-	-	-	-	-	-	-	-	-
Expanded public works programme	66.0	42.6	57.1	50.0	2.0%	14.3%	66.7	71.6	75.5	18.7%	14.0%
Expanded public works programme incentive	9.7	-	27.6	30.9	35.2%	4.5%	53.8	56.7	59.8	-11.5%	10.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Tourism Sector Support Services

### Programme purpose

Enhance transformation, increase skill levels and support the development of the sector to ensure that South Africa is a competitive tourism destination.

### Objectives

- Facilitate the development and growth of tourism enterprises to contribute to inclusive economic growth and job creation by implementing 6 enterprise development incubators by March 2020, an additional 2 in 2020/21, and another 2 in 2021/22.
- Facilitate tourism capacity-building programmes by:
  - training 640 chefs, 200 learners in the blue flag training programme, 250 sommeliers, 1 500 food safety assurers, 1 500 learners in the hospitality youth programme, and 60 learners in the resource efficiency training programme by March 2020
  - convening the national tourism careers expo over the medium term
  - training 20 black women at institutions of higher learning through a customised executive development programme by March 2020
  - implementing 6 programmes to upskill and train tourist guides over the medium term
  - implementing provincial and local government capacity-building programmes by March 2022.
- Accelerate the transformation of the tourism sector over the medium term by:
  - implementing the tourism incentive programme (market access, tourism grading, energy efficiency, sector transformation and 1 additional incentive) in each year over the medium term
  - conducting initiatives to empower women in tourism
  - providing support to tour operators through social tourism schemes
  - developing 1 social tourism scheme.
- Ensure integrity and facilitate accurate tourism information by:
  - regulating the tourist guide industry on an ongoing basis
  - managing complaints in terms of chapter 5 of the Tourism Act (2014) over the medium term
  - developing the tourism safety programme in collaboration with partners by March 2021.

### Subprogrammes

- *Tourism Sector Support Services Management* provides administrative support to the programme's activities.
- *Tourism Human Resource Development* facilitates the efficient management and implementation of human resource development initiatives for the tourism sector.
- *Enterprise Development and Transformation* facilitates inclusive participation and sustainability in the tourism sector.
- *Tourism Visitor Services* ensures the integrity of information and facilitates accurate tourism information.
- *Tourism Incentive Programme* manages the establishment of capital and non-capital tourism incentives to promote and encourage the development and growth of the tourism sector.

## Expenditure trends and estimates

Table 33.12 Tourism Sector Support Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Tourism Sector Support Services Management	9.2	9.0	12.7	12.7	11.2%	4.3%	11.9	12.6	13.4	1.9%	4.0%
Tourism Human Resource Development	18.1	19.5	32.7	22.6	7.8%	9.3%	27.9	30.0	31.7	11.9%	8.9%
Enterprise Development and Transformation	33.4	12.2	44.3	49.7	14.2%	13.9%	52.7	56.3	59.4	6.1%	17.3%
Tourism Visitor Services	16.2	15.6	22.0	22.9	12.4%	7.7%	24.9	26.9	28.4	7.4%	8.2%
Tourism Incentive Programme	166.0	133.2	150.2	198.8	6.2%	64.8%	189.5	204.6	182.8	-2.8%	61.6%
<b>Total</b>	<b>242.8</b>	<b>189.4</b>	<b>261.8</b>	<b>306.7</b>	<b>8.1%</b>	<b>100.0%</b>	<b>306.8</b>	<b>330.5</b>	<b>315.7</b>	<b>1.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			(9.9)	(5.4)	(6.1)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>77.9</b>	<b>60.8</b>	<b>121.5</b>	<b>120.7</b>	<b>15.7%</b>	<b>38.1%</b>	<b>132.6</b>	<b>142.4</b>	<b>150.3</b>	<b>7.6%</b>	<b>43.3%</b>
Compensation of employees	48.5	31.9	70.1	68.6	12.3%	21.9%	80.6	87.6	92.5	10.5%	26.1%
Goods and services <sup>1</sup>	29.5	28.9	51.4	52.0	20.8%	16.2%	52.0	54.8	57.8	3.5%	17.2%
of which:											
<i>Catering: Departmental activities</i>	0.8	1.1	2.7	1.8	32.5%	0.6%	2.3	2.4	2.5	12.7%	0.7%
<i>Consultants: Business and advisory services</i>	15.9	13.4	14.7	31.3	25.3%	7.5%	3.9	4.1	4.3	-48.3%	3.5%
<i>Travel and subsistence</i>	8.0	6.5	17.0	10	7.9%	4.1%	20.8	21.9	23.1	32.1%	6.0%
<i>Training and development</i>	0.4	4.3	5.5	2	58.9%	1.2%	18.3	19.3	20.4	131.5%	4.7%
<i>Operating payments</i>	0.1	0.4	0.5	0	27.5%	0.1%	0.8	0.8	0.8	43.3%	0.2%
<i>Venues and facilities</i>	1.5	1.9	5.8	4	34.8%	1.3%	3.2	3.3	3.5	-1.5%	1.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>164</b>	<b>90</b>	<b>93</b>	<b>186</b>	<b>4.2%</b>	<b>53.2%</b>	<b>174</b>	<b>188</b>	<b>165</b>	<b>-3.8%</b>	<b>56.6%</b>
Departmental agencies and accounts	67.7	15.0	44.6	24.2	-29.0%	15.1%	3.7	3.9	4.1	-44.6%	2.9%
Public corporations and private enterprises	71.9	74.7	47.4	160.9	30.8%	35.5%	169.9	183.6	160.6	-0.1%	53.6%
Non-profit institutions	24.2	0.2	0.6	0.5	-73.1%	2.5%	0.4	0.4	0.5	-1.0%	0.1%
Households	0.1	0.0	0.1	-	-100.0%	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>0.6</b>	<b>38.7</b>	<b>47.7</b>	<b>0.3</b>	<b>-17.8%</b>	<b>8.7%</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>-13.7%</b>	<b>0.1%</b>
Buildings and other fixed structures	-	38.0	45.4	-	-	8.3%	-	-	-	-	-
Machinery and equipment	0.6	0.7	2.3	0.3	-18.7%	0.4%	0.2	0.2	0.2	-12.9%	0.1%
Software and other intangible assets	-	-	-	0.0	-	-	-	-	-	-100.0%	-
<b>Payments for financial assets</b>	<b>0.4</b>	<b>0.1</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>242.8</b>	<b>189.4</b>	<b>261.8</b>	<b>306.7</b>	<b>8.1%</b>	<b>100.0%</b>	<b>306.8</b>	<b>330.5</b>	<b>315.7</b>	<b>1.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>13.7%</b>	<b>9.9%</b>	<b>12.3%</b>	<b>13.6%</b>	<b>-</b>	<b>-</b>	<b>12.8%</b>	<b>13.0%</b>	<b>11.9%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>67.7</b>	<b>15.0</b>	<b>44.6</b>	<b>24.2</b>	<b>30.8%</b>	<b>15.1%</b>	<b>3.7</b>	<b>3.9</b>	<b>4.1</b>	<b>-0.1%</b>	<b>2.9%</b>
Tourism incentive programme	61.7	10.6	40.0	20.0	-73.1%	13.2%	-	-	-	-1.0%	1.6%
National tourism careers expo	4.0	4.4	4.6	4.2	-100.0%	1.7%	3.7	3.9	4.1	-	1.3%
Tourism accelerated apprenticeship programme	2.0	-	-	-	-17.8%	0.2%	-	-	-	-13.7%	-
<b>Public corporations and private enterprises</b>											
<b>Private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>71.9</b>	<b>74.7</b>	<b>47.4</b>	<b>160.9</b>	<b>-100.0%</b>	<b>35.5%</b>	<b>169.9</b>	<b>183.6</b>	<b>160.6</b>	<b>-</b>	<b>53.6%</b>
Tourism incentive programme	71.9	74.7	47.4	160.9	8.1%	35.5%	169.9	183.6	160.6	1.0%	53.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entity

### South African Tourism

#### Mandate

The Tourism Act (2014) mandates South African Tourism to market South Africa internationally and domestically as a preferred tourism and business events destination, ensure that tourist facilities and services are of the highest standard, and monitor and evaluate the performance of the tourism sector.

#### Selected performance indicators

**Table 33.13 South African Tourism performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	Outcome	Past <sup>1</sup>			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of international tourist arrivals per year	Leisure tourism marketing	Outcome 4: Decent employment through inclusive growth	8 903 773	10 044 163	10 300 000	11 200 000	11 900 000	13 200 000	14 200 000
Total tourist foreign direct spend per year	Leisure tourism marketing		R68.1bn	R75.5bn	R80.7bn	R81.3bn	R88.6bn	R100.8bn	R118.4bn
Number of domestic holiday trips per year	Leisure tourism marketing		2 700 000	2 600 000	2 937 000	3 200 000	3 400 000	3 500 000	3 600 000
Domestic holiday revenue per year <sup>2</sup>	Leisure tourism marketing		— <sup>3</sup>	— <sup>3</sup>	R6.8bn	R8.3bn	R8.8bn	R9.3bn	R12.0bn
Number of business events hosted in South Africa per year	Business events		108	125	206	153	168	185	204
Number of bids supported for international and regional business events per year	Business events		53	— <sup>3</sup>	58	105	115	126	138
Number of accommodation establishments graded per year	Visitor experience		5 230	5 354	5 058	6 229	5 500	5 800	6 100
Number of international delegates hosted in South Africa per year	Business events		— <sup>3</sup>	73 866	91 740	86 006	90 300	94 800	99 500

1. Historical figures have been aligned to those published by the United Nations Tourism Organisation. Over the medium term, targets have been revised and aligned to the fiscal financial year.

2. Old indicator selected for publication in the 2019 Estimates of National Expenditure.

3. No historical data available.

#### Expenditure analysis

South African Tourism contributes to economic growth by marketing South Africa as a destination of choice for leisure and business tourism. As part of its effort to boost international tourism, the entity plans to transfer R751.6 million in 2019/20 to all its international offices to focus on country-specific marketing campaigns for the hosting of international trade-related events, customer relations management, and in-country trade partnerships. These efforts are expected to increase international tourist arrivals from an estimated 11.2 million in 2018/19 to an estimated 14.2 million in 2021/22, and total international tourism revenue from an estimated R81.3 billion in 2018/19 to a projected R118.4 billion in 2021/22.

In addition to intensifying its marketing efforts internationally, the entity plans to increase the number of local holiday trips from 3.2 million in 2018/19 to 3.6 million in 2021/22. To this end, R165.5 million has been set aside over the medium term to entrench a culture of domestic travel among South Africans by, among other things, devising programmes to encourage local holidaymakers to visit various destinations in the country.

The number of business events hosted in South Africa increased from 125 in 2016/17 to 206 in 2017/18, with 91 740 international delegates attending business events in 2017/18. To increase the number of delegates to 99 500 in 2021/22, and to increase the number of bids to host events supported from an estimated 105 in 2018/19 to a projected 138 in 2021/22, R427 million has been set aside over the medium term.

The entity plans to spend R3.4 billion over the medium term to build the South African tourism brand. Of this amount, R255.4 million is set aside in 2019/20 for electronic and print media and marketing material, including producing above the line live footage, and public relations and marketing campaigns. The entity also plans to spend R220.2 million over the MTEF period on assessor fees and training for tourism grading, seminars and

workshops; and integrated marketing and communications campaigns, which include the promotion of new tourism grading criteria. This is expected to increase the number of graded establishments from 6 229 in 2018/19 to 6 100 in 2021/22.

The entity receives 83.7 per cent (R4 billion) of its projected revenue over the MTEF period from transfers from the department with the other revenue generated from tourism marketing levies, grading income, interest on investments and sundry income (exhibitions such as the Africa's Travel Indaba).

### Programmes/Objectives/Activities

**Table 33.14 South African Tourism expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/Total (%)
	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	
Administration	93.1	102.1	140.0	132.3	12.4%	8.7%	135.2	140.9	148.4	3.9%	9.0%
Business Enablement	63.1	99.9	81.3	85.9	10.8%	6.2%	89.7	94.7	99.7	5.1%	6.0%
Leisure Tourism Marketing	1 001.0	847.0	973.0	1 026.3	0.8%	72.0%	1 066.6	1 130.8	1 190.5	5.1%	71.4%
Business Events	57.7	154.6	119.0	129.3	30.8%	8.6%	137.7	140.9	148.4	4.7%	9.0%
Visitor Experience	45.2	54.0	76.6	65.8	13.4%	4.5%	68.7	72.5	76.4	5.1%	4.6%
<b>Total</b>	<b>1 260.2</b>	<b>1 257.6</b>	<b>1 389.9</b>	<b>1 439.6</b>	<b>4.5%</b>	<b>100.0%</b>	<b>1 497.9</b>	<b>1 579.9</b>	<b>1 663.3</b>	<b>4.9%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 33.15 South African Tourism statements of historical financial performance and position**

Statement of financial performance	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average Outcome/Budget (%)
	Budget	2015/16	Budget	2016/17	Budget	2017/18	2018/19	2018/19	2015/16 - 2018/19
R million									
<b>Revenue</b>									
Non-tax revenue	91.8	174.9	94.4	132.1	203.7	123.9	100.7	100.7	108.4%
Other non-tax revenue	91.8	174.9	94.4	132.1	203.7	123.9	100.7	100.7	108.4%
Transfers received	1 081.7	1 100.9	1 124.3	1 162.4	1 258.9	1 246.1	1 338.9	1 338.9	100.9%
<b>Total revenue</b>	<b>1 173.6</b>	<b>1 275.8</b>	<b>1 218.7</b>	<b>1 294.5</b>	<b>1 462.6</b>	<b>1 370.1</b>	<b>1 439.6</b>	<b>1 439.6</b>	<b>101.6%</b>
<b>Expenses</b>									
Current expenses	1 173.6	1 260.2	1 218.7	1 257.6	1 462.6	1 389.9	1 439.6	1 439.6	101.0%
Compensation of employees	191.8	166.7	179.6	186.3	204.3	196.8	216.1	216.1	96.7%
Goods and services	966.5	1 080.6	1 022.6	1 059.7	1 246.0	1 180.7	1 210.5	1 210.5	101.9%
Depreciation	15.2	12.8	16.5	11.6	12.3	12.3	13.0	13.0	87.4%
<b>Total expenses</b>	<b>1 173.6</b>	<b>1 260.2</b>	<b>1 218.7</b>	<b>1 257.6</b>	<b>1 462.6</b>	<b>1 389.9</b>	<b>1 439.6</b>	<b>1 439.6</b>	<b>101.0%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>16.0</b>	<b>-</b>	<b>37.0</b>	<b>-</b>	<b>(20.0)</b>	<b>-</b>	<b>-</b>	
<b>Statement of financial position</b>									
Carrying value of assets	60.0	107.6	114.3	101.3	107.1	89.6	113.2	113.2	104.4%
Loans	-	-	-	-	-	-	-	-	-
Receivables and prepayments	33.6	44.3	47.0	20.7	21.9	34.7	23.1	23.1	97.8%
Cash and cash equivalents	95.8	459.4	487.8	551.3	582.7	573.8	615.9	615.9	105.7%
<b>Total assets</b>	<b>489.3</b>	<b>611.2</b>	<b>649.1</b>	<b>673.3</b>	<b>711.7</b>	<b>698.2</b>	<b>752.3</b>	<b>752.3</b>	<b>105.1%</b>
Accumulated surplus/(deficit)	130.8	139.3	147.9	238.2	251.8	128.1	-	-	95.3%
Capital and reserves	28.1	70.5	74.9	70.6	74.6	70.6	78.9	78.9	113.3%
Finance lease	0.4	0.3	0.4	0.2	0.2	0.1	0.2	0.2	72.5%
Trade and other payables	282.2	347.8	369.3	320.7	328.6	456.3	347.3	624.5	131.8%
Provisions	47.8	53.3	56.6	43.6	46.1	43.1	48.7	48.7	94.7%
<b>Total equity and liabilities</b>	<b>489.3</b>	<b>611.2</b>	<b>649.1</b>	<b>673.3</b>	<b>701.3</b>	<b>698.2</b>	<b>475.1</b>	<b>752.3</b>	<b>118.1%</b>

### Statements of estimates of financial performance and position

**Table 33.16 South African Tourism statements of estimates of financial performance and position**

Statement of financial performance	Revised estimate	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average Expenditure/Total (%)
	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million								
<b>Revenue</b>								
Non-tax revenue	100.7	-16.8%	10.0%	106.3	112.2	118.4	5.5%	7.1%
Other non-tax revenue	100.7	-16.8%	10.0%	106.3	112.2	118.4	5.5%	7.1%
Transfers received	1 338.9	6.7%	90.0%	1 391.5	1 467.7	1 545.0	4.9%	92.9%
<b>Total revenue</b>	<b>1 439.6</b>	<b>4.1%</b>	<b>100.0%</b>	<b>1 497.9</b>	<b>1 579.9</b>	<b>1 663.3</b>	<b>4.9%</b>	<b>100.0%</b>

**Table 33.16 South African Tourism statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	Revised estimate	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
R million								
<b>Expenses</b>								
<b>Current expenses</b>	<b>1 439.6</b>	<b>4.5%</b>	<b>100.0%</b>	<b>1 497.9</b>	<b>1 579.9</b>	<b>1 663.3</b>	<b>4.9%</b>	<b>100.0%</b>
Compensation of employees	216.1	9.0%	14.3%	228.4	241.1	254.4	5.6%	15.2%
Goods and services	1 210.5	3.9%	84.8%	1 255.7	1 324.3	1 393.6	4.8%	83.9%
Depreciation	13.0	0.5%	0.9%	13.8	14.5	15.3	5.5%	0.9%
<b>Total expenses</b>	<b>1 439.6</b>	<b>4.5%</b>	<b>100.0%</b>	<b>1 497.9</b>	<b>1 579.9</b>	<b>1 663.3</b>	<b>4.9%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>			<b>-</b>	<b>-</b>	<b>-</b>		
<b>Statement of financial position</b>								
Carrying value of assets	113.2	1.7%	15.1%	119.6	126.1	133.1	5.5%	15.1%
Receivables and prepayments	23.1	-19.5%	4.6%	24.4	25.8	27.2	5.5%	3.1%
Cash and cash equivalents	615.9	10.3%	80.3%	650.4	686.2	723.9	5.5%	81.9%
<b>Total assets</b>	<b>752.3</b>	<b>7.2%</b>	<b>100.0%</b>	<b>794.4</b>	<b>838.1</b>	<b>884.2</b>	<b>5.5%</b>	<b>100.0%</b>
Capital and reserves	78.9	3.8%	10.7%	83.3	87.9	92.8	5.6%	10.5%
Finance lease	0.2	-13.0%	0.0%	0.2	0.2	0.3	3.6%	0.0%
Trade and other payables	624.5	21.5%	63.2%	659.4	695.6	733.9	5.5%	83.0%
Provisions	48.7	-2.9%	7.0%	51.4	54.3	57.3	5.5%	6.5%
<b>Total equity and liabilities</b>	<b>752.3</b>	<b>7.2%</b>	<b>100.0%</b>	<b>794.4</b>	<b>838.1</b>	<b>884.2</b>	<b>5.5%</b>	<b>100.0%</b>

**Personnel information****Table 33.17 South African Tourism personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
South African Tourism																			
Salary level	202	202	185	196.8	1.1	202	216.1	1.1	202	228.4	1.1	202	241.1	1.2	202	254.4	1.3	5.6%	100.0%
1-6	7	7	6	1.1	0.2	7	1.3	0.2	7	1.4	0.2	7	1.5	0.2	7	1.6	0.2	5.6%	3.5%
7-10	68	68	61	29.3	0.5	68	35.0	0.5	68	36.9	0.5	68	39.0	0.6	68	41.2	0.6	5.6%	33.7%
11-12	40	40	34	28.4	0.8	40	35.2	0.9	40	37.1	0.9	40	39.2	1.0	40	41.4	1.0	5.6%	19.8%
13-16	79	79	76	116.7	1.5	79	125.2	1.6	79	132.4	1.7	79	139.8	1.8	79	147.4	1.9	5.6%	39.1%
17-22	8	8	8	21.3	2.7	8	19.4	2.4	8	20.5	2.6	8	21.6	2.7	8	22.8	2.9	5.6%	4.0%

1. Rand million.

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2018/19	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
<b>Departmental infrastructure</b>										
<b>Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)</b>										
Working for Tourism	Upgrading of and additions to tourism attractions and venues	Tender	1 022.9	87.2	121.0	169.1	217.9	133.3	143.3	151.0
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Tourism incentive programme	Upgrading of and additions to tourism attractions and venues	Tender	83.4	–	38.0	45.4	–	–	–	–
Tourism House maintenance and upgrades	Office upgrades and maintenance	Design	0.7	–	–	–	0.7	–	–	–
<b>Total</b>			<b>1 106.9</b>	<b>87.2</b>	<b>159.0</b>	<b>214.5</b>	<b>218.6</b>	<b>133.3</b>	<b>143.3</b>	<b>151.0</b>



# Vote 34

## Trade and Industry

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	803.5	796.1	–	7.4	836.1	881.9
International Trade and Economic Development	130.4	101.5	28.2	0.7	134.6	142.9
Special Economic Zones and Economic Transformation	171.5	96.1	74.9	0.5	181.6	193.2
Industrial Development	2 100.8	142.6	1 957.3	0.9	2 058.2	1 860.7
Consumer and Corporate Regulation	328.3	81.1	247.1	0.2	346.2	368.8
Incentive Development and Administration	6 026.1	185.4	5 826.6	14.1	6 554.2	5 506.5
Trade and Investment South Africa	440.5	241.4	196.8	2.3	456.3	486.5
Investment South Africa	58.0	57.6	–	0.5	60.8	65.4
<b>Total expenditure estimates</b>	<b>10 059.0</b>	<b>1 701.8</b>	<b>8 330.8</b>	<b>26.5</b>	<b>10 627.9</b>	<b>9 505.9</b>

Executive authority

Minister of Trade and Industry

Accounting officer

Director-General of Trade and Industry

Website address

[www.thedti.gov.za](http://www.thedti.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Lead and facilitate access to sustainable economic activity and employment for all South Africans through an understanding of the economy, knowledge of economic opportunities and potential, and anticipation of future economic trends. Catalyse economic transformation and development, and provide a predictable, competitive, equitable and socially responsible environment for investment, enterprise and trade for economic citizens. Contribute to achieving government's vision of an adaptive and restructured economy, characterised by accelerated economic growth, employment creation and greater equity.*

### Mandate

The mandate of the Department of Trade and Industry is derived from a wide legislative framework that includes:

- the Companies Act (2008)
- the Manufacturing Development Act (1993)
- the Broad-Based Black Economic Empowerment Act (2003)
- the Consumer Protection Act (2008).

## Selected performance indicators

**Table 34.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of quarterly reports on industrial policy action plan prepared for the minister's review meetings per year	Industrial Development	Outcome 4: Decent employment through inclusive growth	3 <sup>1</sup>	3 <sup>1</sup>	4	4	4	4	4
Number of designation requests submitted for the minister's approval per year	Industrial Development		2	4	4	2 <sup>2</sup>	2 <sup>2</sup>	2 <sup>2</sup>	2 <sup>2</sup>
Value of projected investment to be leveraged from approved projects per year	Incentive Development and Administration		R14.4bn	R13bn	R36.8bn	R15bn <sup>3</sup>	R25bn	R20bn	R15bn
Number of new jobs supported from approved enterprises per year	Incentive Development and Administration		6 850	8 059	15 401	10 000	8 000 <sup>4</sup>	8 500 <sup>4</sup>	8 000 <sup>4</sup>
Number of jobs retained from approved enterprises per year	Incentive Development and Administration		28 000	34 592	28 209	20 000	10 000 <sup>4</sup>	10 500 <sup>4</sup>	15 000 <sup>4</sup>
Number of enterprises/projects approved for financial support across all incentives per year	Incentive Development and Administration		– <sup>5</sup>	– <sup>5</sup>	848	850	900	950	950

1. No implementation report tabled in the first quarters of 2015/16 and 2016/17 as no minister's review meetings took place.
2. Decreases are due to the department focusing on impact analyses for approved designations.
3. Decrease is attributed to the conclusion of the section 12I tax incentive scheme.
4. Projections based on allocated budget for schemes.
5. No historical data available.

## Expenditure analysis

The National Development Plan recognises that the main driver for eradicating poverty and inequality is creating employment through increased production. This is given expression by outcome 4 (decent employment through inclusive growth), outcome 7 (comprehensive rural development and land reform) and outcome 11 (create a better South Africa, a better Africa and a better world) of government's 2014-2019 medium-term strategic framework, with which the work of the Department of Trade and Industry is closely aligned. This work entails implementing the industrial policy action plan through the promotion of industrialisation and the expansion of production in value-added sectors with the aim of creating employment opportunities. As such, over the medium term, the department will focus on providing industrial finance and incentives, developing industrial infrastructure and strengthening South Africa's export capabilities.

The department has a total budget of R30.2 billion over the MTEF period, of which 82 per cent (R24.8 billion) is expected to be transferred to public corporations and private enterprises, and departmental agencies and accounts for incentive programmes. Spending on compensation of employees accounts for 10.7 per cent (R3.3 billion) of the department's budget, increasing at an average annual rate of 5 per cent, from R987.5 million in 2018/19 to R1.1 billion in 2021/22. Cabinet has approved reductions to the department's baseline budget amounting to R78.5 million over the MTEF period, which will be effected mainly on the department's manufacturing development incentives and transfers to entities. The department plans to mitigate the impact of these reductions through the rationalisation of funds among its incentive schemes.

### **Providing industrial finance and incentives**

Part of the department's mandate is to provide or facilitate industrial financing to maximise productivity in identified economic sectors. This funding is mainly budgeted for in the *Industrial Development* programme and the *Incentive Development and Administration* programme.

Activities in the *Industrial Development* programme involve developing industrial policies, strategies and programmes that seek to strengthen identified economic sectors. Key initiatives that are currently implemented through funding from the programme include the clothing and textiles competitiveness programme; Intsimbi future production technologies initiatives, which facilitate the development of technical skills in the manufacturing sector; and the National Cleaner Production Centre, which supports South African industry to improve competitiveness and reduce environmental waste through the implementation of resource efficient and cleaner production methodologies. Funding for the clothing and textiles competitiveness programme constitutes 38.7 per cent (R2.3 billion) of total spending in the *Industrial Development* programme over the MTEF period. R600 million over the same period is reprioritised towards the clothing and textiles competitiveness programme to increase investment, competitiveness and exports in the sector.

The *Incentive Development and Administration* programme is responsible for the administration of key incentive measures such as grants, loans and tax allowances. The programme aims to promote industrialisation, sustain inclusive economic growth and transform the South African economy by supporting industrial enterprise development and monitoring compliance with the Broad-Based Black Economic Empowerment Amendment Act (2013). As part of the programme, over the medium term, the department plans to attract private-sector investment amounting to R60 billion by implementing the black industrialists programme and other incentives in sectors such as agro-processing, metals fabrication, and chemicals and plastics.

Through its incentives, the department aims to provide financial support to an estimated 2 800 enterprises or projects to support an estimated 60 000 jobs over the period ahead. *Manufacturing* incentives account for 59.7 per cent (R10.6 billion) of the *Incentive Development and Administration* programme's budget over the MTEF period, with the department expecting to support 1 200 manufacturing enterprises over the same period. However, allocations for manufacturing incentives are expected to decrease at an average annual rate of 8.3 per cent, from R3.5 billion in 2018/19 to R2.7 billion in 2021/22. Allocations to the *Incentive Development and Administration* programme are also expected to decrease, from R5.6 billion in 2018/19 to R5.5 billion in 2021/22, at an average annual rate of 0.4 per cent. This decrease is due to allocations to the economic competitiveness and support package being made only up to 2020/21.

### ***Developing industrial infrastructure***

The department promotes industrialisation by spending on infrastructure projects in the *Infrastructure Investment Support* subprogramme in the *Incentive Development and Administration* programme. Activities carried out in the programme relate to facilitating the establishment of special economic zones and industrial parks. This includes supporting the implementation of infrastructure development and critical infrastructure projects. Through the special economic zones incentive, the department provides financial support for bulk infrastructure and top structures to improve industrialisation, regional development, exports and employment, as well as attract foreign and domestic direct investment. Over the medium term, the department plans to designate an additional special economic zone in Mogwase (North West) to focus on renewable energy and technology, agro-processing, logistics, and mineral beneficiation. Allocations for the special economic zones incentive are expected to increase at an average annual rate of 21.7 per cent, from R900 million in 2018/19 to R1.6 billion in 2021/22.

The critical infrastructure programme contributes to lowering the cost of doing business in South Africa. Over the MTEF period, the department plans to revitalise roads, and bulk water and electricity supply in 26 industrial parks across the country, and in the process support an estimated 85 000 jobs. Activities will also involve supporting 40 strategic critical infrastructure projects such as power substations, cogeneration power plants, bulk infrastructure, and technical testing facilities for aerospace and defence. This work will be carried out at an estimated cost of R706.1 million over the medium term in the *Infrastructure Investment Support* subprogramme.

### Strengthening export capabilities

In line with the department's continuing effort to build capacity to increase South African exports, over the medium term, it plans to continue implementing the integrated national export strategy. An estimated 2 674 South African companies will be assisted to participate at 15 national pavilions, trade missions, and trade and investment initiatives with the emphasis on increasing support to women-owned enterprises. To carry out these activities, R761.8 million over the MTEF period is allocated to the *Export Marketing and Investment Assistance* programme in the *Incentive Development and Administration* programme.

### Expenditure trends

**Table 34.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. International Trade and Economic Development														
3. Special Economic Zones and Economic Transformation														
4. Industrial Development														
5. Consumer and Corporate Regulation														
6. Incentive Development and Administration														
7. Trade and Investment South Africa														
8. Investment South Africa														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	689.7	768.3	727.6	736.6	777.1	699.1	731.8	814.6	772.7	760.6	837.3	837.3	104.0%	95.0%
Programme 2	164.8	116.6	113.6	126.4	118.7	116.0	119.8	119.8	121.1	124.9	124.8	124.8	88.7%	99.1%
Programme 3	263.2	89.7	92.5	108.3	121.9	97.6	119.4	118.4	95.7	165.4	146.3	146.3	65.8%	90.7%
Programme 4	1 973.5	1 964.3	1 953.6	1 735.7	1 727.0	1 722.2	1 819.3	1 819.3	1 838.8	1 622.6	2 029.8	2 029.8	105.5%	100.1%
Programme 5	294.5	296.4	287.4	313.5	294.3	295.4	298.6	298.6	298.7	314.6	330.3	330.3	99.2%	99.4%
Programme 6	5 795.6	5 827.6	5 795.8	6 922.4	6 891.7	6 895.2	5 746.5	5 674.4	5 600.5	6 009.0	5 567.9	5 567.9	97.5%	99.6%
Programme 7	364.1	386.8	462.9	336.5	410.9	454.6	388.5	425.2	456.2	411.6	411.6	411.6	119.0%	109.2%
Programme 8	48.3	48.3	38.3	48.1	47.8	69.2	50.9	72.9	64.5	53.8	83.8	83.8	127.3%	101.2%
<b>Total</b>	<b>9 593.7</b>	<b>9 497.8</b>	<b>9 471.7</b>	<b>10 327.5</b>	<b>10 389.5</b>	<b>10 349.4</b>	<b>9 274.8</b>	<b>9 343.2</b>	<b>9 248.2</b>	<b>9 462.6</b>	<b>9 531.8</b>	<b>9 531.8</b>	<b>99.9%</b>	<b>99.6%</b>
Change to 2018 Budget estimate											69.1			
Economic classification														
<b>Current payments</b>	<b>1 475.7</b>	<b>1 561.0</b>	<b>1 485.7</b>	<b>1 529.0</b>	<b>1 582.2</b>	<b>1 505.5</b>	<b>1 511.7</b>	<b>1 663.6</b>	<b>1 590.5</b>	<b>1 603.5</b>	<b>1 682.1</b>	<b>1 682.1</b>	<b>102.4%</b>	<b>96.5%</b>
Compensation of employees	897.7	897.7	874.2	930.3	930.3	915.5	902.4	947.7	946.8	987.5	987.5	987.5	100.2%	99.0%
Goods and services	577.9	663.3	611.5	598.7	651.9	590.0	609.3	715.9	643.7	616.0	694.6	694.6	105.7%	93.2%
<b>Transfers and subsidies</b>	<b>8 083.9</b>	<b>7 901.2</b>	<b>7 936.5</b>	<b>8 765.3</b>	<b>8 774.0</b>	<b>8 818.1</b>	<b>7 735.1</b>	<b>7 656.1</b>	<b>7 631.4</b>	<b>7 829.4</b>	<b>7 821.6</b>	<b>7 821.6</b>	<b>99.4%</b>	<b>100.2%</b>
Departmental agencies and accounts	761.5	591.9	591.9	601.4	856.0	856.0	747.6	727.6	727.6	696.5	702.0	702.0	102.5%	100.0%
Higher education institutions	12.5	0.0	-	-	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	31.7	31.7	33.2	33.6	32.6	29.8	36.3	33.3	28.5	38.4	38.2	38.2	92.6%	95.6%
Public corporations and private enterprises	7 131.6	7 128.6	7 157.7	7 970.2	7 720.4	7 765.2	6 789.0	6 724.0	6 699.1	6 894.7	6 875.7	6 875.7	99.0%	100.2%
Non-profit institutions	144.1	146.6	148.9	158.1	163.1	163.1	160.8	169.8	173.8	198.9	203.9	203.9	104.2%	100.9%
Households	2.5	2.4	4.8	2.1	1.9	3.9	1.3	1.4	2.5	0.8	1.7	1.7	192.9%	173.4%
<b>Payments for capital assets</b>	<b>34.2</b>	<b>35.7</b>	<b>37.4</b>	<b>33.2</b>	<b>33.3</b>	<b>16.1</b>	<b>28.0</b>	<b>23.5</b>	<b>25.1</b>	<b>29.7</b>	<b>28.1</b>	<b>28.1</b>	<b>85.4%</b>	<b>88.6%</b>
Machinery and equipment	24.1	30.7	33.0	20.6	25.4	11.1	19.9	20.9	17.1	22.1	20.5	20.5	94.1%	83.7%
Software and other intangible assets	10.1	5.0	4.4	12.6	7.9	5.0	8.1	2.6	8.1	7.6	7.6	7.6	65.6%	109.2%
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>12.1</b>	<b>-</b>	<b>-</b>	<b>9.7</b>	<b>-</b>	<b>-</b>	<b>1.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>9 593.7</b>	<b>9 497.8</b>	<b>9 471.7</b>	<b>10 327.5</b>	<b>10 389.5</b>	<b>10 349.4</b>	<b>9 274.8</b>	<b>9 343.2</b>	<b>9 248.2</b>	<b>9 462.6</b>	<b>9 531.8</b>	<b>9 531.8</b>	<b>99.9%</b>	<b>99.6%</b>

## Expenditure estimates

**Table 34.3 Vote expenditure estimates by programme and economic classification**

<b>Programmes</b>									
1. Administration									
2. International Trade and Economic Development									
3. Special Economic Zones and Economic Transformation									
4. Industrial Development									
5. Consumer and Corporate Regulation									
6. Incentive Development and Administration									
7. Trade and Investment South Africa									
8. Investment South Africa									
<b>Programme</b>	<b>Revised estimate</b>	<b>Average growth rate (%)</b>	<b>Average: Expenditure/ Total (%)</b>	<b>Medium-term expenditure estimate</b>			<b>Average growth rate (%)</b>	<b>Average: Expenditure/ Total (%)</b>	
	<b>2018/19</b>	<b>2015/16 - 2018/19</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2018/19 - 2021/22</b>		
R million									
Programme 1	837.3	2.9%	7.9%	803.5	836.1	881.9	1.7%	8.5%	
Programme 2	124.8	2.3%	1.2%	130.4	134.6	142.9	4.6%	1.3%	
Programme 3	146.3	17.7%	1.1%	171.5	181.6	193.2	9.7%	1.7%	
Programme 4	2 029.8	1.1%	19.5%	2 100.8	2 058.2	1 860.7	-2.9%	20.3%	
Programme 5	330.3	3.7%	3.1%	328.3	346.2	368.8	3.7%	3.5%	
Programme 6	5 567.9	-1.5%	61.8%	6 026.1	6 554.2	5 506.5	-0.4%	59.5%	
Programme 7	411.6	2.1%	4.6%	440.5	456.3	486.5	5.7%	4.5%	
Programme 8	83.8	20.2%	0.7%	58.0	60.8	65.4	-7.9%	0.7%	
<b>Total</b>	<b>9 531.8</b>	<b>0.1%</b>	<b>100.0%</b>	<b>10 059.0</b>	<b>10 627.9</b>	<b>9 505.9</b>	<b>-0.1%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				(34.1)	(39.8)	(4.6)			
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 682.1</b>	<b>2.5%</b>	<b>16.2%</b>	<b>1 701.8</b>	<b>1 762.7</b>	<b>1 870.0</b>	<b>3.6%</b>	<b>17.7%</b>	
Compensation of employees	987.5	3.2%	9.6%	1 046.8	1 073.5	1 143.2	5.0%	10.7%	
Goods and services	694.6	1.5%	6.6%	655.0	689.3	726.8	1.5%	7.0%	
<b>Transfers and subsidies</b>	<b>7 821.6</b>	<b>-0.3%</b>	<b>83.4%</b>	<b>8 330.8</b>	<b>8 835.5</b>	<b>7 604.1</b>	<b>-0.9%</b>	<b>82.0%</b>	
Departmental agencies and accounts	702.0	5.9%	7.5%	730.3	770.4	812.8	5.0%	7.6%	
Foreign governments and international organisations	38.2	6.4%	0.3%	40.6	42.8	45.2	5.7%	0.4%	
Public corporations and private enterprises	6 875.7	-1.2%	73.8%	7 395.9	7 861.6	6 573.5	-1.5%	72.3%	
Non-profit institutions	203.9	11.6%	1.8%	163.1	159.7	171.7	-5.6%	1.8%	
Households	1.7	-10.0%	0.0%	0.9	0.9	1.0	-17.1%	0.0%	
<b>Payments for capital assets</b>	<b>28.1</b>	<b>-7.7%</b>	<b>0.3%</b>	<b>26.5</b>	<b>29.7</b>	<b>31.7</b>	<b>4.2%</b>	<b>0.3%</b>	
Machinery and equipment	20.5	-12.6%	0.2%	12.0	14.5	15.6	-8.6%	0.2%	
Software and other intangible assets	7.6	15.4%	0.1%	14.5	15.3	16.1	28.4%	0.1%	
<b>Total</b>	<b>9 531.8</b>	<b>0.1%</b>	<b>100.0%</b>	<b>10 059.0</b>	<b>10 627.9</b>	<b>9 505.9</b>	<b>-0.1%</b>	<b>100.0%</b>	

## Expenditure trends and estimates for significant spending items

**Table 34.4 Expenditure trends and estimates for significant spending items**

	<b>Audited outcome</b>				<b>Adjusted appropriation</b>	<b>Average growth rate (%)</b>	<b>Average: Expenditure/ Total vote (%)</b>	<b>Medium-term expenditure estimate</b>			<b>Average growth rate (%)</b>	<b>Average: Expenditure/ Total vote (%)</b>
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>				<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>		
R thousand												
Infrastructure Investment Support	949 722	1 660 170	1 780 278	1 125 183	5.8%	14.3%	1 391 511	1 484 743	1 883 008	18.7%	14.8%	
Manufacturing Incentives	3 983 465	4 361 494	2 924 544	3 482 228	-4.4%	38.2%	3 769 573	4 177 306	2 681 565	-8.3%	35.5%	
Customised Sector Programmes	1 200 509	962 970	940 154	1 000 257	-5.9%	10.6%	1 061 931	1 117 693	865 037	-4.7%	10.2%	
Industrial Competitiveness	753 107	759 275	898 685	1 029 520	11.0%	8.9%	1 038 883	940 534	995 621	-1.1%	10.1%	
Services Investment Incentives	803 171	814 209	821 588	848 542	1.8%	8.5%	743 173	762 648	804 770	-1.7%	8.0%	
<b>Total</b>	<b>7 689 974</b>	<b>8 558 118</b>	<b>7 365 249</b>	<b>7 485 730</b>	<b>-0.9%</b>	<b>80.6%</b>	<b>8 005 071</b>	<b>8 482 924</b>	<b>7 230 001</b>	<b>-1.2%</b>	<b>78.6%</b>	

## Goods and services expenditure trends and estimates

**Table 34.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
Administrative fees	3 318	1 989	5 900	5 524	18.5%	0.7%	6 693	6 633	6 545	5.8%	0.9%
Advertising	23 752	15 993	22 045	26 811	4.1%	3.5%	29 323	30 308	31 975	6.0%	4.3%
Minor assets	1 093	801	2 112	416	-27.5%	0.2%	492	534	562	10.5%	0.1%
Audit costs: External	8 778	9 105	9 987	9 064	1.1%	1.5%	10 984	12 219	12 891	12.5%	1.6%
Bursaries: Employees	1 592	2 980	3 433	4 080	36.8%	0.5%	4 736	4 365	4 561	3.8%	0.6%
Catering: Departmental activities	1 883	2 085	2 098	5 334	41.5%	0.4%	5 098	5 765	6 007	4.0%	0.8%
Communication	12 799	10 660	9 569	11 727	-2.9%	1.8%	12 302	13 428	14 047	6.2%	1.9%
Computer services	25 801	16 406	43 729	25 361	-0.6%	4.4%	25 377	26 462	27 934	3.3%	3.8%
Consultants: Business and advisory services	28 352	21 167	21 483	68 783	34.4%	5.5%	61 018	62 067	65 390	-1.7%	9.3%
Legal services	21 070	20 124	10 500	13 395	-14.0%	2.6%	16 530	17 883	18 873	12.1%	2.4%
Contractors	16 914	8 912	16 285	22 009	9.2%	2.5%	30 266	29 504	30 546	11.5%	4.1%
Agency and support/outsourced services	1 579	1 830	1 330	307	-42.1%	0.2%	53	142	151	-21.1%	-
Entertainment	1 323	1 086	1 321	1 247	-2.0%	0.2%	1 296	1 363	1 434	4.8%	0.2%
Fleet services (including government motor transport)	873	766	1 263	1 219	11.8%	0.2%	1 230	1 349	1 422	5.3%	0.2%
Consumable supplies	1 462	880	914	2 676	22.3%	0.2%	2 843	3 101	3 257	6.8%	0.4%
Consumables: Stationery, printing and office supplies	16 280	11 105	7 761	11 617	-10.6%	1.8%	9 162	10 160	10 806	-2.4%	1.5%
Operating leases	281 191	305 848	322 401	302 556	2.5%	47.7%	249 667	263 808	278 471	-2.7%	39.6%
Rental and hiring	199	2 048	2 269	836	61.4%	0.2%	376	578	871	1.4%	0.1%
Property payments	12 283	14 737	8 462	10 046	-6.5%	1.8%	10 329	10 826	11 422	4.4%	1.5%
Transport provided: Departmental activity	-	1	-	5	-	-	-	-	27	75.4%	-
Travel and subsistence	95 984	88 828	99 058	105 607	3.2%	15.3%	110 063	116 233	122 524	5.1%	16.4%
Training and development	8 155	3 921	9 942	12 772	16.1%	1.4%	12 031	13 634	14 378	4.0%	1.9%
Operating payments	28 223	25 702	22 127	26 387	-2.2%	4.0%	30 350	33 096	34 917	9.8%	4.5%
Venues and facilities	18 573	23 013	19 738	26 790	13.0%	3.5%	24 791	25 800	27 788	1.2%	3.8%
<b>Total</b>	<b>611 477</b>	<b>589 987</b>	<b>643 727</b>	<b>694 569</b>	<b>4.3%</b>	<b>100.0%</b>	<b>655 010</b>	<b>689 258</b>	<b>726 799</b>	<b>1.5%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 34.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>2 837</b>	<b>2 655</b>	<b>2 011</b>	<b>1 745</b>	<b>-15.0%</b>	<b>-</b>	<b>893</b>	<b>942</b>	<b>994</b>	<b>-17.1%</b>	<b>-</b>
Employee social benefits	2 837	2 655	2 011	1 745	-15.0%	-	893	942	994	-8.2%	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>437 280</b>	<b>693 241</b>	<b>581 243</b>	<b>578 909</b>	<b>9.8%</b>	<b>7.1%</b>	<b>600 274</b>	<b>633 256</b>	<b>668 087</b>	<b>4.9%</b>	<b>7.6%</b>
Council for Geoscience	1 077	1 131	1 188	1 257	5.3%	-	1 327	1 400	1 477	5.5%	-
National Productivity Institute	8 094	8 523	8 949	9 231	4.5%	0.1%	9 748	10 284	10 850	5.5%	0.1%
Independent Regulatory Board for Auditors	500	-	-	-	-100.0%	-	-	-	-	-	-
Broad-Based Black Economic Empowerment Commission	-	-	-	34 500	-	0.1%	61 700	65 093	68 673	25.8%	0.7%
South African National Accreditation System	26 025	22 208	30 313	31 032	6.0%	0.3%	31 669	33 399	35 237	4.3%	0.4%
National Metrology Institute of South Africa: Operations	96 296	101 400	106 470	109 698	4.4%	1.3%	115 057	121 385	128 061	5.3%	1.5%
National Regulator for Compulsory Specifications	91 732	86 418	128 745	146 104	16.8%	1.4%	139 501	147 173	155 268	2.0%	1.8%
National Credit Regulator	66 727	69 577	73 056	75 361	4.1%	0.9%	79 580	83 957	88 575	5.5%	1.0%
National Gambling Board	31 983	30 121	31 627	32 624	0.7%	0.4%	33 797	35 639	37 599	4.8%	0.4%
National Consumer Tribunal	46 029	46 151	48 459	52 688	4.6%	0.6%	52 239	55 113	58 145	3.3%	0.7%
National Consumer Commission	54 596	56 643	52 614	69 674	8.5%	0.7%	58 304	61 508	64 890	-2.3%	0.8%
Companies Tribunal	14 221	15 069	15 822	16 740	5.6%	0.2%	17 352	18 305	19 312	4.9%	0.2%
National Research Foundation	-	256 000	84 000	-	-	1.1%	-	-	-	-	-

Table 34.6 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
<b>Capital</b>	<b>154 599</b>	<b>162 793</b>	<b>146 333</b>	<b>123 086</b>	<b>-7.3%</b>	<b>1.8%</b>	<b>129 979</b>	<b>137 128</b>	<b>144 670</b>	<b>5.5%</b>	<b>1.6%</b>
National Metrology Institute of South Africa	154 599	162 793	146 333	123 086	-7.3%	1.8%	129 979	137 128	144 670	5.5%	1.6%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>1 992</b>	<b>1 230</b>	<b>452</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Gifts and donations	188	421	259	-	-100.0%	-	-	-	-	-	-
Employee social benefits	-	600	88	-	-	-	-	-	-	-	-
Bursaries for non-employees	1 669	205	-	-	-100.0%	-	-	-	-	-	-
Other transfers to households	135	4	105	-	-100.0%	-	-	-	-	-	-
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>33 237</b>	<b>29 843</b>	<b>28 457</b>	<b>38 226</b>	<b>4.8%</b>	<b>0.4%</b>	<b>40 577</b>	<b>42 808</b>	<b>45 162</b>	<b>5.7%</b>	<b>0.5%</b>
Organisation for the Prohibition of Chemical Weapons	4 278	3 516	3 543	5 472	8.6%	0.1%	5 778	6 096	6 431	5.5%	0.1%
World Trade Organisation	17 267	14 159	12 908	15 341	-3.9%	0.2%	16 200	17 091	18 031	5.5%	0.2%
United Nations Industrial Development Organisation	6 405	5 969	6 021	7 159	3.8%	0.1%	7 560	7 976	8 415	5.5%	0.1%
Treaty organisations for metrology	-	1 631	1 644	1 702	-	-	2 009	2 119	2 236	9.5%	-
World Intellectual Property Organisation	5 287	4 568	4 341	5 473	1.2%	0.1%	5 779	6 097	6 432	5.5%	0.1%
Export consultancy trust funds: International Bank for Reconstruction and Development (World Bank)	-	-	-	1 540	-	-	1 626	1 715	1 809	5.5%	-
Export consultancy trust funds: International Finance Corporation	-	-	-	1 539	-	-	1 625	1 714	1 808	5.5%	-
<b>Public corporations and private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>304 075</b>	<b>205 169</b>	<b>198 603</b>	<b>295 370</b>	<b>-1.0%</b>	<b>3.1%</b>	<b>311 911</b>	<b>329 066</b>	<b>347 165</b>	<b>5.5%</b>	<b>3.9%</b>
Various institutions: Export market and investment assistance	281 248	184 409	162 372	227 725	-6.8%	2.7%	240 478	253 704	267 658	5.5%	3.0%
Various institutions: Support programme for industrial innovation	22 827	20 760	36 231	67 645	43.6%	0.5%	71 433	75 362	79 507	5.5%	0.9%
<b>Capital</b>	<b>74 203</b>	<b>64 187</b>	<b>38 836</b>	<b>120 071</b>	<b>17.4%</b>	<b>0.9%</b>	<b>122 891</b>	<b>129 650</b>	<b>136 781</b>	<b>4.4%</b>	<b>1.6%</b>
Various institutions: Critical infrastructure programme	74 203	64 187	38 836	120 071	17.4%	0.9%	122 891	129 650	136 781	4.4%	1.6%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>148 850</b>	<b>163 107</b>	<b>173 814</b>	<b>203 930</b>	<b>11.1%</b>	<b>2.1%</b>	<b>163 101</b>	<b>159 731</b>	<b>171 710</b>	<b>-5.6%</b>	<b>2.1%</b>
Black Business Council	1 000	1 000	1 500	1 500	14.5%	-	1 500	1 583	1 702	4.3%	-
Intsimbi future production technologies initiatives	70 353	74 082	75 786	116 136	18.2%	1.0%	76 045	68 711	73 864	-14.0%	1.0%
Automotive supply chain competitiveness initiative	14 000	15 000	13 127	7 984	-17.1%	0.2%	8 813	9 298	9 995	7.8%	0.1%
Trade and industrial policy strategies	20 772	22 712	24 423	27 086	9.3%	0.3%	27 763	28 465	30 600	4.1%	0.3%
Centurion Aerospace Village	17 517	18 445	25 367	15 490	-4.0%	0.2%	16 357	17 257	18 551	6.2%	0.2%
Proudly South African campaign	25 208	31 868	33 611	35 734	12.3%	0.4%	32 623	34 417	36 998	1.2%	0.4%
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>1 492 874</b>	<b>1 499 352</b>	<b>1 564 666</b>	<b>1 773 395</b>	<b>5.9%</b>	<b>19.7%</b>	<b>1 547 278</b>	<b>1 492 126</b>	<b>1 257 692</b>	<b>-10.8%</b>	<b>18.6%</b>
Protechnik Laboratories: Operations	2 797	2 945	3 093	3 272	5.4%	-	3 455	3 645	3 845	5.5%	-
Council for Scientific and Industrial Research	1 572	1 655	1 738	1 839	5.4%	-	1 942	2 049	2 162	5.5%	-
Industrial Development Corporation	1 000 937	758 266	723 440	803 640	-7.1%	10.2%	838 399	881 023	612 979	-8.6%	9.6%
Council for Scientific and Industrial Research: National Cleaner Production Centre	55 000	58 870	62 951	58 008	1.8%	0.7%	61 592	65 255	68 844	5.9%	0.8%
Council for Scientific and Industrial Research: National foundry technology network	16 384	19 689	18 678	17 457	2.1%	0.2%	27 995	28 590	30 162	20.0%	0.3%
South African Bureau of Standards	216 215	212 361	302 494	375 931	20.2%	3.4%	420 384	307 411	324 319	-4.8%	4.4%
Industrial Development Corporation: Industrial financing	-	250 000	250 000	300 000	-	2.5%	-	-	-	-100.0%	0.9%
Export Credit Insurance Corporation of South Africa	199 969	171 566	188 272	183 248	-2.9%	2.3%	193 511	204 153	215 381	5.5%	2.4%
Various institutions: One-stop shop	-	24 000	14 000	30 000	-	0.2%	-	-	-	-100.0%	0.1%

**Table 34.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16	2018/19	2019/20	2020/21		
<b>Capital</b>	<b>759 829</b>	<b>1 554 797</b>	<b>1 725 975</b>	<b>1 012 767</b>	<b>10.1%</b>	<b>15.7%</b>	<b>1 280 266</b>	<b>1 367 181</b>	<b>1 758 877</b>	<b>20.2%</b>	<b>16.6%</b>
Protechnik Laboratories: Capital	1 158	1 219	1 279	1 354	5.4%	-	1 430	1 509	1 592	5.5%	-
Council for Scientific and Industrial Research: Aerospace industry	21 534	17 781	19 020	20 413	-1.8%	0.2%	21 556	22 742	23 993	5.5%	0.3%
South African Bureau of Standards: Small business technical consulting: Membership fees	1 537	-	-	-	-100.0%	-	-	-	-	-	-
Various institutions: Critical infrastructure programme	-	125 797	140 257	91 000	-	1.1%	100 000	105 500	111 303	6.9%	1.3%
Various institutions: Special economic zones	735 600	1 410 000	1 565 419	900 000	7.0%	14.3%	1 157 280	1 237 430	1 621 989	21.7%	15.1%
<b>Public corporations and private enterprises</b>											
<b>Subsidies on products and production</b>											
<b>Current</b>	<b>4 526 712</b>	<b>4 441 734</b>	<b>3 171 053</b>	<b>3 674 097</b>	<b>-6.7%</b>	<b>49.1%</b>	<b>4 133 589</b>	<b>4 543 578</b>	<b>3 072 995</b>	<b>-5.8%</b>	<b>47.3%</b>
Various institutions: Services sector development incentives	789 663	801 038	812 498	832 069	1.8%	10.0%	725 025	743 168	784 042	-2.0%	9.5%
Various institutions: Manufacturing development incentives	3 607 049	3 590 696	2 338 306	2 841 028	-7.6%	38.4%	3 408 564	3 800 410	2 288 953	-6.9%	37.9%
Various institutions: Industrial development zones (other)	130 000	50 000	20 249	1 000	-80.3%	0.6%	-	-	-	-100.0%	-
<b>Total</b>	<b>7 936 488</b>	<b>8 818 108</b>	<b>7 631 443</b>	<b>7 821 596</b>	<b>-0.5%</b>	<b>100.0%</b>	<b>8 330 759</b>	<b>8 835 466</b>	<b>7 604 133</b>	<b>-0.9%</b>	<b>100.0%</b>

## Personnel information

**Table 34.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment															Number			
Number of posts estimated for 31 March 2019		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)		Average: Salary level/Total (%)				
Number of funded posts	Number of posts additional to the establishment	2017/18			2018/19			2019/20		2020/21		2021/22		2018/19 - 2021/22						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost							
<b>Trade and Industry</b>		<b>1 434</b>	<b>106</b>	<b>1 413</b>	<b>946.8</b>	<b>0.7</b>	<b>1 392</b>	<b>987.5</b>	<b>0.7</b>	<b>1 364</b>	<b>1 046.8</b>	<b>0.8</b>	<b>1 319</b>	<b>1 073.5</b>	<b>0.8</b>	<b>1 297</b>	<b>1 143.2</b>	<b>0.9</b>	<b>-2.3%</b>	<b>100.0%</b>
Salary level																				
1 – 6	190	86	207	41.9	0.2	206	42.1	0.2	201	44.0	0.2	197	46.2	0.2	196	51.0	0.3	-1.6%	14.9%	
7 – 10	579	5	579	276.4	0.5	574	296.3	0.5	553	307.6	0.6	538	322.0	0.6	514	331.2	0.6	-3.6%	40.6%	
11 – 12	309	5	313	265.0	0.8	315	290.7	0.9	307	303.3	1.0	301	318.7	1.1	297	336.5	1.1	-1.9%	22.7%	
13 – 16	254	10	241	297.2	1.2	224	287.2	1.3	230	315.9	1.4	210	305.1	1.5	217	337.7	1.6	-1.1%	16.4%	
Other	102	-	73	66.3	0.9	73	71.1	1.0	73	76.0	1.0	73	81.4	1.1	73	87.0	1.2	-	5.4%	
<b>Programme</b>	<b>1 434</b>	<b>106</b>	<b>1 413</b>	<b>946.8</b>	<b>0.7</b>	<b>1 392</b>	<b>987.5</b>	<b>0.7</b>	<b>1 364</b>	<b>1 046.8</b>	<b>0.8</b>	<b>1 319</b>	<b>1 073.5</b>	<b>0.8</b>	<b>1 297</b>	<b>1 143.2</b>	<b>0.9</b>	<b>-2.3%</b>	<b>100.0%</b>	
Programme 1	472	31	463	283.7	0.6	456	297.2	0.7	451	318.4	0.7	431	324.9	0.8	420	342.6	0.8	-2.7%	32.7%	
Programme 2	96	1	97	75.6	0.8	101	79.6	0.8	96	81.9	0.9	92	83.2	0.9	90	88.8	1.0	-3.8%	7.1%	
Programme 3	124	33	125	66.3	0.5	129	77.9	0.6	124	79.1	0.6	123	84.1	0.7	122	90.3	0.7	-1.8%	9.3%	
Programme 4	149	8	150	110.7	0.7	148	116.8	0.8	146	123.1	0.8	139	124.3	0.9	141	133.7	0.9	-1.6%	10.7%	
Programme 5	78	7	78	58.6	0.8	75	59.4	0.8	71	61.1	0.9	70	64.2	0.9	70	71.4	1.0	-2.3%	5.3%	
Programme 6	212	12	212	131.9	0.6	209	145.4	0.7	205	153.4	0.7	197	159.1	0.8	187	163.7	0.9	-3.6%	14.9%	
Programme 7	251	11	226	185.0	0.8	214	174.2	0.8	212	189.8	0.9	209	191.8	0.9	209	207.4	1.0	-0.8%	15.7%	
Programme 8	52	3	62	34.9	0.6	60	37.0	0.6	59	40.1	0.7	58	41.7	0.7	58	45.3	0.8	-1.1%	4.4%	

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million



## Departmental receipts

**Table 34.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate 2018/19	Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2019/20	2020/21	2021/22		
<b>Departmental receipts</b>	<b>61 979</b>	<b>98 092</b>	<b>106 646</b>	<b>73 728</b>	<b>73 648</b>	<b>5.9%</b>	<b>100.0%</b>	<b>77 865</b>	<b>78 545</b>	<b>77 054</b>	<b>1.5%</b>	<b>100.0%</b>
<b>Tax receipts</b>	<b>2 985</b>	<b>4 862</b>	<b>4 239</b>	<b>4 800</b>	<b>4 800</b>	<b>17.2%</b>	<b>5.0%</b>	<b>5 500</b>	<b>5 600</b>	<b>5 000</b>	<b>1.4%</b>	<b>6.8%</b>
<b>Sales of goods and services produced by department</b>	<b>535</b>	<b>610</b>	<b>637</b>	<b>610</b>	<b>530</b>	<b>-0.3%</b>	<b>0.7%</b>	<b>721</b>	<b>671</b>	<b>691</b>	<b>9.2%</b>	<b>0.9%</b>
Sales by market establishments of which:	259	262	263	250	262	0.4%	0.3%	350	290	300	4.6%	0.4%
<i>Rental of parking</i>	259	262	263	250	262	0.4%	0.3%	350	290	300	4.6%	0.4%
Administrative fees of which:	-	-	-	-	-	-	-	1	1	1	-	-
<i>Request information in terms of the Promotion of Access to Information Act (2000)</i>	-	-	-	-	-	-	-	1	1	1	-	-
Other sales of which:	276	348	374	360	268	-1.0%	0.4%	370	380	390	13.3%	0.5%
<i>Commission on hand</i>	181	187	189	300	188	1.3%	0.2%	300	290	290	15.5%	0.3%
<i>Academic services</i>	95	161	185	60	80	-5.6%	0.2%	70	90	100	7.7%	0.1%
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>3</b>	<b>14</b>	<b>15</b>	<b>5</b>	<b>5</b>	<b>18.6%</b>	<b>-</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6.3%</b>	<b>-</b>
of which:												
<i>Wastepaper: Recycling of paper</i>	3	14	15	-	-	-100.0%	-	1	1	1	-	-
<i>Cellphones: Old pool phones</i>	-	-	-	5	5	-	-	5	5	5	-	-
<b>Fines, penalties and forfeits</b>	<b>28</b>	<b>365</b>	<b>40 008</b>	<b>60</b>	<b>60</b>	<b>28.9%</b>	<b>11.9%</b>	<b>140</b>	<b>140</b>	<b>140</b>	<b>32.6%</b>	<b>0.2%</b>
<b>Interest, dividends and rent on land</b>	<b>3 561</b>	<b>2 708</b>	<b>1 390</b>	<b>1 650</b>	<b>1 650</b>	<b>-22.6%</b>	<b>2.7%</b>	<b>1 700</b>	<b>1 800</b>	<b>1 817</b>	<b>3.3%</b>	<b>2.3%</b>
Interest	3 561	2 708	1 390	1 650	1 650	-22.6%	2.7%	1 700	1 800	1 817	3.3%	2.3%
<b>Sales of capital assets</b>	<b>360</b>	<b>-</b>	<b>487</b>	<b>350</b>	<b>350</b>	<b>-0.9%</b>	<b>0.4%</b>	<b>400</b>	<b>360</b>	<b>400</b>	<b>4.6%</b>	<b>0.5%</b>
<b>Transactions in financial assets and liabilities</b>	<b>54 507</b>	<b>89 533</b>	<b>59 870</b>	<b>66 253</b>	<b>66 253</b>	<b>6.7%</b>	<b>79.4%</b>	<b>69 398</b>	<b>69 968</b>	<b>69 000</b>	<b>1.4%</b>	<b>89.4%</b>
<b>Total</b>	<b>61 979</b>	<b>98 092</b>	<b>106 646</b>	<b>73 728</b>	<b>73 648</b>	<b>5.9%</b>	<b>100.0%</b>	<b>77 865</b>	<b>78 545</b>	<b>77 054</b>	<b>1.5%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department, and conduct research on industrial development, growth and equity.

### Expenditure trends and estimates

**Table 34.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Ministry	32.1	26.2	28.4	34.3	2.2%	4.0%	42.7	38.9	39.2	4.6%	4.6%
Office of the Director-General	93.6	96.0	89.6	117.7	7.9%	13.1%	128.4	132.3	139.3	5.8%	15.4%
Corporate Services	478.6	443.7	508.1	504.5	1.8%	63.7%	460.3	482.4	511.2	0.4%	58.3%
Office Accommodation	2.4	2.6	2.3	2.2	-2.9%	0.3%	2.4	2.5	2.6	5.5%	0.3%
Financial Management	51.4	60.6	68.2	82.0	16.8%	8.6%	73.2	78.0	82.4	0.2%	9.4%
Marketing Communication and Media Relations	69.4	70.2	76.1	96.5	11.6%	10.3%	96.5	102.0	107.2	3.6%	12.0%
<b>Total</b>	<b>727.6</b>	<b>699.1</b>	<b>772.7</b>	<b>837.3</b>	<b>4.8%</b>	<b>100.0%</b>	<b>803.5</b>	<b>836.1</b>	<b>881.9</b>	<b>1.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				76.6			2.0	(3.9)	-		

**Table 34.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R million											
<b>Current payments</b>	<b>697.5</b>	<b>687.2</b>	<b>747.5</b>	<b>815.2</b>	<b>5.3%</b>	<b>97.1%</b>	<b>796.1</b>	<b>826.6</b>	<b>871.5</b>	<b>2.3%</b>	<b>98.5%</b>
Compensation of employees	264.7	269.9	283.7	297.2	3.9%	36.7%	318.4	324.9	342.6	4.9%	38.2%
Goods and services <sup>1</sup>	432.7	417.3	463.8	518.0	6.2%	60.3%	477.7	501.7	528.9	0.7%	60.3%
<i>of which:</i>											
<i>Advertising</i>	20.9	14.3	19.5	24.9	6.1%	2.6%	27.3	28.1	29.6	6.0%	3.3%
<i>Computer services</i>	24.7	15.5	42.8	24.7	–	3.5%	24.8	25.9	27.3	3.4%	3.1%
<i>Consultants: Business and advisory services</i>	9.8	9.1	8.6	36.2	54.7%	2.1%	32.8	32.4	34.2	-1.9%	4.0%
<i>Contractors</i>	11.6	6.6	13.2	11.3	-0.8%	1.4%	21.5	20.3	20.9	22.6%	2.2%
<i>Operating leases</i>	256.0	275.3	290.5	294.1	4.7%	36.7%	241.3	255.0	269.1	-2.9%	31.5%
<i>Travel and subsistence</i>	20.8	16.9	17.0	35.6	19.7%	3.0%	35.7	37.8	39.9	3.9%	4.4%
<b>Transfers and subsidies<sup>1</sup></b>	<b>2.6</b>	<b>2.6</b>	<b>0.7</b>	<b>0.2</b>	<b>-56.9%</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Households	2.6	2.6	0.7	0.2	-56.9%	0.2%	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>27.5</b>	<b>9.3</b>	<b>23.4</b>	<b>21.9</b>	<b>-7.3%</b>	<b>2.7%</b>	<b>7.4</b>	<b>9.5</b>	<b>10.4</b>	<b>-21.9%</b>	<b>1.5%</b>
Machinery and equipment	25.7	4.9	15.3	19.4	-9.0%	2.2%	4.6	6.6	7.4	-27.5%	1.1%
Software and other intangible assets	1.8	4.4	8.1	2.5	11.2%	0.6%	2.7	2.9	3.0	6.8%	0.3%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>1.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>727.6</b>	<b>699.1</b>	<b>772.7</b>	<b>837.3</b>	<b>4.8%</b>	<b>100.0%</b>	<b>803.5</b>	<b>836.1</b>	<b>881.9</b>	<b>1.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>7.7%</b>	<b>6.8%</b>	<b>8.4%</b>	<b>8.8%</b>	<b>–</b>	<b>–</b>	<b>8.0%</b>	<b>7.9%</b>	<b>9.3%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: International Trade and Economic Development

### Programme purpose

Build an equitable global trading system that facilitates development by strengthening trade and investment links with key economies and by fostering African development, including through regional and continental integration and development cooperation, in line with the New Partnership for Africa's Development.

### Objectives

- Promote African economic integration and development at the bilateral, regional and continental levels over the medium term by:
  - advancing development integration in the Southern African Customs Union and the Southern African Development Community (SADC) free-trade area through the implementation of the Africa regional development programme
  - finalising negotiations on the tripartite free-trade area involving the SADC, the East African Community and the Common Market for Eastern and Southern Africa regions
  - advancing South Africa's trade, industrial policy and economic development objectives through cooperation with key economies to address tariff and non-tariff barriers that inhibit South Africa's value-added exports.

### Subprogrammes

- *International Trade Development* facilitates bilateral and multilateral trade relations and agreements.
- *African Multilateral Economic Development* facilitates multilateral African trade relations aimed at deepening regional integration.

## Expenditure trends and estimates

**Table 34.10 International Trade and Economic Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
International Trade Development	98.6	98.9	99.3	105.2	2.2%	84.5%	110.0	114.4	120.9	4.8%	84.6%
African Multilateral Economic Development	15.0	17.1	21.8	19.6	9.4%	15.5%	20.4	20.1	22.0	4.0%	15.4%
<b>Total</b>	<b>113.6</b>	<b>116.0</b>	<b>121.1</b>	<b>124.8</b>	<b>3.2%</b>	<b>100.0%</b>	<b>130.4</b>	<b>134.6</b>	<b>142.9</b>	<b>4.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(0.2)			(3.5)	(3.4)	-		
<b>Economic classification</b>											
<b>Current payments</b>	<b>86.1</b>	<b>92.4</b>	<b>99.0</b>	<b>98.1</b>	<b>4.4%</b>	<b>79.0%</b>	<b>101.5</b>	<b>104.0</b>	<b>110.8</b>	<b>4.1%</b>	<b>77.8%</b>
Compensation of employees	68.9	74.2	75.6	79.6	4.9%	62.7%	81.9	83.2	88.8	3.7%	62.6%
Goods and services <sup>1</sup>	17.2	18.2	23.4	18.4	2.4%	16.2%	19.7	20.8	22.0	6.0%	15.2%
<i>of which:</i>											
Communication	0.7	0.4	0.2	0.2	-30.0%	0.3%	0.6	0.8	0.7	45.0%	0.4%
Legal services	0.2	0.3	-	0.4	34.3%	0.2%	1.9	2.0	2.1	71.1%	1.2%
Contractors	0.0	0.0	0.9	1.2	280.6%	0.4%	0.5	0.6	0.6	-21.5%	0.5%
Rental and hiring	0.1	0.1	0.7	0.8	96.2%	0.4%	0.3	0.5	0.8	0.3%	0.4%
Travel and subsistence	14.3	12.6	19.5	12.0	-5.7%	12.3%	13.1	14.1	14.4	6.3%	10.1%
Venues and facilities	1.0	1.7	0.9	2.6	39.8%	1.3%	2.3	1.9	2.5	-1.6%	1.7%
<b>Transfers and subsidies<sup>1</sup></b>	<b>26.8</b>	<b>23.0</b>	<b>22.1</b>	<b>26.7</b>	<b>-0.2%</b>	<b>20.7%</b>	<b>28.2</b>	<b>29.7</b>	<b>31.4</b>	<b>5.5%</b>	<b>21.8%</b>
Departmental agencies and accounts	1.1	1.1	1.2	1.3	5.3%	1.0%	1.3	1.4	1.5	5.5%	1.0%
Foreign governments and international organisations	21.5	17.7	16.5	20.8	-1.1%	16.1%	22.0	23.2	24.5	5.5%	17.0%
Public corporations and private enterprises	4.0	4.2	4.4	4.6	5.4%	3.6%	4.9	5.2	5.4	5.5%	3.8%
Households	0.3	-	0.1	-	-100.0%	0.1%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>0.6</b>	<b>0.7</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.3%</b>	<b>0.7</b>	<b>0.8</b>	<b>0.8</b>	<b>-</b>	<b>0.4%</b>
Machinery and equipment	0.6	0.7	-	-	-100.0%	0.3%	0.7	0.8	0.8	-	0.4%
<b>Total</b>	<b>113.6</b>	<b>116.0</b>	<b>121.1</b>	<b>124.8</b>	<b>3.2%</b>	<b>100.0%</b>	<b>130.4</b>	<b>134.6</b>	<b>142.9</b>	<b>4.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.2%</b>	<b>1.1%</b>	<b>1.3%</b>	<b>1.3%</b>	<b>-</b>	<b>-</b>	<b>1.3%</b>	<b>1.3%</b>	<b>1.5%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>1.1</b>	<b>1.1</b>	<b>1.2</b>	<b>1.3</b>	<b>5.3%</b>	<b>1.0%</b>	<b>1.3</b>	<b>1.4</b>	<b>1.5</b>	<b>5.5%</b>	<b>1.0%</b>
Council for Geoscience	1.1	1.1	1.2	1.3	5.3%	1.0%	1.3	1.4	1.5	5.5%	1.0%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>21.5</b>	<b>17.7</b>	<b>16.5</b>	<b>20.8</b>	<b>-1.1%</b>	<b>16.1%</b>	<b>22.0</b>	<b>23.2</b>	<b>24.5</b>	<b>5.5%</b>	<b>17.0%</b>
Organisation for the Prohibition of Chemical Weapons	4.3	3.5	3.5	5.5	8.6%	3.5%	5.8	6.1	6.4	5.5%	4.5%
World Trade Organisation	17.3	14.2	12.9	15.3	-3.9%	12.6%	16.2	17.1	18.0	5.5%	12.5%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>2.8</b>	<b>2.9</b>	<b>3.1</b>	<b>3.3</b>	<b>5.4%</b>	<b>2.5%</b>	<b>3.5</b>	<b>3.6</b>	<b>3.8</b>	<b>5.5%</b>	<b>2.7%</b>
Protechnik Laboratories: Operations	2.8	2.9	3.1	3.3	5.4%	2.5%	3.5	3.6	3.8	5.5%	2.7%
<b>Capital</b>	<b>1.2</b>	<b>1.2</b>	<b>1.3</b>	<b>1.4</b>	<b>5.4%</b>	<b>1.1%</b>	<b>1.4</b>	<b>1.5</b>	<b>1.6</b>	<b>5.5%</b>	<b>1.1%</b>
Protechnik Laboratories: Capital	1.2	1.2	1.3	1.4	5.4%	1.1%	1.4	1.5	1.6	5.5%	1.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Special Economic Zones and Economic Transformation

### Programme purpose

Drive economic transformation and increase participation in industrialisation.

## Objectives

- Facilitate broad-based economic participation through the implementation of the Broad-Based Black Economic Empowerment Amendment Act (2013) by implementing the black industrialists framework and action plan by March 2022.
- Facilitate the transformation of the economy to promote industrial development, investment, competitiveness and employment creation by March 2022, by:
  - developing and implementing a strategy for special economic zones
  - revitalising 26 industrial parks.

## Subprogrammes

- *Enterprise Competitiveness* fosters and stimulates industrialisation and structural change through the development and deployment of technologies and skills development programmes.
- *Equity and Empowerment* promotes broad-based black economic empowerment (BEE) and the growth of the economy through the black industrialists programme.
- *Spatial Industrial Economic Development (Special Economic Zones)* promotes a more spatially balanced regional economy through the development of policies, strategies and programmes, and special economic zones, clusters and incubators, among other things.

## Expenditure trends and estimates

**Table 34.11 Special Economic Zones and Economic Transformation expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Enterprise Competitiveness	23.3	24.9	25.0	28.0	6.3%	23.4%	28.3	31.7	33.6	6.2%	17.6%
Equity and Empowerment	30.9	32.2	32.0	64.9	28.1%	37.0%	95.1	98.1	103.8	17.0%	52.3%
Spatial Industrial Economic Development (Special Economic Zones)	38.3	40.5	38.7	53.3	11.7%	39.5%	48.0	51.8	55.8	1.5%	30.2%
<b>Total</b>	<b>92.5</b>	<b>97.6</b>	<b>95.7</b>	<b>146.3</b>	<b>16.5%</b>	<b>100.0%</b>	<b>171.5</b>	<b>181.6</b>	<b>193.2</b>	<b>9.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(19.1)			(3.4)	(0.5)	–		
<b>Economic classification</b>											
<b>Current payments</b>	<b>65.5</b>	<b>74.5</b>	<b>82.8</b>	<b>99.2</b>	<b>14.8%</b>	<b>74.5%</b>	<b>96.1</b>	<b>102.1</b>	<b>109.3</b>	<b>3.3%</b>	<b>58.7%</b>
Compensation of employees	54.8	60.3	66.3	77.9	12.4%	60.0%	79.1	84.1	90.3	5.1%	47.9%
Goods and services <sup>1</sup>	10.7	14.1	16.5	21.3	25.9%	14.5%	17.0	17.9	18.9	-3.9%	10.9%
of which:											
Catering: Departmental activities	0.2	0.3	0.2	0.4	35.0%	0.2%	0.4	0.5	0.5	6.0%	0.3%
Communication	0.5	0.3	0.1	0.4	-1.1%	0.3%	0.3	0.5	0.6	8.5%	0.3%
Consultants: Business and advisory services	3.2	4.2	1.8	8.2	36.8%	4.0%	6.9	7.8	8.2	0.1%	4.5%
Travel and subsistence	5.4	6.8	9.9	7.9	13.2%	6.9%	7.5	7.1	7.5	-1.6%	4.3%
Operating payments	0.4	0.2	0.7	0.6	13.5%	0.5%	0.7	0.4	0.4	-15.0%	0.3%
Venues and facilities	0.2	0.5	0.9	2.9	166.3%	1.0%	0.5	0.4	0.5	-45.3%	0.6%
<b>Transfers and subsidies<sup>1</sup></b>	<b>11.3</b>	<b>11.7</b>	<b>12.5</b>	<b>47.1</b>	<b>60.9%</b>	<b>19.1%</b>	<b>74.9</b>	<b>79.0</b>	<b>83.4</b>	<b>21.0%</b>	<b>41.1%</b>
Departmental agencies and accounts	8.6	8.5	8.9	43.7	72.0%	16.2%	71.4	75.4	79.5	22.1%	39.0%
Public corporations and private enterprises	1.6	1.7	1.7	1.8	5.4%	1.6%	1.9	2.0	2.2	5.5%	1.2%
Non-profit institutions	1.0	1.0	1.5	1.5	14.5%	1.2%	1.5	1.6	1.7	4.3%	0.9%
Households	0.1	0.5	0.3	–	-100.0%	0.2%	–	–	–	–	–
<b>Payments for capital assets</b>	<b>3.7</b>	<b>1.7</b>	<b>0.4</b>	<b>–</b>	<b>-100.0%</b>	<b>1.4%</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>–</b>	<b>0.2%</b>
Machinery and equipment	3.7	1.1	0.4	–	-100.0%	1.2%	0.5	0.5	0.5	–	0.2%
Software and other intangible assets	–	0.7	0.0	–	–	0.2%	–	–	–	–	–
<b>Payments for financial assets</b>	<b>11.9</b>	<b>9.7</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>5.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>92.5</b>	<b>97.6</b>	<b>95.7</b>	<b>146.3</b>	<b>16.5%</b>	<b>100.0%</b>	<b>171.5</b>	<b>181.6</b>	<b>193.2</b>	<b>9.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.0%</b>	<b>0.9%</b>	<b>1.0%</b>	<b>1.5%</b>	<b>–</b>	<b>–</b>	<b>1.7%</b>	<b>1.7%</b>	<b>2.0%</b>	<b>–</b>	<b>–</b>

**Table 34.11 Special Economic Zones and Economic Transformation expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies											
R million	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>8.6</b>	<b>8.5</b>	<b>8.9</b>	<b>43.7</b>	<b>72.0%</b>	<b>16.2%</b>	<b>71.4</b>	<b>75.4</b>	<b>79.5</b>	<b>22.1%</b>	<b>39.0%</b>
National Productivity Institute	8.1	8.5	8.9	9.2	4.5%	8.1%	9.7	10.3	10.9	5.5%	5.8%
Independent Regulatory Board for Auditors	0.5	–	–	–	-100.0%	0.1%	–	–	–	–	–
Broad-Based Black Economic Empowerment Commission	–	–	–	34.5	–	8.0%	61.7	65.1	68.7	25.8%	33.2%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>1.0</b>	<b>1.0</b>	<b>1.5</b>	<b>1.5</b>	<b>14.5%</b>	<b>1.2%</b>	<b>1.5</b>	<b>1.6</b>	<b>1.7</b>	<b>4.3%</b>	<b>0.9%</b>
Black Business Council	1.0	1.0	1.5	1.5	14.5%	1.2%	1.5	1.6	1.7	4.3%	0.9%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>1.6</b>	<b>1.7</b>	<b>1.7</b>	<b>1.8</b>	<b>5.4%</b>	<b>1.6%</b>	<b>1.9</b>	<b>2.0</b>	<b>2.2</b>	<b>5.5%</b>	<b>1.2%</b>
Council for Scientific and Industrial Research	1.6	1.7	1.7	1.8	5.4%	1.6%	1.9	2.0	2.2	5.5%	1.2%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Industrial Development

### Programme purpose

Design and implement policies, strategies and programmes to strengthen the ability of the manufacturing and other sectors of the economy to create decent jobs and increase value addition and competitiveness in both domestic and export markets.

### Objectives

- Support the growth and diversification of South Africa's manufacturing sector by:
  - facilitating diversification beyond the current reliance on traditional commodities and non-tradable services over the medium term
  - promoting the long-term intensification of South Africa's industrialisation process and movement towards a knowledge economy on an ongoing basis
  - promoting a labour-intensive industrialisation path, with particular emphasis on tradable labour-intensive goods and services and economic linkages that catalyse employment creation, on an ongoing basis
  - promoting a broad-based industrialisation path characterised by the increased participation of historically disadvantaged people and marginalised regions in the mainstream industrial economy on an ongoing basis
  - contributing to industrial development in Africa, with an emphasis on building the continent's productive capacity, on an ongoing basis.

### Subprogrammes

- *Industrial Competitiveness* develops policies, strategies and programmes to strengthen the ability of manufacturing and other value-adding sectors to create decent jobs and increase value addition and competitiveness in domestic and export markets, as set out in the industrial policy action plan.
- *Customised Sector Programmes* develops and implements high-impact sector strategies focused on manufacturing and other value-adding sectors to create decent jobs, and increase value addition and competitiveness in domestic and export markets, as set out in the industrial policy action plan.

## Expenditure trends and estimates

Table 34.12 Industrial Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Industrial Competitiveness	753.1	759.3	898.7	1 029.5	11.0%	45.6%	1 038.9	940.5	995.6	-1.1%	49.7%
Customised Sector Programmes	1 200.5	963.0	940.2	1 000.3	-5.9%	54.4%	1 061.9	1 117.7	865.0	-4.7%	50.3%
<b>Total</b>	<b>1 953.6</b>	<b>1 722.2</b>	<b>1 838.8</b>	<b>2 029.8</b>	<b>1.3%</b>	<b>100.0%</b>	<b>2 100.8</b>	<b>2 058.2</b>	<b>1 860.7</b>	<b>-2.9%</b>	<b>100.0%</b>
Change to 2018				407.2			425.6	291.6	(2.1)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>118.1</b>	<b>112.0</b>	<b>120.3</b>	<b>133.1</b>	<b>4.1%</b>	<b>6.4%</b>	<b>142.6</b>	<b>144.9</b>	<b>155.4</b>	<b>5.3%</b>	<b>7.2%</b>
Compensation of employees	99.6	101.9	110.7	116.8	5.4%	5.7%	123.1	124.3	133.7	4.6%	6.2%
Goods and services <sup>1</sup>	18.5	10.1	9.6	16.3	-4.1%	0.7%	19.5	20.6	21.7	10.0%	1.0%
<i>of which:</i>											
Administrative fees	–	–	0.4	0.4	–	–	0.9	0.9	0.5	5.9%	–
Communication	0.6	0.4	0.1	0.8	14.0%	–	0.7	0.8	0.8	-0.9%	–
Consultants: Business and advisory services	7.1	1.0	–	0.8	-51.7%	0.1%	1.5	1.3	1.3	17.1%	0.1%
Travel and subsistence	7.7	6.2	6.9	11.5	14.4%	0.4%	11.7	12.4	13.4	5.4%	0.6%
Operating payments	1.7	1.6	0.9	1.5	-5.8%	0.1%	2.6	3.5	3.7	36.0%	0.1%
Venues and facilities	0.4	0.3	0.7	0.2	-26.6%	–	0.7	0.8	0.9	73.8%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 835.0</b>	<b>1 609.7</b>	<b>1 718.5</b>	<b>1 896.7</b>	<b>1.1%</b>	<b>93.6%</b>	<b>1 957.3</b>	<b>1 912.3</b>	<b>1 704.2</b>	<b>-3.5%</b>	<b>92.8%</b>
Departmental agencies and accounts	368.7	372.8	411.9	409.9	3.6%	20.7%	416.2	439.1	463.2	4.2%	21.5%
Foreign governments and international organisations	6.4	7.6	7.7	8.9	11.4%	0.4%	9.6	10.1	10.7	6.3%	0.5%
Public corporations and private enterprises	1 311.6	1 067.0	1 126.6	1 275.4	-0.9%	63.4%	1 369.9	1 305.0	1 060.3	-6.0%	62.2%
Non-profit institutions	147.9	162.1	172.3	202.4	11.0%	9.1%	161.6	158.1	170.0	-5.7%	8.6%
Households	0.5	0.2	0.1	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.3</b>	<b>0.6</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>0.9</b>	<b>1.0</b>	<b>1.0</b>	<b>–</b>	<b>–</b>
Machinery and equipment	0.3	0.6	–	–	-100.0%	–	0.9	1.0	1.0	–	–
Payments for financial assets	0.1	–	–	–	-100.0%	–	–	–	–	–	–
<b>Total</b>	<b>1 953.6</b>	<b>1 722.2</b>	<b>1 838.8</b>	<b>2 029.8</b>	<b>1.3%</b>	<b>100.0%</b>	<b>2 100.8</b>	<b>2 058.2</b>	<b>1 860.7</b>	<b>-2.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>20.6%</b>	<b>16.6%</b>	<b>19.9%</b>	<b>21.3%</b>	<b>–</b>	<b>–</b>	<b>20.9%</b>	<b>19.4%</b>	<b>19.6%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>214.1</b>	<b>210.0</b>	<b>265.5</b>	<b>286.8</b>	<b>10.2%</b>	<b>12.9%</b>	<b>286.2</b>	<b>302.0</b>	<b>318.6</b>	<b>3.6%</b>	<b>14.8%</b>
South African National Accreditation System	26.0	22.2	30.3	31.0	6.0%	1.5%	31.7	33.4	35.2	4.3%	1.6%
National Metrology Institute of South Africa: Operations	96.3	101.4	106.5	109.7	4.4%	5.5%	115.1	121.4	128.1	5.3%	5.9%
National Regulator for Compulsory Specifications	91.7	86.4	128.7	146.1	16.8%	6.0%	139.5	147.2	155.3	2.0%	7.3%
<b>Capital</b>	<b>154.6</b>	<b>162.8</b>	<b>146.3</b>	<b>123.1</b>	<b>-7.3%</b>	<b>7.8%</b>	<b>130.0</b>	<b>137.1</b>	<b>144.7</b>	<b>5.5%</b>	<b>6.6%</b>
National Metrology Institute of South Africa	154.6	162.8	146.3	123.1	-7.3%	7.8%	130.0	137.1	144.7	5.5%	6.6%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>147.9</b>	<b>162.1</b>	<b>172.3</b>	<b>202.4</b>	<b>11.0%</b>	<b>9.1%</b>	<b>161.6</b>	<b>158.1</b>	<b>170.0</b>	<b>-5.7%</b>	<b>8.6%</b>
Intsimbi future production technologies initiatives	70.4	74.1	75.8	116.1	18.2%	4.5%	76.0	68.7	73.9	-14.0%	4.2%
Automotive supply chain competitiveness initiative	14.0	15.0	13.1	8.0	-17.1%	0.7%	8.8	9.3	10.0	7.8%	0.4%
Trade and industrial policy strategies	20.8	22.7	24.4	27.1	9.3%	1.3%	27.8	28.5	30.6	4.1%	1.4%
Centurion Aerospace Village	17.5	18.4	25.4	15.5	-4.0%	1.0%	16.4	17.3	18.6	6.2%	0.8%
Proudly South African campaign	25.2	31.9	33.6	35.7	12.3%	1.7%	32.6	34.4	37.0	1.2%	1.7%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>6.4</b>	<b>7.6</b>	<b>7.7</b>	<b>8.9</b>	<b>11.4%</b>	<b>0.4%</b>	<b>9.6</b>	<b>10.1</b>	<b>10.7</b>	<b>6.3%</b>	<b>0.5%</b>
United Nations Industrial Development Organisation	6.4	6.0	6.0	7.2	3.8%	0.3%	7.6	8.0	8.4	5.5%	0.4%
Treaty Organisations for Metrology	–	1.6	1.6	1.7	–	0.1%	2.0	2.1	2.2	9.5%	0.1%

**Table 34.12 Industrial Development expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>1 288.5</b>	<b>1 049.2</b>	<b>1 107.6</b>	<b>1 255.0</b>	<b>-0.9%</b>	<b>62.3%</b>	<b>1 348.4</b>	<b>1 282.3</b>	<b>1 036.3</b>	<b>6.2%</b>	<b>61.1%</b>
Industrial Development Corporation	1 000.9	758.3	723.4	803.6	-7.1%	43.6%	838.4	881.0	613.0	-8.6%	39.0%
Council for Scientific and Industrial Research: National Cleaner Production Centre	55.0	58.9	63.0	58.0	1.8%	3.1%	61.6	65.3	68.8	5.9%	3.2%
Council for Scientific and Industrial Research: National foundry technology network	16.4	19.7	18.7	17.5	2.1%	1.0%	28.0	28.6	30.2	20.0%	1.3%
South African Bureau of Standards	216.2	212.4	302.5	375.9	20.2%	14.7%	420.4	307.4	324.3	-4.8%	17.7%
<b>Capital</b>	<b>23.1</b>	<b>17.8</b>	<b>19.0</b>	<b>20.4</b>	<b>-4.0%</b>	<b>1.1%</b>	<b>21.6</b>	<b>22.7</b>	<b>24.0</b>	<b>5.5%</b>	<b>1.1%</b>
Council for Scientific and Industrial Research: Aerospace industry	21.5	17.8	19.0	20.4	-1.8%	1.0%	21.6	22.7	24.0	5.5%	1.1%
South African Bureau of Standards: Small business technical consulting: (membership fees)	1.5	-	-	-	-100.0%	-	-	-	-		

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Consumer and Corporate Regulation

### Programme purpose

Develop and implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.

### Objectives

- Increase access to economic opportunities for small businesses and historically disadvantaged individuals by developing and reviewing related policies, bills and regulations, and conducting assessments of the impact of regulations on businesses and economic citizens, on an ongoing basis.
- Develop efficient regulation to reduce the regulatory burden on businesses, and increase confidence and certainty in South African business regulation by developing and reviewing related policies, bills and regulations, and conducting assessments of the impact of the regulations on businesses and economic citizens, on an ongoing basis.
- Create a business regulatory environment that promotes competitive, fair and efficient markets by developing and reviewing related policies, bills and regulations, and conducting assessments of the impact of the regulations on business and economic citizens, on an ongoing basis.
- Provide access to redress for economic citizens to increase confidence in markets by conducting research on the impact of the current legislation on economic citizens; developing and reviewing related policies, bills and regulations; and conducting assessments of the impact of the regulations on business and economic citizens on an ongoing basis.
- Promote the awareness of rights, duties and responsibilities to increase activism and public participation by conducting capacity-building sessions, workshops, and education and awareness campaigns on an ongoing basis.
- Share and exchange regulatory experience with partners and stakeholders nationally and internationally to promote simple, appropriate and more effective regulatory solutions by holding consultations, seminars and conferences on policy issues on an ongoing basis.

### Subprogrammes

- *Policy and Legislative Development* develops policies, laws and regulatory frameworks.

- *Enforcement and Compliance* conducts trend analyses, social impact assessments for policies and legislation and market surveys; drafts and implements legislation; monitors and evaluates the effectiveness of regulation; and oversees the performance of the department's regulatory entities (National Consumer Tribunal, National Credit Regulator, National Gambling Board, National Consumer Commission, Companies and Intellectual Property Commission, Companies Tribunal, and National Lotteries Commission).
- *Regulatory Services* oversees the development of policies, laws, regulatory frameworks and the implementation of the divisional mandate, and provides strategic support to divisional business units respectively.

## Expenditure trends and estimates

**Table 34.13 Consumer and Corporate Regulation expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Policy and Legislative Development	14.7	17.2	18.7	17.8	6.5%	5.6%	19.5	18.6	20.5	4.8%	5.6%
Enforcement and Compliance	39.3	40.3	39.9	44.2	4.0%	13.5%	46.7	50.1	54.0	6.9%	14.2%
Regulatory Services	233.4	237.9	240.1	268.3	4.8%	80.8%	262.1	277.5	294.3	3.1%	80.2%
<b>Total</b>	<b>287.4</b>	<b>295.4</b>	<b>298.7</b>	<b>330.3</b>	<b>4.7%</b>	<b>100.0%</b>	<b>328.3</b>	<b>346.2</b>	<b>368.8</b>	<b>3.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				15.8			(4.3)	(3.8)	(2.5)		
<b>Current payments</b>	<b>68.2</b>	<b>73.1</b>	<b>72.5</b>	<b>77.7</b>	<b>4.4%</b>	<b>24.0%</b>	<b>81.1</b>	<b>85.4</b>	<b>93.7</b>	<b>6.5%</b>	<b>24.6%</b>
Compensation of employees	54.5	59.6	58.6	59.4	2.9%	19.1%	61.1	64.2	71.4	6.3%	18.6%
Goods and services <sup>1</sup>	13.8	13.5	13.9	18.3	9.9%	4.9%	20.1	21.2	22.3	7.0%	6.0%
of which:											
Advertising	2.0	0.7	1.5	1.8	-3.9%	0.5%	1.8	1.9	2.1	5.3%	0.6%
Catering: Departmental activities	0.1	0.3	0.6	0.8	77.6%	0.2%	0.8	0.8	0.9	3.0%	0.2%
Consultants: Business and advisory services	1.5	1.3	1.9	3.9	39.1%	0.7%	4.5	4.5	4.7	6.2%	1.3%
Legal services	0.9	3.7	3.0	2.0	31.4%	0.8%	1.6	2.0	2.1	2.5%	0.6%
Travel and subsistence	6.2	6.1	5.6	7.4	5.7%	2.1%	8.8	9.3	9.8	10.0%	2.6%
Operating payments	0.7	0.4	0.5	0.7	2.8%	0.2%	0.8	0.8	0.9	7.4%	0.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>219.1</b>	<b>222.2</b>	<b>226.2</b>	<b>252.7</b>	<b>4.9%</b>	<b>75.9%</b>	<b>247.1</b>	<b>260.6</b>	<b>275.0</b>	<b>2.9%</b>	<b>75.4%</b>
Departmental agencies and accounts	213.6	217.6	221.6	247.1	5.0%	74.2%	241.3	254.5	268.5	2.8%	73.6%
Foreign governments and international organisations	5.3	4.6	4.3	5.5	1.2%	1.6%	5.8	6.1	6.4	5.5%	1.7%
Households	0.3	0.1	0.3	0.1	-24.4%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>-33.4%</b>	<b>-</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>90.1%</b>	<b>-</b>
Machinery and equipment	0.1	0.1	0.0	0.0	-33.4%	-	0.2	0.2	0.2	90.1%	-
<b>Total</b>	<b>287.4</b>	<b>295.4</b>	<b>298.7</b>	<b>330.3</b>	<b>-100.0%</b>	<b>-</b>	<b>328.3</b>	<b>346.2</b>	<b>368.8</b>	<b>-</b>	<b>-</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>3.0%</b>	<b>2.9%</b>	<b>3.2%</b>	<b>3.5%</b>	<b>4.7%</b>	<b>100.0%</b>	<b>3.3%</b>	<b>3.3%</b>	<b>3.9%</b>	<b>3.7%</b>	<b>100.0%</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>213.6</b>	<b>217.6</b>	<b>221.6</b>	<b>247.1</b>	<b>5.0%</b>	<b>74.2%</b>	<b>241.3</b>	<b>254.5</b>	<b>268.5</b>	<b>2.8%</b>	<b>73.6%</b>
National Credit Regulator	66.7	69.6	73.1	75.4	4.1%	23.5%	79.6	84.0	88.6	5.5%	23.8%
National Gambling Board	32.0	30.1	31.6	32.6	0.7%	10.4%	33.8	35.6	37.6	4.8%	10.2%
National Consumer Tribunal	46.0	46.2	48.5	52.7	4.6%	16.0%	52.2	55.1	58.1	3.3%	15.9%
National Consumer Commission	54.6	56.6	52.6	69.7	8.5%	19.3%	58.3	61.5	64.9	-2.3%	18.5%
Companies Tribunal	14.2	15.1	15.8	16.7	5.6%	5.1%	17.4	18.3	19.3	4.9%	5.2%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>5.3</b>	<b>4.6</b>	<b>4.3</b>	<b>5.5</b>	<b>1.2%</b>	<b>1.6%</b>	<b>5.8</b>	<b>6.1</b>	<b>6.4</b>	<b>5.5%</b>	<b>1.7%</b>
World Intellectual Property Organisation	5.3	4.6	4.3	5.5	1.2%	1.6%	5.8	6.1	6.4	5.5%	1.7%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 6: Incentive Development and Administration

### Programme purpose

Stimulate and facilitate the development of sustainable and competitive enterprises through the efficient provision of effective and accessible incentive measures that support national priorities.



## Objectives

- Support industrial development that enhances productivity and bolsters competitiveness through designing, administering, monitoring and evaluating incentive programmes based on industrial policies and sector strategies developed by providing financial support in labour-intensive sectors on an ongoing basis.
- Contribute to the accelerated growth of manufacturing and internationally traded services over the medium term by administering infrastructure development programmes through industrial parks infrastructure support and administering the critical infrastructure programme and the special economic zones fund to:
  - attract foreign direct investment
  - develop growth-oriented domestic businesses, leading to increased employment, exports and regional development.

## Subprogrammes

- *Broadening Participation Incentives* provides incentive programmes that promote broader participation in the mainstream economy of businesses owned by individuals from historically disadvantaged communities and marginalised regions.
- *Manufacturing Incentives* provides incentives to promote additional investment in the manufacturing sector. The manufacturing investment cluster comprises the manufacturing competitive enhancement programme, the capital projects feasibility programme, the automotive investment scheme, the export marketing and investment assistance scheme, the sector-specific assistance scheme, and the section 12I tax incentive scheme.
- *Services Investment Incentives* provides incentive programmes that promote increased investment and job creation in the services sector. The programmes include the business process services programme, and the film and television production incentive support programme for South African and foreign productions.
- *Infrastructure Investment Support* provides grants for 2 industrial infrastructure initiatives, the special economic zones and the critical infrastructure programme, which are aimed at enhancing infrastructure and industrial development, and increasing investment and exports of value-added commodities.
- *Product and Systems Development* reviews, monitors and develops incentive programmes to support the industrial policy action plan, and develops sector strategies to address market failures.
- *Strategic Partnership and Customer Care* facilitates access to targeted enterprises by reviewing the success of incentive schemes and improving them where possible.

## Expenditure trends and estimates

**Table 34.14 Incentive Development and Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Broadening Participation Incentives	26.6	25.5	41.9	72.3	39.5%	0.7%	76.4	80.7	85.2	5.6%	1.3%
Manufacturing Incentives	3 983.5	4 361.5	2 924.5	3 482.2	-4.4%	61.8%	3 769.6	4 177.3	2 681.6	-8.3%	59.7%
Services Investment Incentives	803.2	814.2	821.6	848.5	1.8%	13.8%	743.2	762.6	804.8	-1.7%	13.4%
Infrastructure Investment Support	949.7	1 660.2	1 780.3	1 125.2	5.8%	23.1%	1 391.5	1 484.7	1 883.0	18.7%	24.9%
Product and Systems Development	14.9	15.4	14.0	17.8	6.1%	0.3%	21.8	23.5	25.0	12.0%	0.4%
Strategic Partnership and Customer Care	17.9	18.4	18.2	21.8	6.9%	0.3%	23.5	25.3	26.9	7.2%	0.4%
<b>Total</b>	<b>5 795.8</b>	<b>6 895.2</b>	<b>5 600.5</b>	<b>5 567.9</b>	<b>-1.3%</b>	<b>100.0%</b>	<b>6 026.1</b>	<b>6 554.2</b>	<b>5 506.5</b>	<b>-0.4%</b>	<b>100.0%</b>
Change to 2018				(441.2)			(458.5)	(335.5)	-		
Budget estimate											

**Table 34.14 Incentive Development and Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average Expenditure/ Total (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22
R million											
<b>Current payments</b>	<b>151.2</b>	<b>141.6</b>	<b>151.8</b>	<b>181.3</b>	<b>6.2%</b>	<b>2.6%</b>	<b>185.4</b>	<b>193.2</b>	<b>199.6</b>	<b>3.3%</b>	<b>3.2%</b>
Compensation of employees	126.5	126.8	131.9	145.4	4.8%	2.2%	153.4	159.1	163.7	4.0%	2.6%
Goods and services <sup>1</sup>	24.8	14.8	19.9	35.9	13.2%	0.4%	32.0	34.0	35.9	-	0.6%
<i>of which:</i>											
Communication	0.6	0.3	0.1	0.7	6.1%	-	0.7	0.8	0.8	5.7%	-
Consultants: Business and advisory services	5.1	2.8	7.3	17.7	51.5%	0.1%	12.4	13.1	13.8	-8.0%	0.2%
Legal services	3.9	1.4	2.5	3.8	-1.3%	-	4.0	4.2	4.4	5.5%	0.1%
Operating leases	0.8	0.9	1.0	0.9	5.0%	-	1.0	1.0	1.1	5.6%	-
Travel and subsistence	9.7	8.8	8.1	10.3	2.1%	0.2%	11.2	12.2	12.8	7.6%	0.2%
Venues and facilities	0.4	-	0.1	0.9	29.4%	-	0.9	1.0	1.0	5.6%	-
<b>Transfers and subsidies<sup>1</sup></b>	<b>5 641.3</b>	<b>6 753.1</b>	<b>5 448.7</b>	<b>5 381.4</b>	<b>-1.6%</b>	<b>97.3%</b>	<b>5 826.6</b>	<b>6 346.2</b>	<b>5 291.2</b>	<b>-0.6%</b>	<b>96.6%</b>
Departmental agencies and accounts	-	256.0	84.0	-	-	1.4%	-	-	-	-	-
Public corporations and private enterprises	5 640.6	6 496.9	5 364.2	5 380.5	-1.6%	95.9%	5 825.7	6 345.2	5 290.2	-0.6%	96.6%
Households	0.7	0.2	0.5	0.8	7.2%	-	0.9	0.9	1.0	5.5%	-
<b>Payments for capital assets</b>	<b>3.3</b>	<b>0.5</b>	<b>0.0</b>	<b>5.2</b>	<b>16.4%</b>	<b>-</b>	<b>14.1</b>	<b>14.9</b>	<b>15.7</b>	<b>44.7%</b>	<b>0.2%</b>
Machinery and equipment	0.7	0.5	0.0	0.1	-54.7%	-	2.3	2.5	2.6	246.1%	-
Software and other intangible assets	2.6	-	-	5.1	25.3%	-	11.7	12.4	13.1	36.7%	0.2%
<b>Total</b>	<b>5 795.8</b>	<b>6 895.2</b>	<b>5 600.5</b>	<b>5 567.9</b>	<b>-</b>	<b>-</b>	<b>6 026.1</b>	<b>6 554.2</b>	<b>5 506.5</b>	<b>-</b>	<b>-</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>61.2%</b>	<b>66.6%</b>	<b>60.6%</b>	<b>58.4%</b>	<b>-1.3%</b>	<b>100.0%</b>	<b>59.9%</b>	<b>61.7%</b>	<b>57.9%</b>	<b>-0.4%</b>	<b>100.0%</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>-</b>	<b>256.0</b>	<b>84.0</b>	<b>-</b>	<b>-</b>	<b>1.4%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
National Research Foundation	-	256.0	84.0	-	-	1.4%	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>304.1</b>	<b>205.2</b>	<b>198.6</b>	<b>295.4</b>	<b>-1.0%</b>	<b>4.2%</b>	<b>311.9</b>	<b>329.1</b>	<b>347.2</b>	<b>5.5%</b>	<b>5.4%</b>
Various institutions: Export market and investment assistance	281.2	184.4	162.4	227.7	-6.8%	3.6%	240.5	253.7	267.7	5.5%	4.2%
Various institutions: Support programme for industrial innovation	22.8	20.8	36.2	67.6	43.6%	0.6%	71.4	75.4	79.5	5.5%	1.2%
<b>Capital</b>	<b>74.2</b>	<b>64.2</b>	<b>38.8</b>	<b>120.1</b>	<b>17.4%</b>	<b>1.2%</b>	<b>122.9</b>	<b>129.7</b>	<b>136.8</b>	<b>4.4%</b>	<b>2.2%</b>
Various institutions: Critical infrastructure programme	74.2	64.2	38.8	120.1	17.4%	1.2%	122.9	129.7	136.8	4.4%	2.2%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>-</b>	<b>250.0</b>	<b>250.0</b>	<b>300.0</b>	<b>-</b>	<b>3.4%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>1.3%</b>
Industrial Development Corporation: Industrial financing	-	250.0	250.0	300.0	-	3.4%	-	-	-	-100.0%	1.3%
<b>Capital</b>	<b>735.6</b>	<b>1 535.8</b>	<b>1 705.7</b>	<b>991.0</b>	<b>10.4%</b>	<b>20.8%</b>	<b>1 257.3</b>	<b>1 342.9</b>	<b>1 733.3</b>	<b>20.5%</b>	<b>22.5%</b>
Various institutions: Critical infrastructure programme	-	125.8	140.3	91.0	-	1.5%	100.0	105.5	111.3	6.9%	1.7%
Various institutions: Special economic zones	735.6	1 410.0	1 565.4	900.0	7.0%	19.3%	1 157.3	1 237.4	1 622.0	21.7%	20.8%
<b>Public corporations and private enterprises</b>											
<b>Private enterprises</b>											
<b>Private enterprises (subsidies on products and production)</b>											
<b>Current</b>	<b>4 526.7</b>	<b>4 441.7</b>	<b>3 171.1</b>	<b>3 674.1</b>	<b>-6.7%</b>	<b>66.3%</b>	<b>4 133.6</b>	<b>4 543.6</b>	<b>3 073.0</b>	<b>-5.8%</b>	<b>65.2%</b>
Various institutions: Services sector development incentives	789.7	801.0	812.5	832.1	1.8%	13.6%	725.0	743.2	784.0	-2.0%	13.0%
Various institutions: Manufacturing development incentives	3 607.0	3 590.7	2 338.3	2 841.0	-7.6%	51.9%	3 408.6	3 800.4	2 289.0	-6.9%	52.2%
Various institutions: Industrial development zones (other)	130.0	50.0	20.2	1.0	-80.3%	0.8%	-	-	-	-100.0%	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 7: Trade and Investment South Africa

### Programme purpose

Support export development and promote exports through targeted strategies, and effectively manage a network of foreign offices.

### Objectives

- Develop new exporters and create an export culture in the economy over the medium term by:
  - training 800 emerging exporters through the global exporter passport programme in all provinces
  - reaching 700 clients through the export help desk and disseminating 960 trade enquiries.
- Increase exports by promoting and facilitating South African exports of value-added goods and services towards 6 per cent by 2030 through conducting 15 national pavilions and funding 30 outward selling missions per year.
- Enhance the promotion of exports and investment by placing 48 foreign economic representatives in foreign economic missions to promote South Africa's comparative advantage in goods and services internationally over the medium term.
- Facilitate markets for South African manufactured goods and services by convening and managing bilateral engagements with at least 20 countries through joint cooperation commissions, binational commissions or joint trade and investment committees by March 2020.
- Facilitate South African investments to the rest of Africa by undertaking scoping, technical and investment missions as well as managing flagship events such as the Africa Investment Forum and World Economic Forum on Africa by March 2020.

### Subprogrammes

- *Trade Invest Africa* facilitates deeper and broader bilateral African trade and investment relations with African economies, and supports the deepening of regional integration through an outward investment-led trade approach.
- *Export Promotion and Marketing* promotes the export of South African value-added goods and services to increase market share in targeted high-growth markets and sustain market share in traditional markets.
- *Trade and Investment South Africa Executive Management Unit* promotes trade, and administers and provides corporate services to the department's foreign office network of foreign economic representatives to enable South African businesses to access global markets.
- *Export Development and Support* manages the national exporter development programme, which is designed to contribute to positioning South Africa as a reliable trade partner, and improve and expand the country's exporter base.

## Expenditure trends and estimates

Table 34.15 Trade and Investment South Africa expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Trade Invest Africa	18.5	20.1	20.2	20.2	3.1%	4.4%	24.7	26.6	29.1	12.8%	5.6%
Export Promotion and Marketing	41.5	40.8	44.4	42.5	0.8%	9.5%	45.7	50.4	53.4	7.9%	10.7%
Trade and Investment South Africa Executive Management Unit	386.0	377.7	373.3	330.3	-5.1%	82.2%	347.0	354.8	378.2	4.6%	78.6%
Export Development and Support	17.0	16.0	18.3	18.5	2.9%	3.9%	23.0	24.5	25.8	11.8%	5.1%
<b>Total</b>	<b>462.9</b>	<b>454.6</b>	<b>456.2</b>	<b>411.6</b>	<b>-3.8%</b>	<b>100.0%</b>	<b>440.5</b>	<b>456.3</b>	<b>486.5</b>	<b>5.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			7.0	16.3	-		
<b>Economic classification</b>											
<b>Current payments</b>	<b>260.9</b>	<b>279.9</b>	<b>266.5</b>	<b>224.2</b>	<b>-4.9%</b>	<b>57.8%</b>	<b>241.4</b>	<b>246.2</b>	<b>264.9</b>	<b>5.7%</b>	<b>54.4%</b>
Compensation of employees	177.8	195.3	185.0	174.2	-0.7%	41.0%	189.8	191.8	207.4	6.0%	42.5%
Goods and services <sup>1</sup>	83.1	84.6	81.5	49.9	-15.6%	16.8%	51.6	54.4	57.4	4.8%	11.9%
<i>of which:</i>											
Communication	2.5	2.2	1.8	1.1	-23.7%	0.4%	1.1	1.2	1.3	4.2%	0.3%
Consultants: Business and advisory services	1.5	1.4	1.0	1.3	-5.3%	0.3%	2.2	2.3	2.4	24.5%	0.5%
Operating leases	23.6	28.7	29.8	6.8	-33.8%	5.0%	6.9	7.3	7.7	3.8%	1.6%
Travel and subsistence	24.0	22.9	22.0	14.8	-14.8%	4.7%	15.3	16.2	17.0	4.8%	3.5%
Operating payments	14.8	14.7	11.6	10.8	-9.9%	2.9%	11.7	12.4	13.0	6.4%	2.7%
Venues and facilities	4.6	4.8	3.8	6.9	14.4%	1.1%	9.0	9.5	10.0	13.1%	2.0%
<b>Transfers and subsidies<sup>1</sup></b>	<b>200.3</b>	<b>171.7</b>	<b>188.6</b>	<b>186.9</b>	<b>-2.3%</b>	<b>41.9%</b>	<b>196.8</b>	<b>207.6</b>	<b>219.0</b>	<b>5.4%</b>	<b>45.1%</b>
Foreign governments and international organisations	-	-	-	3.1	-	0.2%	3.3	3.4	3.6	5.5%	0.7%
Public corporations and private enterprises	200.0	171.6	188.3	183.2	-2.9%	41.6%	193.5	204.2	215.4	5.5%	44.4%
Households	0.3	0.1	0.4	0.6	27.2%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>1.8</b>	<b>3.0</b>	<b>1.0</b>	<b>0.5</b>	<b>-32.8%</b>	<b>0.4%</b>	<b>2.3</b>	<b>2.5</b>	<b>2.6</b>	<b>68.4%</b>	<b>0.4%</b>
Machinery and equipment	1.8	3.0	1.0	0.5	-32.8%	0.4%	2.3	2.5	2.6	68.4%	0.4%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>462.9</b>	<b>454.6</b>	<b>456.2</b>	<b>411.6</b>	<b>-3.8%</b>	<b>100.0%</b>	<b>440.5</b>	<b>456.3</b>	<b>486.5</b>	<b>5.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>4.9%</b>	<b>4.4%</b>	<b>4.9%</b>	<b>4.3%</b>	<b>-</b>	<b>-</b>	<b>4.4%</b>	<b>4.3%</b>	<b>5.1%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>200.0</b>	<b>171.6</b>	<b>188.3</b>	<b>183.2</b>	<b>-2.9%</b>	<b>41.6%</b>	<b>193.5</b>	<b>204.2</b>	<b>215.4</b>	<b>5.5%</b>	<b>44.4%</b>
Export Credit Insurance Corporation of South Africa	200.0	171.6	188.3	183.2	-2.9%	41.6%	193.5	204.2	215.4	5.5%	44.4%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 8: Investment South Africa

## Programme purpose

Support foreign direct investment flows and promote domestic investment by providing a one-stop shop for investment promotion, investor facilitation and aftercare support for investors.

## Objectives

- Increase the quality and quantum of South Africa's fixed investment from R50 billion in 2018/19 to R60 billion in 2021/22 by:
  - marketing and promoting the country to ensure investment opportunities through dedicated investment promotion, facilitation and aftercare services
  - coordinating and leading the establishment of one-stop shops on behalf of government to facilitate investment for all investors
  - coordinating and leading the investment climate reform with the World Bank on the ease of doing business

- developing a pipeline of potential projects and contributing to South Africa being a preferred destination for investment
- undertaking aftercare forums with investors to retain and expand investment.
- Provide a dedicated service to all investors over the medium term by:
  - facilitating the entire investment value chain
  - developing an investment pipeline of possible projects through lead creation, marketing, project development, facilitation and aftercare.
- Provide specialist advisory services and policy advocacy to improve the investment climate by fast-tracking and unblocking investor issues to reduce red tape in government over the medium term.

### Subprogrammes

- *Investment Promotion* facilitates an increase in the quality and quantity of foreign direct investment, and domestic and outward investment, by providing investment attraction, targeted lead generation and recruitment support.
- *Investment and Interdepartmental Clearing House* promotes and facilitates investment, and provides support services to the investment and interdepartmental clearing house. This subprogramme also provides a specialist advisory service, fast-tracks and unblocks processes, and reduces red tape for investors.
- *Investment Support and Aftercare* provides specialist advisory services through research, information marketing, aftercare and policy advocacy to facilitate new investment, and retain and expand existing investment.

### Expenditure trends and estimates

**Table 34.16 Investment South Africa expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22
R million											
Investment Promotion	31.9	45.2	49.9	44.9	12.0%	67.2%	48.8	50.9	54.9	7.0%	74.5%
Investment and interdepartmental Clearing House	6.1	24.0	14.5	34.5	78.5%	30.9%	4.6	4.9	5.2	-46.6%	18.4%
Investment Support and Aftercare	0.3	–	0.0	4.5	146.9%	1.9%	4.6	4.9	5.2	5.4%	7.2%
<b>Total</b>	<b>38.3</b>	<b>69.2</b>	<b>64.5</b>	<b>83.8</b>	<b>29.9%</b>	<b>100.0%</b>	<b>58.0</b>	<b>60.8</b>	<b>65.4</b>	<b>-7.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				30.0			0.8	(0.6)	–		
<b>Economic classification</b>											
<b>Current payments</b>	<b>38.1</b>	<b>44.8</b>	<b>50.1</b>	<b>53.4</b>	<b>11.9%</b>	<b>72.9%</b>	<b>57.6</b>	<b>60.3</b>	<b>64.9</b>	<b>6.7%</b>	<b>88.1%</b>
Compensation of employees	27.4	27.5	34.9	37.0	10.6%	49.6%	40.1	41.7	45.3	6.9%	61.3%
Goods and services <sup>1</sup>	10.8	17.3	15.2	16.4	15.0%	23.3%	17.5	18.6	19.6	6.2%	26.9%
of which:											
Communication	0.2	0.1	0.0	0.2	4.1%	0.2%	0.2	0.2	0.2	5.1%	0.3%
Consultants: Business and advisory services	0.0	1.2	0.7	0.4	303.1%	0.9%	0.4	0.4	0.5	5.5%	0.6%
Contractors	–	–	0.0	6.7	–	2.6%	7.1	7.5	7.9	5.5%	10.9%
Travel and subsistence	7.9	8.5	10.1	6.1	-8.0%	12.8%	6.7	7.2	7.6	7.2%	10.3%
Operating payments	0.5	0.1	1.0	0.7	12.5%	0.9%	0.8	0.8	0.9	5.5%	1.2%
Venues and facilities	1.4	1.5	1.0	1.7	6.8%	2.2%	1.8	1.9	2.0	5.5%	2.8%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.1</b>	<b>24.1</b>	<b>14.1</b>	<b>30.0</b>	<b>492.8%</b>	<b>26.7%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>11.2%</b>
Public corporations and private enterprises	–	24.0	14.0	30.0	–	26.6%	–	–	–	-100.0%	11.2%
Households	0.1	0.1	0.1	–	-100.0%	0.2%	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.0</b>	<b>0.3</b>	<b>0.2</b>	<b>0.4</b>	<b>165.4%</b>	<b>0.4%</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>5.5%</b>	<b>0.7%</b>
Machinery and equipment	0.0	0.3	0.2	0.4	165.4%	0.4%	0.5	0.5	0.5	5.5%	0.7%
<b>Total</b>	<b>38.3</b>	<b>69.2</b>	<b>64.5</b>	<b>83.8</b>	<b>29.9%</b>	<b>100.0%</b>	<b>58.0</b>	<b>60.8</b>	<b>65.4</b>	<b>-7.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.4%</b>	<b>0.7%</b>	<b>0.7%</b>	<b>0.9%</b>	<b>–</b>	<b>–</b>	<b>0.6%</b>	<b>0.6%</b>	<b>0.7%</b>	<b>–</b>	<b>–</b>

**Table 34.16 Investment South Africa expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	–	24.0	14.0	30.0	–	26.6%	–	–	–	-100.0%	11.2%
Various institutions: One-stop shop	–	24.0	14.0	30.0	–	26.6%	–	–	–	-100.0%	11.2%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

### Export Credit Insurance Corporation of South Africa

#### Mandate

The Export Credit Insurance Corporation of South Africa was established in terms of the Export Credit and Foreign Investments Insurance Act (1957) to facilitate and encourage South Africa's export trade by underwriting export credit loans and investments outside South Africa. The corporation is mandated to evaluate export credit and foreign investment risks, provide export credit and foreign investment insurance cover on behalf of the South African government, and manage the subsidised interest rate arrangement for participating financial institutions to enable them to provide loans to South African firms that invest in capital projects abroad.

#### Selected performance indicators

**Table 34.17 Export Credit Insurance Corporation of South Africa performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
Number of research projects to identify new opportunities per year	Improve business development	Outcome 4: Decent employment through inclusive growth	2	2	3	2	3	3	3
Value of project approvals per year	Improve business development		US\$377m	US\$479m	US\$496m	US\$450m-US\$550m	US\$550m-US\$575m	US\$500m-US\$600m	US\$600m-US\$625m
Percentage increase/decrease in basic own funds per year	Increase capital base		21% (R923 617/ R4 324 239)	-32% <sup>1</sup> (-R1 677 981/ R5 247 857)	13% (R460 169/ R3 569 876)	8%	8%	8%	8%

1. Decrease due to the corporation absorbing interest make-up liability from October 2016, resulting in reprioritisations of own funds.

#### Expenditure analysis

The Export Credit Insurance Corporation of South Africa provides comprehensive export credit and investment insurance solutions in support of South African exports. The corporation aims to assist South African exporters doing business in risky sectors or countries, and thereby contributes to the expansion of exports, economic growth and the creation of local jobs. Over the medium term, the corporation will focus on building and leveraging strategic partnerships in the public and private sectors with a view of entering markets beyond its current reach in Southern and West Africa. The corporation also aims to expand through providing customer-centric solutions, expediting its credit approval process and offering customers competitive prices. Accordingly, over the period ahead, the corporation plans to approve projects that are worth between US\$1.7 million and US\$1.8 million, and conduct 9 studies to identify new opportunities.

The corporation's expenditure is expected to increase at an average annual rate of 0.8 per cent, from R562.4 million in 2018/19 to R575.4 million in 2021/22. Total revenue is projected to be R3.6 billion over the medium term, 84.3 per cent (R3 billion) of which is expected to be generated through insurance premiums and investment income, with the remainder derived from transfers from the department. Revenue from insurance premiums and investment income is expected to decrease at an average annual rate of 11.9 per cent, from

R1.4 billion in 2018/19 to R956.4 million in 2021/22, due to fluctuations in foreign currency.

The corporation's interest make-up liability scheme is a subsidised interest rate arrangement, that enables participating financial institutions to provide loans to South African exporters at subsidised rates, allowing exporters to access new markets and diversify exports. Transfers from the department for the scheme are projected to increase at an average annual rate of 5.5 per cent, from R183.2 million in 2018/19 to R215.4 million in 2021/22.

### Programmes/Objectives/Activities

**Table 34.18 Export Credit Insurance Corporation of South Africa expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Administration	357.1	130.2	159.8	387.5	2.8%	31.3%	134.9	181.9	243.3	-14.4%	37.5%
Improve knowledge and skills	9.2	17.7	13.5	19.2	27.8%	1.7%	19.7	20.6	21.7	4.2%	3.0%
Advance transformation to draw from a diverse talent pool and build an inclusive economy	-	-	21.3	23.9	-	1.7%	47.8	19.3	25.1	1.6%	4.0%
Build and leverage strategic partnerships to advance business	4.9	2.5	2.9	3.7	-8.8%	0.4%	3.5	3.8	4.0	2.8%	0.6%
Enhance business processes to improve operational efficiency	3.5	42.4	26.2	36.7	119.3%	3.0%	42.8	45.1	47.6	9.1%	6.3%
Communicate to create better awareness and understanding of the corporation and its role	9.9	15.2	14.6	10.5	2.3%	1.3%	8.9	9.7	10.5	-0.2%	1.5%
Escalate business development initiatives to grow the business	4.5	12.5	11.1	11.4	36.3%	1.1%	11.2	11.9	12.6	3.4%	1.7%
Increase stakeholder/customer satisfaction	167.5	2 138.9	55.0	80.8	-21.6%	31.1%	63.3	52.1	42.4	-19.4%	8.8%
Increase capital base to underwrite more business to fulfil the corporation's mandate	599.8	53.3	498.0	(11.3)	-126.6%	28.5%	694.0	362.0	168.2	-346.0%	36.5%
<b>Total</b>	<b>1 156.3</b>	<b>2 412.9</b>	<b>802.5</b>	<b>562.4</b>	<b>-21.4%</b>	<b>100.0%</b>	<b>1 026.0</b>	<b>706.2</b>	<b>575.4</b>	<b>0.8%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 34.19 Export Credit Insurance Corporation of South Africa statements of historical financial performance and position**

Statement of financial performance	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	Budget	2015/16	Budget	2016/17	Budget	2017/18			
R million									
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>958.1</b>	<b>979.3</b>	<b>838.7</b>	<b>1 178.6</b>	<b>775.8</b>	<b>1 576.4</b>	<b>848.1</b>	<b>1 398.4</b>	<b>150.0%</b>
Sale of goods and services other than capital assets	565.3	621.1	526.4	477.9	563.1	886.9	609.6	847.3	125.1%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>565.3</i>	<i>621.1</i>	<i>526.4</i>	<i>477.9</i>	<i>563.1</i>	<i>886.9</i>	<i>609.6</i>	<i>847.3</i>	<i>125.1%</i>
Other non-tax revenue	392.8	358.2	312.3	700.6	212.7	689.4	238.4	551.1	198.9%
<b>Transfers received</b>	<b>165.4</b>	<b>165.4</b>	<b>171.6</b>	<b>-</b>	<b>177.6</b>	<b>188.3</b>	<b>183.2</b>	<b>183.2</b>	<b>76.9%</b>
<b>Total revenue</b>	<b>1 123.5</b>	<b>1 144.8</b>	<b>1 450.8</b>	<b>1 178.6</b>	<b>953.4</b>	<b>1 764.6</b>	<b>1 031.3</b>	<b>1 581.6</b>	<b>124.4%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>156.0</b>	<b>633.8</b>	<b>2 411.9</b>	<b>2 282.6</b>	<b>847.9</b>	<b>642.7</b>	<b>634.4</b>	<b>174.9</b>	<b>92.2%</b>
Compensation of employees	53.2	46.9	86.2	79.7	100.5	82.3	110.4	107.8	90.4%
Goods and services	99.5	585.0	2 323.0	2 200.5	744.7	557.8	520.6	64.3	92.4%
Depreciation	3.2	1.9	2.8	2.4	2.7	2.7	3.4	2.8	80.4%
<b>Transfers and subsidies</b>	<b>165.4</b>	<b>165.4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100.0%</b>
<b>Total expenses</b>	<b>546.0</b>	<b>1 156.3</b>	<b>2 411.9</b>	<b>2 412.9</b>	<b>901.6</b>	<b>802.5</b>	<b>761.0</b>	<b>562.4</b>	<b>106.8%</b>
<b>Surplus/(Deficit)</b>	<b>578.0</b>	<b>(12.0)</b>	<b>(961.0)</b>	<b>(1 234.0)</b>	<b>52.0</b>	<b>962.0</b>	<b>270.0</b>	<b>1 019.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	18.0	14.5	10.8	11.7	9.9	8.8	11.2	6.3	82.8%
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(13.2)</i>	<i>(4.7)</i>	<i>(2.8)</i>	<i>(0.9)</i>	<i>(3.4)</i>	<i>(1.1)</i>	<i>(4.8)</i>	<i>(1.5)</i>	<i>34.3%</i>
Investments	6 726.8	7 072.7	7 731.7	6 685.9	7 296.3	6 715.8	7 483.2	7 260.1	94.9%
Receivables and prepayments	1 519.7	1 878.7	1 779.8	1 578.3	1 507.1	1 648.5	1 680.3	1 925.9	108.4%
Cash and cash equivalents	2.6	440.0	1.9	284.6	1.4	154.5	2.1	46.6	11 490.4%
Taxation	1.0	26.5	412.2	-	-	12.0	-	12.0	12.2%
<b>Total assets</b>	<b>8 268.1</b>	<b>9 432.3</b>	<b>9 936.4</b>	<b>8 560.5</b>	<b>8 814.6</b>	<b>8 539.5</b>	<b>9 176.7</b>	<b>9 251.0</b>	<b>98.9%</b>

**Table 34.19 Export Credit Insurance Corporation of South Africa statements of historical financial performance and position**

Statement of financial position	Audited		Audited		Audited		Budget		Average: Outcome/ Budget (%)
	Budget	outcome	Budget	outcome	Budget	outcome	estimate	estimate	
R million	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Accumulated surplus/(deficit)	552.7	1 933.6	3 311.6	656.6	3 310.5	2 036.5	3 584.0	4 706.9	86.8%
Capital and reserves	4 227.0	3 314.2	814.8	2 913.3	316.1	1 993.6	316.1	343.6	150.9%
Trade and other payables	35.4	27.1	41.4	38.8	47.5	51.6	80.7	52.5	83.0%
Taxation	38.3	43.4	–	78.6	23.0	39.4	23.0	–	191.1%
Provisions	3 414.6	4 114.0	4 060.8	3 240.1	3 726.7	3 245.6	3 980.1	2 952.3	89.3%
Derivatives financial instruments	–	–	1 707.9	1 633.0	1 390.9	1 172.9	1 192.9	1 195.6	93.2%
<b>Total equity and liabilities</b>	<b>8 268.1</b>	<b>9 432.3</b>	<b>9 936.4</b>	<b>8 560.5</b>	<b>8 814.6</b>	<b>8 539.5</b>	<b>9 176.7</b>	<b>9 251.0</b>	<b>98.9%</b>

**Statements of estimates of financial performance and position****Table 34.20 Export Credit Insurance Corporation of South Africa statements of estimates of financial performance and position**

Statement of financial performance	Revised estimate	Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
				2018/19	2019/20	2020/21		
R million								
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>1 398.4</b>	<b>12.6%</b>	<b>90.8%</b>	<b>1 128.5</b>	<b>930.3</b>	<b>956.4</b>	<b>-11.9%</b>	<b>84.3%</b>
Sale of goods and services other than capital assets	847.3	10.9%	49.7%	874.2	477.0	482.4	-17.1%	50.7%
<i>of which:</i>								
<i>Sales by market establishment</i>	847.3	10.9%	49.7%	874.2	477.0	482.4	-17.1%	50.7%
Other non-tax revenue	551.1	15.4%	41.2%	254.3	453.3	474.0	-4.9%	33.6%
<b>Transfers received</b>	<b>183.2</b>	<b>3.5%</b>	<b>9.2%</b>	<b>193.5</b>	<b>204.2</b>	<b>215.4</b>	<b>5.5%</b>	<b>15.7%</b>
<b>Total revenue</b>	<b>1 581.6</b>	<b>11.4%</b>	<b>100.0%</b>	<b>1 322.0</b>	<b>1 134.4</b>	<b>1 171.8</b>	<b>-9.5%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>174.9</b>	<b>-34.9%</b>	<b>65.2%</b>	<b>891.9</b>	<b>524.3</b>	<b>332.0</b>	<b>23.8%</b>	<b>62.5%</b>
Compensation of employees	107.8	31.9%	9.2%	114.8	122.3	130.3	6.5%	17.6%
Goods and services	64.3	-52.1%	55.7%	773.9	399.2	199.6	45.9%	44.5%
Depreciation	2.8	14.3%	0.3%	3.1	2.8	2.1	-8.8%	0.4%
Interest, dividends and rent on land	0.0	-20.1%	0.0%	–	–	–	-100.0%	0.0%
<b>Total expenses</b>	<b>562.4</b>	<b>-21.4%</b>	<b>100.0%</b>	<b>1 026.8</b>	<b>706.2</b>	<b>575.4</b>	<b>0.8%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>1 019.0</b>			<b>295.0</b>	<b>428.0</b>	<b>596.0</b>		
<b>Statement of financial position</b>								
Carrying value of assets	6.3	-24.1%	0.1%	6.0	4.6	2.5	-26.8%	0.0%
<i>of which:</i>								
<i>Acquisition of assets</i>	(1.5)	-32.4%	-0.0%	(2.8)	(1.3)	–	-100.0%	-0.0%
Investments	7 260.1	0.9%	77.6%	8 703.5	8 990.7	9 730.2	10.3%	84.3%
Receivables and prepayments	1 925.9	0.8%	19.6%	1 750.5	1 351.5	1 087.1	-17.4%	15.1%
Cash and cash equivalents	46.6	-52.7%	2.6%	45.8	42.5	42.4	-3.1%	0.4%
Taxation	12.0	-23.2%	0.1%	12.0	12.0	12.0	–	0.1%
<b>Total assets</b>	<b>9 251.0</b>	<b>-0.6%</b>	<b>100.0%</b>	<b>10 517.8</b>	<b>10 401.2</b>	<b>10 874.2</b>	<b>5.5%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	4 706.9	34.5%	25.7%	5 002.2	5 430.4	6 026.8	8.6%	51.5%
Capital and reserves	343.6	-53.0%	24.1%	343.6	343.6	343.6	–	3.4%
Deferred income	–	–	–	143.5	131.6	128.3	–	1.0%
Trade and other payables	52.5	24.7%	0.5%	74.8	70.1	66.9	8.4%	0.6%
Provisions	2 952.3	-10.5%	37.8%	4 000.2	3 702.8	3 725.7	8.1%	35.0%
Derivatives financial instruments	1 195.6	–	11.4%	953.4	722.8	582.9	-21.3%	8.6%
<b>Total equity and liabilities</b>	<b>9 251.0</b>	<b>-0.6%</b>	<b>100.0%</b>	<b>10 517.8</b>	<b>10 401.2</b>	<b>10 874.2</b>	<b>5.5%</b>	<b>100.0%</b>



## Personnel information

**Table 34.21 Export Credit Insurance Corporation of South Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019			Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22						
			Number	Unit cost	Unit cost	Number	Unit cost	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost					
Export Credit Insurance Corporation of South Africa			85	82.3	1.0	90	107.8	1.2	90	114.8	1.3	90	122.3	1.4	90	130.3	1.4	6.5%	100.0%
Salary level	90	90	85	82.3	1.0	90	107.8	1.2	90	114.8	1.3	90	122.3	1.4	90	130.3	1.4	6.5%	100.0%
1 – 6	9	9	10	1.6	0.2	9	1.9	0.2	9	2.0	0.2	9	2.1	0.2	9	2.2	0.2	6.5%	10.0%
7 – 10	40	40	41	20.6	0.5	40	25.6	0.6	40	27.2	0.7	40	29.0	0.7	40	30.9	0.8	6.5%	44.4%
11 – 12	14	14	14	13.3	0.9	14	15.2	1.1	14	16.2	1.2	14	17.3	1.2	14	18.4	1.3	6.5%	15.6%
13 – 16	23	23	16	29.8	1.9	23	47.5	2.1	23	50.6	2.2	23	53.9	2.3	23	57.4	2.5	6.5%	25.6%
17 – 22	4	4	4	17.0	4.2	4	17.7	4.4	4	18.8	4.7	4	20.0	5.0	4	21.3	5.3	6.5%	4.4%

1. Rand million.

## National Lotteries Commission

### Mandate

The National Lotteries Commission was established in terms of the National Lotteries Act (1997) and is mandated to regulate the national lottery as well as other lotteries, including fundraising society lotteries and promotional competitions. The commission also advises the Minister of Trade and Industry on policy matters relating to the national lottery and other lotteries. The commission ensures the protection of all participants, maximises revenue for good causes in a responsible manner, administers the National Lottery Distribution Trust Fund, and distributes funds for good causes to the distributing agencies in an equitable and expeditious manner.

### Selected performance indicators

**Table 34.22 National Lotteries Commission performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Value of operator ticket sales per year	Administration	Outcome 11: Create a better South Africa, a better Africa and a better world	R4.4bn	R5.8bn	R6bn	R6.4bn	R6.9bn	R7.3bn	R7.3bn
Value of National Lottery Distribution Trust Fund grant commitments per year	Administration		R2.2bn	R1.5bn	R1.4bn	R1.4bn	R1.2bn	R1.3bn	R1.3bn
Actual cash disbursed per year	Administration		R2bn	R1.7bn	R2bn	R2.1bn	R2.2bn	R2.3bn	R2.3bn
Value of contribution to the National Lottery Distribution Trust Fund per year	Administration		R1.1bn	R1.5bn	R1.4bn	R1.5bn	R1.6bn	R1.7bn	R1.7bn

### Expenditure analysis

The National Lotteries Commission ensures the protection of all participants and that funds raised through the national lottery are distributed fairly and speedily to disadvantaged communities across South Africa. Over the medium term, the commission intends to focus on monitoring the performance of the national lottery operator and its compliance with the National Lotteries Act (1997) and its licence agreement.

The commission distributes funds according to the National Lotteries Act (1997) and lottery regulations. Over the MTEF period, grant allocations from the National Lottery Distribution Trust Fund will be disbursed as follows: 47 per cent (R574 million) for charities; 28 per cent (R342 million) for sport and recreation activities; 23 per cent (R281 million) for arts, culture and national heritage institutions; and 2 per cent (R24 million) for miscellaneous activities.

The commission intends to increase grant allocations from R1.2 billion in 2019/20 to R1.3 billion in 2021/22, based on the share of national lottery proceeds to the National Lottery Distribution Trust Fund. Accordingly, expenditure is expected to increase at an average annual rate of 3.2 per cent, from R497.6 million in 2018/19 to R547.2 million in 2021/22. The commission is expected to receive 99.3 per cent (R1.7 billion) of its revenue from proceeds of the national lottery, with the remainder generated from fees for regulating other South African lotteries and interest income.

## Programmes/Objectives/Activities

**Table 34.23 National Lotteries Commission expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administration	229.7	324.4	406.4	474.3	27.3%	87.5%	467.1	493.7	521.5	3.2%	95.1%
Grant funding	85.5	22.5	21.8	21.3	-37.1%	10.2%	24.7	23.7	24.1	4.3%	4.6%
Compliance and regulation	26.5	1.3	2.5	1.9	-58.1%	2.3%	1.5	1.5	1.6	-6.1%	0.3%
<b>Total</b>	<b>341.7</b>	<b>348.1</b>	<b>430.7</b>	<b>497.6</b>	<b>13.3%</b>	<b>100.0%</b>	<b>493.2</b>	<b>518.9</b>	<b>547.2</b>	<b>3.2%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

**Table 34.24 National Lotteries Commission statements of historical financial performance and position**

Statement of financial performance										Average: Outcome/ Budget (%)
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	2015/16 - 2018/19	
Revenue	2015/16	2016/17	2017/18	2018/19	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	
<b>Non-tax revenue</b>	<b>1.8</b>	<b>3.5</b>	<b>3.3</b>	<b>3.3</b>	<b>3.1</b>	<b>4.0</b>	<b>3.0</b>	<b>3.9</b>	<b>130.9%</b>	
Sale of goods and services other than capital assets	1.4	2.3	2.5	2.5	2.5	2.5	2.5	2.5	109.3%	
<i>of which:</i>										
Administrative fees	1.4	2.3	2.5	2.5	2.5	2.5	2.5	2.5	109.3%	
Other non-tax revenue	0.4	1.2	0.8	0.8	0.6	1.5	0.5	1.4	213.7%	
<b>Transfers received</b>	<b>379.8</b>	<b>338.2</b>	<b>344.7</b>	<b>344.8</b>	<b>463.0</b>	<b>426.7</b>	<b>509.2</b>	<b>498.0</b>	<b>94.8%</b>	
<b>Total revenue</b>	<b>381.7</b>	<b>341.7</b>	<b>348.0</b>	<b>348.1</b>	<b>466.2</b>	<b>430.7</b>	<b>512.2</b>	<b>502.0</b>	<b>95.0%</b>	
Expenses										
<b>Current expenses</b>	<b>381.7</b>	<b>341.7</b>	<b>348.0</b>	<b>348.1</b>	<b>466.2</b>	<b>430.7</b>	<b>507.8</b>	<b>497.6</b>	<b>95.0%</b>	
Compensation of employees	166.0	179.2	197.8	197.8	244.6	252.9	262.5	276.6	104.1%	
Goods and services	209.7	154.1	142.1	142.2	211.8	166.8	240.9	210.6	83.7%	
Depreciation	6.0	8.4	8.1	8.1	9.7	11.0	4.4	10.4	134.4%	
<b>Total expenses</b>	<b>381.7</b>	<b>341.7</b>	<b>348.0</b>	<b>348.1</b>	<b>466.2</b>	<b>430.7</b>	<b>507.8</b>	<b>497.6</b>	<b>95.0%</b>	
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.0</b>	<b>4.0</b>		
Statement of financial position										
Carrying value of assets	172.0	99.8	131.7	131.7	287.7	145.7	296.3	145.7	58.9%	
<i>of which:</i>										
Acquisition of assets	(112.8)	(44.3)	(37.6)	(37.6)	(45.9)	(25.8)	(36.2)	(60.7)	72.5%	
Receivables and prepayments	2.2	3.4	4.3	4.0	1.2	3.8	0.9	0.9	140.3%	
Cash and cash equivalents	10.0	7.9	12.3	12.3	10.3	10.0	11.9	10.0	90.5%	
<b>Total assets</b>	<b>184.2</b>	<b>111.2</b>	<b>148.3</b>	<b>147.9</b>	<b>299.3</b>	<b>159.5</b>	<b>309.1</b>	<b>156.6</b>	<b>61.1%</b>	
Deferred income	20.0	17.9	15.4	15.4	15.0	12.9	12.5	12.5	93.4%	
Trade and other payables	152.0	70.7	111.4	111.1	268.2	114.2	278.2	125.6	52.1%	
Provisions	12.1	22.5	21.4	21.4	16.0	32.3	18.4	18.4	139.3%	
<b>Total equity and liabilities</b>	<b>184.2</b>	<b>111.2</b>	<b>148.3</b>	<b>147.9</b>	<b>299.3</b>	<b>159.5</b>	<b>309.1</b>	<b>156.6</b>	<b>61.1%</b>	

## Statements of estimates of financial performance and position

**Table 34.25 National Lotteries Commission statements of estimates of financial performance and position**

Statement of financial performance									
R million	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>3.9</b>	<b>4.1%</b>	<b>0.9%</b>	<b>3.9</b>	<b>4.0</b>	<b>4.1</b>	<b>1.5%</b>	<b>0.7%</b>	
Sale of goods and services other than capital assets	2.5	3.2%	0.6%	2.5	2.5	2.5	-	0.4%	
<i>of which:</i>									
Administrative fees	2.5	3.2%	0.6%	2.5	2.5	2.5	-	0.4%	
Other non-tax revenue	1.4	5.7%	0.3%	1.4	1.5	1.6	4.0%	0.3%	
<b>Transfers received</b>	<b>498.0</b>	<b>13.8%</b>	<b>99.1%</b>	<b>548.8</b>	<b>567.6</b>	<b>611.8</b>	<b>7.1%</b>	<b>99.3%</b>	
<b>Total revenue</b>	<b>502.0</b>	<b>13.7%</b>	<b>100.0%</b>	<b>552.8</b>	<b>571.6</b>	<b>615.9</b>	<b>7.1%</b>	<b>100.0%</b>	
Expenses									
<b>Current expenses</b>	<b>497.6</b>	<b>13.3%</b>	<b>100.0%</b>	<b>493.2</b>	<b>518.9</b>	<b>547.2</b>	<b>3.2%</b>	<b>100.0%</b>	
Compensation of employees	276.6	15.6%	55.9%	302.7	319.7	337.3	6.8%	60.1%	
Goods and services	210.6	11.0%	41.8%	176.3	184.3	194.2	-2.7%	37.3%	
Depreciation	10.4	7.4%	2.4%	14.2	15.0	15.8	14.9%	2.7%	
<b>Total expenses</b>	<b>497.6</b>	<b>13.3%</b>	<b>100.0%</b>	<b>493.2</b>	<b>518.9</b>	<b>547.2</b>	<b>3.2%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>4.0</b>			<b>60.0</b>	<b>53.0</b>	<b>69.0</b>			

**Table 34.25 National Lotteries Commission statements of estimates of financial performance and position**

Statement of financial position	Revised estimate	Average:		Medium-term estimate			Average:	
		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million								
Carrying value of assets	145.7	13.4%	90.8%	145.7	145.7	145.7	-	93.0%
of which:								
Acquisition of assets	(60.7)	11.0%	-30.1%	(45.7)	-	-	-100.0%	-17.0%
Receivables and prepayments	0.9	-35.6%	2.2%	1.0	1.0	1.1	5.5%	0.6%
Cash and cash equivalents	10.0	7.9%	7.0%	10.0	10.0	10.0	-	6.4%
<b>Total assets</b>	<b>156.6</b>	<b>12.1%</b>	<b>100.0%</b>	<b>156.6</b>	<b>156.7</b>	<b>156.7</b>	<b>0.0%</b>	<b>100.0%</b>
Deferred income	12.5	-11.3%	10.7%	13.2	13.9	14.7	5.5%	8.7%
Trade and other payables	125.6	21.1%	72.6%	124.0	122.2	120.4	-1.4%	78.5%
Provisions	18.4	-6.5%	16.7%	19.5	20.5	21.7	5.5%	12.8%
<b>Total equity and liabilities</b>	<b>156.6</b>	<b>12.1%</b>	<b>100.0%</b>	<b>156.6</b>	<b>156.7</b>	<b>156.7</b>	<b>0.0%</b>	<b>100.0%</b>

## Personnel information

**Table 34.26 National Lotteries Commission personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>National Lotteries Commission</b>		<b>304</b>	<b>252.9</b>	<b>0.8</b>	<b>304</b>	<b>276.6</b>	<b>0.9</b>	<b>304</b>	<b>302.7</b>	<b>1.0</b>	<b>304</b>	<b>319.7</b>	<b>1.1</b>	<b>304</b>	<b>337.3</b>	<b>1.1</b>	<b>6.8%</b>	<b>100.0%</b>	
Salary level	304	304	304	252.9	0.8	304	276.6	0.9	304	302.7	1.0	304	319.7	1.1	304	337.3	1.1	6.8%	100.0%
1 – 6	35	35	35	7.6	0.2	35	8.4	0.2	35	8.7	0.2	35	9.3	0.3	35	9.9	0.3	5.8%	11.5%
7 – 10	149	149	149	87.1	0.6	149	94.8	0.6	149	100.8	0.7	149	108.7	0.7	149	116.3	0.8	7.0%	49.0%
11 – 12	63	63	63	59.9	1.0	63	65.9	1.0	63	72.2	1.1	63	75.7	1.2	63	78.8	1.3	6.1%	20.7%
13 – 16	52	52	52	85.1	1.6	52	93.3	1.8	52	105.8	2.0	52	109.6	2.1	52	115.1	2.2	7.2%	17.1%
17 – 22	5	5	5	13.1	2.6	5	14.1	2.8	5	15.2	3.0	5	16.4	3.3	5	17.2	3.4	6.7%	1.6%

1. Rand million.

## Other entities

Comprehensive coverage of the following entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Companies and Intellectual Property Commission** was established in terms of section 185 of the Companies Act (2008) to function as an organ of state within the public administration but outside the public service. The commission regulates companies, close corporations, cooperatives, trademarks, patents, designs and copyright; and enforces rules and regulations. The commission's total budget for 2019/20 is R567.7 million.
- The **Companies Tribunal** was established in 2011 as a juristic entity in terms of the Companies Act (2008) and became operational in 2012. It is mandated to adjudicate and mediate disputes, and make orders. The tribunal is enjoined to deliver on this mandate in a manner that is simple, ethical, efficient, equitable, transparent, accountable and impartial, without fear, favour or prejudice. The tribunal's total budget for 2019/20 is R22.1 million.
- The **National Consumer Commission** was established in terms of section 85 of the Consumer Protection Act (2008), with jurisdiction across South Africa. The act seeks to promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose to establish national norms and standards relating to consumer protection. It further seeks to provide for improved standards of consumer information, prohibit certain unfair marketing and business practices, promote responsible consumer behaviour, and promote a consistent legislative framework. The commission's total budget for 2019/20 is R60.2 million.
- The **National Consumer Tribunal** was established in terms of the National Credit Act (2005) as an independent adjudicative entity. It is mandated to review decisions made by the National Credit Regulator and the National Consumer Commission, as well as to adjudicate on applications and referrals in terms of

the National Credit Act (2005) and the Consumer Protection Act (2008). The tribunal's total budget for 2019/20 is R66.2 million.

- The **National Credit Regulator** was established in terms of the National Credit Act (2005) and is responsible for the regulation of the South African credit industry. It enforces the act, and carries out education, research, policy development, the registration of industry participants and the investigation of complaints. The regulator is mandated to promote the development of an accessible credit market, particularly to address the needs of historically disadvantaged and low-income individuals, and remote, isolated or low-density communities. The regulator's total budget for 2019/20 is R152.5 million.
- The **National Empowerment Fund** was established in terms of the National Empowerment Fund Act (1998) to promote and facilitate BEE and transformation. In providing financial and non-financial support to black businesses and structuring accessible retail savings products for black people, the fund is mandated to implement the empowerment codes of good practice for BEE. The fund has five core divisions: small, medium and micro enterprises, rural development, venture capital, corporate finance, and women empowerment funds. The fund's total budget for 2019/20 is R437.3 million.
- The **National Gambling Board** was established in terms of the National Gambling Act (2004), which makes provision for the coordination of concurrent national and provincial legislative competence over matters relating to casinos, racing, gambling and wagering; and provides for the regulation and development of uniform norms and standards. The board's mandate is derived from the National Gambling Act (2004), legislation that prohibits money laundering and the financing of terrorism, the Broad-Based Black Economic Empowerment Act (2003), the codes of good practice for BEE, and the Employment Equity Act (1998). The board's total budget for 2019/20 is R215.3 million.
- The **National Metrology Institute** of South Africa is mandated by the Measurement Units and Measurement Standards Act (2006) to ensure that South Africa has a scientifically valid and internationally comparable and accepted measurement system, and that the international system of units is correctly applied. This is of paramount importance for manufacturing, trade, health and safety, and law enforcement. To fulfil this mandate, the institute: develops and maintains national measurement standards for South Africa; ensures that these are traceable to the primary international system of units; benchmarks these measurement standards against the measurement standards of other countries; submits the calibration and measurement capabilities to the international database as the entry for South Africa; and distributes the national capability through calibration and certified reference materials to calibration and testing laboratories in Southern Africa. The institute's total budget for 2019/20 is R287.7 million.
- The **National Regulator for Compulsory Specifications** was established in terms of the Measurement Unit and Measurement Standards Act (2006) as a public entity that administers compulsory specifications, otherwise known as technical regulations, on behalf of the Minister of Trade and Industry. The regulator is mandated to protect the health and safety of the public and the environment by administering and maintaining compulsory specifications, implementing a regulatory and compliance system, and engaging in market surveillance to ensure compliance. The regulator's total budget for 2019/20 is R470.7 million.
- The **South African Bureau of Standards** was established as a statutory body in terms of the Standards Act (2008), and is part of South Africa's standardisation, quality assurance, accreditation and metrology technical infrastructure. The bureau is mandated to provide standardisation and conformity assessment services to protect the integrity of the South African market, protect consumers, create a competitive advantage for South African industry, and facilitate access by South Africans to local and international markets. The bureau is the sole publisher of South African national standards, and is responsible for the technical work of the industrial policy action plan. Its total budget for 2019/20 is R994.7 million.
- The **South African National Accreditation System** was established in terms of the Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act (2006). It is mandated to accredit or monitor for compliance with good laboratory practice; promote accreditation as a means of facilitating international trade to enhance South Africa's economic performance and bring about economic transformation; promote the competence and equivalence of accredited bodies; and promote the

competence and equivalence of good laboratory practice facilities compliant with the act. The system's total budget for 2019/20 is R113.8 million.

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current Project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Infrastructure transfers to other spheres, agencies and departments</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Critical infrastructure programme	Development of infrastructure projects to support investment in mining, tourism, manufacturing and services	On-going	1 473.2	74.2	190.0	179.1	211.1	222.9	235.2	248.1
Special economic zones: Investment incentives	Development of infrastructure for special economic zone	On-going	3 719.5	735.6	1 410.0	1 565.4	900.0	1 157.3	1 237.4	1 622.0
Centurion Aerospace Village	Construction of aerospace industry infrastructure	Construction	407.3	17.5	18.4	25.4	15.5	16.4	17.3	18.2
Industrial development zone: Other	Development of infrastructure for industrial zone	On-going	–	130.0	50.0	5.5	1.0	–	–	–
<b>Total</b>			<b>5 599.9</b>	<b>957.3</b>	<b>1 668.4</b>	<b>1 775.4</b>	<b>1 127.6</b>	<b>1 396.5</b>	<b>1 489.8</b>	<b>1 888.3</b>

# Vote 35

## Transport

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	463.0	447.1	13.2	2.8	493.3	523.2
Integrated Transport Planning	169.2	169.0	–	0.2	104.9	108.2
Rail Transport	16 573.8	47.9	16 525.7	0.1	17 664.3	21 928.6
Road Transport	33 018.1	126.6	32 890.8	0.8	34 329.2	35 132.7
Civil Aviation	245.1	224.7	20.0	0.5	259.0	273.2
Maritime Transport	136.8	97.5	38.9	0.4	144.5	152.8
Public Transport	13 588.1	335.4	13 252.4	0.3	15 092.7	16 383.2
<b>Subtotal</b>	<b>64 194.2</b>	<b>1 448.2</b>	<b>62 741.0</b>	<b>5.0</b>	<b>68 087.9</b>	<b>74 501.9</b>
<b>Direct charge against the National Revenue Fund</b>						
International Oil Pollution Compensation Fund	10.4	–	10.4	–	11.0	11.6
<b>Total expenditure estimates</b>	<b>64 204.6</b>	<b>1 448.2</b>	<b>62 751.4</b>	<b>5.0</b>	<b>68 098.9</b>	<b>74 513.5</b>
Executive authority	Minister of Transport					
Accounting officer	Director-General of Transport					
Website address	www.transport.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

### Vote purpose

Lead the provision of an integrated, sustainable, reliable and safe transport system through planning, developing, coordinating, promoting and implementing transport policies, regulations and strategies.

### Mandate

The Constitution identifies the legislative responsibilities of different spheres of government with regards to all modes of transport and its associated infrastructure. The Department of Transport is responsible for the legislation and policies for rail, pipelines, roads, airports, harbours, and the intermodal operations of public transport and freight. As such, the department is responsible for conducting sector research, formulating legislation and policy to set the strategic direction of subsectors, assigning responsibilities to public entities, regulating through setting norms and standards, and monitoring implementation.

### Selected performance indicators

**Table 35.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Lane kilometres of surfaced roads rehabilitated per year	Road Transport	Outcome 6: An efficient, competitive and responsive economic infrastructure network	1 937	397	71	1 600	1 700	1 785	1 875
Lane kilometres of roads resealed per year (km)	Road Transport		2 438	1 735	196	4 300	4 700	4 935	5 181
Kilometres of roads re-gravelled per year (km)	Road Transport		4 560	1 664	543	5 800	5 900	6 195	6 505

**Table 35.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Square kilometres of blacktop patching on roads (including pothole repairs) per year (km <sup>2</sup> )	Road Transport	Outcome 6: An efficient, competitive and responsive economic infrastructure network	1 497 281	489 273	94 792	900 000	900 000	945 000	992 250
Kilometres of gravel roads bladed per year (km)	Road Transport		381 867	146 631	42 967	485 000	500 000	525 000	551 250
Number of average weekday bus rapid transit passenger trips per year: Rea Vaya (Johannesburg)	Public Transport		50 000	50 000	55 000	70 000	60 000	80 000	100 000
Total number of municipalities with integrated public transport networks facilitated at the construction phase	Public Transport		11	11	13	13	13	13	13
Number of average weekday bus rapid transit passenger trips per year: My Citi (Cape Town)	Public Transport		84 686	71 153	74 171	77 664	78 441	80 000	100 000
Number of average weekday bus rapid transit passenger trips per year: GO George (George)	Public Transport		- <sup>1</sup>	11 368	11 500	15 000	15 000	28 000	30 240
Number of average weekday bus rapid transit passenger trips per year: A Re Yeng (Tshwane)	Public Transport		- <sup>1</sup>	4 200	4 500	15 000	25 000	30 000	50 000
Number of average weekday bus rapid transit passenger trips per year: LibhongoLethu (Nelson Mandela Bay)	Public Transport		- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	4 600	15 000	15 500	16 000

1. No historical data available.

## Expenditure analysis

Chapter 4 of the National Development Plan calls for the development of economic infrastructure as the foundation of social and economic development. This call is given expression through outcome 6 (an efficient, competitive and responsive economic infrastructure network) of government's 2014-2019 medium-term strategic framework, with which the work of the Department of Transport is directly aligned. Over the medium term, the budget focuses on: maintaining national and provincial road networks, providing passenger rail infrastructure and services, and facilitating integrated public transport networks.

The department's expenditure is expected to increase at an average annual rate of 10.1 per cent, from R55.8 billion in 2018/19 to R74.5 billion by 2021/22. This is mainly driven by increases in transfers to the Passenger Rail Agency of South Africa for rail rehabilitation, maintenance operations and inventories.

The expenditure is driven by transfers to the South African National Roads Agency; the Passenger Rail Agency of South Africa; and provinces and municipalities for the construction, operations and maintenance of transport infrastructure and services. Total transfers account for 97.8 per cent of the department's total budget in 2019/20. Goods and services, the department's second largest spending area, accounts to R2.8 billion of the total budget over the medium term. Spending on goods and services increases at an average annual rate of 8.5 per cent, from R738.1 million in 2018/19 to R943.2 million in 2021/22. This is mainly due to expected increases in spending in the *Civil Aviation* programme for costs related to watch-keeping services and investigations into aviation accidents and incidents. Spending on compensation of employees amounts to R1.7 billion of the department's total budget over the medium term, increasing at an average annual rate of 8.2 per cent, from R483.6 million in 2018/19 to R612.2 million in 2021/22. This increase is due to the implementation of job revaluation outcomes for upgrading salary levels 9 to 10 and 11 to 12, and the filling of critical posts.

### **Maintaining provincial and national road networks**

Roads are a crucial component of South Africa's transport system and economy. According to the land transport survey, which was released by Statistics South Africa in 2018, 77.3 per cent of freight categorised as land freight in South Africa is hauled on its roads, accounting for 73.8 per cent of total land freight income. This dependence



on road infrastructure implies that the condition of roads has direct bearing on the ease of movement of goods and people across South Africa, which impacts overall economic growth. In this regard, the South African National Roads Agency carries out upgrades, maintenance and strengthening programmes of the non-toll and toll portfolios on national roads. Non-toll roads constitute approximately 85 per cent of the national roads portfolio and are funded through transfers to the agency in the department's *Road Transport* programme for capital-related investment and road maintenance.

To improve and preserve the non-toll road network, allocations to the agency over the MTEF period increase at an average annual rate of 25.5 per cent, from R6.9 billion in 2018/19 to R13.7 billion in 2021/22. The increase is due to the once-off reduction of R5.8 billion in 2018/19, which was effected to meet the agency's cash requirements for the Gauteng freeway improvement project. As a result, transfers for the Gauteng freeway improvement project are expected to decrease from R6.3 billion in 2018/19 to R633.1 million in 2021/22. As part of its non-toll road network projects, the agency plans to continue with the construction of the N2 Wild Coast highway and upgrading the R573 (Moloto Road). These projects will receive R3.2 billion and R3.3 billion, respectively, over the medium term.

About 49 000 kilometres of the South African paved road network remain under the control of provincial transport departments. The bulk of maintenance operations carried out on provincial roads are funded in the *Road Transport* programme through the *provincial roads maintenance grant*. The grant receives allocations amounting to R36.5 billion over the MTEF period. The condition of roads, weather patterns and traffic volumes are factors that guide funding allocations for the maintenance of provincial roads. In Mpumalanga, where coal mining for electricity generation is concentrated, R526.2 million is allocated through the grant in 2019/20 for the maintenance of coal haulage roads. Over the MTEF period, the department plans to carry out the following activities related to the maintenance of provincial roads: resealing 14 816 lane kilometres, rehabilitating 5 360 lane kilometres, and black top patching 2.8 million square kilometres.

To carry out all departmental activities related to the maintenance of South Africa's road network, R102.5 billion is allocated over the medium to the *Road Transport* programme.

### ***Passenger rail infrastructure and services***

The department will continue its efforts to modernise South Africa's passenger rail services through the Passenger Rail Agency of South Africa. Over the medium term, the agency will focus on executing its capital programme, intensifying its repairs and maintenance regime, and improving security on the rail network. This is in order to improve the reliability of services and increase passenger ridership. To this end, total transfers to the agency are expected to increase at an average annual rate of 11.4 per cent, from R15.8 billion in 2018/19 to R21.8 billion in 2021/22. These transfers are made in the *Rail Transport* programme and account for R55.8 billion of the department's total budget over the medium term.

Cabinet has approved a baseline reduction amounting to R8.7 billion over the medium on capital transfers to the agency. Despite this reduction, overall capital transfers are expected to increase at an average annual rate of 20.7 per cent, from R8.4 billion in 2018/19 to R14.7 billion in 2021/22. This includes transfers for the rolling stock fleet renewal programme, which increase at an average annual rate of 22.7 per cent, from R4.7 billion in 2018/19 to R8.6 billion in 2021/22. Capital transfers to the agency over the medium term are expected to fund the acquisition of 163 new trainsets, 8 new locomotives, the refurbishment of 1 140 train coaches, and upgrades and improvements to 24 train stations. Current transfers are expected to subsidise 438 million passenger trips on Metrorail and 644 000 passengers on the long-distance mainline passenger services over the period ahead.

### ***Integrated public transport networks***

South Africa's urban areas are hubs of economic activity, therefore, it is crucial that they maintain optimal functionality and remain engines of socioeconomic growth. An integrated public transport network is central to the functioning of these hubs as they provide sustainable, affordable and functional transport solutions to urban commuters. To this end, the department makes allocations in the *Public Transport* programme for the *public transport network grant*, which funds the infrastructure and operations of integrated public transport networks in 13 cities across South Africa. The programme also focuses on integrated public transport planning and



Table 35.2 Vote expenditure trends by programme and economic classification

Economic classification	2015/16			2016/17			2017/18			2018/19			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate		
R million														
Payments for capital assets	4.1	5.7	13.9	4.3	7.5	9.5	4.5	7.9	15.0	4.7	4.7	4.7	244.1%	166.8%
Machinery and equipment	4.1	5.7	10.5	4.3	7.5	9.5	4.5	7.9	14.6	4.7	4.7	4.7	222.8%	152.2%
Software and other intangible assets	-	-	3.4	-	-	-	-	-	0.4	-	-	-	-	-
Payments for financial assets	-	-	3.3	-	-	22.2	-	-	0.6	-	-	-	-	-
<b>Total</b>	<b>53 357.3</b>	<b>53 615.1</b>	<b>53 320.8</b>	<b>56 015.2</b>	<b>56 287.6</b>	<b>56 407.5</b>	<b>59 805.2</b>	<b>59 805.2</b>	<b>54 676.3</b>	<b>59 808.5</b>	<b>59 841.5</b>	<b>57 300.2</b>	<b>96.8%</b>	<b>96.6%</b>

## Expenditure estimates

Table 35.3 Vote expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Integrated Transport Planning									
3. Rail Transport									
4. Road Transport									
5. Civil Aviation									
6. Maritime Transport									
7. Public Transport									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
				2018/19	2015/16 - 2018/19	2019/20			2020/21
R million									
Programme 1	422.2	3.3%	0.7%	463.0	493.3	523.2	7.4%	0.7%	
Programme 2	88.7	0.3%	0.1%	169.2	104.9	108.2	6.8%	0.2%	
Programme 3	13 698.6	-9.2%	29.5%	16 573.8	17 664.3	21 928.6	17.0%	26.5%	
Programme 4	30 098.8	9.3%	47.4%	33 018.1	34 329.2	35 132.7	5.3%	50.2%	
Programme 5	180.3	6.4%	0.3%	245.1	259.0	273.2	14.9%	0.4%	
Programme 6	118.4	-0.7%	0.2%	136.8	144.5	152.8	8.9%	0.2%	
Programme 7	12 683.0	3.3%	21.6%	13 588.1	15 092.7	16 383.2	8.9%	21.9%	
<b>Subtotal</b>	<b>57 290.0</b>	<b>2.2%</b>	<b>100.0%</b>	<b>64 194.2</b>	<b>68 087.9</b>	<b>74 501.9</b>	<b>9.2%</b>	<b>100.0%</b>	
Direct charge against the National Revenue Fund	10.2	-	0.0%	10.4	11.0	11.6	4.4%	0.0%	
International Oil Pollution Compensation Fund	10.2	-	0.0%	10.4	11.0	11.6	4.4%	0.0%	
<b>Total</b>	<b>57 300.2</b>	<b>2.2%</b>	<b>100.0%</b>	<b>64 204.6</b>	<b>68 098.9</b>	<b>74 513.5</b>	<b>9.2%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				(1 662.9)	(1 472.5)	188.8			
Economic classification									
<b>Current payments</b>	<b>1 221.7</b>	<b>4.5%</b>	<b>2.1%</b>	<b>1 448.2</b>	<b>1 471.8</b>	<b>1 555.4</b>	<b>8.4%</b>	<b>2.2%</b>	
Compensation of employees	483.6	7.4%	0.8%	534.7	574.8	612.2	8.2%	0.8%	
Goods and services	738.1	2.8%	1.3%	913.5	896.9	943.2	8.5%	1.3%	
<b>Transfers and subsidies</b>	<b>56 073.8</b>	<b>2.2%</b>	<b>97.9%</b>	<b>62 751.4</b>	<b>66 621.9</b>	<b>72 952.5</b>	<b>9.2%</b>	<b>97.8%</b>	
Provinces and municipalities	23 420.2	4.0%	39.8%	24 289.6	26 458.4	28 636.0	6.9%	38.9%	
Departmental agencies and accounts	18 926.0	12.9%	28.2%	21 496.8	22 087.0	21 953.4	5.1%	32.0%	
Foreign governments and international organisations	28.6	38.8%	0.1%	29.5	31.1	32.9	4.7%	0.0%	
Public corporations and private enterprises	13 590.9	-9.3%	29.4%	16 462.2	17 546.0	21 803.5	17.1%	26.3%	
Non-profit institutions	25.3	5.4%	0.0%	26.8	28.2	29.8	5.5%	0.0%	
Households	82.8	-37.6%	0.4%	446.5	471.1	497.0	81.7%	0.6%	
<b>Payments for capital assets</b>	<b>4.7</b>	<b>-6.0%</b>	<b>0.0%</b>	<b>5.0</b>	<b>5.3</b>	<b>5.6</b>	<b>5.5%</b>	<b>0.0%</b>	
Machinery and equipment	4.7	-6.0%	0.0%	5.0	5.3	5.6	5.5%	0.0%	
<b>Total</b>	<b>57 300.2</b>	<b>2.2%</b>	<b>100.0%</b>	<b>64 204.6</b>	<b>68 098.9</b>	<b>74 513.5</b>	<b>9.2%</b>	<b>100.0%</b>	

## Expenditure trends and estimates for significant spending items

Table 35.4 Expenditure trends and estimates for significant spending items

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total vote (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total vote (%)
Public Transport Oversight	11 160 194	11 372 616	12 084 790	12 711 096	4.4%	21.3%	13 252 443	14 728 405	15 997 996	8.0%	21.5%
Rail Oversight	18 278 160	18 956 254	14 479 824	15 841 986	-4.7%	30.5%	16 525 735	17 613 045	21 874 213	11.4%	27.2%
Road Oversight	22 669 040	24 699 696	27 018 377	29 988 198	9.8%	47.1%	32 900 311	34 203 648	34 999 406	5.3%	50.0%
<b>Total</b>	<b>52 107 394</b>	<b>55 028 566</b>	<b>53 582 991</b>	<b>58 541 280</b>	<b>4.0%</b>	<b>98.9%</b>	<b>62 678 489</b>	<b>66 545 098</b>	<b>72 871 615</b>	<b>7.6%</b>	<b>98.7%</b>

## Goods and services expenditure trends and estimates

Table 35.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
Administrative fees	3 853	3 142	3 329	2 689	-11.3%	0.4%	2 772	2 921	3 078	4.6%	0.3%
Advertising	23 871	17 621	19 413	23 059	-1.1%	2.9%	24 257	25 629	27 067	5.5%	2.9%
Minor assets	1 515	5 395	844	2 667	20.7%	0.4%	2 637	4 909	5 185	24.8%	0.4%
Audit costs: External	5 468	5 787	7 130	11 046	26.4%	1.0%	11 412	12 030	12 689	4.7%	1.4%
Bursaries: Employees	1 517	1 354	2 249	2 686	21.0%	0.3%	2 953	3 114	3 286	7.0%	0.3%
Catering: Departmental activities	3 460	5 060	7 673	3 890	4.0%	0.7%	4 074	4 299	4 532	5.2%	0.5%
Communication	54 439	69 297	68 525	71 195	9.4%	9.1%	116 246	121 052	127 728	21.5%	12.5%
Computer services	13 069	12 154	15 979	12 850	-0.6%	1.9%	13 905	14 666	15 536	6.5%	1.6%
Consultants: Business and advisory services	381 408	472 384	209 281	381 183	-	49.9%	463 704	424 120	444 343	5.2%	49.1%
Infrastructure and planning services	-	64 201	46 827	45 445	-	5.4%	55 364	58 112	61 324	10.5%	6.3%
Legal services	9 950	-	9 759	10 223	0.9%	1.0%	10 733	11 318	11 947	5.3%	1.3%
Science and technological services	-	19 911	-	-	-	0.7%	-	-	-	-	-
Contractors	3 351	4 090	5 497	3 321	-0.3%	0.6%	2 809	2 990	3 154	-1.7%	0.4%
Agency and support/outsourced services	898	958	536	550	-15.1%	0.1%	612	646	681	7.4%	0.1%
Entertainment	307	299	273	808	38.1%	0.1%	852	899	949	5.5%	0.1%
Fleet services (including government motor transport)	-	-	137	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	1	-	24	-	-100.0%	-	-	-	-	-	-
Inventory: Other supplies	-	1	10 399	-	-	0.4%	21 421	22 599	23 842	-	1.9%
Consumable supplies	541	2 583	1 163	1 027	23.8%	0.2%	649	699	736	-10.5%	0.1%
Consumables: Stationery, printing and office supplies	5 467	4 319	4 282	6 465	5.7%	0.7%	6 844	7 190	7 558	5.3%	0.8%
Operating leases	67 045	53 722	80 374	57 547	-5.0%	8.9%	60 998	64 366	67 953	5.7%	7.2%
Rental and hiring	-	6	-	-	-	-	-	-	-	-	-
Property payments	5 380	5 133	7 449	6 729	7.7%	0.9%	7 928	8 374	8 836	9.5%	0.9%
Transport provided: Departmental activity	39 127	126	44	-	-100.0%	1.4%	-	-	-	-	-
Travel and subsistence	82 251	68 820	69 312	75 400	-2.9%	10.2%	82 009	84 683	89 285	5.8%	9.5%
Training and development	4 975	6 108	4 225	8 190	18.1%	0.8%	8 735	9 065	9 565	5.3%	1.0%
Operating payments	5 505	3 825	3 585	4 166	-8.9%	0.6%	4 175	4 393	4 636	3.6%	0.5%
Venues and facilities	15 282	16 634	8 198	6 999	-22.9%	1.6%	8 412	8 852	9 300	9.9%	1.0%
<b>Total</b>	<b>728 680</b>	<b>842 930</b>	<b>586 507</b>	<b>738 135</b>	<b>0.4%</b>	<b>100.0%</b>	<b>913 501</b>	<b>896 926</b>	<b>943 210</b>	<b>8.5%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 35.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
Households											
Social benefits											
Current	1 077	1 765	3 982	198	-43.1%	-	210	222	234	5.7%	-
Employee social benefits	1 077	1 765	3 982	198	-43.1%	-	210	222	234	5.7%	-

Table 35.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>4 530 111</b>	<b>4 937 876</b>	<b>5 142 210</b>	<b>11 993 701</b>	<b>38.3%</b>	<b>12.1%</b>	<b>6 465 929</b>	<b>7 839 888</b>	<b>8 250 307</b>	<b>-11.7%</b>	<b>13.2%</b>
Transport Education and Training Authority	881	1 054	1 161	1 228	11.7%	-	1 297	1 368	1 443	5.5%	-
Railway Safety Regulator	53 379	65 987	73 864	63 018	5.7%	0.1%	63 522	67 017	70 702	3.9%	0.1%
Road Traffic Management Corporation	184 104	193 862	194 529	200 238	2.8%	0.4%	210 228	220 535	232 664	5.1%	0.3%
South African National Roads Agency: Gauteng freeway improvement project	301 000	425 100	463 359	6 255 061	174.9%	3.4%	550 516	600 062	633 066	-53.4%	3.1%
South African National Roads Agency	3 951 623	4 161 060	4 369 112	5 436 815	11.2%	8.2%	5 595 822	6 903 887	7 262 818	10.1%	9.7%
Road Traffic Infringement Agency	11 497	10 092	17 696	11 722	0.6%	-	7 770	8 197	8 648	-9.6%	-
Air Traffic and Navigation Services Company	-	52 160	-	-	-	-	-	-	-	-	-
Ports Regulator of South Africa	27 627	28 561	22 489	25 619	-2.5%	-	36 774	38 822	40 966	16.9%	0.1%
<b>Capital</b>	<b>8 590 865</b>	<b>9 329 426</b>	<b>11 112 352</b>	<b>6 932 282</b>	<b>-6.9%</b>	<b>16.4%</b>	<b>15 030 886</b>	<b>14 247 085</b>	<b>13 703 117</b>	<b>25.5%</b>	<b>19.1%</b>
South African National Roads Agency: Non-toll network	7 721 054	7 935 587	9 063 668	5 125 469	-12.8%	13.6%	12 338 896	12 407 036	11 725 064	31.8%	15.9%
South African National Roads Agency: Coal haulage road network	696 111	733 005	769 655	-	-100.0%	1.0%	-	-	-	-	-
South African National Roads Agency: Moloto Road upgrade	155 500	660 834	1 279 029	1 806 813	126.5%	1.8%	1 691 990	785 049	843 928	-22.4%	2.0%
South African National Roads Agency: Botswana river crossing	18 200	-	-	-	-100.0%	-	-	-	-	-	-
South African National Roads Agency: N2 wild coast project	-	-	-	-	-	-	1 000 000	1 055 000	1 134 125	-	1.2%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>258 210</b>	<b>369 266</b>	<b>243 218</b>	<b>422 645</b>	<b>17.9%</b>	<b>0.6%</b>	<b>446 314</b>	<b>470 859</b>	<b>496 757</b>	<b>5.5%</b>	<b>0.7%</b>
Bursaries for non-employees	9 808	9 914	9 676	11 040	4.0%	-	11 659	12 300	12 977	5.5%	-
Taxi recapitalisation	248 402	359 352	233 542	411 605	18.3%	0.6%	434 655	458 559	483 780	5.5%	0.7%
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>96 842</b>	<b>101 514</b>	<b>107 309</b>	<b>107 533</b>	<b>3.6%</b>	<b>0.2%</b>	<b>113 891</b>	<b>120 485</b>	<b>127 112</b>	<b>5.7%</b>	<b>0.2%</b>
Rural roads asset management systems grant	96 842	101 514	107 309	107 533	3.6%	0.2%	113 891	120 485	127 112	5.7%	0.2%
<b>Capital</b>	<b>5 953 090</b>	<b>5 592 691</b>	<b>6 107 057</b>	<b>6 286 669</b>	<b>1.8%</b>	<b>10.9%</b>	<b>6 468 248</b>	<b>7 495 172</b>	<b>8 366 935</b>	<b>10.0%</b>	<b>11.0%</b>
Public transport network grant	5 953 090	5 592 691	6 107 057	6 286 669	1.8%	10.9%	6 468 248	7 495 172	8 366 935	10.0%	11.0%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>46 824</b>	<b>15 845</b>	<b>24 193</b>	<b>28 596</b>	<b>-15.2%</b>	<b>0.1%</b>	<b>29 514</b>	<b>31 138</b>	<b>32 850</b>	<b>4.7%</b>	<b>-</b>
African Civil Aviation Commission	4 862	5 842	5 189	5 269	2.7%	-	5 564	5 870	6 193	5.5%	-
International Civil Aviation Organisation	4 027	4 686	3 830	4 553	4.2%	-	4 808	5 072	5 351	5.5%	-
International Maritime Organisation	568	549	600	1 620	41.8%	-	1 711	1 805	1 904	5.5%	-
COSPAS-SARSAT search and rescue satellite programme	411	476	403	536	9.3%	-	566	597	629	5.5%	-
Southern African Development Community: International Civil Aviation Organisation mission	-	78	133	60	-	-	64	68	72	6.3%	-
Southern African Development Community Aviation Safety Organisation	-	-	8 133	6 000	-	-	6 000	6 330	6 678	3.6%	-
Indian Ocean memorandum of understanding	320	393	346	358	3.8%	-	377	399	421	5.6%	-
International Oil Pollution Compensation Fund	36 636	3 821	5 559	10 200	-34.7%	-	10 424	10 997	11 602	4.4%	-
<b>Non-profit institutions</b>											
<b>Current</b>	<b>21 669</b>	<b>22 816</b>	<b>23 957</b>	<b>25 347</b>	<b>5.4%</b>	<b>-</b>	<b>26 766</b>	<b>28 236</b>	<b>29 791</b>	<b>5.5%</b>	<b>-</b>
National Sea Rescue Institute	2 095	2 205	2 316	2 451	5.4%	-	2 589	2 731	2 882	5.5%	-
Mountain Club of South Africa	80	84	88	93	5.1%	-	98	103	109	5.4%	-
Off Road Rescue Unit	80	84	88	93	5.1%	-	98	103	109	5.4%	-
K9 Search and Rescue Association of South Africa	80	84	88	93	5.1%	-	98	103	109	5.4%	-
South African National Taxi Council	19 254	20 275	21 289	22 524	5.4%	-	23 785	25 093	26 473	5.5%	-
South African Radio League: National emergency communications division	80	84	88	93	5.1%	-	98	103	109	5.4%	-

Table 35.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
<b>Public corporations and private enterprises</b>											
<b>Subsidies on products and production (pc)</b>											
<b>Current</b>	<b>4 066 160</b>	<b>4 281 666</b>	<b>5 037 771</b>	<b>7 416 736</b>	<b>22.2%</b>	<b>9.5%</b>	<b>6 252 592</b>	<b>6 694 285</b>	<b>7 096 149</b>	<b>-1.5%</b>	<b>10.5%</b>
Passenger Rail Agency of South Africa: Rail maintenance operations and inventories	–	–	–	1 202 255	–	0.5%	811 034	912 900	963 299	-7.1%	1.5%
Passenger Rail Agency of South Africa: Metrorail (operations)	3 618 036	3 809 769	3 666 839	4 565 538	8.1%	7.1%	4 376 575	4 617 179	4 862 460	2.1%	7.1%
Passenger Rail Agency of South Africa: Mainline passenger services (operations)	448 124	471 897	1 370 932	1 648 943	54.4%	1.8%	1 064 983	1 164 206	1 270 390	-8.3%	2.0%
<b>Capital</b>	<b>14 155 887</b>	<b>14 608 601</b>	<b>9 368 189</b>	<b>8 362 232</b>	<b>-16.1%</b>	<b>21.2%</b>	<b>10 209 621</b>	<b>10 851 743</b>	<b>14 707 362</b>	<b>20.7%</b>	<b>16.9%</b>
Passenger Rail Agency of South Africa: Capital	8 234 603	7 206 878	3 446 545	91 941	-77.6%	8.6%	600 022	671 851	1 775 394	168.3%	1.2%
Passenger Rail Agency of South Africa: Rolling stock fleet renewal programme	2 560 508	4 170 266	3 457 222	4 676 870	22.2%	6.8%	5 823 266	6 193 111	8 646 179	22.7%	9.7%
Passenger Rail Agency of South Africa: Signalling	1 875 973	1 844 184	1 437 530	2 023 779	2.6%	3.3%	2 137 111	2 254 652	2 423 751	6.2%	3.4%
Passenger Rail Agency of South Africa: Metrorail (refurbishment of coaches)	1 267 474	1 283 523	956 556	1 409 445	3.6%	2.2%	1 480 054	1 553 657	1 670 181	5.8%	2.3%
Passenger Rail Agency of South Africa: Mainline passenger service (refurbishment of coaches)	217 329	103 750	70 336	160 197	-9.7%	0.3%	169 168	178 472	191 857	6.2%	0.3%
<b>Provinces and municipalities</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>4 939 448</b>	<b>5 400 292</b>	<b>5 722 871</b>	<b>5 990 298</b>	<b>6.6%</b>	<b>10.0%</b>	<b>6 325 755</b>	<b>6 749 581</b>	<b>7 120 808</b>	<b>5.9%</b>	<b>10.0%</b>
Public transport operations grant	4 939 448	5 400 292	5 722 871	5 990 298	6.6%	10.0%	6 325 755	6 749 581	7 120 808	5.9%	10.0%
<b>Capital</b>	<b>9 531 744</b>	<b>10 478 194</b>	<b>10 753 663</b>	<b>11 035 668</b>	<b>5.0%</b>	<b>19.0%</b>	<b>11 381 665</b>	<b>12 093 174</b>	<b>13 021 106</b>	<b>5.7%</b>	<b>18.2%</b>
Provincial roads maintenance grant: Roads maintenance component	8 221 154	9 379 071	10 001 663	10 324 576	7.9%	17.3%	10 649 325	12 093 174	13 021 106	8.0%	17.7%
Provincial roads maintenance grant: Disaster relief component	480 590	298 123	270 000	210 000	-24.1%	0.6%	206 188	–	–	-100.0%	0.2%
Provincial roads maintenance grant: Mpumalanga coal haulage roads maintenance	830 000	801 000	482 000	501 092	-15.5%	1.2%	526 152	–	–	-100.0%	0.4%
<b>Total</b>	<b>52 191 927</b>	<b>55 139 952</b>	<b>53 646 772</b>	<b>58 601 905</b>	<b>3.9%</b>	<b>100.0%</b>	<b>62 751 391</b>	<b>66 621 868</b>	<b>72 952 528</b>	<b>7.6%</b>	<b>100.0%</b>

## Personnel information

Table 35.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes																			
1. Administration																			
2. Integrated Transport Planning																			
3. Rail Transport																			
4. Road Transport																			
5. Civil Aviation																			
6. Maritime Transport																			
7. Public Transport																			
Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>Transport</b>																			
<b>Salary level</b>	<b>817</b>	<b>7</b>	<b>697</b>	<b>427.2</b>	<b>0.6</b>	<b>793</b>	<b>483.6</b>	<b>0.6</b>	<b>819</b>	<b>534.7</b>	<b>0.7</b>	<b>819</b>	<b>574.8</b>	<b>0.7</b>	<b>816</b>	<b>612.2</b>	<b>0.8</b>	<b>1.0%</b>	<b>100.0%</b>
1 – 6	176	1	146	43.3	0.3	158	45.4	0.3	176	54.8	0.3	176	59.3	0.3	176	63.9	0.4	3.7%	21.1%
7 – 10	313	1	272	135.3	0.5	311	158.2	0.5	313	170.9	0.5	313	184.3	0.6	312	197.3	0.6	0.1%	38.5%
11 – 12	145	1	134	113.9	0.9	145	132.6	0.9	146	142.8	1.0	146	153.1	1.0	145	162.2	1.1	–	17.9%
13 – 16	129	4	105	126.6	1.2	125	138.7	1.1	130	156.8	1.2	130	168.2	1.3	129	178.1	1.4	1.1%	15.8%
Other	54	–	40	8.1	0.2	54	8.7	0.2	54	9.4	0.2	54	10.0	0.2	54	10.7	0.2	–	6.7%

Table 35.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Number of posts estimated for 31 March 2019			Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
<b>Transport</b>			<b>697</b>	<b>427.2</b>	<b>0.6</b>	<b>793</b>	<b>483.6</b>	<b>0.6</b>	<b>819</b>	<b>534.7</b>	<b>0.7</b>	<b>819</b>	<b>574.8</b>	<b>0.7</b>	<b>816</b>	<b>612.2</b>	<b>0.8</b>	<b>1.0%</b>	<b>100.0%</b>
Programme 1	427	6	357	191.8	0.5	406	212.8	0.5	428	238.4	0.6	428	256.3	0.6	427	273.0	0.6	1.7%	52.0%
Programme 2	76	–	70	48.3	0.7	75	52.5	0.7	76	57.4	0.8	76	61.5	0.8	76	65.5	0.9	0.4%	9.3%
Programme 3	39	–	37	24.4	0.7	39	26.2	0.7	39	28.5	0.7	39	30.6	0.8	38	32.6	0.9	-0.9%	4.8%
Programme 4	92	–	85	55.9	0.7	92	70.5	0.8	92	75.6	0.8	92	81.0	0.9	92	86.3	0.9	–	11.3%
Programme 5	64	1	52	37.3	0.7	63	44.5	0.7	65	49.8	0.8	65	53.4	0.8	64	56.9	0.9	0.5%	7.9%
Programme 6	34	–	31	21.3	0.7	33	21.7	0.7	34	24.9	0.7	34	26.4	0.8	34	28.1	0.8	1.0%	4.2%
Programme 7	85	–	65	48.3	0.7	85	55.3	0.7	85	60.2	0.7	85	65.6	0.8	85	69.8	0.8	–	10.5%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

Table 35.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
	2015/16	2016/17	2017/18	2018/19	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22		
<b>Departmental receipts</b>	<b>209 935</b>	<b>292 308</b>	<b>368 488</b>	<b>281 801</b>	<b>281 801</b>	<b>10.3%</b>	<b>100.0%</b>	<b>326 822</b>	<b>344 799</b>	<b>363 763</b>	<b>8.9%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>554</b>	<b>1 138</b>	<b>1 400</b>	<b>1 375</b>	<b>1 375</b>	<b>35.4%</b>	<b>0.4%</b>	<b>730</b>	<b>771</b>	<b>814</b>	<b>-16.0%</b>	<b>0.3%</b>
Sales by market establishments	93	91	92	87	87	-2.2%	–	116	122	129	14.0%	–
of which:												
Rental parking: Covered and open	93	91	92	87	87	-2.2%	–	116	122	129	14.0%	–
Administrative fees	336	907	1 160	1 132	1 132	49.9%	0.3%	411	434	458	-26.0%	0.2%
of which:												
Foreign operating permits	335	907	313	329	329	-0.6%	0.2%	411	434	458	11.7%	0.1%
Promotion of Access to Information Act (2000)	1	–	–	–	–	-100.0%	–	–	–	–	–	–
Public driver permits	–	–	847	803	803	–	0.1%	–	–	–	-100.0%	0.1%
Other sales	125	140	148	156	156	7.7%	–	203	215	227	13.3%	0.1%
of which:												
Commission on insurance	122	140	144	152	152	7.6%	–	82	87	92	-15.4%	–
Services rendered: Transport fees	–	–	3	–	–	–	–	91	96	101	–	–
Replacement of security cards and tender documents	–	–	–	–	–	–	–	17	18	19	–	–
Departmental publications	3	–	1	4	4	10.1%	–	13	14	15	55.4%	–
Sales of scrap, waste, arms and other used current goods	2	1	1	3	3	14.5%	–	36	38	40	137.1%	–
of which:												
Wastepaper	2	1	1	3	3	14.5%	–	36	38	40	137.1%	–
Fines, penalties and forfeits	–	–	–	–	–	–	–	82	87	92	–	–
Interest, dividends and rent on land	205 644	256 745	266 954	280 004	280 004	10.8%	87.6%	297 370	313 726	330 981	5.7%	92.8%
Interest	1 130	1 074	100	4	4	-84.8%	0.2%	176	186	196	265.9%	–
Dividends	204 514	255 671	266 854	280 000	280 000	11.0%	87.4%	297 194	313 540	330 785	5.7%	92.7%
of which:												
Special restructuring proceeds from Airports Company of South Africa	204 514	255 671	266 854	280 000	280 000	11.0%	87.4%	297 194	313 540	330 785	5.7%	92.7%
Transactions in financial assets and liabilities	3 735	34 424	100 133	419	419	-51.8%	12.0%	28 604	30 177	31 836	323.5%	6.9%
<b>Total</b>	<b>209 935</b>	<b>292 308</b>	<b>368 488</b>	<b>281 801</b>	<b>281 801</b>	<b>10.3%</b>	<b>100.0%</b>	<b>326 822</b>	<b>344 799</b>	<b>363 763</b>	<b>8.9%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 35.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	45.8	44.5	48.4	35.2	-8.4%	10.7%	37.5	39.9	42.4	6.4%	8.1%
Management	53.2	44.7	46.6	75.8	12.5%	13.6%	84.1	89.8	95.4	8.0%	18.1%
Corporate Services	227.4	197.5	209.0	227.6	-	53.1%	244.6	261.0	277.0	6.8%	52.9%
Communications	30.1	28.0	24.6	35.6	5.7%	7.3%	37.9	40.3	42.7	6.2%	8.2%
Office Accommodation	64.3	50.4	78.8	55.9	-4.6%	15.4%	59.0	62.3	65.7	5.6%	12.7%
<b>Total</b>	<b>420.8</b>	<b>365.1</b>	<b>407.5</b>	<b>430.1</b>	<b>0.7%</b>	<b>100.0%</b>	<b>463.0</b>	<b>493.3</b>	<b>523.2</b>	<b>6.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			3.0	3.2	3.3		
<b>Economic classification</b>	<b>400.0</b>	<b>347.4</b>	<b>381.9</b>	<b>414.9</b>	<b>1.2%</b>	<b>95.1%</b>	<b>447.1</b>	<b>476.5</b>	<b>505.4</b>	<b>6.8%</b>	<b>96.6%</b>
<b>Current payments</b>											
Compensation of employees	174.4	175.3	191.8	220.7	8.2%	46.9%	238.4	256.3	273.0	7.3%	51.8%
Goods and services <sup>1</sup>	225.6	172.1	190.1	194.3	-4.9%	48.2%	208.7	220.2	232.4	6.2%	44.8%
of which:											
Advertising	15.6	10.6	8.4	20.3	9.1%	3.4%	21.5	22.7	24.0	5.7%	4.6%
Audit costs: External	5.5	5.8	7.1	11.0	26.2%	1.8%	11.4	12.0	12.7	4.9%	2.5%
Computer services	11.5	10.5	14.3	12.0	1.5%	3.0%	12.7	13.4	14.2	5.8%	2.7%
Consultants: Business and advisory services	3.0	1.9	2.5	8.3	41.1%	1.0%	11.8	12.5	13.2	16.6%	2.4%
Operating leases	64.5	50.4	78.8	55.9	-4.7%	15.4%	59.0	62.3	65.7	5.6%	12.7%
Travel and subsistence	39.9	33.8	33.3	35.5	-3.8%	8.8%	38.9	41.0	43.3	6.9%	8.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>10.9</b>	<b>11.2</b>	<b>13.6</b>	<b>12.5</b>	<b>4.6%</b>	<b>3.0%</b>	<b>13.2</b>	<b>13.9</b>	<b>14.7</b>	<b>5.5%</b>	<b>2.8%</b>
Departmental agencies and accounts	0.9	1.1	1.2	1.2	11.7%	0.3%	1.3	1.4	1.4	5.5%	0.3%
Households	10.0	10.1	12.5	11.2	3.9%	2.7%	11.9	12.5	13.2	5.5%	2.6%
<b>Payments for capital assets</b>	<b>9.4</b>	<b>6.5</b>	<b>11.9</b>	<b>2.7</b>	<b>-34.3%</b>	<b>1.9%</b>	<b>2.8</b>	<b>3.0</b>	<b>3.1</b>	<b>5.4%</b>	<b>0.6%</b>
Machinery and equipment	6.1	6.5	11.5	2.7	-23.9%	1.6%	2.8	3.0	3.1	5.4%	0.6%
Software and other intangible assets	3.4	-	0.4	-	-100.0%	0.2%	-	-	-	-	-
<b>Payments for financial assets</b>	<b>0.5</b>	<b>0.0</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>420.8</b>	<b>365.1</b>	<b>407.5</b>	<b>430.1</b>	<b>0.7%</b>	<b>100.0%</b>	<b>463.0</b>	<b>493.3</b>	<b>523.2</b>	<b>6.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.8%</b>	<b>0.6%</b>	<b>0.7%</b>	<b>0.7%</b>	<b>-</b>	<b>-</b>	<b>0.7%</b>	<b>0.7%</b>	<b>0.7%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>9.8</b>	<b>9.9</b>	<b>9.7</b>	<b>11.0</b>	<b>4.0%</b>	<b>2.5%</b>	<b>11.7</b>	<b>12.3</b>	<b>13.0</b>	<b>5.5%</b>	<b>2.5%</b>
Bursaries for non-employees	9.8	9.9	9.7	11.0	4.0%	2.5%	11.7	12.3	13.0	5.5%	2.5%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Integrated Transport Planning

### Programme purpose

Integrate and harmonise macro-transport sector policies, strategies and legislation. Coordinate and develop sector-related policies, research activities, and regional and intersphere relations. Facilitate sector transformation and provide sector economic modelling and analysis.

### Objectives

- Facilitate an integrated and efficient transport network by developing and reviewing macro systems and multimodal planning frameworks on a continual basis.
- Promote the integration of transport infrastructure and operations by developing a framework for regional integration by March 2021.



- Improve efficiency and encourage competition in the transport sector by submitting the Single Transport Economic Regulator Bill to Parliament by March 2020.

### Subprogrammes

- *Macro Sector Planning* examines land use and transport planning in all spheres of government from a multimodal perspective, and manages and facilitates the implementation of the planning provisions contained in the National Land Transport Act (2009).
- *Freight Logistics* develops and coordinates the implementation of freight logistics strategies aimed at unblocking bottlenecks in the freight logistics system and related supply chains, with particular emphasis on integrating elements of the system across all modes.
- *Modelling and Economic Analysis* undertakes economic studies, provides innovative and enabling transport infrastructure funding options that respond to the socioeconomic needs of the national agenda, and applies economic analysis tools for the development of policy in the transport sector.
- *Regional Integration* manages, coordinates and facilitates the development of strategies for engagements in the Southern African Development Community region and the rest of Africa.
- *Research and Innovation* ensures research, innovation and monitoring of the transport sector for sustainability.
- *Integrated Transport Planning Administration Support* provides strategic leadership and administrative support to the programme.

### Expenditure trends and estimates

**Table 35.10 Integrated Transport Planning expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Macro Sector Planning	12.7	12.4	13.9	15.9	7.8%	16.5%	17.0	18.2	19.4	6.7%	14.9%
Freight Logistics	23.0	13.6	12.1	19.0	-6.2%	20.4%	20.2	21.6	22.9	6.5%	17.7%
Modelling and Economic Analysis	25.8	24.0	20.0	19.3	-9.2%	26.8%	93.7	24.3	22.7	5.6%	33.9%
Regional Integration	8.2	6.1	10.7	12.7	15.6%	11.3%	13.5	14.4	15.2	6.2%	11.8%
Research and Innovation	13.4	12.7	13.3	15.3	4.7%	16.4%	16.4	17.5	18.6	6.5%	14.3%
Integrated Transport Planning Administration Support	5.6	8.3	6.9	7.7	11.0%	8.6%	8.3	8.9	9.4	6.9%	7.3%
<b>Total</b>	<b>88.8</b>	<b>77.1</b>	<b>76.7</b>	<b>90.0</b>	<b>0.5%</b>	<b>100.0%</b>	<b>169.2</b>	<b>104.9</b>	<b>108.2</b>	<b>6.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			73.6	2.9	-		
<b>Economic classification</b>	<b>87.6</b>	<b>76.0</b>	<b>75.8</b>	<b>89.8</b>	<b>0.8%</b>	<b>99.0%</b>	<b>169.0</b>	<b>104.7</b>	<b>108.0</b>	<b>6.4%</b>	<b>99.8%</b>
<b>Current payments</b>											
Compensation of employees	43.1	44.7	48.3	53.8	7.7%	57.1%	57.4	61.5	65.5	6.8%	50.4%
Goods and services <sup>1</sup>	44.5	31.3	27.5	36.0	-6.8%	41.9%	111.7	43.2	42.5	5.7%	49.4%
of which:											
Advertising	3.8	4.6	4.0	1.1	-34.3%	4.0%	0.6	0.6	0.7	-14.3%	0.6%
Communication	0.7	0.6	0.6	0.8	4.0%	0.8%	0.8	0.9	0.9	4.2%	0.7%
Consultants: Business and advisory services	24.6	10.3	10.3	28.0	4.4%	22.0%	104.3	35.4	34.3	7.1%	42.8%
Travel and subsistence	7.5	6.9	6.3	3.7	-21.2%	7.3%	4.2	4.3	4.5	7.3%	3.5%
Training and development	0.7	0.3	0.4	0.4	-16.1%	0.6%	0.4	0.5	0.5	4.1%	0.4%
Venues and facilities	4.8	7.1	2.1	1.2	-37.1%	4.6%	0.7	0.8	0.8	-12.9%	0.7%
Transfers and subsidies <sup>1</sup>	0.1	0.2	0.0	-	-100.0%	0.1%	-	-	-	-	-
Households	0.1	0.2	0.0	-	-100.0%	0.1%	-	-	-	-	-
Payments for capital assets	1.1	0.9	0.7	0.2	-43.9%	0.9%	0.2	0.2	0.2	5.5%	0.2%
Machinery and equipment	1.1	0.9	0.7	0.2	-43.9%	0.9%	0.2	0.2	0.2	5.5%	0.2%
Payments for financial assets	0.0	0.0	0.1	-	-100.0%	0.1%	-	-	-	-	-
<b>Total</b>	<b>88.8</b>	<b>77.1</b>	<b>76.7</b>	<b>90.0</b>	<b>0.5%</b>	<b>100.0%</b>	<b>169.2</b>	<b>104.9</b>	<b>108.2</b>	<b>6.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.2%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.2%</b>	-	-	<b>0.3%</b>	<b>0.2%</b>	<b>0.1%</b>	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Rail Transport

### Programme purpose

Facilitate and coordinate the development of sustainable rail transport policies, rail economic and safety regulation, and infrastructure development strategies that reduce system costs and improve customer service. Oversee rail public entities and the implementation of integrated rail services.

### Objectives

- Enhance the performance, efficiency and reliability of the rail sector by:
  - developing the national rail policy and submitting it to Cabinet in 2019
  - developing the draft national rail strategy and draft guidelines on the rail access regime by March 2020
  - developing and implementing the branch line framework model for private-sector participation by March 2020.
- Regulate and enhance rail safety and security by developing the Railway Safety Bill for submission to Cabinet by March 2020.

### Subprogrammes

- *Rail Regulation* is responsible for the development of rail policies, and safety and economic regulations.
- *Rail Infrastructure and Industry Development* coordinates the development, maintenance of and investment in rail infrastructure.
- *Rail Operations* coordinates the implementation of integrated rail services, and monitors and analyses service delivery challenges facing the rail industry.
- *Rail Oversight* manages and tracks the performance of the Passenger Rail Agency of South Africa and the Railway Safety Regulator, and manages the transfer payments to these entities.
- *Rail Administration Support* provides strategic leadership and administrative support to the programme.

### Expenditure trends and estimates

**Table 35.11 Rail Transport expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Rail Regulation	11.7	15.4	13.0	19.8	19.3%	0.1%	21.1	22.5	23.8	6.3%	0.1%
Rail Infrastructure and Industry Development	7.6	9.6	6.2	9.5	7.4%	–	10.1	10.8	11.5	6.7%	0.1%
Rail Operations	4.9	7.7	12.7	10.6	29.4%	0.1%	10.8	11.5	12.2	4.8%	0.1%
Rail Oversight	18 278.2	18 956.3	14 479.8	15 842.0	-4.7%	99.8%	16 525.7	17 613.0	21 874.2	11.4%	99.7%
Rail Administration Support	2.9	3.1	3.5	5.4	23.0%	–	6.0	6.5	6.9	8.5%	–
<b>Total</b>	<b>18 305.3</b>	<b>18 992.0</b>	<b>14 515.2</b>	<b>15 887.3</b>	<b>-4.6%</b>	<b>100.0%</b>	<b>16 573.8</b>	<b>17 664.3</b>	<b>21 928.6</b>	<b>11.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			(3 919.5)	(3 925.8)	(1 143.6)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>29.6</b>	<b>35.5</b>	<b>35.1</b>	<b>45.2</b>	<b>15.2%</b>	<b>0.2%</b>	<b>47.9</b>	<b>51.1</b>	<b>54.3</b>	<b>6.3%</b>	<b>0.3%</b>
Compensation of employees	19.9	21.6	24.4	26.8	10.3%	0.1%	28.5	30.6	32.6	6.8%	0.2%
Goods and services <sup>1</sup>	9.6	13.9	10.7	18.4	24.1%	0.1%	19.4	20.5	21.7	5.5%	0.1%
of which:											
Advertising	0.4	0.0	0.2	0.0	-63.9%	–	0.1	0.1	0.1	41.8%	–
Catering: Departmental activities	0.0	0.0	0.0	0.0	13.4%	–	0.1	0.1	0.1	24.8%	–
Communication	0.7	0.4	0.4	0.4	-19.9%	–	0.4	0.4	0.4	3.7%	–
Consultants: Business and advisory services	5.0	11.6	8.0	14.6	42.6%	0.1%	17.2	18.1	19.2	9.5%	0.1%
Consumables: Stationery, printing and office supplies	0.4	0.1	0.1	0.2	-21.8%	–	0.2	0.2	0.2	4.3%	–
Travel and subsistence	1.9	1.4	1.6	1.4	-9.9%	–	1.5	1.5	1.6	5.4%	–

**Table 35.11 Rail Transport expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Transfers and subsidies<sup>1</sup></b>	<b>18 275.5</b>	<b>18 956.3</b>	<b>14 479.8</b>	<b>15 842.0</b>	<b>-4.7%</b>	<b>99.8%</b>	<b>16 525.7</b>	<b>17 613.0</b>	<b>21 874.2</b>	<b>11.4%</b>	<b>99.7%</b>
Departmental agencies and accounts	53.4	66.0	73.9	63.0	5.7%	0.4%	63.5	67.0	70.7	3.9%	0.4%
Public corporations and private enterprises	18 222.0	18 890.3	14 406.0	15 779.0	-4.7%	99.4%	16 462.2	17 546.0	21 803.5	11.4%	99.4%
<b>Payments for capital assets</b>	<b>0.3</b>	<b>0.3</b>	<b>0.2</b>	<b>0.1</b>	<b>-23.8%</b>	<b>-</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>5.4%</b>	<b>-</b>
Machinery and equipment	0.3	0.3	0.2	0.1	-23.8%	-	0.1	0.1	0.1	5.4%	-
<b>Total</b>	<b>18 305.3</b>	<b>18 992.0</b>	<b>14 515.2</b>	<b>15 887.3</b>	<b>-4.6%</b>	<b>100.0%</b>	<b>16 573.8</b>	<b>17 664.3</b>	<b>21 928.6</b>	<b>11.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>34.3%</b>	<b>33.7%</b>	<b>26.6%</b>	<b>26.6%</b>	<b>-</b>	<b>-</b>	<b>25.8%</b>	<b>25.9%</b>	<b>29.4%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>53.4</b>	<b>66.0</b>	<b>73.9</b>	<b>63.0</b>	<b>5.7%</b>	<b>0.4%</b>	<b>63.5</b>	<b>67.0</b>	<b>70.7</b>	<b>3.9%</b>	<b>0.4%</b>
Railway Safety Regulator	53.4	66.0	73.9	63.0	5.7%	0.4%	63.5	67.0	70.7	3.9%	0.4%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Public corporations (subsidies on products and production)</b>											
<b>Current</b>	<b>4 066.2</b>	<b>4 281.7</b>	<b>5 037.8</b>	<b>7 416.7</b>	<b>22.2%</b>	<b>30.7%</b>	<b>6 252.6</b>	<b>6 694.3</b>	<b>7 096.1</b>	<b>-1.5%</b>	<b>38.1%</b>
Passenger Rail Agency of South Africa: Rail maintenance operations and inventories	-	-	-	1 202.3	-	1.8%	811.0	912.9	963.3	-7.1%	5.4%
Passenger Rail Agency of South Africa: Metrorail (operations)	3 618.0	3 809.8	3 666.8	4 565.5	8.1%	23.1%	4 376.6	4 617.2	4 862.5	2.1%	25.6%
Passenger Rail Agency of South Africa: Mainline passenger services (operations)	448.1	471.9	1 370.9	1 648.9	54.4%	5.8%	1 065.0	1 164.2	1 270.4	-8.3%	7.1%
<b>Capital</b>	<b>14 155.9</b>	<b>14 608.6</b>	<b>9 368.2</b>	<b>8 362.2</b>	<b>-16.1%</b>	<b>68.7%</b>	<b>10 209.6</b>	<b>10 851.7</b>	<b>14 707.4</b>	<b>20.7%</b>	<b>61.2%</b>
Passenger Rail Agency of South Africa: Capital	8 234.6	7 206.9	3 446.5	91.9	-77.6%	28.0%	600.0	671.9	1 775.4	168.3%	4.4%
Passenger Rail Agency of South Africa: Rolling stock fleet renewal programme	2 560.5	4 170.3	3 457.2	4 676.9	22.2%	22.0%	5 823.3	6 193.1	8 646.2	22.7%	35.2%
Passenger Rail Agency of South Africa: Signalling	1 876.0	1 844.2	1 437.5	2 023.8	2.6%	10.6%	2 137.1	2 254.7	2 423.8	6.2%	12.3%
Passenger Rail Agency of South Africa: Metrorail (refurbishment of coaches)	1 267.5	1 283.5	956.6	1 409.4	3.6%	7.3%	1 480.1	1 553.7	1 670.2	5.8%	8.5%
Passenger Rail Agency of South Africa: Mainline passenger service (refurbishment of coaches)	217.3	103.8	70.3	160.2	-9.7%	0.8%	169.2	178.5	191.9	6.2%	1.0%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Road Transport

### Programme purpose

Develop and manage an integrated road infrastructure network, regulate road transport and ensure safer roads. Oversee road public entities.

### Objectives

- Ensure a sustainable transport infrastructure network by:
  - monitoring the overall implementation of the S'hamba Sonke programme in line with the *provincial roads maintenance grant* budget on a continual basis
  - submitting the access road development plan to Cabinet by March 2020.
- Enhance regulation and transport safety and security by:
  - reviewing the founding legislation of road entities by March 2020
  - monitoring the implementation of the 2016-2030 national road safety strategy on a continual basis
  - submitting the draft National Road Traffic Amendment Bill to Cabinet by March 2020.

## Subprogrammes

- *Road Regulation* synchronises road safety and traffic management legislation and exercises oversight of the inspectorate for driving licences and vehicle testing stations.
- *Road Infrastructure and Industry Development* facilitates and coordinates the planning, development and implementation of a sustainable and reliable integrated road infrastructure network, as well as capacity enhancement in the industry.
- *Road Oversight* reviews and analyses the performance of road transport public entities, and monitors their compliance with regulations and legislation. This subprogramme also transfers funds to the South African National Roads Agency, the Road Traffic Management Corporation, the Road Traffic Infringement Agency and the *provincial roads maintenance grant* to provinces.
- *Road Administration Support* provides strategic leadership and administrative support to the programme.
- *Road Engineering Standards* develops and implements road engineering standards, and coordinates the development of an asset management system for safe and resilient road infrastructure.

## Expenditure trends and estimates

**Table 35.12 Road Transport expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Road Regulation	158.0	309.6	59.9	42.3	-35.5%	0.5%	45.0	48.0	50.9	6.4%	0.1%
Road Infrastructure and Industry Development	39.1	24.9	18.4	33.9	-4.7%	0.1%	36.1	38.6	40.9	6.5%	0.1%
Road Oversight	22 669.0	24 699.7	27 018.4	29 988.2	9.8%	99.3%	32 900.3	34 203.6	34 999.4	5.3%	99.6%
Road Administration Support	10.6	7.1	7.5	8.3	-8.0%	–	9.0	9.6	10.2	7.1%	–
Road Engineering Standards	12.4	14.1	14.1	26.1	28.0%	0.1%	27.7	29.5	31.2	6.2%	0.1%
<b>Total</b>	<b>22 889.2</b>	<b>25 055.4</b>	<b>27 118.4</b>	<b>30 098.8</b>	<b>9.6%</b>	<b>100.0%</b>	<b>33 018.1</b>	<b>34 329.2</b>	<b>35 132.7</b>	<b>5.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			1 771.7	1 345.5	(163.3)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>217.5</b>	<b>355.4</b>	<b>98.9</b>	<b>118.7</b>	<b>-18.3%</b>	<b>0.8%</b>	<b>126.6</b>	<b>135.0</b>	<b>143.3</b>	<b>6.5%</b>	<b>0.4%</b>
Compensation of employees	45.3	50.1	55.9	70.5	15.8%	0.2%	75.6	81.0	86.3	7.0%	0.2%
Goods and services <sup>1</sup>	172.1	305.3	43.0	48.2	-34.6%	0.5%	51.0	54.0	57.0	5.7%	0.2%
of which:											
Advertising	2.1	1.9	5.4	1.5	-10.3%	–	2.0	2.1	2.3	14.0%	–
Catering: Departmental activities	0.9	0.9	1.9	2.0	28.7%	–	2.2	2.3	2.5	7.9%	–
Computer services	1.6	1.6	1.6	0.9	-17.7%	–	1.2	1.3	1.4	15.8%	–
Consultants: Business and advisory services	149.9	284.4	14.0	26.5	-43.9%	0.5%	27.6	29.2	30.9	5.3%	0.1%
Consumables: Stationery, printing and office supplies	0.9	0.9	0.5	0.7	-8.1%	–	1.2	1.3	1.3	23.8%	–
Travel and subsistence	12.9	11.9	12.4	13.4	1.2%	–	13.6	14.4	15.1	4.3%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>22 667.8</b>	<b>24 699.4</b>	<b>27 018.1</b>	<b>29 979.3</b>	<b>9.8%</b>	<b>99.2%</b>	<b>32 890.8</b>	<b>34 193.4</b>	<b>34 988.5</b>	<b>5.3%</b>	<b>99.6%</b>
Provinces and municipalities	9 628.6	10 579.7	10 861.0	11 143.2	5.0%	40.1%	11 495.6	12 213.7	13 148.2	5.7%	36.2%
Departmental agencies and accounts	13 039.1	14 119.5	16 157.0	18 836.1	13.0%	59.1%	21 395.2	21 979.8	21 840.3	5.1%	63.4%
Households	0.1	0.1	0.1	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>1.1</b>	<b>0.6</b>	<b>0.9</b>	<b>0.7</b>	<b>-13.5%</b>	<b>–</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>	<b>5.5%</b>	<b>–</b>
Machinery and equipment	1.1	0.6	0.9	0.7	-13.5%	–	0.8	0.8	0.8	5.5%	–
<b>Payments for financial assets</b>	<b>2.8</b>	<b>0.0</b>	<b>0.4</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>22 889.2</b>	<b>25 055.4</b>	<b>27 118.4</b>	<b>30 098.8</b>	<b>9.6%</b>	<b>100.0%</b>	<b>33 018.1</b>	<b>34 329.2</b>	<b>35 132.7</b>	<b>5.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>42.9%</b>	<b>44.4%</b>	<b>49.6%</b>	<b>50.3%</b>	<b>–</b>	<b>–</b>	<b>51.4%</b>	<b>50.4%</b>	<b>47.2%</b>	<b>–</b>	<b>–</b>

**Table 35.12 Road Transport expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies											
R million	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>4 448.2</b>	<b>4 790.1</b>	<b>5 044.7</b>	<b>11 903.8</b>	<b>38.8%</b>	<b>24.9%</b>	<b>6 364.3</b>	<b>7 732.7</b>	<b>8 137.2</b>	<b>-11.9%</b>	<b>25.7%</b>
Road Traffic Management Corporation	184.1	193.9	194.5	200.2	2.8%	0.7%	210.2	220.5	232.7	5.1%	0.7%
South African National Roads Agency: Gauteng freeway improvement project	301.0	425.1	463.4	6 255.1	174.9%	7.1%	550.5	600.1	633.1	-53.4%	6.1%
South African National Roads Agency: Road Traffic Infringement Agency	3 951.6	4 161.1	4 369.1	5 436.8	11.2%	17.0%	5 595.8	6 903.9	7 262.8	10.1%	19.0%
<b>Capital</b>	<b>8 590.9</b>	<b>9 329.4</b>	<b>11 112.4</b>	<b>6 932.3</b>	<b>-6.9%</b>	<b>34.2%</b>	<b>15 030.9</b>	<b>14 247.1</b>	<b>13 703.1</b>	<b>25.5%</b>	<b>37.6%</b>
South African National Roads Agency: Non-toll network	7 721.1	7 935.6	9 063.7	5 125.5	-12.8%	28.4%	12 338.9	12 407.0	11 725.1	31.8%	31.4%
South African National Roads Agency: Coal haulage road network	696.1	733.0	769.7	-	-100.0%	2.1%	-	-	-	-	-
South African National Roads Agency: Moloto Road upgrade	155.5	660.8	1 279.0	1 806.8	126.5%	3.7%	1 692.0	785.0	843.9	-22.4%	3.9%
South African National Roads Agency: Botswana river crossing	18.2	-	-	-	-100.0%	-	-	-	-	-	-
South African National Roads Agency: N2 wild coast project	-	-	-	-	-	-	1 000.0	1 055.0	1 134.1	-	2.4%
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>96.8</b>	<b>101.5</b>	<b>107.3</b>	<b>107.5</b>	<b>3.6%</b>	<b>0.4%</b>	<b>113.9</b>	<b>120.5</b>	<b>127.1</b>	<b>5.7%</b>	<b>0.4%</b>
Rural roads asset management systems grant	96.8	101.5	107.3	107.5	3.6%	0.4%	113.9	120.5	127.1	5.7%	0.4%
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Capital</b>	<b>9 531.7</b>	<b>10 478.2</b>	<b>10 753.7</b>	<b>11 035.7</b>	<b>5.0%</b>	<b>39.7%</b>	<b>11 381.7</b>	<b>12 093.2</b>	<b>13 021.1</b>	<b>5.7%</b>	<b>35.9%</b>
Provincial roads maintenance grant: Roads maintenance component	8 221.2	9 379.1	10 001.7	10 324.6	7.9%	36.1%	10 649.3	12 093.2	13 021.1	8.0%	34.8%
Provincial roads maintenance grant: Disaster relief component	480.6	298.1	270.0	210.0	-24.1%	1.2%	206.2	-	-	-100.0%	0.3%
Provincial roads maintenance grant: Mpumalanga coal haulage roads maintenance	830.0	801.0	482.0	501.1	-15.5%	2.5%	526.2	-	-	-100.0%	0.8%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Civil Aviation

### Programme purpose

Facilitate the development of an economically viable air transport industry that is safe, secure, efficient, environmentally friendly and compliant with international standards through regulation and investigations. Oversee aviation entities.

### Objectives

- Enhance performance, efficiency and reliability of the aviation sector by submitting the Air Services Licencing Amendment Bill and International Air Services Amendment Bill to Cabinet by March 2021.
- Enhance employment through sector initiatives by implementing the national aviation transformation strategy on a continual basis.
- Enhance regulation and transport safety and security by developing the South African Maritime and Aeronautical Search and Rescue Amendment Bill for submission to Cabinet by March 2021.

### Subprogrammes

- *Aviation Policy and Regulations* develops and maintains the civil aviation regulatory regime to respond to national imperatives and international standards, norms and protocols.

- *Aviation Economic Analysis and Industry Development* provides aviation economic analysis and develops relevant frameworks for industry development and airfreight logistics activities.
- *Aviation Safety, Security, Environment, and Search and Rescue* develops and monitors South Africa's aviation safety, security, environment, and search and rescue regime; and manages investigations of aviation accidents and serious incidents for the purposes of identifying deficiencies to make safety recommendations on mechanisms to address these deficiencies.
- *Aviation Oversight* monitors the performance of the Airports Company South Africa, the Air Traffic and Navigation Services Company and the South African Civil Aviation Authority, in line with the legislative framework.
- *Aviation Administration Support* provides strategic leadership and administrative support to the programme.
- *Mthatha Airport* was created to facilitate the upgrade and refurbishment of Mthatha Airport. This subprogramme completed its activities in 2015/16.

## Expenditure trends and estimates

**Table 35.13 Civil Aviation expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Aviation Policy and Regulations	26.6	27.5	29.9	28.0	1.7%	15.9%	27.8	29.8	31.7	4.2%	12.2%
Aviation Economic Analysis and Industry Development	9.8	7.4	8.2	13.1	10.2%	5.5%	15.0	15.9	16.9	8.9%	6.4%
Aviation Safety, Security, Environment and Search and Rescue	57.7	73.2	66.8	75.9	9.5%	38.9%	123.5	130.5	137.8	22.0%	48.7%
Aviation Oversight	40.6	96.3	57.2	59.9	13.8%	36.1%	73.0	76.5	80.2	10.2%	30.2%
Aviation Administration Support	6.4	6.1	4.1	5.3	-5.7%	3.1%	5.8	6.2	6.6	7.4%	2.5%
Mthatha Airport	4.1	–	–	–	-100.0%	0.6%	–	–	–	–	–
<b>Total</b>	<b>145.3</b>	<b>210.4</b>	<b>166.1</b>	<b>182.3</b>	<b>7.8%</b>	<b>100.0%</b>	<b>245.1</b>	<b>259.0</b>	<b>273.2</b>	<b>14.5%</b>	<b>100.0%</b>
Change to 2018				–			52.3	54.6	57.0		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>132.6</b>	<b>143.0</b>	<b>144.3</b>	<b>162.6</b>	<b>7.0%</b>	<b>82.7%</b>	<b>224.7</b>	<b>237.4</b>	<b>250.5</b>	<b>15.5%</b>	<b>91.2%</b>
Compensation of employees	35.7	37.2	37.3	46.4	9.1%	22.2%	49.8	53.4	56.9	7.0%	21.5%
Goods and services <sup>1</sup>	96.9	105.8	106.9	116.1	6.2%	60.5%	174.9	184.0	193.6	18.6%	69.7%
of which:											
Communication	44.8	60.5	57.7	60.8	10.8%	31.8%	106.4	112.3	118.5	24.9%	41.5%
Consultants: Business and advisory services	38.1	34.4	40.8	45.1	5.8%	22.5%	55.1	57.4	60.0	10.0%	22.7%
Consumables: Stationery, printing and office supplies	0.4	0.8	0.8	1.0	29.5%	0.4%	0.8	0.8	0.9	-3.4%	0.4%
Travel and subsistence	8.9	6.0	5.3	7.4	-5.9%	3.9%	9.1	9.7	10.3	11.6%	3.8%
Training and development	0.1	0.1	0.1	0.4	41.1%	0.1%	0.6	0.6	0.6	18.7%	0.2%
Venues and facilities	1.1	0.2	0.6	0.2	-43.1%	0.3%	1.4	1.5	1.6	101.4%	0.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>11.9</b>	<b>66.8</b>	<b>21.3</b>	<b>19.2</b>	<b>17.5%</b>	<b>16.9%</b>	<b>20.0</b>	<b>21.1</b>	<b>22.2</b>	<b>4.9%</b>	<b>8.6%</b>
Departmental agencies and accounts	–	52.2	–	–	–	7.4%	–	–	–	–	–
Foreign governments and international organisations	9.3	11.1	17.7	16.4	20.9%	7.7%	17.0	17.9	18.9	4.8%	7.3%
Non-profit institutions	2.4	2.5	2.7	2.8	5.3%	1.5%	3.0	3.1	3.3	5.5%	1.3%
Households	0.1	1.1	0.9	–	-100.0%	0.3%	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.8</b>	<b>0.6</b>	<b>0.6</b>	<b>0.4</b>	<b>-17.0%</b>	<b>0.3%</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>5.7%</b>	<b>0.2%</b>
Machinery and equipment	0.8	0.6	0.6	0.4	-17.0%	0.3%	0.5	0.5	0.5	5.7%	0.2%
<b>Total</b>	<b>145.3</b>	<b>210.4</b>	<b>166.1</b>	<b>182.3</b>	<b>7.8%</b>	<b>100.0%</b>	<b>245.1</b>	<b>259.0</b>	<b>273.2</b>	<b>14.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.3%</b>	<b>0.4%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>–</b>	<b>–</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>–</b>	<b>–</b>

**Table 35.13 Civil Aviation expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies												
R million	Audited outcome			Adjusted appropriation	Average growth rate (%)		Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22		
<b>Departmental agencies and accounts</b>												
<b>Departmental agencies (non-business entities)</b>												
<b>Current</b>	-	52.2	-	-	-	7.4%	-	-	-	-	-	-
Air Traffic and Navigation Services Company	-	52.2	-	-	-	7.4%	-	-	-	-	-	-
<b>Non-profit institutions</b>												
<b>Current</b>	2.4	2.5	2.7	2.8	5.3%	1.5%	3.0	3.1	3.3	5.5%	1.3%	
National Sea Rescue Institute	2.1	2.2	2.3	2.5	5.4%	1.3%	2.6	2.7	2.9	5.5%	1.1%	
Mountain Club of South Africa	0.1	0.1	0.1	0.1	5.1%	-	0.1	0.1	0.1	5.4%	-	
Off Road Rescue Unit	0.1	0.1	0.1	0.1	5.1%	-	0.1	0.1	0.1	5.4%	-	
K9 Search and Rescue Association of South Africa	0.1	0.1	0.1	0.1	5.1%	-	0.1	0.1	0.1	5.4%	-	
South African Radio League: National emergency communications division	0.1	0.1	0.1	0.1	5.1%	-	0.1	0.1	0.1	5.4%	-	
<b>Foreign governments and international organisations</b>												
<b>Current</b>	9.3	11.1	17.7	16.4	20.9%	7.7%	17.0	17.9	18.9	4.8%	7.3%	
African Civil Aviation Commission	4.9	5.8	5.2	5.3	2.7%	3.0%	5.6	5.9	6.2	5.5%	2.4%	
International Civil Aviation Organisation	4.0	4.7	3.8	4.6	4.2%	2.4%	4.8	5.1	5.4	5.5%	2.1%	
COSPAS-SARSAT search and rescue satellite programme	0.4	0.5	0.4	0.5	9.3%	0.3%	0.6	0.6	0.6	5.5%	0.2%	
Southern African Development Community: International Civil Aviation Organisation mission	-	0.1	0.1	0.1	-	-	0.1	0.1	0.1	6.3%	-	
Southern African Development Community Aviation Safety Organisation	-	-	8.1	6.0	-	2.0%	6.0	6.3	6.7	3.6%	2.6%	

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 6: Maritime Transport

### Programme purpose

Promote a safe, reliable and economically viable maritime transport sector through the development and implementation of policies and strategies. Oversee maritime public entities.

### Objectives

- Enhance the performance, efficiency and reliability of the maritime transport sector by submitting the draft Maritime Transport Sector Development Council Bill to Cabinet by March 2020.
- Enhance regulation and transport safety and security by conducting a state of readiness assessment for mandatory International Maritime Organisation audits in 2019/20.

### Subprogrammes

- *Maritime Policy Development* develops and maintains a maritime regulatory regime that is responsive to national imperatives and international standards, norms and protocols. This subprogramme is also responsible for the development and maintenance of maritime policies and strategies.
- *Maritime Infrastructure and Industry Development* facilitates the development of an integrated maritime infrastructure and maritime industry.
- *Implementation, Monitoring and Evaluations* ensures that legislation, policies and strategies pertaining to maritime safety, security and environmental protection are implemented.
- *Maritime Oversight* makes transfers to public entities in the maritime field, the South African Maritime Safety Authority and the Ports Regulator of South Africa, and oversees these entities' compliance with relevant regulations and legislation.
- *Maritime Administration Support* provides strategic leadership and administrative support to the programme.

## Expenditure trends and estimates

Table 35.14 Maritime Transport expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Maritime Policy Development	11.7	9.5	10.3	11.6	-0.2%	8.2%	12.3	13.0	13.8	6.0%	9.2%
Maritime Infrastructure and Industry Development	6.5	8.7	11.4	12.4	24.4%	7.4%	12.9	13.9	14.8	5.9%	9.8%
Implementation, Monitoring and Evaluations	53.7	77.1	53.8	61.7	4.7%	46.8%	65.5	68.9	72.8	5.7%	48.5%
Maritime Oversight	67.5	54.1	29.4	30.0	-23.7%	34.4%	41.5	43.8	46.2	15.5%	29.1%
Maritime Administration Support	3.5	4.3	4.5	4.2	6.3%	3.2%	4.6	4.9	5.2	6.9%	3.4%
<b>Total</b>	<b>142.9</b>	<b>153.6</b>	<b>109.3</b>	<b>119.9</b>	<b>-5.7%</b>	<b>100.0%</b>	<b>136.8</b>	<b>144.5</b>	<b>152.8</b>	<b>8.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				-			5.0	5.3	5.6		
<b>Economic classification</b>											
<b>Current payments</b>	<b>77.2</b>	<b>101.4</b>	<b>85.6</b>	<b>92.0</b>	<b>6.0%</b>	<b>67.8%</b>	<b>97.5</b>	<b>103.1</b>	<b>109.1</b>	<b>5.9%</b>	<b>72.5%</b>
Compensation of employees	20.1	19.9	21.3	23.2	4.9%	16.1%	24.9	26.4	28.1	6.6%	18.5%
Goods and services <sup>1</sup>	57.0	81.5	64.3	68.7	6.4%	51.7%	72.7	76.7	81.0	5.6%	54.0%
of which:											
Communication	0.3	0.3	0.2	0.2	-11.6%	0.2%	0.4	0.4	0.5	24.8%	0.3%
Consultants: Business and advisory services	45.6	7.4	7.1	17.0	-28.1%	14.7%	9.7	10.6	11.2	-13.1%	8.7%
Infrastructure and planning services	-	64.2	46.8	43.7	-	29.4%	55.4	58.1	61.3	11.9%	39.4%
Operating leases	1.1	1.3	0.8	1.7	15.1%	0.9%	1.7	1.8	1.9	5.6%	1.3%
Travel and subsistence	6.1	5.3	5.8	4.2	-11.5%	4.1%	4.5	4.8	5.1	6.4%	3.4%
Venues and facilities	0.8	1.2	0.7	0.3	-27.2%	0.6%	0.4	0.4	0.4	10.9%	0.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>65.2</b>	<b>29.6</b>	<b>23.5</b>	<b>27.6</b>	<b>-24.9%</b>	<b>27.7%</b>	<b>38.9</b>	<b>41.0</b>	<b>43.3</b>	<b>16.2%</b>	<b>27.2%</b>
Departmental agencies and accounts	27.6	28.6	22.5	25.6	-2.5%	19.8%	36.8	38.8	41.0	16.9%	25.7%
Foreign governments and international organisations	37.5	0.9	0.9	2.0	-62.5%	7.9%	2.1	2.2	2.3	5.5%	1.6%
Households	0.0	0.1	0.1	-	-100.0%	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>0.5</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>-12.5%</b>	<b>0.3%</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>5.5%</b>	<b>0.3%</b>
Machinery and equipment	0.5	0.3	0.3	0.3	-12.5%	0.3%	0.4	0.4	0.4	5.5%	0.3%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>22.2</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>4.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>142.9</b>	<b>153.6</b>	<b>109.3</b>	<b>119.9</b>	<b>-5.7%</b>	<b>100.0%</b>	<b>136.8</b>	<b>144.5</b>	<b>152.8</b>	<b>8.4%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	0.3%	0.3%	0.2%	0.2%	-	-	0.2%	0.2%	0.2%	-	-
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>27.6</b>	<b>28.6</b>	<b>22.5</b>	<b>25.6</b>	<b>-2.5%</b>	<b>19.8%</b>	<b>36.8</b>	<b>38.8</b>	<b>41.0</b>	<b>16.9%</b>	<b>25.7%</b>
Ports Regulator of South Africa	27.6	28.6	22.5	25.6	-2.5%	19.8%	36.8	38.8	41.0	16.9%	25.7%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>37.5</b>	<b>0.9</b>	<b>0.9</b>	<b>2.0</b>	<b>-62.5%</b>	<b>7.9%</b>	<b>2.1</b>	<b>2.2</b>	<b>2.3</b>	<b>5.5%</b>	<b>1.6%</b>
International Maritime Organisation	0.6	0.5	0.6	1.6	41.8%	0.6%	1.7	1.8	1.9	5.5%	1.3%
Indian Ocean memorandum of understanding	0.3	0.4	0.3	0.4	3.8%	0.3%	0.4	0.4	0.4	5.6%	0.3%
International Oil Pollution Compensation Fund	36.6	-	-	-	-100.0%	7.0%	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 7: Public Transport

## Programme purpose

Provide and regulate safe, secure, reliable, cost-effective and sustainable public transport services in South Africa through legislation, policies and strategies.

## Objectives

- Enhance the provision of integrated rural transport infrastructure and services by developing detailed integrated public transport network plans in 2 district municipalities by March 2020.



- Promote sustainable public transport and improve access and reliability by:
  - implementing recommendations of the taxi recapitalisation programme by March 2020
  - monitoring the implementation of an integrated public transport network in 13 municipalities by March 2020.
- Enhance the regulation of public transport by facilitating the submission of the Transport Appeal Tribunal Amendment Bill to Cabinet by March 2020.

## Subprogrammes

- *Public Transport Regulation* manages the development and maintenance of policy, legislation and regulation; and coordinates and facilitates implementation. Responsibilities include managing public transport information, such as public transport systems developed in terms of the National Land Transport Act (2009).
- *Rural and Scholar Transport* develops and reviews rural, scholar and non-motorised transport strategies, and coordinates and evaluates their implementation.
- *Public Transport Industry Development* oversees and facilitates the implementation of public transport policy, legislation and strategy, develops public transport empowerment schemes, manages the taxi recapitalisation programme, and facilitates stakeholder relations and conflict resolution in the industry.
- *Public Transport Oversight* oversees the use of public transport subsidies and grants, and monitors compliance with the annual Division of Revenue Act in terms of the transferring of funds, reporting, allocations and adjustments.
- *Public Transport Administration Support* provides strategic leadership and administrative support to the programme.
- *Public Transport Network Development* develops norms and standards for integrated public transport systems to assist in providing accessible, reliable and affordable integrated public transport network services in municipalities.

## Expenditure trends and estimates

**Table 35.15 Public Transport expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Public Transport Regulation	15.2	15.4	19.5	54.5	53.1%	0.2%	57.8	62.3	66.0	6.6%	0.4%
Rural and Scholar Transport	8.6	14.6	21.1	40.4	67.5%	0.2%	42.8	45.5	48.1	6.0%	0.3%
Public Transport Industry Development	123.1	129.9	135.8	187.1	15.0%	1.2%	203.2	222.6	235.1	7.9%	1.5%
Public Transport Oversight	11 160.2	11 372.6	12 084.8	12 711.1	4.4%	98.2%	13 252.4	14 728.4	15 998.0	8.0%	97.6%
Public Transport Administration Support	14.2	9.6	7.7	11.1	-8.0%	0.1%	11.8	12.7	13.4	6.6%	0.1%
Public Transport Network Development	7.2	8.0	8.7	18.9	37.6%	0.1%	20.1	21.3	22.6	6.2%	0.1%
<b>Total</b>	<b>11 328.6</b>	<b>11 550.0</b>	<b>12 277.6</b>	<b>13 023.0</b>	<b>4.8%</b>	<b>100.0%</b>	<b>13 588.1</b>	<b>15 092.7</b>	<b>16 383.2</b>	<b>8.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				33.0			351.0	1 041.8	1 429.7		
<b>Economic classification</b>											
<b>Current payments</b>	<b>167.1</b>	<b>177.0</b>	<b>192.1</b>	<b>311.7</b>	<b>23.1%</b>	<b>1.8%</b>	<b>335.4</b>	<b>364.0</b>	<b>384.9</b>	<b>7.3%</b>	<b>2.4%</b>
Compensation of employees	44.4	44.0	48.3	55.3	7.7%	0.4%	60.2	65.6	69.8	8.1%	0.4%
Goods and services <sup>1</sup>	122.8	133.0	143.9	256.3	27.8%	1.4%	275.2	298.4	315.1	7.1%	2.0%
of which:											
Minor assets	0.1	4.7	0.0	1.2	139.9%	–	1.2	3.3	3.5	44.9%	–
Consultants: Business and advisory services	115.2	122.4	126.7	241.8	28.0%	1.3%	238.1	261.0	275.7	4.5%	1.8%
Inventory: Other supplies	–	–	10.4	–	–	–	21.4	22.6	23.8	–	0.1%
Consumables: Stationery, printing and office supplies	0.3	0.4	0.3	0.5	15.7%	–	0.9	0.9	0.9	24.4%	–
Travel and subsistence	5.1	3.5	4.6	9.9	24.4%	–	10.3	8.9	9.3	-2.0%	0.1%
Training and development	0.1	0.4	0.2	1.0	113.5%	–	1.0	0.9	1.0	-1.4%	–

**Table 35.15 Public Transport expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2019/20 - 2021/22
R million											
<b>Transfers and subsidies<sup>1</sup></b>	<b>11 160.8</b>	<b>11 372.7</b>	<b>12 085.0</b>	<b>12 711.1</b>	<b>4.4%</b>	<b>98.2%</b>	<b>13 252.4</b>	<b>14 728.4</b>	<b>15 998.0</b>	<b>8.0%</b>	<b>97.6%</b>
Provinces and municipalities	10 892.5	10 993.0	11 829.9	12 277.0	4.1%	95.5%	12 794.0	14 244.8	15 487.7	8.1%	94.3%
Non-profit institutions	19.3	20.3	21.3	22.5	5.4%	0.2%	23.8	25.1	26.5	5.5%	0.2%
Households	249.0	359.5	233.8	411.6	18.2%	2.6%	434.7	458.6	483.8	5.5%	3.1%
<b>Payments for capital assets</b>	<b>0.6</b>	<b>0.3</b>	<b>0.4</b>	<b>0.2</b>	<b>-27.4%</b>	<b>-</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>5.5%</b>	<b>-</b>
Machinery and equipment	0.6	0.3	0.4	0.2	-27.4%	-	0.3	0.3	0.3	5.5%	-
<b>Total</b>	<b>11 329</b>	<b>11 550</b>	<b>12 278</b>	<b>13 023.0</b>	<b>4.8%</b>	<b>100.0%</b>	<b>13 588</b>	<b>15 093</b>	<b>16 383</b>	<b>8.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>21.2%</b>	<b>20.5%</b>	<b>22.5%</b>	<b>21.8%</b>	<b>-</b>	<b>-</b>	<b>21.2%</b>	<b>22.2%</b>	<b>22.0%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Other transfers to households</b>											
Current	248.4	359.4	233.5	411.6	18.3%	2.6%	434.7	458.6	483.8	5.5%	3.1%
Taxi recapitalisation	248.4	359.4	233.5	411.6	18.3%	2.6%	434.7	458.6	483.8	5.5%	3.1%
<b>Non-profit institutions</b>											
Current	19.3	20.3	21.3	22.5	5.4%	0.2%	23.8	25.1	26.5	5.5%	0.2%
South African National Taxi Council	19.3	20.3	21.3	22.5	5.4%	0.2%	23.8	25.1	26.5	5.5%	0.2%
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
Capital	5 953.1	5 592.7	6 107.1	6 286.7	1.8%	49.7%	6 468.2	7 495.2	8 366.9	10.0%	49.3%
Public transport network grant	5 953.1	5 592.7	6 107.1	6 286.7	1.8%	49.7%	6 468.2	7 495.2	8 366.9	10.0%	49.3%
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
Current	4 939.4	5 400.3	5 722.9	5 990.3	6.6%	45.8%	6 325.8	6 749.6	7 120.8	5.9%	45.1%
Public transport operations grant	4 939.4	5 400.3	5 722.9	5 990.3	6.6%	45.8%	6 325.8	6 749.6	7 120.8	5.9%	45.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

### Airports Company of South Africa

#### Mandate

The Airports Company of South Africa, a schedule 2 public entity in terms of the Public Finance Management Act (1999), is regulated in terms of the Airports Company Act (1993) and the Companies Act (1973). Formed to own and operate the 9 principal South African airports, including the three main international gateways (OR Tambo International Airport in Johannesburg, Cape Town International Airport and King Shaka International Airport in Durban), it is also one of the concessionaires operating Mumbai International Airport in India and Guarulhos International Airport in Sao Paulo, Brazil.

#### Selected performance indicators

**Table 35.16 Airports Company of South Africa performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Average maintenance and engineering costs per international airport per year	Airport infrastructure and asset management	Entity mandate	R237.8m	R259.9m	R437.8m	R451.8m	R477.6m	R477.9m	R477.9m
Number of departing passengers accommodated at national airports per year	Airport management		19.3 million	20 million	20.4 million	21.3 million	21 million	21.7 million	22.5 million
Number of arrival aircraft accommodated at all airports per year	Airport management		284 285	281 703	285 163	299 115	261 286	269 314	275 614

**Table 35.16 Airports Company of South Africa performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Employee cost per departing passenger per year	Airport management	Entity mandate	R57	R67	R69	R75	R82	R85	R87
Average security and safety costs per international airport per year	Airport security and safety		R156.2m	R181.9m	R174.7m	R185.5m	R206.7m	R218.3m	R230.3m
Aeronautical revenue per departing passenger per year	Airport management		R268	R269	R176	R187	R210	R221	R219
Non-aeronautical revenue per departing passenger per year	Airport management		R161	R159	R156	R174	R192	R204	R205

**Expenditure analysis**

Over the medium term, the Airports Company of South Africa will continue to focus on the development, management and maintenance of the country's 9 principal airports. These airports are expected to accommodate a total of 65.2 million departing passengers and 806 214 arriving aircraft over the MTEF period. The company has two main income streams: aeronautical revenue, which is generated from passenger facilitation and airline services, and includes charges and tariffs such as aircraft parking and landing fees; and non-aeronautical revenue, which is derived from property rentals, advertising and parking fees.

Aeronautical revenue is expected to contribute to R14.1 billion of the company's total revenue over the MTEF period, increasing at an average annual rate of 7.5 per cent, from R4 billion in 2018/19 to R4.9 billion in 2021/22. Non-aeronautical revenue accounts for R13.1 billion of the company's total revenue over the same period, increasing at an average annual rate of 7.7 per cent, from R3.7 billion in 2018/19 to R4.6 billion in 2021/22.

Expenditure is expected to increase at an average annual rate of 8.8 per cent, from R6.8 billion in 2018/19 to R8.7 billion in 2021/22. Spending on goods and services is expected to increase at an average annual rate of 5.6 per cent, from R2.7 billion in 2018/19 to R3.2 billion in 2021/22. Spending on compensation of employees is expected to increase at an average annual rate of 7.4 per cent, from R1.6 billion in 2018/19 to R2 billion in 2021/22. The number of personnel in the company is expected to remain constant at 3 283 over the medium term.

**Programmes/Objectives/Activities****Table 35.17 Airports Company of South Africa expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Administration	5 341.3	5 538.3	4 375.2	4 012.8	-9.1%	68.2%	4 184.2	4 723.2	5 513.8	11.2%	60.3%
Airport infrastructure and asset management	713.4	779.6	1 263.1	1 355.4	23.9%	14.7%	1 432.8	1 433.6	1 512.4	3.7%	18.9%
Airport security and safety	468.7	545.7	7.3	556.4	5.9%	5.6%	620.1	654.8	690.8	7.5%	8.3%
Airport management	520.7	583.6	1 232.2	858.8	18.2%	11.5%	922.9	974.6	1 028.2	6.2%	12.5%
<b>Total</b>	<b>7 044.0</b>	<b>7 447.3</b>	<b>6 877.8</b>	<b>6 783.4</b>	<b>-1.2%</b>	<b>100.0%</b>	<b>7 160.0</b>	<b>7 786.1</b>	<b>8 745.2</b>	<b>8.8%</b>	<b>100.0%</b>

## Statement of historical financial performance and position

Table 35.18 Airports Company of South Africa statements of historical financial performance and position

Statement of financial performance									
R million	Audited		Audited		Audited		Budget	Revised	Average: Outcome/ Budget (%)
	Budget	outcome	Budget	outcome	Budget	outcome	estimate	estimate	
	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>8 168.3</b>	<b>8 888.7</b>	<b>6 727.4</b>	<b>9 453.1</b>	<b>7 185.2</b>	<b>7 720.3</b>	<b>7 869.0</b>	<b>7 840.6</b>	<b>113.2%</b>
Sale of goods and services other than capital assets	8 131.7	8 372.5	6 628.8	8 636.2	7 042.0	6 924.8	7 703.0	7 675.1	107.1%
<i>of which:</i>									
<i>Sales by market establishment</i>	8 131.7	8 372.5	6 628.8	8 636.2	7 042.0	6 924.8	7 703.0	7 675.1	107.1%
<i>Aeronautical revenue</i>	5 130.6	5 194.6	3 424.1	5 389.9	3 516.4	3 583.9	3 905.4	3 974.7	113.6%
<i>Non-aeronautical revenue</i>	3 001.1	3 111.1	3 204.8	3 175.4	3 525.6	3 322.2	3 797.5	3 700.4	98.4%
Other non-tax revenue	36.6	516.2	98.6	817.0	143.2	795.4	166.0	165.6	516.1%
<b>Total revenue</b>	<b>8 164.3</b>	<b>8 888.7</b>	<b>6 727.4</b>	<b>9 453.1</b>	<b>7 185.2</b>	<b>7 720.3</b>	<b>7 869.0</b>	<b>7 840.6</b>	<b>113.2%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>5 825.5</b>	<b>6 254.9</b>	<b>6 087.6</b>	<b>6 853.4</b>	<b>6 014.8</b>	<b>6 418.8</b>	<b>6 392.2</b>	<b>6 314.0</b>	<b>106.3%</b>
Compensation of employees	989.2	1 185.8	1 117.9	1 345.6	1 363.9	1 401.8	1 518.4	1 588.4	110.7%
Goods and services	2 391.0	2 667.9	2 577.4	3 235.0	2 617.3	2 922.3	2 823.2	2 732.5	111.0%
Depreciation	1 306.4	1 307.9	1 314.8	1 268.5	1 208.2	1 247.5	1 249.2	1 210.8	99.1%
Interest, dividends and rent on land	1 138.8	1 093.4	1 077.5	1 004.2	825.4	847.2	801.4	782.2	97.0%
<b>Total expenses</b>	<b>6 480.0</b>	<b>7 044.0</b>	<b>6 285.4</b>	<b>7 447.3</b>	<b>6 380.1</b>	<b>6 877.8</b>	<b>6 852.4</b>	<b>6 783.4</b>	<b>108.3%</b>
<b>Surplus/(Deficit)</b>	<b>1 684.0</b>	<b>1 845.0</b>	<b>442.0</b>	<b>2 006.0</b>	<b>805.0</b>	<b>843.0</b>	<b>1 017.0</b>	<b>1 057.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	24 337.0	25 409.3	22 692.9	25 483.1	23 679.1	25 595.1	24 437.4	24 484.8	106.1%
<i>of which:</i>									
<i>Acquisition of assets</i>	(1 354.6)	(1 163.4)	(966.3)	(877.9)	(760.3)	(850.4)	(1 976.7)	(1 120.2)	79.3%
Investments	–	3 001.3	1 942.8	2 940.3	1 909.1	3 786.5	1 909.1	1 547.8	195.7%
Inventory	1.2	1.5	1.4	2.2	1.4	1.7	1.4	2.2	141.8%
Receivables and prepayments	1 206.0	1 044.1	1 089.7	1 099.5	1 158.1	1 166.3	1 265.3	1 261.7	96.9%
Cash and cash equivalents	766.8	1 369.6	2 731.4	1 721.0	3 695.1	1 373.8	1 985.4	2 483.8	75.7%
Taxation	–	60.8	5.0	4.3	61.2	4.3	61.2	4.3	57.8%
<b>Total assets</b>	<b>26 311.0</b>	<b>30 886.6</b>	<b>28 463.2</b>	<b>31 250.4</b>	<b>30 504.2</b>	<b>31 927.6</b>	<b>29 659.9</b>	<b>29 784.5</b>	<b>107.8%</b>
Accumulated surplus/(deficit)	14 544.8	16 765.0	15 262.3	18 596.6	18 785.6	19 617.2	19 834.0	20 163.8	109.8%
Capital and reserves	750.0	750.0	750.0	750.0	750.0	750.0	750.0	750.0	100.0%
Borrowings	9 226.1	9 817.5	10 732.8	9 331.5	9 273.8	8 840.8	7 102.5	7 051.6	96.4%
Deferred income	172.0	68.1	141.2	64.9	74.3	61.5	74.3	62.1	55.6%
Trade and other payables	749.9	1 242.6	766.3	782.7	779.1	854.1	1 039.4	894.4	113.2%
Taxation	833.3	2 010.6	779.7	1 504.6	813.3	1 611.5	831.6	834.0	183.0%
Provisions	34.9	226.4	30.8	214.4	28.1	186.6	28.1	28.5	537.9%
Derivatives financial instruments	–	6.4	–	5.7	–	6.0	–	–	–
<b>Total equity and liabilities</b>	<b>26 311.0</b>	<b>30 886.6</b>	<b>28 463.2</b>	<b>31 250.4</b>	<b>30 504.2</b>	<b>31 927.6</b>	<b>29 659.9</b>	<b>29 784.5</b>	<b>107.8%</b>

## Statements of estimates of financial performance and position

Table 35.19 Airports Company of South Africa statements of estimates of financial performance and position

Statement of financial performance									
R million	Revised	Average	Average:	Medium-term estimate			Average	Average:	
	estimate	growth	Expen-	2019/20	2020/21	2021/22	growth	Expen-	
	2018/19	rate	diture/				rate	diture/	
		(%)	Total				(%)	Total	
			(%)					(%)	
	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>7 840.6</b>	<b>-4.1%</b>	<b>100.0%</b>	<b>8 550.5</b>	<b>9 397.3</b>	<b>9 936.5</b>	<b>8.2%</b>	<b>100.0%</b>	
Sale of goods and services other than capital assets	7 675.1	-2.9%	93.3%	8 426.0	9 222.0	9 561.3	7.6%	97.7%	
<i>of which:</i>									
<i>Sales by market establishment</i>	7 675.1	-2.9%	93.3%	8 426.0	9 222.0	9 561.3	7.6%	97.7%	
<i>Aeronautical revenue</i>	3 974.7	-8.5%	53.1%	4 398.1	4 800.5	4 937.5	7.5%	50.7%	
<i>Non-aeronautical revenue</i>	3 700.4	6.0%	39.7%	4 027.8	4 421.4	4 623.8	7.7%	47.0%	
Other non-tax revenue	165.6	-31.6%	6.7%	124.5	175.3	375.2	31.4%	2.3%	
<b>Total revenue</b>	<b>7 840.6</b>	<b>-4.1%</b>	<b>100.0%</b>	<b>8 550.5</b>	<b>9 397.3</b>	<b>9 936.5</b>	<b>8.2%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>6 314.0</b>	<b>0.3%</b>	<b>91.8%</b>	<b>6 547.8</b>	<b>7 135.7</b>	<b>8 373.1</b>	<b>9.9%</b>	<b>93.0%</b>	
Compensation of employees	1 588.4	10.2%	19.7%	1 727.7	1 852.7	1 970.2	7.4%	23.5%	
Goods and services	2 732.5	0.8%	41.0%	2 873.3	3 077.7	3 219.4	5.6%	39.2%	
Depreciation	1 210.8	-2.5%	17.9%	1 312.2	1 620.0	2 034.3	18.9%	20.1%	
Interest, dividends and rent on land	782.2	-10.6%	13.2%	634.6	585.3	1 149.1	13.7%	10.3%	
<b>Total expenses</b>	<b>6 783.4</b>	<b>-1.2%</b>	<b>100.0%</b>	<b>7 160.0</b>	<b>7 786.1</b>	<b>8 745.2</b>	<b>8.8%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>1 057.0</b>			<b>1 390.0</b>	<b>1 611.0</b>	<b>1 191.0</b>			

**Table 35.19 Airports Company of South Africa statements of estimates of financial performance and position**

Statement of financial position		Revised estimate	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average Expenditure/Total (%)
		2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
R million									
Carrying value of assets		24 484.8	-1.2%	81.5%	27 155.7	31 272.4	32 900.8	10.3%	84.3%
of which:									
Acquisition of assets		(1 120.2)	-1.3%	-3.3%	(3 979.9)	(5 649.5)	(6 656.4)	81.1%	-12.2%
Investments		1 547.8	-19.8%	9.0%	1 547.8	1 547.8	1 547.8	—	4.6%
Inventory		2.2	15.3%	0.0%	2.2	2.2	2.2	—	0.0%
Receivables and prepayments		1 261.7	6.5%	3.7%	1 385.1	1 515.9	1 571.7	7.6%	4.2%
Cash and cash equivalents		2 483.8	21.9%	5.6%	1 421.1	1 860.9	3 791.6	15.1%	6.9%
Taxation		4.3	-58.8%	0.1%	4.3	4.3	4.3	—	0.0%
<b>Total assets</b>		<b>29 784.5</b>	<b>-1.2%</b>	<b>100.0%</b>	<b>31 516.2</b>	<b>36 203.5</b>	<b>39 818.4</b>	<b>10.2%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)		20 163.8	6.3%	60.7%	21 553.3	23 164.2	24 355.4	6.5%	65.3%
Capital and reserves		750.0	—	2.4%	750.0	750.0	750.0	—	2.2%
Borrowings		7 051.6	-10.4%	28.3%	6 849.1	9 589.4	11 860.6	18.9%	25.4%
Deferred income		62.1	-3.0%	0.2%	62.1	62.1	62.1	—	0.2%
Trade and other payables		894.4	-10.4%	3.1%	1 410.6	1 739.2	1 947.2	29.6%	4.3%
Taxation		834.0	-25.4%	4.8%	862.6	870.2	814.6	-0.8%	2.5%
Provisions		28.5	-49.9%	0.5%	28.5	28.5	28.5	—	0.1%
<b>Total equity and liabilities</b>		<b>29 784.5</b>	<b>-1.2%</b>	<b>100.0%</b>	<b>31 516.2</b>	<b>36 203.5</b>	<b>39 818.4</b>	<b>10.2%</b>	<b>100.0%</b>

**Personnel information****Table 35.20 Airports Company of South Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)				
		2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost			2021/22		Unit cost	
Airports Company of South Africa		3 283	3 283		3 283	1 588.4	0.5	3 283	1 727.7	0.5	3 283	1 852.7	0.6	3 283	1 970.2	0.6	7.4%	100.0%	
Salary level																			
1 – 6	1 746	1 746	1 746	322.4	0.2	1 746	445.4	0.3	1 746	487.5	0.3	1 746	518.8	0.3	1 746	542.7	0.3	6.8%	53.2%
7 – 10	1 139	1 139	1 139	478.0	0.4	1 139	555.2	0.5	1 139	603.6	0.5	1 139	647.2	0.6	1 139	688.2	0.6	7.4%	34.7%
11 – 12	168	168	168	178.7	1.1	168	181.0	1.1	168	196.2	1.2	168	211.5	1.3	168	227.3	1.4	7.9%	5.1%
13 – 16	210	210	210	359.0	1.7	210	345.8	1.6	210	374.3	1.8	210	403.9	1.9	210	435.2	2.1	8.0%	6.4%
17 – 22	20	20	20	63.8	3.2	20	61.0	3.1	20	66.0	3.3	20	71.2	3.6	20	76.8	3.8	7.9%	0.6%

1. Rand million.

**Passenger Rail Agency of South Africa****Mandate**

The Passenger Rail Agency of South Africa is a schedule 3B public entity established in terms of the Legal Succession to the South African Transport Services Amendment Act (2008). The primary legislative mandate of the agency is to provide rail commuter services within, to and from South Africa in the public interest. Its secondary mandate is to generate income from the exploitation of assets. The agency also provides for long-haul passenger rail and bus services within, to and from South Africa.

**Selected performance indicators****Table 35.21 Passenger Rail Agency of South Africa performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of new train sets delivered for Metrorail per year	Metrorail	Outcome 6: An efficient, competitive and responsive economic infrastructure network	2	11	7	6	40	61	62
Number of Metrorail passenger trips per year	Metrorail		448 million	372 million	270 million	289 million	333 million	382 million	438 million
Trains on time as a percentage of trains scheduled per year <sup>1</sup>	Metrorail		81% (499 623/ 620 650)	71% (459 327/ 646 211)	64% (408 114/ 638 676)	81%	85%	88%	91%
Percentage of train service availability (trains not cancelled) per year	Metrorail		95% (620 432/ 651 030)	92% (592 902/ 646 285)	87% (552 667/ 638 921)	92%	92%	94%	96%

**Table 35.21 Passenger Rail Agency of South Africa performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Metrorail customer satisfaction rating per year <sup>2</sup>	Metrorail	Outcome 6: An efficient, competitive and responsive economic infrastructure network	57%	57%	52%	63%	69%	72%	75%
Number of mainline passenger services passengers per year <sup>1</sup>	Mainline passenger services		659 573	565 414	465 647	504 000	529 000	555 000	644 000
Number of new mainline passenger services locomotives per year	Mainline passenger services		4	0	0	0	8	0	0
Mainline passenger services customer satisfaction rating per year <sup>2</sup>	Mainline passenger services		75%	70%	0 <sup>3</sup>	72%	73%	74%	75%
Number of national station improvement projects completed per year <sup>1</sup>	Corporate real estate solutions		53	45	17	35	22	20	20
Number of national station upgrade projects completed per year <sup>1</sup>	Corporate real estate solutions		21	16	12	8	8	8	8
Number of Autopax passengers per year	Autopax		Entity mandate	3 million	2.25 million	1.90 million	2.97 million	3.03 million	3.09 million
Autopax customer satisfaction rating per year <sup>2</sup>	Autopax	75%		62%	62%	80%	80%	80%	80%
Number of mainline passenger services coaches refurbished per year <sup>1</sup>	Mainline passenger services	Outcome 6: An efficient, competitive and responsive economic infrastructure network	64	81	56	30	30	30	30
Number of Metrorail coaches refurbished per year	Metrorail		350	461	409	350	350	350	350

1. Indicator reworded.

2. New indicator.

3. No data available.

### Expenditure analysis

In its ongoing effort to improve access to safe and reliable passenger rail services, over the MTEF period, the Passenger Rail Agency of South Africa will focus on executing its capital programme by acquiring new rolling stock, refurbishing train coaches and upgrading and improving depots, stations and signalling infrastructure. The agency will also intensify its repair and maintenance regime for its commuter rail services (Metrorail) and long-distance mainline passenger services. The agency's capital programme over the medium term includes, among other things, the acquisition of 163 new train sets, 8 new locomotives, the refurbishment of 1 140 train coaches, and the upgrading and improvement of 24 train stations. As such, the agency's capital expenditure is expected to increase at an average annual rate of 70.8 per cent, from R3.1 billion in 2018/19 to R15.6 billion in 2021/22.

The agency expects Metrorail passenger trips to increase from 289 million in 2018/19 to 438 million by 2021/22, and for passengers on mainline passenger services to increase from 504 000 to 644 000 over the same period. This increase in passenger ridership is expected to be driven and supported by infrastructure acquisitions and improvements, intensified repairs and maintenance operations, and security improvements. As such, spending on activities related to Metrorail is expected to increase at an average annual rate of 8.4 per cent, from R8.3 billion in 2018/19 to R10.5 billion in 2021/22, while spending on activities related to mainline passenger services is expected to increase at an average annual rate of 9.2 per cent, from R1.1 billion in 2018/19 to R1.5 billion in 2021/22. Spending on Metrorail and mainline passenger services is expected to account for R33.6 billion of the agency's total expenditure over the medium term.

Expenditure is expected to increase at an average annual rate of 7.2 per cent, from R15 billion in 2018/19 to R18.4 billion in 2021/22, mainly driven by repairs and maintenance, contracted security and depreciation. Transfers from the department amounts to R28.5 billion of the agency's total revenue over the MTEF period, with the remainder generated from sales of train and bus tickets, rental income from the leasing of properties, onboard sales, and interest earned. Total revenue is expected to increase at an average annual rate of

2.7 per cent, from R13.8 billion in 2018/19 to R15 billion in 2021/22. This is mainly due to transfers from the department, which include an additional R1.5 billion over the medium term for repairs and maintenance. The agency's number of personnel is expected to increase from 16 089 in 2018/19 to 16 446 in 2021/22. In line with the agency's reviewed organisational structure, only critical vacant posts will be filled.

### Programmes/Objectives/Activities

**Table 35.22 Passenger Rail Agency of South Africa expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/Total (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/Total (%)	2019/20	2020/21	2021/22		
Administration	1 921.3	2 117.1	2 523.2	2 778.1	13.1%	17.4%	3 207.6	3 484.8	3 756.8	10.6%	19.8%
Metrorail	6 939.4	7 740.2	7 392.1	8 282.5	6.1%	56.7%	9 134.8	9 806.4	10 542.4	8.4%	56.6%
Main line passenger service	1 531.1	1 007.8	1 033.9	1 263.2	-6.2%	9.1%	1 287.1	1 366.5	1 451.1	4.7%	8.1%
Corporate real estate solutions	884.7	1 067.7	991.4	1 386.7	16.2%	8.0%	1 257.9	1 331.0	1 407.9	0.5%	8.1%
Intersite	29.5	33.6	31.2	93.9	47.1%	0.3%	35.4	33.6	35.3	-27.8%	0.3%
Autopax	987.1	1 164.2	889.0	1 064.5	2.5%	7.7%	1 016.5	1 055.8	1 142.4	2.4%	6.4%
Technical	90.8	230.0	12.9	99.9	3.2%	0.8%	98.5	101.1	110.9	3.5%	0.6%
<b>Total</b>	<b>12 383.9</b>	<b>13 360.5</b>	<b>12 873.7</b>	<b>14 968.9</b>	<b>6.5%</b>	<b>100.0%</b>	<b>16 037.7</b>	<b>17 179.1</b>	<b>18 446.9</b>	<b>7.2%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 35.23 Passenger Rail Agency of South Africa statements of historical financial performance and position**

Statement of financial performance										
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%) 2015/16 - 2018/19	
	Budget	2015/16	Budget	2016/17	Budget	2017/18	2018/19			
<b>Revenue</b>										
<b>Non-tax revenue</b>		<b>4 760.3</b>	<b>4 160.1</b>	<b>3 957.1</b>	<b>4 048.0</b>	<b>4 429.0</b>	<b>3 818.8</b>	<b>4 389.5</b>	<b>4 344.4</b>	<b>93.4%</b>
Sale of goods and services other than capital assets		4 482.7	3 584.9	3 605.6	3 106.3	3 873.7	2 638.2	3 879.3	3 833.8	83.1%
<i>of which:</i>										
Sales by market establishment		4 317.8	3 362.7	3 392.6	2 877.7	3 545.1	2 468.7	3 708.5	3 691.3	82.9%
Rental income		627.2	568.0	640.7	531.1	772.0	674.7	750.1	739.0	90.1%
Metrorail fare revenue		2 218.3	1 806.4	1 678.8	1 517.6	1 767.4	1 115.0	1 913.9	1 790.8	82.2%
MLPS fare revenue		403.7	178.6	267.6	162.7	206.8	157.1	219.2	218.6	65.3%
Autopax fare revenue		1 068.5	809.7	805.6	666.3	799.0	521.9	825.3	942.9	84.1%
Other sales		164.9	222.2	212.9	228.6	328.6	169.5	170.8	142.5	87.0%
Other non-tax revenue		277.6	575.2	351.5	941.7	555.3	1 180.6	510.2	510.5	189.3%
<b>Transfers received</b>		<b>5 459.8</b>	<b>7 911.3</b>	<b>6 978.1</b>	<b>8 385.0</b>	<b>7 947.6</b>	<b>8 130.0</b>	<b>8 213.8</b>	<b>9 504.6</b>	<b>118.6%</b>
<b>Total revenue</b>		<b>10 220.1</b>	<b>12 071.5</b>	<b>10 935.2</b>	<b>12 433.0</b>	<b>12 376.7</b>	<b>11 948.9</b>	<b>12 603.3</b>	<b>13 849.0</b>	<b>109.0%</b>
<b>Expenses</b>										
<b>Current expenses</b>		<b>11 180.4</b>	<b>12 383.9</b>	<b>11 961.6</b>	<b>13 360.5</b>	<b>12 983.0</b>	<b>12 873.7</b>	<b>13 919.4</b>	<b>14 968.9</b>	<b>107.1%</b>
Compensation of employees		4 794.0	4 800.9	5 345.0	5 734.3	5 608.3	5 398.1	5 890.9	5 807.8	100.5%
Goods and services		4 544.5	5 301.9	4 609.6	5 311.9	5 163.2	5 210.2	5 784.4	6 922.6	113.2%
Depreciation		1 507.8	2 271.4	1 998.8	2 301.8	2 211.5	2 253.0	2 231.7	2 231.7	113.9%
Interest, dividends and rent on land		334.2	9.7	8.2	12.5	-	12.5	12.3	6.7	11.7%
<b>Total expenses</b>		<b>11 180.4</b>	<b>12 383.9</b>	<b>11 961.6</b>	<b>13 360.5</b>	<b>12 983.0</b>	<b>12 873.7</b>	<b>13 919.4</b>	<b>14 968.9</b>	<b>107.1%</b>
<b>Surplus/(Deficit)</b>		<b>(960.0)</b>	<b>(312.0)</b>	<b>(1 026.0)</b>	<b>(928.0)</b>	<b>(606.0)</b>	<b>(925.0)</b>	<b>(1 316.0)</b>	<b>(1 120.0)</b>	
<b>Statement of financial position</b>										
Carrying value of assets		43 886.5	37 450.7	43 279.0	41 115.4	49 754.0	45 260.6	60 751.4	50 289.3	88.1%
<i>of which:</i>										
Acquisition of assets		(14 103.5)	(9 029.4)	(12 831.4)	(5 271.7)	(9 729.0)	(3 715.2)	(10 285.0)	(3 129.2)	45.0%
Inventory		249.9	297.4	303.7	453.9	233.4	502.0	274.1	340.9	150.2%
Receivables and prepayments		10 344.2	10 470.7	13 635.6	13 046.2	16 252.3	13 980.0	18 909.8	15 718.5	90.0%
Cash and cash equivalents		959.3	6 116.8	7 495.8	12 342.5	12 342.5	13 874.7	9 147.1	6 329.6	129.1%
Defined benefit plan assets		3.2	6.0	4.2	2.8	3.0	-	3.2	2.7	85.5%
<b>Total assets</b>		<b>55 443.1</b>	<b>54 341.6</b>	<b>64 718.3</b>	<b>66 960.9</b>	<b>78 585.2</b>	<b>73 617.3</b>	<b>89 085.5</b>	<b>72 681.1</b>	<b>93.0%</b>
Accumulated surplus/(deficit)		(4 658.5)	(2 847.3)	(3 873.8)	(4 164.0)	(4 135.0)	(5 088.9)	(5 348.2)	(5 400.5)	97.1%
Capital and reserves		4 248.3	4 248.3	4 248.3	4 248.3	4 248.3	4 248.3	4 248.3	4 248.3	100.0%
Capital reserve fund		49 489.0	48 274.6	60 186.8	58 657.9	69 958.1	65 786.0	80 523.3	63 447.9	90.8%
Borrowings		-	1.5	-	-	-	-	-	-	-
Finance lease		2 731.2	-	-	-	-	-	-	-	-
Trade and other payables		2 949.9	3 906.2	3 464.4	7 209.4	7 503.9	7 393.5	8 594.8	8 808.7	121.3%
Provisions		683.3	758.4	692.6	1 009.3	1 009.8	1 278.4	1 067.3	1 576.7	133.9%
<b>Total equity and liabilities</b>		<b>55 443.1</b>	<b>54 341.6</b>	<b>64 718.3</b>	<b>66 960.9</b>	<b>78 585.2</b>	<b>73 617.3</b>	<b>89 085.5</b>	<b>72 681.1</b>	<b>93.0%</b>

## Statements of estimates of financial performance and position

**Table 35.24 Passenger Rail Agency of South Africa statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
Revised estimate	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22		
R million								
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>4 344.4</b>	<b>1.5%</b>	<b>32.6%</b>	<b>4 348.1</b>	<b>4 580.8</b>	<b>4 832.4</b>	<b>3.6%</b>	<b>32.3%</b>
Sale of goods and services other than capital assets	3 833.8	2.3%	26.1%	3 840.3	4 072.5	4 323.8	4.1%	28.6%
<i>of which:</i>								
<i>Sales by market establishment</i>	3 691.3	3.2%	24.6%	3 673.4	3 903.7	4 151.5	4.0%	27.5%
<i>Rental income</i>	739.0	9.2%	5.0%	762.4	800.0	845.4	4.6%	5.6%
<i>Metrorail fare revenue</i>	1 790.8	-0.3%	12.4%	1 790.8	1 889.3	1 993.2	3.6%	13.3%
<i>MLPS fare revenue</i>	218.6	7.0%	1.4%	216.2	227.0	238.4	2.9%	1.6%
<i>Autopax fare revenue</i>	942.9	5.2%	5.8%	904.0	987.4	1 074.6	4.5%	7.0%
<i>Other sales</i>	142.5	-13.8%	1.5%	166.9	168.8	172.3	6.5%	1.2%
Other non-tax revenue	510.5	-3.9%	6.5%	507.9	508.3	508.6	-0.1%	3.6%
<b>Transfers received</b>	<b>9 504.6</b>	<b>6.3%</b>	<b>67.4%</b>	<b>8 829.2</b>	<b>9 491.9</b>	<b>10 183.8</b>	<b>2.3%</b>	<b>67.7%</b>
<b>Total revenue</b>	<b>13 849.0</b>	<b>4.7%</b>	<b>100.0%</b>	<b>13 177.4</b>	<b>14 072.6</b>	<b>15 016.1</b>	<b>2.7%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>14 968.9</b>	<b>6.5%</b>	<b>100.0%</b>	<b>16 037.7</b>	<b>17 179.1</b>	<b>18 446.9</b>	<b>7.2%</b>	<b>100.0%</b>
Compensation of employees	5 807.8	6.6%	40.6%	6 097.3	6 512.3	6 957.6	6.2%	38.1%
Goods and services	6 922.6	9.3%	42.3%	7 186.7	7 665.4	8 171.2	5.7%	45.0%
Depreciation	2 231.7	-0.6%	17.0%	2 741.8	2 988.7	3 304.9	14.0%	16.8%
Interest, dividends and rent on land	6.7	-11.5%	0.1%	11.9	12.7	13.2	25.2%	0.1%
<b>Total expenses</b>	<b>14 968.9</b>	<b>6.5%</b>	<b>100.0%</b>	<b>16 037.7</b>	<b>17 179.1</b>	<b>18 446.9</b>	<b>7.2%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(1 120.0)</b>			<b>(2 860.0)</b>	<b>(3 107.0)</b>	<b>(3 431.0)</b>		
<b>Statement of financial position</b>								
Carrying value of assets	50 289.3	10.3%	65.2%	74 691.6	94 947.4	116 338.1	32.3%	83.6%
<i>of which:</i>								
<i>Acquisition of assets</i>	(3 129.2)	-29.8%	-8.5%	(11 912.3)	(13 985.5)	(15 598.3)	70.8%	-10.8%
Inventory	340.9	4.7%	0.6%	378.4	420.1	466.3	11.0%	0.4%
Receivables and prepayments	15 718.5	14.5%	19.8%	13 644.5	9 074.5	4 293.6	-35.1%	12.1%
Cash and cash equivalents	6 329.6	1.1%	14.3%	4 626.9	1 493.2	602.3	-54.3%	3.9%
Defined benefit plan assets	2.7	-23.5%	0.0%	2.4	2.2	2.0	-10.0%	0.0%
<b>Total assets</b>	<b>72 681.1</b>	<b>10.2%</b>	<b>100.0%</b>	<b>93 343.8</b>	<b>105 937.3</b>	<b>121 702.2</b>	<b>18.7%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	(5 400.5)	23.8%	-6.5%	(8 180.1)	(11 087.2)	(14 309.2)	38.4%	-9.6%
Capital and reserves	4 248.3	-0.0%	6.4%	4 248.3	4 248.3	4 248.3	-	4.5%
Capital reserve fund	63 447.9	9.5%	88.3%	84 169.7	96 924.4	112 882.5	21.2%	90.4%
Trade and other payables	8 808.7	31.1%	10.0%	11 364.3	13 937.8	16 776.7	24.0%	12.8%
Provisions	1 576.7	27.6%	1.7%	1 741.7	1 914.1	2 103.9	10.1%	1.9%
<b>Total equity and liabilities</b>	<b>72 681.1</b>	<b>10.2%</b>	<b>100.0%</b>	<b>93 343.8</b>	<b>105 937.3</b>	<b>121 702.2</b>	<b>18.7%</b>	<b>100.0%</b>

## Personnel information

**Table 35.25 Passenger Rail Agency of South Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled / planned for on funded establishment										Number							
Number of funded posts	Number of posts on approved establishment	Actual		Revised estimate		Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)						
		2017/18	Unit cost	2018/19	Unit cost	2019/20		2020/21		2021/22				2018/19 - 2021/22					
Passenger Rail Agency of South Africa		Number	Cost	Number	Cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	16 089	16 089	16 983	5 398.1	0.3	16 089	5 807.8	0.4	16 446	6 097.3	0.4	16 446	6 512.3	0.4	16 446	6 957.6	0.4	6.2%	100.0%
1 - 6	7 856	7 856	9 435	1 630.0	0.2	7 856	1 409.6	0.2	8 020	1 539.5	0.2	8 020	1 655.0	0.2	8 020	1 779.1	0.2	8.1%	48.8%
7 - 10	7 576	7 576	6 989	3 126.8	0.4	7 576	3 658.9	0.5	7 762	3 770.2	0.5	7 762	4 026.7	0.5	7 762	4 302.3	0.6	5.5%	47.2%
11 - 12	371	371	316	259.8	0.8	371	299.6	0.8	374	318.3	0.9	374	336.2	0.9	374	355.1	0.9	5.8%	2.3%
13 - 16	243	243	201	267.5	1.3	243	321.1	1.3	246	341.7	1.4	246	360.1	1.5	246	379.4	1.5	5.7%	1.5%
17 - 22	43	43	42	113.9	2.7	43	118.7	2.8	44	127.7	2.9	44	134.5	3.1	44	141.6	3.2	6.1%	0.3%

1. Rand million.

## Road Accident Fund

### Mandate

The Road Accident Fund Act (1996) provides for the establishment of the Road Accident Fund, the legal mandate of which is to compensate South African road users for loss or damage as a result of motor vehicle accidents within the borders of South Africa.



## Selected performance indicators

**Table 35.26 Road Accident Fund performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Direct personal claims as a percentage of total personal claims	Payment of claims to accident victims	Entity mandate	40% (R25.5bn/ R64.4bn)	39% (R28.4bn/ R73.5bn)	40% (R32.6bn/ R82.2bn)	42%	45%	43%	44%
Legal costs as a percentage of claims payments	Payment of claims to accident victims		13% (R5.2bn/ R38.9bn)	17% (R5.3bn/ R32.1bn)	16% (R5.6bn/ R34.1bn)	14%	14%	13%	13%
Number of open claims received but not finalised per year	Payment of claims to accident victims		184 899	173 740	138 285	215 439	221 723	214 847	217 336
Personal claims: Average value per claim	Payment of claims to accident victims		271 793	219 047	257 716	-1	-1	-1	-1
Loss of earnings: Average value per claim	Payment of claims to accident victims		739 214	645 832	691 459	-1	-1	-1	-1
General damages: Average value per claim	Payment of claims to accident victims		385 673	390 005	429 486	-1	-1	-1	-1

1. Projections not available.

## Expenditure analysis

Over the medium term, the Road Accident Fund will continue to focus on compensating road accident victims for losses and damages, as required by the Road Fund Accident Act (1996). As such, the fund will endeavour to improve its claims processing and productivity. Productivity is expected to increase as the fund anticipates adding 20 posts in 2019/20. With the increase in the number of personnel in the fund from 3 083 in 2018/19 to 3 103 in 2021/22, spending on compensation of employees increases at an average annual rate of 12.3 per cent, from R1.8 billion in 2018/19 to R2.6 billion in 2021/22.

The number of open claims received but not finalised is expected to increase marginally, from 215 439 in 2018/19 to 217 336 in 2021/22. The fund's total expenditure is expected to increase at an average annual rate of 12.6 per cent, from R77.7 billion in 2018/19 to R111 billion in 2021/22. Despite the growth in expenditure the accumulated deficit is expected to increase to R402 billion in 2021/22 from R241.8 billion in 2018/19. The fund derives its revenue from the Road Accident Fund fuel levy, which is expected to remain unchanged over the medium term. Total revenue is expected to increase at an average annual rate of 2.8 per cent, from R42.3 billion in 2018/19 to R45.9 billion in 2021/22, in line with expected increases in fuel sales.

## Programmes/Objectives/Activities

**Table 35.27 Road Accident Fund expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Administration	1 898.1	2 128.7	2 346.9	2 914.0	15.4%	3.3%	3 276.0	3 640.6	3 947.1	10.6%	3.7%
Payment of claims to accident victims	66 266.5	65 954.6	61 345.6	74 746.5	4.1%	96.7%	84 304.2	95 016.0	107 064.3	12.7%	96.3%
<b>Total</b>	<b>68 164.6</b>	<b>68 083.4</b>	<b>63 692.5</b>	<b>77 660.5</b>	<b>4.4%</b>	<b>100.0%</b>	<b>87 580.3</b>	<b>98 656.6</b>	<b>111 011.4</b>	<b>12.6%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

**Table 35.28 Road Accident Fund statements of historical financial performance and position**

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget	2015/16	Budget	2016/17	Budget	2017/18			
R million									
<b>Revenue</b>									
Non-tax revenue	66.2	93.1	91.1	112.3	81.3	90.5	82.0	95.0	121.9%
Other non-tax revenue	66.2	93.1	91.1	112.3	81.3	90.5	82.0	95.0	121.9%
<b>Transfers received</b>	<b>32 982.7</b>	<b>33 113.1</b>	<b>35 198.8</b>	<b>33 229.5</b>	<b>35 425.3</b>	<b>37 250.8</b>	<b>42 308.1</b>	<b>42 214.3</b>	<b>99.9%</b>
<b>Total revenue</b>	<b>33 048.9</b>	<b>33 206.2</b>	<b>35 289.9</b>	<b>33 341.9</b>	<b>35 506.6</b>	<b>37 341.3</b>	<b>42 390.2</b>	<b>42 309.3</b>	<b>100.0%</b>

**Table 35.28 Road Accident Fund statements of historical financial performance and position**

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 913.9</b>	<b>1 898.1</b>	<b>2 366.6</b>	<b>2 128.7</b>	<b>2 619.4</b>	<b>2 346.9</b>	<b>2 838.3</b>	<b>2 914.0</b>	<b>95.4%</b>
Compensation of employees	1 195.8	1 264.4	1 349.0	1 261.6	1 362.5	1 525.7	1 471.5	1 800.3	108.8%
Goods and services	645.5	435.5	765.0	614.9	971.1	556.1	1 054.6	795.8	69.9%
Depreciation	59.6	47.2	52.4	42.9	49.2	41.4	44.9	50.6	88.3%
Interest, dividends and rent on land	13.0	151.0	200.3	209.4	236.6	223.7	267.4	267.4	118.7%
<b>Transfers and subsidies</b>	<b>55 479.0</b>	<b>66 266.5</b>	<b>70 357.9</b>	<b>65 954.6</b>	<b>68 435.9</b>	<b>61 345.6</b>	<b>73 514.4</b>	<b>74 746.5</b>	<b>100.2%</b>
<b>Total expenses</b>	<b>57 392.9</b>	<b>68 164.6</b>	<b>72 724.6</b>	<b>68 083.4</b>	<b>71 055.3</b>	<b>63 692.5</b>	<b>76 352.7</b>	<b>77 660.5</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(24 344.0)</b>	<b>(34 958.0)</b>	<b>(37 435.0)</b>	<b>(34 741.0)</b>	<b>(35 549.0)</b>	<b>(26 351.0)</b>	<b>(33 963.0)</b>	<b>(35 351.0)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	301.8	227.2	270.4	215.8	266.9	243.1	327.4	297.9	84.4%
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(90.8)</i>	<i>(40.9)</i>	<i>(95.6)</i>	<i>(33.0)</i>	<i>(100.3)</i>	<i>(66.1)</i>	<i>(105.4)</i>	<i>(105.4)</i>	<i>62.6%</i>
Inventory	5.2	5.7	6.1	5.7	6.0	5.3	6.4	5.7	94.7%
Loans	149.2	147.1	156.0	160.9	170.6	160.1	180.8	146.8	93.7%
Accrued investment interest	4.6	9.5	10.1	-	7.6	-	8.1	-	31.3%
Receivables and prepayments	8 330.3	7 361.8	7 361.8	7 163.7	7 447.5	7 830.6	8 606.4	8 661.9	97.7%
Cash and cash equivalents	1 666.2	2 044.3	1 691.1	1 652.4	1 681.3	1 567.2	1 682.0	1 695.0	103.5%
<b>Total assets</b>	<b>10 457.4</b>	<b>9 795.8</b>	<b>9 495.5</b>	<b>9 198.5</b>	<b>9 580.0</b>	<b>9 806.3</b>	<b>10 811.1</b>	<b>10 807.4</b>	<b>98.2%</b>
Accumulated surplus/(deficit)	(134 667.5)	(145 335.5)	(183 074.9)	(180 077.0)	(215 218.0)	(206 428.2)	(249 246.8)	(241 835.3)	98.9%
Capital and reserves	130.5	83.4	83.4	84.1	84.1	87.6	84.1	87.6	89.7%
Trade and other payables	12 100.0	248.6	256.9	237.3	281.2	256.9	298.0	264.9	7.8%
Provisions	132 894.5	154 799.2	192 230.1	188 913.3	224 432.7	215 682.0	259 675.7	252 069.6	100.3%
Derivatives financial instruments	-	-	-	40.8	-	208.0	-	220.5	-
<b>Total equity and liabilities</b>	<b>10 457.4</b>	<b>9 795.8</b>	<b>9 495.5</b>	<b>9 198.5</b>	<b>9 580.0</b>	<b>9 806.3</b>	<b>10 811.1</b>	<b>10 807.4</b>	<b>98.2%</b>

**Statements of estimates of financial performance and position****Table 35.29 Road Accident Fund statements of estimates of financial performance and position**

Statement of financial performance									
R million	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>95.0</b>	<b>0.7%</b>	<b>0.3%</b>	<b>98.9</b>	<b>99.0</b>	<b>99.0</b>	<b>1.4%</b>	<b>0.2%</b>	
Other non-tax revenue	95.0	0.7%	0.3%	98.9	99.0	99.0	1.4%	0.2%	
<b>Transfers received</b>	<b>42 214.3</b>	<b>8.4%</b>	<b>99.7%</b>	<b>45 442.8</b>	<b>45 688.5</b>	<b>45 799.8</b>	<b>2.8%</b>	<b>99.8%</b>	
<b>Total revenue</b>	<b>42 309.3</b>	<b>8.4%</b>	<b>100.0%</b>	<b>45 541.7</b>	<b>45 787.5</b>	<b>45 898.7</b>	<b>2.8%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>2 914.0</b>	<b>15.4%</b>	<b>3.3%</b>	<b>3 276.0</b>	<b>3 640.6</b>	<b>3 947.1</b>	<b>10.6%</b>	<b>3.7%</b>	
Compensation of employees	1 800.3	12.5%	2.1%	2 070.4	2 339.5	2 550.1	12.3%	2.3%	
Goods and services	795.8	22.3%	0.9%	847.6	906.7	958.2	6.4%	0.9%	
Depreciation	50.6	2.3%	0.1%	55.9	53.0	53.1	1.7%	0.1%	
Interest, dividends and rent on land	267.4	21.0%	0.3%	302.1	341.4	385.8	13.0%	0.3%	
<b>Transfers and subsidies</b>	<b>74 746.5</b>	<b>4.1%</b>	<b>96.7%</b>	<b>84 304.2</b>	<b>95 016.0</b>	<b>107 064.3</b>	<b>12.7%</b>	<b>96.3%</b>	
<b>Total expenses</b>	<b>77 660.5</b>	<b>4.4%</b>	<b>100.0%</b>	<b>87 580.3</b>	<b>98 656.6</b>	<b>111 011.4</b>	<b>12.6%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>(35 351.0)</b>			<b>(42 039.0)</b>	<b>(52 869.0)</b>	<b>(65 113.0)</b>			
<b>Statement of financial position</b>									
Carrying value of assets	297.9	9.4%	2.5%	352.6	415.8	484.6	17.6%	3.3%	
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(105.4)</i>	<i>37.1%</i>	<i>-0.6%</i>	<i>(110.6)</i>	<i>(116.2)</i>	<i>(122.0)</i>	<i>5.0%</i>	<i>-1.0%</i>	
Inventory	5.7	-0.4%	0.1%	6.0	6.4	6.7	6.0%	0.1%	
Loans	146.8	-0.1%	1.6%	155.6	165.0	174.8	6.0%	1.4%	
Receivables and prepayments	8 661.9	5.6%	78.3%	9 364.5	9 528.9	9 576.9	3.4%	80.5%	
Cash and cash equivalents	1 695.0	-6.1%	17.6%	1 698.9	1 699.0	1 699.0	0.1%	14.7%	
<b>Total assets</b>	<b>10 807.4</b>	<b>3.3%</b>	<b>100.0%</b>	<b>11 577.6</b>	<b>11 814.9</b>	<b>11 942.1</b>	<b>3.4%</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	(241 835.3)	18.5%	-1 946.0%	(283 917.6)	(336 833.0)	(401 994.8)	18.5%	-2 726.8%	
Capital and reserves	87.6	1.7%	0.9%	87.6	87.6	87.6	-	0.8%	
Trade and other payables	264.9	2.1%	2.5%	280.8	297.6	315.5	6.0%	2.5%	
Provisions	252 069.6	17.6%	2 041.5%	294 893.1	348 015.0	413 271.2	17.9%	2 821.4%	
Derivatives financial instruments	220.5	-	1.2%	233.7	247.7	262.6	6.0%	2.1%	
<b>Total equity and liabilities</b>	<b>10 807.4</b>	<b>3.3%</b>	<b>100.0%</b>	<b>11 577.6</b>	<b>11 814.9</b>	<b>11 942.1</b>	<b>3.4%</b>	<b>100.0%</b>	

## Personnel information

**Table 35.30 Road Accident Fund personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment											Number								
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)						
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22									
Road Accident Fund		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level		3 083		3 083	3 033	1 525.7	0.5	3 083	1 800.3	0.6	3 103	2 070.4	0.7	3 103	2 339.5	0.8	3 103	2 550.1	0.8	12.3%	100.0%
1 – 6	133	133	147	7.5	0.1	133	8.9	0.1	133	10.2	0.1	133	11.5	0.1	133	12.6	0.1	12.3%	4.3%		
7 – 10	854	854	887	254.6	0.3	854	300.4	0.4	854	345.4	0.4	854	390.3	0.5	854	425.5	0.5	12.3%	27.6%		
11 – 12	2 066	2 066	1 970	1 202.8	0.6	2 066	1 419.3	0.7	2 086	1 632.2	0.8	2 086	1 844.4	0.9	2 086	2 010.4	1.0	12.3%	67.2%		
13 – 16	21	21	21	36.3	1.7	21	42.9	2.0	21	49.3	2.3	21	55.7	2.7	21	60.7	2.9	12.3%	0.7%		
17 – 22	9	9	8	24.5	3.1	9	28.9	3.2	9	33.2	3.7	9	37.5	4.2	9	40.9	4.5	12.3%	0.3%		

1. Rand million.

## South African National Roads Agency

### Mandate

The South African National Roads Agency is a schedule 3A public entity established by the South African National Roads Agency Limited and National Roads Act (1998). The agency is responsible for the planning, design, construction, operation, management, control, maintenance and rehabilitation of the South African national road network, including the financing of these functions. This includes toll and non-toll roads.

### Selected performance indicators

**Table 35.31 South African National Roads Agency performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Smooth travel exposure: Percentage of travel undertaken each year on national roads with roughness less than 4.2 on international roughness index	Routine maintenance	Entity mandate	96%	97%	97%	95%	95%	95%	95%
Low rut exposure: Percentage of travel undertaken each year on national roads with rut depth less than 20mm	Routine maintenance		96%	99%	99%	95%	95%	95%	95%
High texture exposure: Percentage of travel undertaken each year on national roads with macro texture higher than 0.4mm	Routine maintenance		99%	99%	99%	95%	95%	95%	95%
Bridge condition exposure index: Percentage of travel over or under bridges on national roads with overall condition index higher than 80	Routine maintenance		93%	94%	93%	90%	90%	90%	90%
Length of network with active routine road maintenance contracts (km)	Routine maintenance	Outcome 6: An efficient, competitive and responsive economic infrastructure network	21 490	22 197	2 212	22 212	22 212	22 212	22 212
Resurface length: Length of road resealed/overlayed per year (km)	Routine maintenance		1 563	1 891	900	1 000	1 100	1 100	1 100
Length of road strengthened/improved per year (km)	Strengthening		370	575	450	475	500	500	500

### Expenditure analysis

Over the medium term, the South African National Roads Agency will continue to focus on undertaking preventative maintenance to improve and preserve the national road network. As such, over the period ahead, the agency plans to resurface 3 300km and improve 1 500km of roads, upgrade intersections to interchanges, and build new interchanges and bridges. To carry out these activities, allocations to the strengthening

programme increase at an average annual rate of 17.7 per cent, from R1.5 billion in 2018/19 to R2.4 billion in 2021/22, while allocations to the improvement programme increase at an average annual rate of 25.6 per cent, from R3.6 billion in 2018/19 to R7.2 billion in 2021/22, mainly due to upgrades to the N2 (Cape Town), N3 (Mariannhill) and N2 North and South coastal roads.

Total expenditure is expected to increase at an average annual rate of 5.1 per cent, from R33.2 billion in 2018/19 to R38.6 billion in 2021/22. The bulk of the agency's total expenditure comprises payments to service providers for routine road maintenance and/or construction over the medium term. As a result, goods and services expenditure accounts for 74.3 per cent of total expenditure over the medium term. The agency's number of personnel is expected to increase by 98, from 392 in 2018/19 to 490 over the MTEF period. Accordingly, spending on compensation of employees is expected to increase at an average annual rate of 17.5 per cent, from R403.4 million in 2018/19 to R654.2 million in 2021/22.

The agency generates revenue from transfers from the department for the non-toll road network and income from fees on the toll road network. Revenue is expected to increase at an average annual rate of 4.6 per cent, from R25.6 billion in 2018/19 to R29.3 billion in 2021/22. Departmental transfers for the non-toll road network are expected to amount to R64.5 billion over the medium term, while toll revenue is expected to increase at an average annual rate of 1.9 per cent, from R5.3 billion in 2018/19 to R5.6 billion in 2021/22.

### Programmes/Objectives/Activities

**Table 35.32 South African National Roads Agency expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19 - 2021/22	2019/20	2020/21	2021/22		
Administration	8 253.7	13 410.0	12 148.6	13 201.6	16.9%	55.2%	13 923.3	14 739.8	15 610.2	5.7%	39.2%
Routine maintenance	888.3	4 222.7	2 995.1	9 341.3	119.1%	17.3%	10 265.2	10 014.9	8 773.4	-2.1%	26.3%
Strengthening	1 522.9	1 110.2	766.2	1 500.6	-0.5%	6.0%	945.4	1 787.8	2 447.6	17.7%	4.5%
Improvements	1 586.3	1 134.1	1 253.8	3 646.2	32.0%	8.4%	3 851.5	6 554.4	7 221.2	25.6%	14.3%
New facilities	2 347.8	2 053.4	1 950.3	5 532.8	33.1%	13.1%	5 901.1	7 030.8	4 537.3	-6.4%	15.7%
<b>Total</b>	<b>14 599.0</b>	<b>21 930.5</b>	<b>19 114.0</b>	<b>33 222.5</b>	<b>31.5%</b>	<b>100.0%</b>	<b>34 886.4</b>	<b>40 127.7</b>	<b>38 589.7</b>	<b>5.1%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 35.33 South African National Roads Agency statements of historical financial performance and position**

Statement of financial performance									Average: Outcome/ Budget (%)
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2015/16 - 2018/19
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>5 099.8</b>	<b>6 554.1</b>	<b>6 357.1</b>	<b>7 360.4</b>	<b>6 974.6</b>	<b>6 773.4</b>	<b>7 294.4</b>	<b>6 993.4</b>	<b>107.6%</b>
Sale of goods and services other than capital assets	4 441.6	5 007.4	5 839.2	5 422.3	5 446.3	5 647.2	5 717.2	5 656.6	101.3%
of which:									
Sales by market establishment	4 091.6	4 683.5	5 369.7	4 959.0	4 959.8	5 330.7	5 206.4	5 309.7	103.3%
Toll Income	4 044.9	4 632.9	5 295.4	4 910.5	4 911.4	5 194.0	5 157.0	5 260.3	103.0%
Concession income	7.1	2.9	-	1.0	-	88.0	-	-	1 292.0%
Rental income on leased properties	39.7	47.7	74.3	47.4	48.4	48.7	49.4	49.4	91.3%
Other sales	350.0	323.9	469.6	463.3	486.5	316.5	510.8	347.0	79.8%
Other non-tax revenue	658.2	1 546.7	517.8	1 938.1	1 528.2	1 126.2	1 577.2	1 336.7	138.9%
<b>Transfers received</b>	<b>12 542.5</b>	<b>6 841.5</b>	<b>13 915.6</b>	<b>9 607.9</b>	<b>15 944.8</b>	<b>12 080.3</b>	<b>15 624.2</b>	<b>18 624.2</b>	<b>81.3%</b>
<b>Total revenue</b>	<b>17 642.3</b>	<b>13 395.6</b>	<b>20 272.7</b>	<b>16 968.3</b>	<b>22 919.4</b>	<b>18 853.7</b>	<b>22 918.6</b>	<b>25 617.5</b>	<b>89.4%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>17 771.3</b>	<b>14 599.0</b>	<b>26 295.5</b>	<b>21 930.5</b>	<b>34 703.6</b>	<b>19 114.0</b>	<b>32 670.5</b>	<b>33 222.5</b>	<b>79.7%</b>
Compensation of employees	244.6	256.6	275.2	296.0	312.0	339.0	348.4	403.4	109.7%
Goods and services	11 565.6	7 794.2	19 546.3	13 932.7	26 298.3	11 317.6	23 659.5	24 618.8	71.1%
Depreciation	2 559.1	2 902.9	2 866.2	3 133.3	3 296.2	3 100.7	3 625.8	3 625.8	103.4%
Interest, dividends and rent on land	3 402.0	3 645.2	3 607.7	4 568.6	4 797.0	4 356.7	5 036.9	4 574.6	101.8%
<b>Total expenses</b>	<b>17 771.3</b>	<b>14 599.0</b>	<b>26 295.5</b>	<b>21 930.5</b>	<b>34 703.6</b>	<b>19 114.0</b>	<b>32 670.5</b>	<b>33 222.5</b>	<b>79.7%</b>
<b>Surplus/(Deficit)</b>	<b>(129.0)</b>	<b>(1 203.0)</b>	<b>(6 023.0)</b>	<b>(4 962.0)</b>	<b>(11 784.0)</b>	<b>(260.0)</b>	<b>(9 752.0)</b>	<b>(7 605.0)</b>	

**Table 35.33 South African National Roads Agency statements of historical financial performance and position**

Statement of financial position	Audited		Audited		Audited		Budget	Revised	Average: Outcome/ Budget (%)
	Budget	outcome	Budget	outcome	Budget	outcome	estimate	estimate	
R million	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Carrying value of assets	314 083.7	316 826.5	322 546.5	345 545.2	354 266.0	374 764.7	363 172.5	402 919.4	106.4%
<i>of which:</i>									
Acquisition of assets	(12 381.0)	(7 301.4)	(10 650.9)	(7 658.0)	(8 074.3)	(8 885.6)	(8 479.0)	(9 821.7)	85.0%
Investments	464.1	925.9	294.3	646.9	695.1	415.4	747.3	456.9	111.1%
Receivables and prepayments	4 157.8	7 050.2	3 956.9	5 366.8	5 903.5	4 801.0	6 493.9	5 346.6	110.0%
Cash and cash equivalents	5 939.0	9 490.1	4 433.7	6 570.0	7 949.7	7 646.6	8 744.7	8 411.2	118.7%
Non-current assets held for sale	139.6	20.1	146.6	74.2	75.0	30.9	76.0	31.3	35.8%
<b>Total assets</b>	<b>324 784.2</b>	<b>334 312.8</b>	<b>331 377.9</b>	<b>358 203.1</b>	<b>368 889.3</b>	<b>387 658.7</b>	<b>379 234.4</b>	<b>417 165.5</b>	<b>106.6%</b>
Accumulated surplus/(deficit)	(4 860.9)	(9 243.8)	(3 939.0)	(14 205.8)	(6 910.9)	(14 539.1)	(7 928.4)	(14 500.0)	222.0%
Capital and reserves	239 681.1	241 083.5	239 681.1	263 393.5	269 951.0	285 839.1	276 672.5	309 169.8	107.2%
Capital reserve fund	34 559.0	-	37 219.3	-	-	-	-	-	-
Borrowings	38 144.2	48 845.2	39 749.3	48 754.7	51 192.4	50 109.2	53 752.1	52 614.6	109.6%
Finance lease	-	0.8	-	0.2	-	0.1	-	0.1	-
Deferred income	7 347.8	41 886.6	7 949.1	46 647.5	48 404.7	51 152.9	50 294.1	53 710.5	169.7%
Trade and other payables	2 930.6	3 838.5	3 777.9	4 803.5	4 923.6	5 797.6	5 046.7	6 385.3	124.9%
Provisions	43.9	379.1	50.6	385.8	403.8	374.6	426.3	405.8	167.1%
Managed funds (such as poverty alleviation fund)	849.1	-	800.0	-	-	-	-	-	-
Derivatives financial instruments	6 089.5	7 523.0	6 089.5	8 423.7	924.7	8 924.3	970.9	9 379.3	243.3%
<b>Total equity and liabilities</b>	<b>324 784.2</b>	<b>334 312.8</b>	<b>331 377.9</b>	<b>358 203.1</b>	<b>368 889.3</b>	<b>387 658.7</b>	<b>379 234.4</b>	<b>417 165.5</b>	<b>106.6%</b>

**Statements of estimates of financial performance and position****Table 35.34 South African National Roads Agency statements of estimates of financial performance and position**

Statement of financial performance	Revised	Average	Average:	Medium-term estimate			Average	Average:
	estimate	growth	Expen-	2019/20	2020/21	2021/22	growth	Expen-
R million	2018/19	rate	diture/ Total				rate	diture/ Total
		(%)	(%)				(%)	(%)
				2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>6 993.4</b>	<b>2.2%</b>	<b>38.9%</b>	<b>7 218.5</b>	<b>7 570.3</b>	<b>7 725.1</b>	<b>3.4%</b>	<b>26.2%</b>
Sale of goods and services other than capital assets	5 656.6	4.1%	30.3%	5 785.9	6 034.6	6 078.6	2.4%	20.9%
<i>of which:</i>								
Sales by market establishment	5 309.7	4.3%	28.3%	5 404.3	5 614.8	5 616.8	1.9%	19.5%
Toll income	5 260.3	4.3%	27.9%	5 354.3	5 564.8	5 566.8	1.9%	19.3%
Rental income on leased properties	49.4	1.1%	0.3%	50.0	50.0	50.0	0.4%	0.2%
Other sales	347.0	2.3%	2.0%	381.7	419.8	461.8	10.0%	1.4%
Other non-tax revenue	1 336.7	-4.7%	8.5%	1 432.6	1 535.7	1 646.5	7.2%	5.3%
<b>Transfers received</b>	<b>18 624.2</b>	<b>39.6%</b>	<b>61.1%</b>	<b>21 177.2</b>	<b>21 751.0</b>	<b>21 599.0</b>	<b>5.1%</b>	<b>73.8%</b>
<b>Total revenue</b>	<b>25 617.5</b>	<b>24.1%</b>	<b>100.0%</b>	<b>28 395.8</b>	<b>29 321.4</b>	<b>29 324.1</b>	<b>4.6%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>33 222.5</b>	<b>31.5%</b>	<b>100.0%</b>	<b>34 886.4</b>	<b>40 127.7</b>	<b>38 589.7</b>	<b>5.1%</b>	<b>100.0%</b>
Compensation of employees	403.4	16.3%	1.5%	546.8	599.2	654.2	17.5%	1.5%
Goods and services	24 618.8	46.7%	62.6%	25 777.3	30 425.3	28 255.3	4.7%	74.3%
Depreciation	3 625.8	7.7%	15.3%	3 759.0	4 059.7	4 384.5	6.5%	10.8%
Interest, dividends and rent on land	4 574.6	7.9%	20.6%	4 803.3	5 043.5	5 295.6	5.0%	13.5%
<b>Total expenses</b>	<b>33 222.5</b>	<b>31.5%</b>	<b>100.0%</b>	<b>34 886.4</b>	<b>40 127.7</b>	<b>38 589.7</b>	<b>5.1%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(7 605.0)</b>			<b>(6 491.0)</b>	<b>(10 806.0)</b>	<b>(9 266.0)</b>		
<b>Statement of financial position</b>								
Carrying value of assets	402 919.4	8.3%	96.1%	433 083.5	465 507.2	488 719.5	6.6%	96.4%
<i>of which:</i>								
Acquisition of assets	(9 821.7)	10.4%	-2.2%	(10 803.5)	(11 883.4)	(13 071.3)	10.0%	-2.4%
Investments	456.9	-21.0%	0.2%	502.6	552.8	608.1	10.0%	0.1%
Receivables and prepayments	5 346.6	-8.8%	1.5%	5 881.3	6 469.4	7 116.4	10.0%	1.3%
Cash and cash equivalents	8 411.2	-3.9%	2.2%	9 252.4	10 177.6	11 195.4	10.0%	2.1%
Non-current assets held for sale	31.3	15.9%	0.0%	34.4	37.9	41.7	10.0%	0.0%
<b>Total assets</b>	<b>417 165.5</b>	<b>7.7%</b>	<b>100.0%</b>	<b>448 754.2</b>	<b>482 745.0</b>	<b>507 681.0</b>	<b>6.8%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	(14 500.0)	16.2%	-3.5%	(14 600.0)	(14 700.0)	(14 700.0)	0.5%	-3.2%
Capital and reserves	309 169.8	8.6%	73.4%	334 176.1	361 194.6	378 643.4	7.0%	74.5%
Borrowings	52 614.6	2.5%	13.4%	55 465.9	58 481.8	61 672.8	5.4%	12.3%
Finance lease	0.1	-51.0%	0.0%	0.2	0.2	0.3	35.7%	0.0%
Deferred income	53 710.5	8.6%	12.9%	56 396.0	59 215.8	62 176.6	5.0%	12.5%
Trade and other payables	6 385.3	18.5%	1.4%	7 023.8	7 726.2	8 498.8	10.0%	1.6%
Provisions	405.8	2.3%	0.1%	443.9	485.6	531.4	9.4%	0.1%
Derivatives financial instruments	9 379.3	7.6%	2.3%	9 848.3	10 340.7	10 857.8	5.0%	2.2%
<b>Total equity and liabilities</b>	<b>417 165.5</b>	<b>7.7%</b>	<b>100.0%</b>	<b>448 754.2</b>	<b>482 745.0</b>	<b>507 681.0</b>	<b>6.8%</b>	<b>100.0%</b>

## Personnel information

**Table 35.35 South African National Roads Agency personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number							
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)						
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22					
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost								
South African National Roads Agency		425	490	342	339.0	1.0	392	403.4	1.0	425	546.8	1.3	490	599.2	1.2	490	654.2	1.3	17.5%	100.0%	
Salary level																					
1 – 6	9	10	3	35.2	11.7	9	56.8	6.3	9	77.3	8.6	10	52.0	5.2	10	57.0	5.7	0.1%	2.1%		
7 – 10	220	229	196	99.4	0.5	219	116.1	0.5	220	145.3	0.7	229	149.5	0.7	229	163.9	0.7	12.2%	50.3%		
11 – 12	70	100	39	37.5	1.0	53	50.0	0.9	70	81.0	1.2	100	114.0	1.1	100	124.9	1.2	35.7%	17.7%		
13 – 16	117	142	97	149.5	1.5	102	155.3	1.5	117	218.0	1.9	142	258.5	1.8	142	283.2	2.0	22.2%	27.9%		
17 – 22	9	9	7	17.4	2.5	9	25.2	2.8	9	25.2	2.8	9	25.2	2.8	9	25.2	2.8	0.0%	2.0%		

1. Rand million.

## Other entities

Comprehensive coverage of the following entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Air Traffic and Navigation Services Company** is a schedule 2 public entity established in terms of the Air Traffic and Navigation Services Act (1993). The company is mandated to provide safe, orderly and efficient air traffic navigational and associated services to the air traffic management community. It does this on behalf of the state and in accordance with International Civil Authority Organisation standards and recommended practices, and South African civil aviation regulations and technical standards. The company's total budget for 2019/20 is R1.8 billion.
- The **Cross-Border Road Transport Agency** is a schedule 3A public entity established in terms of the Cross-Border Road Transport Act (1998). The agency's legislative mandate requires it to advise the Minister of Transport on cross-border road transport policy, regulate access to the market by the road transport freight and passenger industry in respect of cross-border road transport by issuing permits, undertake road transport law enforcement, and play a facilitative role in contributing to the economic prosperity of the region. The agency's estimated expenditure for 2019/20 is R225.8 million.
- The **Driving licence card account** manufactures credit card format driving licences, based on orders received from driving licence testing centres, and generates its own revenue through the sale of the licence cards. The entity's estimated expenditure for 2019/20 is R235 million.
- The **Ports Regulator of South Africa** performs functions that relate mainly to the regulation of pricing and other aspects of economic regulation, the promotion of equal access to ports facilities and services, the monitoring of the industry's compliance with the regulatory framework, and the hearing of any complaints and appeals lodged with it. The regulator's estimated expenditure for 2019/20 is R37.4 million.
- The **Railway Safety Regulator** oversees and promotes safe railway operations through appropriate support, monitoring and enforcement, guided by an enabling regulatory framework, including regulations for all rail operators in South Africa and those of neighbouring countries whose rail operations enter South Africa. The regulator's estimated expenditure for 2019/20 is R240.6 million.
- The **Road Traffic Infringement Agency** promotes road traffic quality by providing for a scheme to discourage road traffic infringements to support the prosecution of offences in terms of national and provincial laws relating to road traffic, and implements a points demerit system. The agency's estimated expenditure for 2019/20 is R258.9 million.
- The **Road Traffic Management Corporation** pools national and provincial government resources for the provision of road traffic management. This includes cooperative and coordinated road traffic strategic planning, regulation, facilitation and law enforcement. The corporation's estimated expenditure for 2019/20 is R1.5 billion.
- The **South African Civil Aviation Authority** promotes, regulates and enforces civil aviation safety and security standards across the aviation industry. The entity's estimated expenditure for 2019/20 is R792.5 million.

- The **South African Maritime Safety Authority** promotes South Africa's maritime interests, ensures the safety of life and property at sea, and prevents and combats the pollution of the marine environment by ships. Functions of the entity are also defined as per international maritime conventions to which South Africa is a signatory. The entity's estimated expenditure for 2019/20 is R505.7 million.

**Additional table: Summary of expenditure on infrastructure**

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Infrastructure transfers to other spheres, agencies and departments</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
South African National Roads Agency	Development and upkeep of national road network	Various	–	8 891.9	9 329.4	11 112.4	6 982.3	15 030.9	14 247.1	13 703.1
Passenger Rail Agency of South Africa	Maintenance and rehabilitation of passenger rail infrastructure	Construction	–	11 595.4	10 438.3	5 911.0	3 685.4	4 386.4	4 658.6	6 061.2
Passenger Rail Agency of South Africa: Rolling stock	Provision of new rolling stock	Construction	–	2 560.5	4 170.3	3 457.2	4 676.9	7 323.3	6 993.1	8 646.2
Provincial roads maintenance grant	Maintenance of provincial road infrastructure	Various	–	9 531.7	10 478.2	10 753.7	11 035.7	11 381.7	12 093.2	13 021.1
Public transport network grant	Funding for accelerated construction and improvement of public and non-motorised transport infrastructure	Various	–	5 953.1	5 592.7	6 107.1	6 253.7	6 468.2	7 495.2	8 366.9
<b>Total</b>			–	<b>38 532.6</b>	<b>40 008.9</b>	<b>37 341.3</b>	<b>32 633.9</b>	<b>44 590.4</b>	<b>45 487.2</b>	<b>49 798.5</b>



# Vote 36

## Water and Sanitation

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	1 832.3	1 744.6	25.0	62.7	1 993.5	2 126.5
Water Planning and Information Management	970.3	886.0	3.2	81.1	1 034.7	1 096.9
Water Infrastructure Development	13 175.1	382.2	9 106.0	3 686.9	13 913.3	14 875.5
Water Sector Regulation	462.6	449.2	0.8	12.6	439.9	453.3
<b>Total expenditure estimates</b>	<b>16 440.4</b>	<b>3 462.1</b>	<b>9 135.0</b>	<b>3 843.3</b>	<b>17 381.4</b>	<b>18 552.1</b>

Executive authority Minister of Water and Sanitation  
 Accounting officer Director-General of Water and Sanitation  
 Website address [www.dwa.gov.za](http://www.dwa.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Ensure the availability of water resources to facilitate equitable and sustainable socioeconomic development, and ensure universal access to water and sanitation services.*

### Mandate

The mandate of the Department of Water and Sanitation is set out in the National Water Act (1998) and the Water Services Act (1997). The department's legislative mandate is to ensure that the country's water resources are protected, managed, used, developed, conserved and controlled by regulating and supporting the delivery of effective water supply and sanitation. This is done in accordance with the requirements of policies and legislation that are critical in delivering on people's right to have sufficient food and water, growing the economy, and eradicating poverty.

### Selected performance indicators

**Table 36.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of reports on progress analysed against the approved annual international relations implementation plan per year	Administration	Departmental mandate	-1	4	4	4	1	1	1
Number of river systems with water resources classes and determined resource quality objectives per year	Water Planning and Information Management	Outcome 10: Protect and enhance our environmental assets and natural resources	0	2	1	4	1	0	1

Table 36.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of mega regional bulk infrastructure project phases completed per year	Water Infrastructure Development	Outcome 6: An efficient, competitive and responsive economic infrastructure network	-1	0	0	0	2	1	1
Number of large regional bulk infrastructure project phases completed per year	Water Infrastructure Development	Outcome 9: Responsive, accountable, effective and efficient developmental local government	-1	2	5	10	16	10	8
Number of small regional bulk infrastructure project phases completed per year	Water Infrastructure Development		-1	31	6	4	8	5	5
Number of small projects completed through the Accelerated Community Infrastructure Programme subprogramme per year	Water Infrastructure Development		-1	14	1	0	0	0	0
Number of small projects completed through the water services infrastructure grant per year	Water Infrastructure Development		-1	316	47	0	104	83	90
Number of existing bucket sanitation backlog systems in formal settlements replaced with adequate sanitation services per year	Water Infrastructure Development		1838	6 978	8 313	11 844	0	0	0
Number of wastewater systems assessed for compliance with green drop regulatory standards per year	Water Sector Regulation	Departmental mandate	0	0	0	963	963	963	963
Number of water supply systems assessed for compliance with blue drop regulatory standards per year	Water Sector Regulation		0	763	788	1 010	0	0	1 010
Percentage of water use authorisation applications finalised within 300 working days of application	Water Sector Regulation	Outcome 10: Protect and enhance our environmental assets and natural resources	91% (262/288)	68% (275/404)	96% (447/467)	80%	80%	80%	80%

1. No historical data available.

## Expenditure analysis

Chapter 4 of the National Development Plan (NDP) envisages a South Africa that recognises the importance of secure and equitable access to water and sanitation as catalysts for socioeconomic development. In line with this vision, over the medium term, the Department of Water and Sanitation will focus on developing and investing in water infrastructure, improving planning in and regulation of the water sector, and monitoring and protecting South Africa's water resources.

The *Water Infrastructure Development* programme is the largest spending area in the budget. Transfers and subsidies increase at an average annual rate of 4.8 per cent, from R8.9 billion in 2018/19 to R10.3 billion in 2021/22. These transfers are mainly to water boards for the provision of regional bulk infrastructure, the Water Trading Entity, the *regional bulk infrastructure grant* and the *water services infrastructure grant*. Payments for capital assets comprise an estimated 12.2 billion of the department's total budget over the period ahead. However, these payments decrease at an average annual rate of 2.3 per cent, from R4.5 billion in 2018/19 to R4.2 billion in 2021/22, due to a one-off allocation of R1.3 billion in 2018/19 for drought relief. Spending on compensation of employees accounts for R6 billion of the department's total budget, increasing at an average annual rate of 9.9 per cent, from R1.6 billion in 2018/19 to R2.1 billion in 2021/22. This increase is due to the filling of critical positions such as engineers and programme managers in the *Water Infrastructure Development* programme.

### ***Developing and investing in water infrastructure***

Appropriate infrastructure is essential to delivering key water-related services for socioeconomic development. In recognising this, 81.1 per cent (R42 billion) of the department's spending over the medium term is earmarked for water infrastructure. Investment in bulk and reticulation infrastructure for water and sanitation is expected to lead to an increase in expenditure on transfers to municipalities at an average annual rate of 4.3 per cent, from R5.7 billion in 2018/19 to R6.5 billion in 2021/22, in the *Water Infrastructure Development* programme.

Through the *regional bulk infrastructure grant* and the *water services infrastructure grant*, 4 mega, 34 large and 295 small regional bulk water and sanitation projects are expected to be completed over the MTEF period. R6.6 billion over the period will be made available to local governments through the *regional bulk infrastructure grant*; and R11.8 billion to municipalities through the *water services infrastructure grant*. A further R11.9 billion over the medium term will be made available through these grants for payments for capital assets.

Over the medium term, transfers to the Water Trading Entity are expected to fund short-term and long-term interventions in: the acid mine drainage project, which purifies mine water and uses it to augment the yield of the Vaal River system to ensure water security and environmental sustainability; the Olifants River water resources development project (phase 2D); the Mokolo and Crocodile River water augmentation project (phase 2A); the raising of Clanwilliam Dam; the Groot Letaba River water development project; the raising of Tzaneen Dam; the Mdloti River development project; and the raising of Hazelmere Dam. The entity will also subsidise the capital requirements, operations and maintenance of infrastructure for water resources. As a result, transfers to the entity are expected to increase at an average annual rate of 4 per cent, from R2.1 billion in 2018/19 to R2.3 billion in 2021/22.

### ***Integrated planning and regulatory oversight***

Over the medium term, the department plans to finalise and implement the water and sanitation master plan, which will serve as a roadmap for the integrated planning and implementation of water and sanitation projects across the water value chain. Activities related to the water and sanitation master plan are carried out in the *Water Planning and Information Management* programme, which is the fastest growing programme in the department, increasing at an average annual rate of 18.2 per cent, from R663.6 million in 2018/19 to R1.1 billion in 2021/22.

### ***Monitoring and protecting water resources***

To ensure that water resources are allocated equitably for socioeconomic development, the department aims to finalise 80 per cent of authorised water use licence applications within 300 days of receipt over the medium

term. It also plans to assess 963 wastewater systems per year over the MTEF period, in line with the green drop regulatory standards; and 1 010 water supply systems in 2021/22, in line with blue drop regulatory standards. As a result, allocations to the *Water Sector Regulation* programme are expected to increase at an average annual rate of 14.4 per cent, from R303 million in 2018/19 to R453.3 million in 2021/22.

## Expenditure trends

**Table 36.2 Vote expenditure trends by programme and economic classification**

Programmes																															
1. Administration																															
2. Water Planning and Information Management																															
3. Water Infrastructure Development																															
4. Water Sector Regulation																															
Programme	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Revised estimate			Average: Outcome/Annual budget (%)		Average: Outcome/Adjusted appropriation (%)	
R million	2015/16			2016/17			2017/18			2018/19			2018/19			2015/16 - 2018/19			2015/16 - 2018/19		2015/16 - 2018/19		2015/16 - 2018/19		2015/16 - 2018/19						
Programme 1	1 526.2	1 487.5	1 448.1	1 642.7	1 591.9	1 557.9	1 628.4	1 649.9	1 998.7	1 714.6	1 661.2	1 609.5	1 714.6	1 661.2	1 609.5	101.6%	103.5%														
Programme 2	814.0	744.0	701.0	853.7	831.0	815.4	816.5	802.4	653.3	862.1	689.6	663.6	862.1	689.6	663.6	84.7%	92.4%														
Programme 3	13 875.0	13 230.4	13 147.0	12 430.0	12 782.4	12 953.9	12 251.7	12 760.4	12 146.2	12 496.2	14 204.3	13 175.6	12 496.2	14 204.3	13 175.6	100.7%	97.1%														
Programme 4	231.3	284.6	260.9	318.8	319.2	308.2	410.8	394.8	308.1	498.6	318.7	303.1	498.6	318.7	303.1	80.9%	89.6%														
<b>Total</b>	<b>16 446.5</b>	<b>15 746.5</b>	<b>15 557.0</b>	<b>15 245.3</b>	<b>15 524.6</b>	<b>15 635.4</b>	<b>15 107.4</b>	<b>15 607.4</b>	<b>15 106.2</b>	<b>15 571.5</b>	<b>16 873.7</b>	<b>15 751.7</b>	<b>15 571.5</b>	<b>16 873.7</b>	<b>15 751.7</b>	<b>99.5%</b>	<b>97.3%</b>														
Change to 2018 Budget estimate													1 302.2																		
Economic classification																															
<b>Current payments</b>	<b>3 116.8</b>	<b>3 122.2</b>	<b>2 902.3</b>	<b>3 315.8</b>	<b>3 202.5</b>	<b>3 139.9</b>	<b>3 301.5</b>	<b>3 155.7</b>	<b>3 546.9</b>	<b>3 293.8</b>	<b>3 281.1</b>	<b>3 159.0</b>	<b>3 293.8</b>	<b>3 281.1</b>	<b>3 159.0</b>	<b>97.9%</b>	<b>99.9%</b>														
Compensation of employees	1 492.1	1 428.4	1 360.4	1 667.2	1 540.2	1 439.9	1 651.9	1 571.9	1 535.6	1 720.2	1 718.0	1 595.9	1 720.2	1 718.0	1 595.9	90.8%	94.8%														
Goods and services	1 624.6	1 687.2	1 535.4	1 648.6	1 662.2	1 699.9	1 649.6	1 583.8	1 999.7	1 573.6	1 563.1	1 563.1	1 573.6	1 563.1	1 563.1	104.6%	104.6%														
Interest and rent on land	-	6.5	6.5	-	0.1	0.1	-	-	11.5	-	-	-	-	-	-	-	275.4%														
<b>Transfers and subsidies</b>	<b>6 094.6</b>	<b>5 072.6</b>	<b>5 078.3</b>	<b>7 483.7</b>	<b>7 487.6</b>	<b>7 482.2</b>	<b>8 114.5</b>	<b>8 416.1</b>	<b>8 185.7</b>	<b>8 633.3</b>	<b>8 927.5</b>	<b>8 427.5</b>	<b>8 633.3</b>	<b>8 927.5</b>	<b>8 427.5</b>	<b>96.2%</b>	<b>97.6%</b>														
Provinces and municipalities	2 305.4	2 305.5	2 305.7	4 695.4	4 695.4	4 681.3	5 194.9	5 195.2	5 134.8	5 438.6	5 726.7	5 226.7	5 438.6	5 726.7	5 226.7	98.4%	96.8%														
Departmental agencies and accounts	2 566.8	1 739.2	1 744.8	1 713.7	1 713.7	1 725.9	1 586.1	1 886.1	1 885.6	2 269.8	2 269.8	2 269.8	2 269.8	2 269.8	2 269.8	93.7%	100.2%														
Higher education institutions	0.6	2.0	1.0	3.4	3.4	-	-	-	-	-	-	-	-	-	-	25.0%	18.5%														
Foreign governments and international organisations	189.2	189.3	189.2	188.4	188.4	188.3	197.7	197.7	112.1	209.2	209.2	209.2	209.2	209.2	209.2	89.1%	89.1%														
Public corporations and private enterprises	1 000.0	802.0	801.7	844.8	844.8	844.8	1 098.5	1 098.5	1 022.3	694.7	694.7	694.7	694.7	694.7	694.7	92.5%	97.8%														
Non-profit institutions	1.9	2.0	0.7	2.8	2.8	3.3	1.2	1.2	0.8	1.0	1.0	1.0	1.0	1.0	1.0	84.5%	83.8%														
Households	30.7	32.7	35.2	35.3	39.3	38.6	36.1	37.5	30.1	20.0	26.2	26.2	20.0	26.2	26.2	106.4%	95.8%														
<b>Payments for capital assets</b>	<b>7 235.1</b>	<b>7 551.8</b>	<b>7 571.4</b>	<b>4 445.8</b>	<b>4 834.5</b>	<b>5 013.3</b>	<b>3 691.5</b>	<b>4 035.7</b>	<b>3 373.7</b>	<b>3 644.4</b>	<b>4 665.1</b>	<b>4 165.1</b>	<b>3 644.4</b>	<b>4 665.1</b>	<b>4 165.1</b>	<b>105.8%</b>	<b>95.4%</b>														
Buildings and other fixed structures	7 134.7	7 419.0	7 456.0	4 334.6	4 697.3	4 927.4	3 561.2	3 895.8	3 301.1	3 520.1	4 537.6	4 037.6	3 520.1	4 537.6	4 037.6	106.3%	96.0%														
Machinery and equipment	74.0	92.3	86.5	87.7	109.3	62.0	87.2	113.0	45.1	96.8	97.1	97.1	96.8	97.1	97.1	84.1%	70.6%														
Software and other intangible assets	26.5	40.4	29.0	23.4	27.9	24.0	43.1	26.9	27.4	27.5	30.4	30.4	27.5	30.4	30.4	91.9%	88.2%														
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>4.8</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>														
<b>Total</b>	<b>16 446.5</b>	<b>15 746.5</b>	<b>15 557.0</b>	<b>15 245.3</b>	<b>15 524.6</b>	<b>15 635.4</b>	<b>15 107.4</b>	<b>15 607.4</b>	<b>15 106.2</b>	<b>15 571.5</b>	<b>16 873.7</b>	<b>15 751.7</b>	<b>15 571.5</b>	<b>16 873.7</b>	<b>15 751.7</b>	<b>99.5%</b>	<b>97.3%</b>														

## Expenditure estimates

**Table 36.3 Vote expenditure estimates by programme and economic classification**

Programmes								
1. Administration								
2. Water Planning and Information Management								
3. Water Infrastructure Development								
4. Water Sector Regulation								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
Programme 1	1 609.5	2.7%	10.7%	1 832.3	1 993.5	2 126.5	9.7%	11.1%
Programme 2	663.6	-3.7%	4.6%	970.3	1 034.7	1 096.9	18.2%	5.5%
Programme 3	13 175.6	-0.1%	82.9%	13 175.1	13 913.3	14 875.5	4.1%	80.9%
Programme 4	303.1	2.1%	1.9%	462.6	439.9	453.3	14.4%	2.4%
<b>Total</b>	<b>15 751.7</b>	<b>0.0%</b>	<b>100.0%</b>	<b>16 440.4</b>	<b>17 381.4</b>	<b>18 552.1</b>	<b>5.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(26.2)	(27.5)	(33.7)		
Economic classification								
<b>Current payments</b>	<b>3 159.0</b>	<b>0.4%</b>	<b>20.5%</b>	<b>3 462.1</b>	<b>3 702.6</b>	<b>3 916.5</b>	<b>7.4%</b>	<b>20.9%</b>
Compensation of employees	1 595.9	3.8%	9.6%	1 851.3	1 990.2	2 119.6	9.9%	11.1%
Goods and services	1 563.1	-2.5%	11.0%	1 610.7	1 712.4	1 796.9	4.8%	9.8%
<b>Transfers and subsidies</b>	<b>8 427.5</b>	<b>18.4%</b>	<b>47.0%</b>	<b>9 135.0</b>	<b>9 635.8</b>	<b>10 282.1</b>	<b>6.9%</b>	<b>55.0%</b>
Provinces and municipalities	5 226.7	31.4%	28.0%	5 736.2	6 051.6	6 505.4	7.6%	34.5%
Departmental agencies and accounts	2 269.8	9.3%	12.3%	2 370.0	2 500.5	2 633.4	5.1%	14.3%
Foreign governments and international organisations	209.2	3.4%	1.1%	220.9	233.1	245.9	5.5%	1.3%
Public corporations and private enterprises	694.7	-4.7%	5.4%	782.9	825.8	871.3	7.8%	4.7%
Non-profit institutions	1.0	-19.9%	0.0%	0.3	0.3	0.3	-31.4%	0.0%
Households	26.2	-7.2%	0.2%	24.6	24.5	25.9	-0.4%	0.1%
<b>Payments for capital assets</b>	<b>4 165.1</b>	<b>-18.0%</b>	<b>32.4%</b>	<b>3 843.3</b>	<b>4 043.1</b>	<b>4 353.5</b>	<b>1.5%</b>	<b>24.1%</b>
Buildings and other fixed structures	4 037.6	-18.4%	31.8%	3 721.4	3 925.9	4 218.7	1.5%	23.3%
Machinery and equipment	97.1	1.7%	0.5%	92.4	82.0	90.7	-2.2%	0.5%
Software and other intangible assets	30.4	-9.0%	0.2%	29.5	35.2	44.1	13.2%	0.2%
<b>Total</b>	<b>15 751.7</b>	<b>0.0%</b>	<b>100.0%</b>	<b>16 440.4</b>	<b>17 381.4</b>	<b>18 552.1</b>	<b>5.6%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 36.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R thousand											
Water resource and bulk infrastructure	7 230 058	7 718 063	7 648 986	6 550 483	-3.2%	47.0%	8 060 526	8 506 087	9 076 978	11.5%	47.3%
Regional and local water and sanitation services	3 829 097	3 506 527	4 195 290	4 183 690	3.0%	25.3%	4 313 404	4 547 778	4 890 987	5.3%	26.3%
<b>Total</b>	<b>11 059 155</b>	<b>11 224 590</b>	<b>11 844 276</b>	<b>10 734 173</b>	<b>-1.0%</b>	<b>72.3%</b>	<b>12 373 930</b>	<b>13 053 865</b>	<b>13 967 965</b>	<b>9.2%</b>	<b>73.6%</b>

## Goods and services expenditure trends and estimates

**Table 36.5 Vote goods and services expenditure trends and estimates**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
R thousand											
Administrative fees	10 545	11 848	20 790	13 591	8.8%	0.8%	18 772	19 775	20 907	15.4%	1.1%
Advertising	33 825	55 133	13 574	13 474	-26.4%	1.7%	22 379	27 335	28 670	28.6%	1.4%
Minor assets	10 764	15 745	3 862	9 052	-5.6%	0.6%	11 595	13 542	13 951	15.5%	0.7%
Audit costs: External	29 313	36 225	21 952	43 888	14.4%	1.9%	36 531	39 024	41 462	-1.9%	2.4%
Bursaries: Employees	3 710	4 119	2 017	4 534	6.9%	0.2%	5 168	5 452	5 752	8.3%	0.3%
Catering: Departmental activities	11 250	11 386	4 800	7 301	-13.4%	0.5%	6 386	7 486	7 961	2.9%	0.4%

Table 36.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
Communication	57 692	38 777	31 766	35 497	-14.9%	2.4%	33 387	36 416	38 190	2.5%	2.1%
Computer services	100 511	148 730	97 852	69 051	-11.8%	6.1%	171 678	192 020	202 960	43.2%	9.5%
Consultants: Business and advisory services	97 868	154 826	182 222	32 993	-30.4%	6.9%	180 088	163 312	146 770	64.5%	7.8%
Infrastructure and planning services	241 215	145 374	304 670	138 218	-16.9%	12.2%	224 608	216 619	235 219	19.4%	12.2%
Laboratory services	4 438	6 558	1 333	1 167	-35.9%	0.2%	9 300	8 311	10 330	106.9%	0.4%
Legal services	8 109	6 777	11 903	10 004	7.3%	0.5%	12 900	14 520	14 275	12.6%	0.8%
Science and technological services	1 777	910	-	130	-58.2%	-	-	25	26	-41.5%	-
Contractors	160 910	259 960	24 544	30 643	-42.5%	7.0%	37 130	31 128	32 989	2.5%	2.0%
Agency and support/outsourced services	40 033	7 191	6 302	27 429	-11.8%	1.2%	5 109	5 469	5 735	-40.6%	0.7%
Entertainment	673	426	158	351	-19.5%	-	478	512	547	15.9%	-
Fleet services (including government motor transport)	1 554	3 092	24 916	10 840	91.1%	0.6%	22 993	23 996	25 277	32.6%	1.2%
Housing	44	-	-	47	2.2%	-	-	-	-	-100.0%	-
Inventory: Clothing material and accessories	4 329	5 733	-	3 005	-11.5%	0.2%	-	-	-	-100.0%	-
Inventory: Farming supplies	79	137	-	21	-35.7%	-	-	-	-	-100.0%	-
Inventory: Food and food supplies	399	471	-	79	-41.7%	-	-	-	-	-100.0%	-
Inventory: Fuel, oil and gas	2 515	6 271	-	1 626	-13.5%	0.2%	-	-	-	-100.0%	-
Inventory: Learner and teacher support material	2 468	1 298	-	35	-75.8%	0.1%	-	-	-	-100.0%	-
Inventory: Materials and supplies	14 598	6 607	-	2 823	-42.2%	0.4%	-	-	-	-100.0%	-
Inventory: Medical supplies	183	269	-	243	9.9%	-	-	-	-	-100.0%	-
Inventory: Medicine	108	30	-	300	40.6%	-	-	-	-	-100.0%	-
Medsas system inventory interface	-	35	-	116	-	-	-	-	-	-100.0%	-
Inventory: Other supplies	6 377	13 599	6 127	13 017	26.9%	0.6%	3 227	3 404	3 592	-34.9%	0.3%
Consumable supplies	13 436	19 309	15 847	13 960	1.3%	0.9%	24 073	29 335	30 921	30.4%	1.5%
Consumables: Stationery, printing and office supplies	24 208	30 057	13 444	22 409	-2.5%	1.3%	26 059	26 326	29 344	9.4%	1.6%
Operating leases	275 322	304 928	311 010	385 129	11.8%	18.8%	418 974	487 413	521 778	10.7%	27.1%
Rental and hiring	4 615	2 828	1 977	2 110	-23.0%	0.2%	3 204	3 360	3 049	13.1%	0.2%
Property payments	121 681	90 238	102 474	98 460	-6.8%	6.1%	116 569	114 939	118 927	6.5%	6.7%
Transport provided:	3 561	2 557	324	1 204	-30.3%	0.1%	16 082	16 966	17 901	145.9%	0.8%
Departmental activity											
Travel and subsistence	176 382	235 374	202 925	50 450	-34.1%	9.8%	152 365	167 776	179 343	52.6%	8.2%
Training and development	36 237	33 757	581 117	494 469	139.0%	16.9%	28 943	31 488	33 382	-59.3%	8.8%
Operating payments	17 553	23 041	8 771	18 446	1.7%	1.0%	13 579	16 110	16 787	-3.1%	1.0%
Venues and facilities	17 157	16 313	3 031	6 982	-25.9%	0.6%	9 136	10 343	10 895	16.0%	0.6%
<b>Total</b>	<b>1 535 439</b>	<b>1 699 929</b>	<b>1 999 708</b>	<b>1 563 094</b>	<b>0.6%</b>	<b>100.0%</b>	<b>1 610 713</b>	<b>1 712 402</b>	<b>1 796 940</b>	<b>4.8%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 36.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>8 869</b>	<b>10 450</b>	<b>8 759</b>	<b>7 740</b>	<b>-4.4%</b>	<b>0.1%</b>	<b>5 151</b>	<b>3 973</b>	<b>4 195</b>	<b>-18.5%</b>	<b>0.1%</b>
Employee social benefits	8 866	10 450	8 759	7 740	-4.4%	0.1%	5 151	3 973	4 195	-18.5%	0.1%
Non-profit institutions	3	-	-	-	-100.0%	-	-	-	-	-	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>174 116</b>	<b>181 408</b>	<b>175 678</b>	<b>185 862</b>	<b>2.2%</b>	<b>2.4%</b>	<b>196 270</b>	<b>207 065</b>	<b>218 453</b>	<b>5.5%</b>	<b>2.1%</b>
Energy and Water Services Sector	3 037	2 202	2 676	2 828	-2.3%	-	2 986	3 150	3 323	5.5%	-
Education and Training Authority											
Communication	4	-	-	-	-100.0%	-	-	-	-	-	-
Water information management	6 704	12 206	2	-	-100.0%	0.1%	-	-	-	-	-
Water Trading Entity	164 371	165 000	173 000	183 034	3.6%	2.3%	193 284	203 915	215 130	5.5%	2.1%
Water Research Commission	-	2 000	-	-	-	-	-	-	-	-	-

Table 36.6 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
<b>Capital</b>	<b>1 570 722</b>	<b>1 544 461</b>	<b>1 709 881</b>	<b>2 083 894</b>	<b>9.9%</b>	<b>23.3%</b>	<b>2 173 752</b>	<b>2 293 421</b>	<b>2 414 930</b>	<b>5.0%</b>	<b>23.6%</b>
Water Trading Entity	1 570 722	1 544 461	1 709 881	2 083 894	9.9%	23.3%	2 173 752	2 293 421	2 414 930	5.0%	23.6%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>26 288</b>	<b>28 159</b>	<b>21 304</b>	<b>18 427</b>	<b>-11.2%</b>	<b>0.3%</b>	<b>19 462</b>	<b>20 537</b>	<b>21 666</b>	<b>5.5%</b>	<b>0.2%</b>
Employee social benefits	–	12 624	4 470	2 797	–	0.1%	202	213	225	-56.8%	–
Bursaries for non-employees	15 726	15 535	16 834	15 630	-0.2%	0.2%	19 260	20 324	21 441	11.1%	0.2%
Resource poor farmers	10 562	–	–	–	-100.0%	–	–	–	–	–	–
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>660</b>	<b>546</b>	<b>553</b>	<b>523</b>	<b>-7.5%</b>	<b>–</b>	<b>552</b>	<b>573</b>	<b>604</b>	<b>4.9%</b>	<b>–</b>
Other transfers to households	3	–	–	–	-100.0%	–	–	–	–	–	–
Vehicle licences	657	546	553	523	-7.3%	–	552	573	604	4.9%	–
<b>Capital</b>	<b>2 305 029</b>	<b>4 680 773</b>	<b>5 134 239</b>	<b>5 726 139</b>	<b>35.4%</b>	<b>60.1%</b>	<b>5 735 679</b>	<b>6 050 977</b>	<b>6 504 800</b>	<b>4.3%</b>	<b>63.2%</b>
Regional bulk infrastructure grant	–	1 849 791	1 829 002	1 957 000	–	19.0%	2 066 360	2 180 005	2 343 505	6.2%	22.5%
Water services infrastructure grant	2 305 029	2 830 982	3 305 237	3 769 139	17.8%	41.1%	3 669 319	3 870 972	4 161 295	3.4%	40.7%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>189 231</b>	<b>188 250</b>	<b>112 132</b>	<b>209 212</b>	<b>3.4%</b>	<b>2.4%</b>	<b>220 927</b>	<b>233 078</b>	<b>245 897</b>	<b>5.5%</b>	<b>2.4%</b>
Limpopo Watercourse Commission	350	87	628	186	-19.0%	–	196	207	218	5.4%	–
Orange-Senqu River Commission	546	611	800	675	7.3%	–	713	752	793	5.5%	–
African Ministers Council on Water	97	102	135	112	4.9%	–	118	124	131	5.4%	–
Komati Basin Water Authority	188 238	187 450	110 569	208 239	3.4%	2.3%	219 900	231 995	244 755	5.5%	2.4%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>681</b>	<b>3 337</b>	<b>779</b>	<b>1 026</b>	<b>14.6%</b>	<b>–</b>	<b>297</b>	<b>313</b>	<b>331</b>	<b>-31.4%</b>	<b>–</b>
Employee social benefits	–	–	55	–	–	–	–	–	–	–	–
Women in Water Awards	100	700	–	–	-100.0%	–	–	–	–	–	–
South African Youth Water Prize	22	24	21	26	5.7%	–	27	28	30	4.9%	–
Various institutions: 2020 vision for water education programme	559	1 813	703	–	-100.0%	–	270	285	301	–	–
Water Institute of Southern Africa	–	800	–	1 000	–	–	–	–	–	-100.0%	–
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Capital</b>	<b>801 748</b>	<b>844 773</b>	<b>1 022 349</b>	<b>694 715</b>	<b>-4.7%</b>	<b>11.3%</b>	<b>782 891</b>	<b>825 829</b>	<b>871 250</b>	<b>7.8%</b>	<b>8.4%</b>
Amatola water board: Regional bulk infrastructure	169 060	–	88 554	92 386	-18.2%	1.2%	185 000	–	–	-100.0%	0.7%
Magalies water board: Regional bulk infrastructure	150 000	142 769	52 231	36 000	-37.9%	1.3%	65 373	100 000	105 500	43.1%	0.8%
Umgeni water board: Regional bulk infrastructure	279 140	423 004	518 405	132 329	-22.0%	4.6%	320 000	590 829	623 325	67.6%	4.4%
Sedibeng water board: Regional bulk infrastructure	203 548	279 000	363 159	434 000	28.7%	4.3%	212 518	135 000	142 425	-31.0%	2.4%
<b>Higher education institutions</b>											
<b>Current</b>	<b>1 000</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Stellenbosch University	500	–	–	–	-100.0%	–	–	–	–	–	–
University of the Western Cape	500	–	–	–	-100.0%	–	–	–	–	–	–
<b>Total</b>	<b>5 078 344</b>	<b>7 482 157</b>	<b>8 185 674</b>	<b>8 927 538</b>	<b>20.7%</b>	<b>100.0%</b>	<b>9 134 981</b>	<b>9 635 766</b>	<b>10 282 126</b>	<b>4.8%</b>	<b>100.0%</b>

## Personnel information

**Table 36.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes																			
1. Administration																			
2. Water Planning and Information Management																			
3. Water Infrastructure Development																			
4. Water Sector Regulation																			
Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost			2021/22		Unit cost	
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2018/19 - 2021/22		
<b>Water and Sanitation</b>																			
Salary level	3 643	103	3 218	1 535.6	0.5	3 204	1 595.9	0.5	3 397	1 851.3	0.5	3 395	1 990.2	0.6	3 359	2 119.6	0.6	1.6%	100.0%
1 – 6	1 401	24	1 156	295.1	0.3	1 142	254.0	0.2	1 179	283.5	0.2	1 174	304.9	0.3	1 156	323.5	0.3	0.4%	34.8%
7 – 10	1 434	37	1 516	712.4	0.5	1 530	693.0	0.5	1 615	785.8	0.5	1 618	847.4	0.5	1 604	904.5	0.6	1.6%	47.7%
11 – 12	596	41	346	280.7	0.8	330	352.0	1.1	381	434.5	1.1	381	465.6	1.2	377	493.3	1.3	4.5%	11.0%
13 – 16	210	1	200	247.4	1.2	202	296.9	1.5	222	347.5	1.6	222	372.3	1.7	222	398.2	1.8	3.2%	6.5%
Other	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Programme	3 643	103	3 218	1 535.6	0.5	3 204	1 595.9	0.5	3 397	1 851.3	0.5	3 395	1 990.2	0.6	3 359	2 119.6	0.6	1.6%	100.0%
Programme 1	1 775	29	1 554	695.0	0.4	1 534	726.5	0.5	1 615	835.2	0.5	1 600	890.0	0.6	1 582	947.8	0.6	1.0%	47.4%
Programme 2	985	48	882	407.8	0.5	852	431.8	0.5	889	492.5	0.6	889	529.7	0.6	877	564.2	0.6	1.0%	26.3%
Programme 3	472	12	414	199.4	0.5	379	213.6	0.6	426	264.5	0.6	442	292.8	0.7	438	311.8	0.7	4.9%	12.6%
Programme 4	411	14	368	233.5	0.6	439	224.1	0.5	467	259.2	0.6	464	277.8	0.6	462	295.8	0.6	1.7%	13.7%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 36.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate		Revised estimate		Average growth rate (%)		Average: Receipt item/ Total (%)		Medium-term receipts estimate			Average growth rate (%)		Average: Receipt item/ Total (%)	
	2015/16	2016/17	2017/18	2018/19		2015/16 - 2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22		2018/19 - 2021/22		
<b>Departmental receipts</b>	<b>11 008</b>	<b>20 964</b>	<b>12 876</b>	<b>18 237</b>	<b>18 237</b>	<b>18.3%</b>	<b>100.0%</b>	<b>8 031</b>	<b>8 196</b>	<b>15 004</b>	<b>-6.3%</b>	<b>100.0%</b>	<b>8 031</b>	<b>8 196</b>	<b>15 004</b>	<b>-6.3%</b>	<b>100.0%</b>	
<b>Sales of goods and services produced by department</b>	<b>2 546</b>	<b>3 164</b>	<b>1 871</b>	<b>2 616</b>	<b>2 616</b>	<b>0.9%</b>	<b>16.2%</b>	<b>2 471</b>	<b>2 486</b>	<b>2 558</b>	<b>-0.7%</b>	<b>20.5%</b>	<b>2 471</b>	<b>2 486</b>	<b>2 558</b>	<b>-0.7%</b>	<b>20.5%</b>	
Sales by market establishments of which:	920	877	699	735	735	-7.2%	5.1%	747	750	832	4.2%	6.2%	747	750	832	4.2%	6.2%	
Market establishment: Rental dwelling	656	567	509	527	527	-7.0%	3.6%	550	550	577	3.1%	4.5%	550	550	577	3.1%	4.5%	
Market establishment: Non-residential building	78	123	6	20	20	-36.5%	0.4%	7	10	69	51.1%	0.2%	7	10	69	51.1%	0.2%	
Market establishment: Rental parking	186	187	184	188	188	0.4%	1.2%	190	190	186	-0.4%	1.5%	190	190	186	-0.4%	1.5%	
Administrative fees of which:	102	65	58	59	59	-16.7%	0.5%	65	65	108	22.3%	0.6%	65	65	108	22.3%	0.6%	
Services rendered: Transport fees	50	50	48	48	48	-1.4%	0.3%	50	50	49	0.7%	0.4%	50	50	49	0.7%	0.4%	
Sales: Tender documents	36	–	–	–	–	-100.0%	0.1%	–	–	25	–	0.1%	–	–	25	–	0.1%	
Sales: Maps	12	10	7	9	9	-9.1%	0.1%	11	10	29	47.7%	0.1%	11	10	29	47.7%	0.1%	
Replacement of security cards	4	4	3	2	2	-20.6%	–	4	5	4	26.0%	–	4	5	4	26.0%	–	
Sales: Water potable	–	1	–	–	–	–	–	–	–	1	–	–	–	–	1	–	–	
Other sales of which:	1 524	2 222	1 114	1 822	1 822	6.1%	10.6%	1 659	1 671	1 618	-3.9%	13.7%	1 659	1 671	1 618	-3.9%	13.7%	
Rental capital assets	67	70	75	80	80	6.1%	0.5%	77	78	71	-3.9%	0.6%	77	78	71	-3.9%	0.6%	
Sales: Departmental publications and production	3	7	3	5	5	18.6%	–	4	4	3	-15.7%	–	4	4	3	-15.7%	–	
Services rendered: Commission on insurance and garnishee	803	748	759	771	771	-1.3%	4.9%	762	764	770	–	6.2%	762	764	770	–	6.2%	
Sales: Meals and refreshments	510	989	175	832	832	17.7%	4.0%	502	505	558	-12.5%	4.8%	502	505	558	-12.5%	4.8%	
Services rendered: Boarding service	141	408	98	134	134	-1.7%	1.2%	314	320	216	17.3%	2.0%	314	320	216	17.3%	2.0%	
Sales: Assets less than R5 000	–	–	4	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Sales of scrap, waste, arms and other used current goods of which:	30	–	6	18	18	-15.7%	0.1%	10	10	36	26.0%	0.1%	10	10	36	26.0%	0.1%	
Sales: Scrap	28	–	6	18	18	-12.6%	0.1%	10	10	34	22.4%	0.1%	10	10	34	22.4%	0.1%	
Sales: Wastepaper	2	–	–	–	–	-100.0%	–	–	–	2	–	–	–	–	2	–	–	
Fines, penalties and forfeits	–	–	–	400	400	–	0.6%	–	–	–	–	-100.0%	0.8%	–	–	–	-100.0%	0.8%
Interest, dividends and rent on land	2 428	1 384	2 992	2 467	2 467	0.5%	14.7%	2 800	2 900	2 268	-2.8%	21.1%	2 800	2 900	2 268	-2.8%	21.1%	
Interest	2 428	1 384	2 992	2 467	2 467	0.5%	14.7%	2 800	2 900	2 268	-2.8%	21.1%	2 800	2 900	2 268	-2.8%	21.1%	
Sales of capital assets	31	–	197	–	–	-100.0%	0.4%	–	–	76	–	0.2%	–	–	76	–	0.2%	
Transactions in financial assets and liabilities	5 973	16 416	7 810	12 736	12 736	28.7%	68.1%	2 750	2 800	10 066	-7.5%	57.3%	2 750	2 800	10 066	-7.5%	57.3%	
<b>Total</b>	<b>11 008</b>	<b>20 964</b>	<b>12 876</b>	<b>18 237</b>	<b>18 237</b>	<b>18.3%</b>	<b>100.0%</b>	<b>8 031</b>	<b>8 196</b>	<b>15 004</b>	<b>-6.3%</b>	<b>100.0%</b>	<b>8 031</b>	<b>8 196</b>	<b>15 004</b>	<b>-6.3%</b>	<b>100.0%</b>	



## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department. Develop and promote international relations on water resources with neighbouring countries.

### Objectives

- Facilitate targeted and sustained African and global cooperation in support of the national water and sanitation agenda by evaluating the implementation of the approved African and global international relations plan annually.
  - Improve regional water resource management by monitoring progress quarterly against the annual international relations implementation plan, as approved by the Department of International Relations and Cooperation.

### Subprogrammes

- Ministry* provides administrative and logistical support to the minister and deputy minister, and their support staff, and makes provision for their salaries.
- Departmental Management* provides policy and strategic direction for water and sanitation management. This includes enterprise-wide support services comprising administrative support to the director-general, corporate planning, and monitoring and evaluation; and the provision of salaries and operational budgets for the department's regional office heads.
- Internal Audit* provides independent, objective assurance and advisory services to improve the department's operations.
- Corporate Services* provides enterprise-wide support comprising human resources, legal services, communications, the learning and development academy, and transformation policy and coordination.
- Financial Management* ensures the efficient management of daily financial operations, processes and systems.
- Office Accommodation* makes payments for rental charges on all leased office space occupied by the department; and for municipal services such as electricity, water, and sewage and waste removal.
- Programme Management Unit* provides for improved coordination and governance in the management of departmental projects.
- International Water Support* strategically coordinates, promotes and manages international relations on water and sanitation between countries through bilateral and multilateral cooperation instruments and organisations, in line with legislative provisions. This subprogramme also pursues national interests in African and global multilateral organisations and forums.

### Expenditure trends and estimates

**Table 36.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average Expenditure/Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/Total (%)
R million											
Ministry	45.9	52.3	56.1	48.5	1.8%	3.0%	46.6	54.9	58.3	6.4%	2.7%
Departmental Management	91.6	105.5	61.8	84.6	-2.6%	5.2%	103.4	108.8	115.7	11.0%	5.4%
Internal Audit	29.8	36.3	34.3	39.3	9.7%	2.1%	38.0	45.2	48.1	7.0%	2.2%
Corporate Services	626.8	718.6	1 197.3	696.4	3.6%	48.6%	777.1	838.1	893.6	8.7%	42.1%
Financial Management	196.3	232.0	204.7	253.9	9.0%	13.3%	269.3	282.5	300.4	5.8%	14.5%
Office Accommodation	374.1	346.9	367.5	439.2	5.5%	22.9%	481.4	552.8	590.7	10.4%	27.1%
Programme Management Unit	46.5	28.1	39.3	50.9	3.1%	2.5%	62.5	55.9	59.3	5.2%	3.0%
International Water Support	37.2	38.2	37.7	48.5	9.3%	2.4%	54.0	55.4	60.4	7.6%	2.9%
<b>Total</b>	<b>1 448.1</b>	<b>1 557.9</b>	<b>1 998.7</b>	<b>1 661.2</b>	<b>4.7%</b>	<b>100.0%</b>	<b>1 832.3</b>	<b>1 993.5</b>	<b>2 126.5</b>	<b>8.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(53.5)			7.4	-	-		

**Table 36.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22
<b>Current payments</b>	<b>1 367.1</b>	<b>1 483.9</b>	<b>1 925.1</b>	<b>1 568.7</b>	<b>4.7%</b>	<b>95.2%</b>	<b>1 744.6</b>	<b>1 898.1</b>	<b>2 019.7</b>	<b>8.8%</b>	<b>95.0%</b>
Compensation of employees	617.7	670.2	695.0	778.2	8.0%	41.4%	835.2	890.0	947.8	6.8%	45.3%
Goods and services <sup>1</sup>	742.9	813.7	1 230.1	790.5	2.1%	53.7%	909.5	1 008.1	1 071.9	10.7%	49.6%
<i>of which:</i>											
<i>Audit costs: External</i>	29.3	36.2	22.0	43.9	14.4%	2.0%	36.5	39.0	41.5	-1.9%	2.1%
<i>Computer services</i>	38.2	58.4	47.1	63.7	18.5%	3.1%	96.1	113.3	119.6	23.4%	5.2%
<i>Contractors</i>	41.0	51.8	12.2	24.4	-15.9%	1.9%	29.3	22.8	24.3	-0.1%	1.3%
<i>Operating leases</i>	272.3	302.1	310.8	383.6	12.1%	19.0%	418.2	486.5	520.8	10.7%	23.8%
<i>Property payments</i>	119.6	78.6	86.4	93.5	-7.9%	5.7%	103.8	101.5	104.7	3.9%	5.3%
<i>Travel and subsistence</i>	72.6	72.3	67.0	29.7	-25.8%	3.6%	69.1	76.2	80.5	39.5%	3.4%
<i>Interest and rent on land</i>	6.5	-	-	-	-100.0%	0.1%	-	-	-	-	-
<b>Transfers and subsidies<sup>1</sup></b>	<b>21.8</b>	<b>21.9</b>	<b>23.6</b>	<b>21.6</b>	<b>-0.3%</b>	<b>1.3%</b>	<b>25.0</b>	<b>26.4</b>	<b>27.9</b>	<b>8.8%</b>	<b>1.3%</b>
Provinces and municipalities	0.0	0.0	0.0	0.1	111.4%	-	0.1	0.1	0.1	1.5%	-
Departmental agencies and accounts	3.0	2.2	2.7	2.8	-2.4%	0.2%	3.0	3.2	3.3	5.5%	0.2%
Higher education institutions	1.0	-	-	-	-100.0%	-	-	-	-	-	-
Foreign governments and international organisations	1.0	0.8	1.6	1.0	-0.7%	0.1%	1.0	1.1	1.1	5.5%	0.1%
Non-profit institutions	0.1	0.7	-	-	-100.0%	-	-	-	-	-	-
Households	16.7	18.2	19.4	17.7	2.1%	1.1%	20.9	22.1	23.3	9.5%	1.1%
<b>Payments for capital assets</b>	<b>59.2</b>	<b>52.1</b>	<b>49.9</b>	<b>70.8</b>	<b>6.2%</b>	<b>3.5%</b>	<b>62.7</b>	<b>69.0</b>	<b>78.9</b>	<b>3.7%</b>	<b>3.7%</b>
Machinery and equipment	30.1	29.1	22.5	41.1	10.9%	1.8%	33.7	34.5	35.5	-4.8%	1.9%
Software and other intangible assets	29.0	23.0	27.4	29.6	0.7%	1.6%	29.0	34.5	43.4	13.5%	1.8%
<b>Total</b>	<b>1 448.1</b>	<b>1 557.9</b>	<b>1 998.7</b>	<b>1 661.2</b>	<b>4.7%</b>	<b>100.0%</b>	<b>1 832.3</b>	<b>1 993.5</b>	<b>2 126.5</b>	<b>8.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>9.3%</b>	<b>10.0%</b>	<b>13.2%</b>	<b>9.8%</b>	-	-	<b>11.1%</b>	<b>11.5%</b>	<b>11.5%</b>	-	-
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>3.0</b>	<b>2.2</b>	<b>2.7</b>	<b>2.8</b>	<b>-2.3%</b>	<b>0.2%</b>	<b>3.0</b>	<b>3.2</b>	<b>3.3</b>	<b>5.5%</b>	<b>0.2%</b>
Energy and Water Services Sector	3.0	2.2	2.7	2.8	-2.3%	0.2%	3.0	3.2	3.3	5.5%	0.2%
Education and Training Authority											
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>15.7</b>	<b>15.5</b>	<b>16.8</b>	<b>15.6</b>	<b>-0.2%</b>	<b>1.0%</b>	<b>19.3</b>	<b>20.3</b>	<b>21.4</b>	<b>11.1%</b>	<b>1.0%</b>
Bursaries for non-employees	15.7	15.5	16.8	15.6	-0.2%	1.0%	19.3	20.3	21.4	11.1%	1.0%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Water Planning and Information Management

### Programme purpose

Ensure that South Africa's water resources are protected, used, developed, conserved, managed and controlled in a sustainable manner for the benefit of all people and the environment by developing a knowledge base and implementing effective policies, procedures and integrated planning strategies for both water resources and water services.

### Objectives

- Protect the integrity of freshwater ecosystems by determining the water resource classes and quality objectives for 2 river systems by March 2022.
- Enhance the efficiency of water use and the management of water quality by assessing 3 large water systems for water losses by March 2022.
- Ensure a coordinated approach to water and sanitation infrastructure planning, monitoring and evaluation by updating the national water and sanitation master plan annually.

## Subprogrammes

- *Water Planning, Information Management and Support* provides strategic leadership and overall management to the programme.
- *Integrated Planning* develops comprehensive plans that guide infrastructure development, systems and services management in the water sector.
- *Water Ecosystems* develops and implements measures to protect water resources. This entails determining measures to manage water resources by classifying water resource systems, determining reserves, conducting resource quality assessments and determining resource-directed measures by developing pollution control guidelines, and rehabilitation measures and protocols.
- *Water Information Management* ensures the development and maintenance of data and information management systems to enable informed decisions on water management.
- *Water Services and Local Water Management* formulates and develops strategies, guidelines and plans for water services and the management of water at the local level.
- *Sanitation Planning and Management* provides a national strategy for the planning of sanitation services and supports municipalities in planning for the provision of sustainable sanitation services.
- *Policy and Strategy* develops, monitors and reviews the implementation of water and sanitation sector policies and strategies.

## Expenditure trends and estimates

**Table 36.10 Water Planning and Information Management expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Water Planning, Information Management and Support	3.9	5.0	5.7	6.5	18.9%	0.7%	7.1	7.4	7.9	6.8%	0.8%
Integrated Planning	159.0	93.0	88.6	68.2	-24.6%	14.3%	97.9	110.8	118.2	20.2%	10.4%
Water Ecosystems	50.2	50.4	43.2	36.9	-9.8%	6.3%	54.0	66.7	59.6	17.4%	5.7%
Water Information Management	456.0	517.7	421.6	408.6	-3.6%	63.1%	533.3	582.2	622.8	15.1%	56.6%
Water Services and Local Water Management	–	112.6	63.1	141.0	–	11.1%	241.0	225.3	243.2	19.9%	22.4%
Sanitation Planning and Management	–	11.6	15.8	12.9	–	1.4%	16.7	20.5	22.0	19.5%	1.9%
Policy and Strategy	31.9	25.1	15.3	15.6	-21.2%	3.1%	20.5	21.9	23.2	14.1%	2.1%
<b>Total</b>	<b>701.0</b>	<b>815.4</b>	<b>653.3</b>	<b>689.6</b>	<b>-0.5%</b>	<b>100.0%</b>	<b>970.3</b>	<b>1 034.7</b>	<b>1 096.9</b>	<b>16.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(172.5)			(0.3)	–	–		
<b>Economic classification</b>											
<b>Current payments</b>	<b>632.4</b>	<b>758.1</b>	<b>611.3</b>	<b>618.1</b>	<b>-0.8%</b>	<b>91.6%</b>	<b>886.0</b>	<b>961.3</b>	<b>1 014.1</b>	<b>17.9%</b>	<b>91.8%</b>
Compensation of employees	350.7	390.3	407.8	457.9	9.3%	56.2%	492.5	529.7	564.2	7.2%	53.9%
Goods and services <sup>1</sup>	281.6	367.7	203.5	160.2	-17.1%	35.4%	393.5	431.5	450.0	41.1%	37.9%
of which:											
Communication	8.0	6.6	4.6	3.2	-26.5%	0.8%	9.5	10.2	10.6	48.9%	0.9%
Computer services	48.9	78.4	50.7	4.3	-55.6%	6.4%	63.4	67.1	71.1	155.2%	5.4%
Consultants: Business and advisory services	17.6	20.4	5.1	4.2	-37.8%	1.7%	22.1	55.6	47.4	123.9%	3.4%
Infrastructure and planning services	84.9	100.1	59.9	104.0	7.0%	12.2%	206.6	197.9	215.2	27.4%	19.1%
Fleet services (including government motor transport)	0.7	2.3	12.0	1.6	34.0%	0.6%	9.9	10.5	11.1	88.8%	0.9%
Travel and subsistence	43.4	72.1	46.5	4.5	-53.0%	5.8%	31.4	32.5	34.2	96.4%	2.7%
Interest and rent on land	0.0	–	–	–	-100.0%	–	–	–	–	–	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>8.7</b>	<b>13.9</b>	<b>4.5</b>	<b>3.3</b>	<b>-27.8%</b>	<b>1.1%</b>	<b>3.2</b>	<b>1.9</b>	<b>2.0</b>	<b>-14.9%</b>	<b>0.3%</b>
Provinces and municipalities	0.7	0.5	0.5	0.4	-12.4%	0.1%	0.5	0.5	0.5	5.5%	0.1%
Departmental agencies and accounts	6.7	12.2	0.0	–	-100.0%	0.7%	–	–	–	–	–
Non-profit institutions	0.0	0.0	0.0	0.0	5.7%	–	0.0	0.0	0.0	4.9%	–
Households	1.3	1.2	3.9	2.8	28.0%	0.3%	2.7	1.4	1.5	-19.3%	0.2%

**Table 36.10 Water Planning and Information Management expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Payments for capital assets</b>	<b>55.0</b>	<b>43.4</b>	<b>37.5</b>	<b>68.2</b>	<b>7.4%</b>	<b>7.1%</b>	<b>81.1</b>	<b>71.5</b>	<b>80.7</b>	<b>5.8%</b>	<b>8.0%</b>
Buildings and other fixed structures	26.0	26.0	23.7	28.5	3.1%	3.6%	39.8	40.3	41.7	13.6%	4.0%
Machinery and equipment	29.0	16.4	13.7	39.0	10.3%	3.4%	40.7	30.7	38.3	-0.6%	3.9%
Software and other intangible assets	0.0	0.9	0.0	0.7	321.2%	0.1%	0.6	0.6	0.7	-2.6%	0.1%
<b>Payments for financial assets</b>	<b>4.8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>701.0</b>	<b>815.4</b>	<b>653.3</b>	<b>689.6</b>	<b>-0.5%</b>	<b>100.0%</b>	<b>970.3</b>	<b>1 034.7</b>	<b>1 096.9</b>	<b>16.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>4.5%</b>	<b>5.2%</b>	<b>4.3%</b>	<b>4.1%</b>	<b>-</b>	<b>-</b>	<b>5.9%</b>	<b>6.0%</b>	<b>5.9%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>1.3</b>	<b>1.2</b>	<b>3.9</b>	<b>2.8</b>	<b>29.4%</b>	<b>0.3%</b>	<b>2.7</b>	<b>1.4</b>	<b>1.5</b>	<b>-19.3%</b>	<b>0.2%</b>
Employee social benefits	1.3	1.2	3.9	2.8	29.4%	0.3%	2.7	1.4	1.5	-19.3%	0.2%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>6.7</b>	<b>12.2</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>0.7%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Water information management	6.7	12.2	0.0	-	-100.0%	0.7%	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Water Infrastructure Development

### Programme purpose

Develop, rehabilitate and refurbish raw water resources and water services infrastructure to meet the socioeconomic and environmental needs of South Africa.

### Objectives

- Ensure the effective and sustainable management of water resources by transferring and monitoring funds transferred to the Water Trading Entity for the design, construction, commissioning and rehabilitation of bulk raw water infrastructure, including dam safety rehabilitation, on an ongoing basis.
- Ensure adequate water availability through the development and management of infrastructure for water resources; and enhance the provision of sustainable and reliable water supply and sanitation through the *regional bulk infrastructure grant*, the *water services infrastructure grant* and the *Accelerated Community Infrastructure Programme* subprogramme on a continual basis.

### Subprogrammes

- *Strategic Infrastructure Development and Management* provides for the design, construction, commissioning and management of new and existing water resource infrastructure.
- *Operation of Water Resources* funds expenditure on water resource management activities conducted by the department or catchment management agencies within water management areas.
- *Regional Bulk Infrastructure Grant* provides for the development of new infrastructure, and the refurbishment, upgrading and replacement of ageing infrastructure that services extensive areas across municipal boundaries.
- *Water Services Infrastructure Grant* transfers funds to municipalities to provide for the construction of new and the rehabilitation of existing water and sanitation infrastructure. The subprogramme also implements water services infrastructure schemes on behalf of municipalities and transfers infrastructure to water service institutions once construction is completed. The grant allocation prioritises the 27 poorest district municipalities.

- *Accelerated Community Infrastructure Programme* provides for rapid emergency interventions related to the refurbishment of wastewater treatment infrastructure, water conservation, water demand management and municipal water supply; and provides support to farmers with access to limited resources.

## Expenditure trends and estimates

**Table 36.11 Water Infrastructure Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Strategic Infrastructure Development and Management	1 759.0	1 731.9	1 820.5	2 292.1	9.2%	14.5%	2 393.7	2 525.4	2 659.7	5.1%	17.6%
Operation of Water Resources	164.4	165.0	173.0	183.0	3.6%	1.3%	193.3	203.9	215.1	5.5%	1.4%
Regional Bulk Infrastructure Grant	5 408.0	6 258.2	5 575.7	5 603.5	1.2%	43.6%	5 973.2	6 308.7	6 764.0	6.5%	43.9%
Water Services Infrastructure Grant	5 401.6	4 117.7	4 440.2	5 532.2	0.8%	37.2%	4 480.5	4 726.2	5 078.2	-2.8%	35.3%
Accelerated Community Infrastructure Programme	414.1	681.1	136.9	593.3	12.7%	3.5%	134.5	149.1	158.4	-35.6%	1.8%
<b>Total</b>	<b>13 147.0</b>	<b>12 953.9</b>	<b>12 146.2</b>	<b>14 204.3</b>	<b>2.6%</b>	<b>100.0%</b>	<b>13 175.1</b>	<b>13 913.3</b>	<b>14 875.5</b>	<b>1.6%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				1 708.1			(34.1)	(27.5)	(33.7)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>647.2</b>	<b>602.8</b>	<b>707.1</b>	<b>787.3</b>	<b>6.8%</b>	<b>5.2%</b>	<b>382.2</b>	<b>415.4</b>	<b>441.2</b>	<b>-17.6%</b>	<b>3.6%</b>
Compensation of employees	216.2	213.5	199.4	242.2	3.9%	1.7%	264.5	292.8	311.8	8.8%	2.0%
Goods and services <sup>1</sup>	431.0	389.2	496.1	545.1	8.1%	3.5%	117.7	122.6	129.4	-38.1%	1.6%
<i>of which:</i>											
<i>Consultants: Business and advisory services</i>	49.6	62.3	145.1	6.1	-50.2%	0.5%	25.5	26.9	28.4	66.7%	0.2%
<i>Infrastructure and planning services</i>	154.2	43.3	242.5	5.1	-67.9%	0.8%	17.7	18.7	19.7	56.9%	0.1%
<i>Consumable supplies</i>	1.0	0.9	1.0	2.0	24.5%	-	4.8	5.1	5.4	39.1%	-
<i>Consumables: Stationery, printing and office supplies</i>	5.8	4.2	1.8	3.5	-15.3%	-	4.5	4.7	5.0	12.3%	-
<i>Property payments</i>	0.0	6.4	11.8	1.8	485.7%	-	8.6	9.0	9.5	74.0%	0.1%
<i>Travel and subsistence</i>	40.6	47.1	59.1	12.5	-32.5%	0.3%	23.6	23.3	24.6	25.3%	0.1%
<i>Interest and rent on land</i>	-	0.1	11.5	-	-	-	-	-	-	-	-
<b>Transfers and subsidies<sup>1</sup></b>	<b>5 046.9</b>	<b>7 441.1</b>	<b>8 157.3</b>	<b>8 900.6</b>	<b>20.8%</b>	<b>56.3%</b>	<b>9 106.0</b>	<b>9 606.6</b>	<b>10 251.4</b>	<b>4.8%</b>	<b>67.4%</b>
Provinces and municipalities	2 305.0	4 680.8	5 134.2	5 726.1	35.4%	34.0%	5 735.7	6 051.0	6 504.8	4.3%	42.8%
Departmental agencies and accounts	1 735.1	1 709.5	1 882.9	2 266.9	9.3%	14.5%	2 367.0	2 497.3	2 630.1	5.1%	17.4%
Foreign governments and international organisations	188.2	187.5	110.6	208.2	3.4%	1.3%	219.9	232.0	244.8	5.5%	1.6%
Public corporations and private enterprises	801.7	844.8	1 022.3	694.7	-4.7%	6.4%	782.9	825.8	871.3	7.8%	5.7%
Non-profit institutions	0.6	1.8	0.7	-	-100.0%	-	0.3	0.3	0.3	-	-
Households	16.2	16.9	6.6	4.6	-34.5%	0.1%	0.2	0.2	0.2	-63.3%	-
<b>Payments for capital assets</b>	<b>7 453.0</b>	<b>4 910.0</b>	<b>3 281.9</b>	<b>4 516.4</b>	<b>-15.4%</b>	<b>38.4%</b>	<b>3 686.9</b>	<b>3 891.2</b>	<b>4 182.9</b>	<b>-2.5%</b>	<b>29.0%</b>
Buildings and other fixed structures	7 430.0	4 901.4	3 277.4	4 509.1	-15.3%	38.4%	3 681.6	3 885.6	4 177.0	-2.5%	28.9%
Machinery and equipment	23.0	8.7	4.5	7.3	-31.8%	0.1%	5.3	5.6	5.9	-6.8%	-
<b>Total</b>	<b>13 147.0</b>	<b>12 953.9</b>	<b>12 146.2</b>	<b>14 204.3</b>	<b>2.6%</b>	<b>100.0%</b>	<b>13 175.1</b>	<b>13 913.3</b>	<b>14 875.5</b>	<b>1.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>84.5%</b>	<b>82.8%</b>	<b>80.4%</b>	<b>84.2%</b>	<b>-</b>	<b>-</b>	<b>80.1%</b>	<b>80.0%</b>	<b>80.2%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>164.4</b>	<b>165.0</b>	<b>173.0</b>	<b>183.0</b>	<b>3.6%</b>	<b>1.3%</b>	<b>193.3</b>	<b>203.9</b>	<b>215.1</b>	<b>5.5%</b>	<b>1.4%</b>
Water Trading Entity	164.4	165.0	173.0	183.0	3.6%	1.3%	193.3	203.9	215.1	5.5%	1.4%
<b>Capital</b>	<b>1 570.7</b>	<b>1 544.5</b>	<b>1 709.9</b>	<b>2 083.9</b>	<b>9.9%</b>	<b>13.2%</b>	<b>2 173.8</b>	<b>2 293.4</b>	<b>2 414.9</b>	<b>5.0%</b>	<b>16.0%</b>
Water Trading Entity	1 570.7	1 544.5	1 709.9	2 083.9	9.9%	13.2%	2 173.8	2 293.4	2 414.9	5.0%	16.0%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>188.2</b>	<b>187.5</b>	<b>110.6</b>	<b>208.2</b>	<b>3.4%</b>	<b>1.3%</b>	<b>219.9</b>	<b>232.0</b>	<b>244.8</b>	<b>5.5%</b>	<b>1.6%</b>
Komati Basin Water Authority	188.2	187.5	110.6	208.2	3.4%	1.3%	219.9	232.0	244.8	5.5%	1.6%
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Capital</b>	<b>2 305.0</b>	<b>4 680.8</b>	<b>5 134.2</b>	<b>5 726.1</b>	<b>35.4%</b>	<b>34.0%</b>	<b>5 735.7</b>	<b>6 051.0</b>	<b>6 504.8</b>	<b>4.3%</b>	<b>42.8%</b>
Regional bulk infrastructure grant	-	1 849.8	1 829.0	1 957.0	-	10.7%	2 066.4	2 180.0	2 343.5	6.2%	15.2%
Water services infrastructure grant	2 305.0	2 831.0	3 305.2	3 769.1	17.8%	23.3%	3 669.3	3 871.0	4 161.3	3.4%	27.5%

**Table 36.11 Water Infrastructure Development expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Capital</b>	<b>801.7</b>	<b>844.8</b>	<b>1 022.3</b>	<b>694.7</b>	<b>-4.7%</b>	<b>6.4%</b>	<b>782.9</b>	<b>825.8</b>	<b>871.3</b>	<b>7.8%</b>	<b>5.7%</b>
Amatola Water board: Regional bulk infrastructure	169.1	–	88.6	92.4	-18.2%	0.7%	185.0	–	–	-100.0%	0.5%
Magalies Water board: Regional bulk infrastructure	150.0	142.8	52.2	36.0	-37.9%	0.7%	65.4	100.0	105.5	43.1%	0.5%
Umgeni Water board: Regional bulk infrastructure	279.1	423.0	518.4	132.3	-22.0%	2.6%	320.0	590.8	623.3	67.6%	3.0%
Sedibeng Water board: Regional bulk infrastructure	203.5	279.0	363.2	434.0	28.7%	2.4%	212.5	135.0	142.4	-31.0%	1.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Water Sector Regulation

### Programme purpose

Ensure the development, implementation, monitoring and review of regulations across the water supply value chain.

### Objectives

- Create an enabling environment for the economic and social regulation of water by establishing an independent economic regulator, implementing pricing regulations for water services, and finalising the gazetting and monitoring of the raw water pricing strategy by March 2022.
- Improve the efficiency and effectiveness of water resource management by establishing 7 catchment management agencies countrywide by March 2022.
- Ensure the equitable allocation of water resources for social and economic development by processing 80 per cent of water use authorisation applications within 300 working days of receipt by March 2022.
- Strengthen oversight on an ongoing basis by implementing monitoring programmes for drinking water quality, wastewater quality and mine water quality; and implementing mitigation measures in catchments with potential for acid mine drainage.
- Ensure the protection of water resources by coordinating and monitoring compliance with standards, licence conditions and regulations across all sectors on an ongoing basis.
- Ensure the effective enforcement of compliance with water legislation on an ongoing basis by monitoring water use, conducting investigations and providing legal support in cases of unlawful water use.

### Subprogrammes

- *Water Sector Regulation Management and Support* provides strategic leadership and overall management to the programme.
- *Economic and Social Regulation* ensures that pricing is efficient, equitable and cost reflective to protect the interests of consumers and the sector through the provision of sustainable water resources and water services.
- *Water Use Authorisation and Administration* enables efficient and equitable access to water using various regulatory instruments.
- *Water Supply Services and Sanitation Regulation* regulates the provision of drinking water and the management of wastewater.

- *Compliance Monitoring and Enforcement* coordinates and monitors compliance with standards in the value chain of the water sector, licence conditions and regulations; and ensures enforcement against non-compliance. This includes the management of mine water.
- *Institutional Oversight* provides institutional governance and oversight of all water institutions, and facilitates their establishment and development.

## Expenditure trends and estimates

**Table 36.12 Water Sector Regulation expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
Water Sector Regulation Management and Support	34.1	37.3	28.3	27.6	-6.8%	10.6%	40.1	42.3	44.7	17.4%	9.2%
Economic and Social Regulation	12.3	28.4	16.0	21.7	20.7%	6.6%	35.6	34.6	33.2	15.3%	7.5%
Water Use Authorisation and Administration	44.4	58.5	75.7	40.5	-3.0%	18.3%	81.7	80.6	86.5	28.8%	17.3%
Water Supply Services and Sanitation Regulation	15.7	20.3	12.1	11.4	-10.2%	5.0%	17.8	22.9	24.5	29.1%	4.6%
Compliance Monitoring and Enforcement	83.5	86.9	99.2	103.9	7.6%	31.2%	135.8	145.3	152.2	13.6%	32.1%
Institutional Oversight	70.9	76.9	76.7	113.7	17.0%	28.3%	151.6	114.1	112.2	-0.4%	29.4%
<b>Total</b>	<b>260.9</b>	<b>308.2</b>	<b>308.1</b>	<b>318.7</b>	<b>6.9%</b>	<b>100.0%</b>	<b>462.6</b>	<b>439.9</b>	<b>453.3</b>	<b>12.5%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(179.9)			0.8	-	-		
<b>Economic classification</b>											
<b>Current payments</b>	<b>255.7</b>	<b>295.2</b>	<b>303.4</b>	<b>306.9</b>	<b>6.3%</b>	<b>97.1%</b>	<b>449.2</b>	<b>427.8</b>	<b>441.5</b>	<b>12.9%</b>	<b>97.1%</b>
Compensation of employees	175.8	165.9	233.5	239.7	10.9%	68.1%	259.2	277.8	295.8	7.3%	64.0%
Goods and services <sup>1</sup>	79.9	129.3	70.0	67.3	-5.6%	29.0%	190.0	150.1	145.6	29.4%	33.0%
<i>of which:</i>											
Computer services	0.5	0.2	-	0.1	-43.7%	0.1%	12.2	11.6	12.2	408.7%	2.2%
Consultants: Business and advisory services	20.1	37.3	20.2	10.6	-19.0%	7.4%	112.6	59.7	48.6	65.9%	13.8%
Laboratory services	0.6	1.6	0.8	0.1	-42.3%	0.3%	4.7	3.5	5.2	250.9%	0.8%
Consumable supplies	1.4	1.2	2.2	1.2	-4.0%	0.5%	3.8	4.3	4.5	55.2%	0.8%
Consumables: Stationery, printing and office supplies	3.0	3.9	1.9	2.5	-6.2%	0.9%	3.5	4.5	4.8	24.7%	0.9%
Travel and subsistence	19.8	43.9	30.3	3.8	-42.5%	8.2%	28.3	35.8	40.0	119.9%	6.4%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1.0</b>	<b>5.2</b>	<b>0.2</b>	<b>2.0</b>	<b>29.0%</b>	<b>0.7%</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>	<b>-25.6%</b>	<b>0.3%</b>
Departmental agencies and accounts	-	2.0	-	-	-	0.2%	-	-	-	-	-
Non-profit institutions	-	0.8	0.1	1.0	-	0.2%	-	-	-	-100.0%	0.1%
Households	1.0	2.4	0.2	1.0	3.1%	0.4%	0.8	0.8	0.8	-7.0%	0.2%
<b>Payments for capital assets</b>	<b>4.3</b>	<b>7.8</b>	<b>4.4</b>	<b>9.7</b>	<b>31.3%</b>	<b>2.2%</b>	<b>12.6</b>	<b>11.3</b>	<b>11.0</b>	<b>4.3%</b>	<b>2.7%</b>
Buildings and other fixed structures	-	-	-	0.1	-	-	-	-	-	-100.0%	-
Machinery and equipment	4.3	7.8	4.4	9.7	31.0%	2.2%	12.6	11.3	11.0	4.5%	2.7%
<b>Total</b>	<b>260.9</b>	<b>308.2</b>	<b>308.1</b>	<b>318.7</b>	<b>6.9%</b>	<b>100.0%</b>	<b>462.6</b>	<b>439.9</b>	<b>453.3</b>	<b>12.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.7%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>1.9%</b>	<b>-</b>	<b>-</b>	<b>2.8%</b>	<b>2.5%</b>	<b>2.4%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

### Consolidated water boards

#### Mandate

The water boards derive their mandate from the Water Services Act (1997) and are categorised as national government business enterprises in terms of schedule 3B of the Public Finance Management Act (1999). There are 9 water boards that provide bulk potable water services to the municipalities in which they operate, and to other water service institutions and major customers within designated service areas. Water boards vary considerably in size, activities, customer mix, revenue base and capacity.

Most of the older and more established water boards (such as Rand Water, Umgeni Water and Magalies Water) operate in areas where there are significant urban development nodes, whereas other boards operate in more

demographically diverse areas, with a combination of urban and rural customers. In addition to providing bulk treated water to municipalities, in some cases, the boards also provide retail water and sanitation services on behalf of municipalities.

### Selected performance indicators

**Table 36.13 Consolidated water boards indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Volume of bulk water sales by Amatola Water board per year <sup>1</sup>	Water board activities	Outcome 6: An efficient, competitive and responsive economic infrastructure network	33 630	33 208	33 208	31 708	34 347	36 148	39 037
Volume of bulk water sales by Bloem Water board per year <sup>1</sup>	Water board activities		79 993	74 922	77 937	92 323	93 246	94 179	95 121
Volume of bulk water sales by Lepelle Northern Water board per year <sup>1</sup>	Water board activities		97 809	89 388	93 813	93 813	96 979	96 979	96 979
Volume of bulk water sales by Magalies Water board per year <sup>1</sup>	Water board activities		81 959	83 221	90 595	90 678	91 200	92 500	93 600
Volume of bulk water sales by Mhlatuze Water board per year	Water board activities		55 305	42 067	43 352	85 136	85 369	85 136	85 136
Volume of bulk water sales by Overberg Water board per year <sup>1</sup>	Water board activities		4 253	4 126	3 445	3 841	3 937	4 036	4 137
Volume of bulk water sales by Rand Water board per year <sup>1</sup>	Water board activities		1 709 519	1 611 234	1 534 860	1 558 555	1 586 609	1 614 375	1 642 626
Volume of bulk water sales by Sedibeng Water board per year <sup>1</sup>	Water board activities		117 562	115 433	118 299	122 551	124 177	125 664	127 117
Volume of bulk water sales by Umgeni Water board per year <sup>1</sup>	Water board activities		435 726	409 887	434 568	451 729	478 599	488 578	495 413

1. Measured in thousand kilolitres.

### Expenditure analysis

The focus of the water boards over the medium term will continue to be on the extraction and purification of raw water into potable bulk water that will be supplied to their various clients, which include municipalities, industries and mines. To this extent, the 9 water boards expect to provide 7.7 trillion litres of water over the period ahead. The boards will also concentrate on the development of infrastructure, job creation and wastewater treatment services in their areas of jurisdiction.

In terms of extracting and purifying raw water into potable bulk water, Rand Water's bulk activities account for 67.4 per cent (R37.3 billion) of total spending, while Umgeni Water's bulk activities account for 8.7 per cent (R4.8 billion). These water boards continue to be the largest in terms of the supply of volumes of water and overall expenditure. Expenditure on bulk activities is expected to increase at an average annual rate of 10.9 per cent, from R14.9 billion in 2018/19 to R20.4 billion in 2021/22, mainly due to the increasing costs of energy to pump water and chemicals for purifying water, as well as labour costs and the price of raw water.

Over the medium term, the water boards are expected to derive R87.4 billion of their revenue from water sales. Total revenue is expected to increase at an average annual rate of 11 per cent, from R24.1 billion in 2018/19 to R33 billion in 2021/22. Other non-tax revenue and interest, dividends, and rent on land account for the remaining revenue over the medium term.



## Programmes/Objectives/Activities

Table 36.14 Consolidated water boards expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average Expenditure/Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	3 319.4	3 860.1	3 916.3	4 499.0	10.7%	0.0%	4 835.5	5 224.4	5 400.0	6.3%	0.0%
Bulk activities	11 348 361.2	12 127 731.5	13 066 841.6	14 911 795.2	9.5%	100.0%	16 543 947.5	18 356 658.5	20 360 120.9	10.9%	100.0%
<b>Total</b>	<b>11 351 680.7</b>	<b>12 131 591.6</b>	<b>13 070 757.9</b>	<b>14 916 294.2</b>	<b>9.5%</b>	<b>100.0%</b>	<b>16 548 783.0</b>	<b>18 361 882.9</b>	<b>20 365 520.9</b>	<b>10.9%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

Table 36.15 Consolidated water boards statements of historical financial performance and position

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Revised estimate		Average Outcome/Budget (%) 2015/16 - 2018/19
	Budget	2015/16	Budget	2016/17	Budget	2017/18	Budget estimate	2018/19	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>17 962.5</b>	<b>18 074.3</b>	<b>18 089.1</b>	<b>19 357.3</b>	<b>21 371.3</b>	<b>21 510.9</b>	<b>23 534.3</b>	<b>24 107.5</b>	<b>102.6%</b>
Sale of goods and services other than capital assets	17 213.0	16 966.8	17 651.7	18 527.7	20 871.5	20 615.2	23 020.9	23 622.0	101.2%
<i>of which:</i>									
Administrative fees	17.2	127.9	44.3	148.5	107.7	71.2	126.8	153.6	169.3%
Sales of bulk water	17 135.1	16 838.9	17 566.5	18 379.1	20 726.5	20 544.0	22 871.2	23 468.5	101.2%
Other sales	60.7	—	40.9	—	37.3	—	22.9	—	—
Other non-tax revenue	749.5	1 107.6	437.4	829.6	499.7	895.7	513.4	485.4	150.8%
<b>Transfers received</b>	<b>13.9</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>92.4</b>	<b>664.1%</b>
<b>Total revenue</b>	<b>17 976.4</b>	<b>18 074.3</b>	<b>18 089.1</b>	<b>19 357.3</b>	<b>21 371.3</b>	<b>21 510.9</b>	<b>23 534.3</b>	<b>24 199.9</b>	<b>102.7%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 915.3</b>	<b>14 573.1</b>	<b>1 985.1</b>	<b>15 882.3</b>	<b>2 228.2</b>	<b>16 918.2</b>	<b>18 783.4</b>	<b>19 305.9</b>	<b>267.7%</b>
Compensation of employees	437.7	3 170.5	496.3	3 545.3	550.4	3 817.3	3 988.7	4 069.5	266.8%
Goods and services	1 271.2	10 482.8	1 237.8	11 053.1	1 335.8	11 722.3	13 435.9	13 702.2	271.8%
Depreciation	76.7	807.8	228.9	1 063.0	275.8	1 195.5	1 247.9	1 345.9	241.2%
Interest, dividends and rent on land	129.6	112.0	22.0	220.8	66.3	183.2	110.9	188.3	214.2%
<b>Transfers and subsidies</b>	<b>—</b>	<b>94.7</b>	<b>106.8</b>	<b>105.6</b>	<b>117.7</b>	<b>64.9</b>	<b>128.2</b>	<b>104.9</b>	<b>104.9%</b>
<b>Total expenses</b>	<b>1 915.3</b>	<b>14 667.8</b>	<b>2 091.9</b>	<b>15 987.9</b>	<b>2 345.9</b>	<b>16 983.1</b>	<b>18 911.6</b>	<b>19 410.8</b>	<b>265.4%</b>
<b>Surplus/(Deficit)</b>	<b>16 061.0</b>	<b>3 407.0</b>	<b>15 997.0</b>	<b>3 369.0</b>	<b>19 025.0</b>	<b>4 528.0</b>	<b>4 623.0</b>	<b>4 789.0</b>	
Statement of financial position									
Carrying value of assets	29 622.7	31 787.4	37 954.5	38 107.5	42 567.1	40 945.3	49 535.0	47 630.8	99.2%
<i>of which:</i>									
Acquisition of assets	(6 461.7)	(5 829.0)	(6 109.5)	(4 790.7)	(6 473.0)	(3 620.6)	(7 831.3)	(7 950.4)	82.6%
Investments	2 171.6	2 954.0	1 729.9	2 718.1	2 518.5	3 560.0	2 175.0	2 840.3	140.5%
Inventory	186.9	237.4	216.8	525.0	234.3	611.6	250.1	586.0	220.7%
Loans	4.6	5.2	85.1	4.6	5.1	4.1	5.1	4.5	18.4%
Accrued investment interest	—	28.4	28.4	35.6	28.4	44.0	28.4	38.0	171.4%
Receivables and prepayments	3 998.0	5 928.1	4 673.7	7 367.8	5 123.0	8 367.4	5 117.3	7 581.8	154.6%
Cash and cash equivalents	2 325.6	2 733.1	2 466.7	1 876.7	2 833.3	2 954.6	3 462.2	3 021.6	95.5%
Non-current assets held for sale	1.5	0.4	—	0.5	—	2.4	—	—	221.5%
Defined benefit plan assets	—	30.1	45.4	58.9	61.9	80.3	37.9	45.6	148.1%
Taxation	—	—	—	40.1	—	45.4	—	—	—
<b>Total assets</b>	<b>38 311.0</b>	<b>43 704.1</b>	<b>47 200.4</b>	<b>50 734.8</b>	<b>53 371.5</b>	<b>56 615.0</b>	<b>60 610.8</b>	<b>61 748.7</b>	<b>106.7%</b>
Accumulated surplus/(deficit)	20 056.8	22 671.0	25 397.7	29 022.4	29 848.8	33 872.9	34 586.9	37 420.7	111.9%
Capital and reserves	3 555.7	3 631.6	4 039.8	3 456.8	4 535.9	3 425.4	5 290.0	4 124.5	84.0%
Capital reserve fund	—	212.7	70.2	116.6	70.2	70.2	70.2	919.4	626.1%
Borrowings	6 646.3	6 980.6	7 771.8	6 793.3	7 565.8	6 610.2	8 635.9	7 623.6	91.5%
Finance lease	0.4	0.1	1.3	20.6	—	12.9	—	—	1 993.5%
Accrued interest	59.7	58.9	58.2	57.5	56.8	56.0	54.3	76.0	108.4%
Deferred income	1 643.8	1 655.2	2 125.9	2 606.3	2 562.7	3 247.4	2 958.7	1 434.9	96.3%
Trade and other payables	5 184.4	7 424.8	6 683.9	7 543.4	7 377.3	8 155.4	7 559.2	7 299.4	113.5%
Benefits payable	1.2	—	1.5	—	1.6	1.1	1.8	—	18.3%
Taxation	7.1	43.8	7.1	—	6.5	1.4	7.0	8.4	193.6%
Provisions	1 152.2	956.7	967.4	1 005.5	1 139.4	992.1	1 235.7	2 648.5	124.7%
Managed funds (e.g. poverty alleviation fund)	—	—	5.0	—	—	—	—	—	—
Derivatives financial instruments	3.2	68.7	70.6	112.3	106.3	169.9	111.3	193.3	186.8%
<b>Total equity and liabilities</b>	<b>38 311.0</b>	<b>43 704.1</b>	<b>47 200.4</b>	<b>50 734.8</b>	<b>53 271.5</b>	<b>56 615.0</b>	<b>60 510.8</b>	<b>61 748.7</b>	<b>106.8%</b>

## Statements of estimates of financial performance and position

**Table 36.16 Consolidated water boards statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate								
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>24 107.5</b>	<b>10.1%</b>	<b>99.9%</b>	<b>26 856.4</b>	<b>29 930.7</b>	<b>33 006.0</b>	<b>11.0%</b>	<b>99.7%</b>
Sale of goods and services other than capital assets	23 622.0	11.7%	95.8%	26 200.7	29 086.3	32 102.4	10.8%	97.2%
<i>of which:</i>								
Administrative fees	153.6	6.3%	0.6%	118.5	123.7	129.3	-5.6%	0.5%
Sales of bulk water	23 468.5	11.7%	95.1%	26 082.2	28 962.6	31 973.0	10.9%	96.8%
Other non-tax revenue	485.4	-24.0%	4.1%	655.7	844.3	903.7	23.0%	2.5%
<b>Transfers received</b>	<b>92.4</b>	<b>-</b>	<b>0.1%</b>	<b>185.0</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.3%</b>
<b>Total revenue</b>	<b>24 199.9</b>	<b>10.2%</b>	<b>100.0%</b>	<b>27 041.4</b>	<b>29 930.7</b>	<b>33 006.0</b>	<b>10.9%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>19 305.9</b>	<b>9.8%</b>	<b>99.4%</b>	<b>21 254.8</b>	<b>23 445.4</b>	<b>25 612.3</b>	<b>9.9%</b>	<b>99.4%</b>
Compensation of employees	4 069.5	8.7%	21.8%	4 330.9	4 677.1	5 041.6	7.4%	20.2%
Goods and services	13 702.2	9.3%	70.1%	15 120.0	16 618.2	18 249.3	10.0%	70.7%
Depreciation	1 345.9	18.6%	6.5%	1 519.5	1 690.2	1 863.4	11.5%	7.1%
Interest, dividends and rent on land	188.3	18.9%	1.0%	284.4	459.9	458.1	34.5%	1.5%
<b>Transfers and subsidies</b>	<b>104.9</b>	<b>3.5%</b>	<b>0.6%</b>	<b>124.6</b>	<b>135.7</b>	<b>147.8</b>	<b>12.1%</b>	<b>0.6%</b>
<b>Total expenses</b>	<b>19 410.8</b>	<b>9.8%</b>	<b>100.0%</b>	<b>21 379.4</b>	<b>23 581.1</b>	<b>25 760.1</b>	<b>9.9%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>4 789.0</b>			<b>5 662.0</b>	<b>6 350.0</b>	<b>7 246.0</b>		
<b>Statement of financial position</b>								
Carrying value of assets	47 630.8	14.4%	74.3%	56 749.8	66 056.3	73 846.2	15.7%	79.1%
<i>of which:</i>								
Acquisition of assets	(7 950.4)	10.9%	-10.5%	(10 531.3)	(9 748.0)	(9 071.3)	4.5%	-12.3%
Investments	2 840.3	-1.3%	5.8%	3 972.6	4 218.8	4 106.6	13.1%	4.9%
Inventory	586.0	35.1%	0.9%	614.5	640.8	676.8	4.9%	0.8%
Loans	4.5	-4.2%	0.0%	4.5	4.5	4.5	-0.5%	0.0%
Accrued investment interest	38.0	10.2%	0.1%	38.0	38.0	38.0	-	0.1%
Receivables and prepayments	7 581.8	8.5%	13.8%	7 381.4	7 250.9	7 159.3	-1.9%	9.8%
Cash and cash equivalents	3 021.6	3.4%	5.0%	3 903.7	4 735.3	4 711.4	16.0%	5.3%
Defined benefit plan assets	45.6	14.8%	0.1%	45.6	45.6	45.6	-	0.1%
<b>Total assets</b>	<b>61 748.7</b>	<b>12.2%</b>	<b>100.0%</b>	<b>72 710.0</b>	<b>82 990.1</b>	<b>90 588.3</b>	<b>13.6%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	37 420.7	18.2%	57.4%	42 780.0	49 065.3	56 213.9	14.5%	60.2%
Capital and reserves	4 124.5	4.3%	7.0%	4 124.6	4 194.9	4 195.0	0.6%	5.5%
Capital reserve fund	919.4	62.9%	0.6%	1 183.9	1 375.4	1 505.4	17.9%	1.6%
Borrowings	7 623.6	3.0%	13.3%	11 699.1	14 216.9	14 180.5	23.0%	15.3%
Accrued interest	76.0	8.9%	0.1%	77.0	55.4	55.3	-10.0%	0.1%
Deferred income	1 434.9	-4.6%	4.2%	1 421.9	1 733.7	1 723.6	6.3%	2.1%
Trade and other payables	7 299.4	-0.6%	14.5%	7 705.2	7 833.3	7 955.9	2.9%	10.2%
Taxation	8.4	-42.4%	0.0%	9.2	9.6	10.1	6.4%	0.0%
Provisions	2 648.5	40.4%	2.6%	3 511.2	4 387.0	4 630.5	20.5%	4.9%
Derivatives financial instruments	193.3	41.2%	0.2%	198.1	118.5	118.0	-15.2%	0.2%
<b>Total equity and liabilities</b>	<b>61 748.7</b>	<b>12.2%</b>	<b>100.0%</b>	<b>72 710.0</b>	<b>82 990.1</b>	<b>90 588.3</b>	<b>13.6%</b>	<b>100.0%</b>

## Rand Water

### Mandate

Rand Water was established in terms of the Water Services Act (1997) and is listed as a schedule 3B public entity in terms of the Public Finance Management Act (1999). The core mandate of the entity is to abstract raw water from the Vaal River system; and treat, transport, store and deliver potable water to municipalities, mines and industries in and around Gauteng. The entity's supply of water also extends to areas in Limpopo, North West, Mpumalanga and northern Free State, serving between 16 million and 19 million people. An estimated 98 per cent of its water is abstracted from the Vaal River system.

### Selected performance indicators

**Table 36.17 Rand Water performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF Outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Net debt to equity ratio per year	Administration	Outcome 6: An efficient, competitive and responsive economic infrastructure network	0.3	0.3	0.23	0.3	0.3	0.3	0.3
Debt service ratio per year	Administration		6.9	9.2	7.7	8.1	9	3.1	10.9

**Table 36.17 Rand Water performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF Outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Cost of debt per year <sup>1</sup>	Administration	Outcome 6: An efficient, competitive and responsive economic infrastructure network	9.9% (405 320/ 4 078 735)	9.9% (438 042/ 4 409 718)	9.9% (436 515/ 4 410 142)	9.9% (444 180/ 4 424 319)	10%	10%	10%
Avoidable water loss as a percentage of total water produced (non-revenue water) per year	Bulk water		3.7% (4 424/ 120 666)	3.5% (4 562/ 129 645)	4% (5 613/ 139 171)	4%	4%	4%	4%
Cost per kilolitre per year			R5.20	R7.56	R8.33	R9.35	R10.26	R11.24	R12.25
Volume of water sold (average per year) <sup>2</sup>			709 519	1 611 234	1 534 860	1 558 555	1 586 609	1 614 375	1 642 626

1. Measured in rand thousand.

2. Measured in thousand kilolitres.

### Expenditure analysis

Rand Water's main activities include the abstraction and purification of raw water and the delivery of bulk water to its bulk customers, which include municipalities and industries in Gauteng, Limpopo, North West, Mpumalanga and Free State. The provision of bulk water is expected to account for R37.3 billion of the entity's total expenditure over the medium term. Expenditure relating to the provision of bulk water is largely dependent on the costs of energy and chemicals, which is expected to increase faster than inflation. As such, spending on goods and services increases at an average annual rate of 11.3 per cent, from R9.2 billion in 2018/19 to R12.7 billion in 2021/22. This increase is expected to drive an increase in expenditure on bulk water at an average annual rate of 11.9 per cent, from R9.8 billion in 2018/19 to R13.8 billion in 2021/22, as the entity expects to deliver 1.6 trillion litres of potable water to water service providers and authorities each year of the MTEF period. The entity's work on phases 1 and 2 of the Zuikerbosch pumping station 5 augmentation scheme is expected to cost R1.7 billion over the medium term. Phases 1 and 2 of the scheme involve the extension of existing infrastructure to cater for increased demand.

Spending on compensation of employees accounts for an estimated R7 billion of total expenditure over the period, increasing at an average annual rate of 8.3 per cent, from R2 billion in 2018/19 to R2.5 billion in 2021/22. This is mainly due to the entity increasing its number of personnel by 252 by 2021/22. Most of the new personnel will be employed at the unskilled and semi-skilled levels at the Zuikerbosch pumping station 5. Rand Water derives revenue mainly from water sales and the provision of professional advisory services to municipalities. Total revenue is expected to increase at an average annual rate of 11.4 per cent, from R15.3 billion in 2018/19 to R21.1 billion in 2021/22, as a result of an expected increase in tariffs from R9.35 per kilolitre in 2018/19 to R12.25 per kilolitre in 2021/22.

### Programmes/Objectives/Activities

**Table 36.18 Rand Water expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administration	1 509.2	1 790.2	1 740.2	1 930.3	8.5%	16.9%	1 931.8	2 065.6	2 223.7	4.8%	14.7%
Bulk water	7 470.4	7 916.1	8 611.4	9 848.7	9.7%	81.7%	11 105.7	12 376.5	13 783.9	11.9%	84.6%
Secondary activities	146.2	150.6	186.0	78.4	-18.8%	1.4%	82.6	100.8	125.3	16.9%	0.7%
<b>Total</b>	<b>9 125.8</b>	<b>9 857.0</b>	<b>10 537.6</b>	<b>11 857.4</b>	<b>9.1%</b>	<b>100.0%</b>	<b>13 120.2</b>	<b>14 543.0</b>	<b>16 132.9</b>	<b>10.8%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 36.19 Rand Water statements of historical financial performance and position**

Statement of financial performance										Average: Outcome/Budget (%)
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	2015/16 - 2018/19	
	Budget	outcome	Budget	outcome	Budget	outcome	2018/19			
	2015/16		2016/17		2017/18		2018/19			
<b>Revenue</b>										
Non-tax revenue	11 742.3	11 256.4	10 909.3	12 231.8	13 613.7	13 692.8	15 090.7	15 288.0	102.2%	
Sale of goods and services other than capital assets of which:	11 248.3	10 950.9	10 712.0	11 856.8	13 366.1	13 328.8	14 811.2	15 103.0	102.2%	
Sales of bulk water	11 248.3	10 950.9	10 712.0	11 856.8	13 366.1	13 328.8	14 811.2	15 103.0	102.2%	
Other non-tax revenue	494.0	305.5	197.3	374.9	247.6	364.0	279.5	185.0	100.9%	
<b>Total revenue</b>	<b>11 742.3</b>	<b>11 256.4</b>	<b>10 909.3</b>	<b>12 231.8</b>	<b>13 613.7</b>	<b>13 692.8</b>	<b>15 090.7</b>	<b>15 288.0</b>	<b>102.2%</b>	

**Table 36.19 Rand Water statements of historical financial performance and position**

Statement of financial performance									
R million	Audited		Audited		Audited		Budget	Revised	Average: Outcome/ Budget (%)
	Budget	outcome	Budget	outcome	Budget	outcome	estimate	estimate	
	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
<b>Expenses</b>									
<b>Current expenses</b>	<b>10 128.1</b>	<b>9 125.8</b>	<b>8 982.1</b>	<b>9 857.0</b>	<b>10 573.3</b>	<b>10 537.6</b>	<b>11 696.4</b>	<b>11 857.4</b>	<b>100.0%</b>
Compensation of employees	1 682.1	1 724.0	1 813.1	1 837.3	1 920.3	1 964.7	2 070.1	1 988.2	100.4%
Goods and services	7 982.4	6 969.2	6 703.9	7 400.2	8 146.2	7 944.9	9 063.0	9 211.5	98.8%
Depreciation	463.6	360.5	433.0	438.5	463.1	481.7	563.2	551.9	95.3%
Interest, dividends and rent on land	–	72.2	32.2	181.0	43.8	146.3	–	105.8	665.5%
<b>Total expenses</b>	<b>10 128.1</b>	<b>9 125.8</b>	<b>8 982.1</b>	<b>9 857.0</b>	<b>10 573.3</b>	<b>10 537.6</b>	<b>11 696.4</b>	<b>11 857.4</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>1 614.0</b>	<b>2 131.0</b>	<b>1 927.0</b>	<b>2 375.0</b>	<b>3 040.0</b>	<b>3 155.0</b>	<b>3 394.0</b>	<b>3 431.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	14 835.6	17 988.5	20 727.4	20 117.6	23 708.0	21 735.4	28 134.7	26 008.2	98.2%
<i>of which:</i>									
<i>Acquisition of assets</i>	(2 579.7)	(2 914.3)	(2 722.7)	(2 207.5)	(3 331.3)	(1 753.2)	(4 486.0)	(4 186.1)	84.3%
Investments	482.3	461.7	389.8	466.0	354.9	463.9	393.5	402.3	110.7%
Inventory	122.5	129.7	137.3	409.7	144.1	485.4	151.9	453.8	266.0%
Loans	4.6	5.2	5.1	4.6	5.1	4.1	5.1	4.5	92.3%
Receivables and prepayments	1 765.1	1 934.7	1 825.0	2 244.5	2 036.8	2 482.0	2 269.1	2 754.1	119.2%
Cash and cash equivalents	1 154.1	1 470.2	1 045.0	780.2	1 473.5	1 770.1	1 829.8	1 842.9	106.6%
Non-current assets held for sale	1.5	0.4	–	0.5	–	2.4	–	–	221.5%
Defined benefit plan assets	–	–	21.4	10.4	37.9	15.6	37.9	45.6	73.8%
<b>Total assets</b>	<b>18 365.6</b>	<b>21 990.3</b>	<b>24 151.0</b>	<b>24 033.5</b>	<b>27 760.3</b>	<b>26 958.9</b>	<b>32 821.9</b>	<b>31 511.3</b>	<b>101.4%</b>
Accumulated surplus/(deficit)	11 158.5	13 235.8	15 272.3	15 688.8	18 664.6	18 868.5	22 058.9	22 189.1	104.2%
Borrowings	3 675.2	4 418.7	4 815.6	4 414.7	4 431.5	4 393.4	5 591.5	4 997.9	98.4%
Deferred income	170.2	427.4	503.6	401.0	528.5	401.5	557.1	444.2	95.1%
Trade and other payables	2 970.5	3 834.0	3 458.2	3 459.8	4 012.8	3 221.5	4 485.7	3 763.1	95.7%
Provisions	391.2	8.9	30.7	–	46.8	–	46.8	35.1	8.6%
Derivatives financial instruments	–	65.5	70.6	69.2	76.0	74.1	81.9	81.9	127.2%
<b>Total equity and liabilities</b>	<b>18 365.6</b>	<b>21 990.3</b>	<b>24 151.0</b>	<b>24 033.5</b>	<b>27 760.3</b>	<b>26 958.9</b>	<b>32 821.9</b>	<b>31 511.3</b>	<b>101.4%</b>

**Statements of estimates of financial performance and position****Table 36.20 Rand Water statements of estimates of financial performance and position**

Statement of financial performance									
R million	Revised	Average	Average:	Medium-term estimate			Average	Average:	
	estimate	growth	Expen- diture/ Total	2019/20	2020/21	2021/22	growth	Expen- diture/ Total	
	2018/19	rate	Total	2018/19 - 2021/22			rate	Total	
		(%)	(%)				(%)	(%)	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>15 288.0</b>	<b>10.7%</b>	<b>100.0%</b>	<b>17 086.9</b>	<b>19 104.1</b>	<b>21 148.5</b>	<b>11.4%</b>	<b>100.0%</b>	
Sale of goods and services other than capital assets	15 103.0	11.3%	97.6%	16 845.9	18 755.5	20 741.0	11.2%	98.4%	
<i>of which:</i>									
<i>Sales of bulk water</i>	15 103.0	11.3%	97.6%	16 845.9	18 755.5	20 741.0	11.2%	98.4%	
Other non-tax revenue	185.0	-15.4%	2.4%	241.0	348.5	407.5	30.1%	1.6%	
<b>Total revenue</b>	<b>15 288.0</b>	<b>10.7%</b>	<b>100.0%</b>	<b>17 086.9</b>	<b>19 104.1</b>	<b>21 148.5</b>	<b>11.4%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>11 857.4</b>	<b>9.1%</b>	<b>100.0%</b>	<b>13 120.2</b>	<b>14 543.0</b>	<b>16 132.9</b>	<b>10.8%</b>	<b>100.0%</b>	
Compensation of employees	1 988.2	4.9%	18.2%	2 150.1	2 325.4	2 522.9	8.3%	16.2%	
Goods and services	9 211.5	9.7%	76.1%	10 290.0	11 417.7	12 686.1	11.3%	78.3%	
Depreciation	551.9	15.3%	4.4%	680.1	799.9	923.9	18.7%	5.3%	
Interest, dividends and rent on land	105.8	13.6%	1.2%	–	–	–	-100.0%	0.2%	
<b>Total expenses</b>	<b>11 857.4</b>	<b>9.1%</b>	<b>100.0%</b>	<b>13 120.2</b>	<b>14 543.0</b>	<b>16 132.9</b>	<b>10.8%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>3 431.0</b>			<b>3 967.0</b>	<b>4 561.0</b>	<b>5 016.0</b>			
<b>Statement of financial position</b>									
Carrying value of assets	26 008.2	13.1%	82.2%	32 108.8	37 988.2	43 431.8	18.6%	84.1%	
<i>of which:</i>									
<i>Acquisition of assets</i>	(4 186.1)	12.8%	-10.6%	(6 181.0)	(5 807.0)	(5 492.0)	9.5%	-13.3%	
Investments	402.3	-4.5%	1.8%	449.0	500.3	553.5	11.2%	1.2%	
Inventory	453.8	51.8%	1.4%	478.3	505.6	534.4	5.6%	1.2%	
Loans	4.5	-4.2%	0.0%	4.5	4.5	4.5	-0.5%	0.0%	
Receivables and prepayments	2 754.1	12.5%	9.0%	2 864.0	2 860.7	2 814.9	0.7%	7.0%	
Cash and cash equivalents	1 842.9	7.8%	5.6%	2 510.3	3 213.0	2 988.3	17.5%	6.4%	
Defined benefit plan assets	45.6	–	0.1%	45.6	45.6	45.6	–	0.1%	
<b>Total assets</b>	<b>31 511.3</b>	<b>12.7%</b>	<b>100.0%</b>	<b>38 460.5</b>	<b>45 117.8</b>	<b>50 372.9</b>	<b>16.9%</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	22 189.1	18.8%	66.5%	26 155.8	30 716.9	35 735.9	17.2%	69.4%	
Borrowings	4 997.9	4.2%	17.7%	7 347.6	9 304.8	9 304.4	23.0%	18.5%	
Deferred income	444.2	1.3%	1.6%	468.2	494.9	523.1	5.6%	1.2%	
Trade and other payables	3 763.1	-0.6%	13.9%	4 365.6	4 566.2	4 774.5	8.3%	10.7%	
Provisions	35.1	57.8%	0.0%	35.1	35.1	35.1	–	0.1%	
Derivatives financial instruments	81.9	7.7%	0.3%	88.2	–	–	-100.0%	0.1%	
<b>Total equity and liabilities</b>	<b>31 511.3</b>	<b>12.7%</b>	<b>100.0%</b>	<b>38 460.5</b>	<b>45 117.8</b>	<b>50 372.9</b>	<b>16.9%</b>	<b>100.0%</b>	

## Personnel information

**Table 36.21 Rand Water personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment										Number							
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate				Average growth rate (%)	Average: Salary level/Total (%)						
		2017/18		2018/19		2019/20		2020/21		2021/22									
Rand Water		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2018/19 - 2021/22					
Salary level	3 636	3 636	3 417	1 964.7	0.6	3 636	1 988.2	0.5	3 734	2 150.1	0.6	3 819	2 325.4	0.6	3 888	2 522.9	0.6	8.3%	100.0%
1 – 6	314	314	243	148.4	0.6	314	105.5	0.3	360	179.8	0.5	394	265.2	0.7	420	311.2	0.7	43.4%	9.8%
7 – 10	2 688	2 688	2 540	1 057.8	0.4	2 688	1 104.4	0.4	2 740	1 155.7	0.4	2 791	1 208.3	0.4	2 834	1 297.7	0.5	5.5%	73.3%
11 – 12	365	365	365	347.5	1.0	365	362.8	1.0	365	379.6	1.0	365	396.9	1.1	365	426.3	1.2	5.5%	9.7%
13 – 16	257	257	257	368.8	1.4	257	383.3	1.5	257	401.1	1.6	257	419.4	1.6	257	450.3	1.8	5.5%	6.8%
17 – 22	12	12	12	42.2	3.5	12	32.3	2.7	12	33.9	2.8	12	35.6	3.0	12	37.4	3.1	5.0%	0.3%

1. Rand million.

## Trans-Caledon Tunnel Authority

### Mandate

The Trans-Caledon Tunnel Authority was established in 1986 as a specialised liability management entity. Its mandate is derived from the National Water Act (1998). It is responsible for financing and implementing the development of bulk raw water infrastructure, and providing treasury management services to the Department of Water and Sanitation. The authority plays an important role in the provision of financial advisory services (structuring and raising project finance, managing debt and setting tariffs), project implementation services, and other technical support to the department and water boards.

### Selected performance indicators

**Table 36.22 Trans-Caledon Tunnel Authority performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of 40km pipeline completed	Olifants River water resource development project		99%	99%	100%	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>
Milestones achieved towards the completion of 160km pipeline per year	Mokolo and Crocodile River water augmentation project	Outcome 6: An efficient, competitive and responsive economic infrastructure network	— <sup>2</sup>	Transfer capacity determined	Professional service provider contract awarded	Environmental assessment report submitted to Department of Environmental Affairs	Facilitation of institutional and funding arrangements	20% of 160km completed	40% of 160km completed
Implementation of long-term solution for acid mine drainage	Acid mine drainage		— <sup>2</sup>	— <sup>2</sup>	Identify system receiving points for acid mine drainage	Professional service provider contract awarded	Facilitation of institutional and funding arrangements	Optimisation of scheme	Construction Commences
Milestones achieved towards the completion of 160km pipeline per year	Berg River-Voëlvelei augmentation project		— <sup>2</sup>	— <sup>2</sup>	Directive received	Construction contract awarded	Facilitation of institutional and funding arrangements	Construction commences	Construction completed

1. Project completed.

2. No historical data available.

### Expenditure analysis

The Trans-Caledon Tunnel Authority is responsible for debt and risk management services. It ensures that strategic projects related to integrated water resources and infrastructure are efficiently and sustainably financed and implemented on behalf of the department. Over the medium term, the authority will prioritise the following projects: the augmentation and protection of water supply in the Vaal River system through phase 2 of the Lesotho Highlands water project, the long-term solution to acid mine drainage in Gauteng and phase 2A of the Mokolo and Crocodile River water augmentation project. As construction on these projects will commence over the medium term, spending on goods and services is expected to increase at an average annual rate of 24.8 per cent, from R4.1 billion in 2018/19 to R8.1 billion in 2021/22.

Phase 2A of the Mokolo and Crocodile River water augmentation project is aimed at providing additional water for domestic use, power generation, and coal mining in the Waterberg region in Limpopo. Construction of the main waterworks is expected to commence in 2020/21, driving an expected increase in expenditure at an average annual rate of 82.6 per cent, from R436.5 million in 2018/19 to R2.7 billion in 2021/22.

The authority will also continue to manage debt on the Vaal River system, the Berg water project, the Vaal River eastern subsystem augmentation project, the Komati water scheme augmentation project, phase 2 of the Mooi-Mgeni transfer scheme and the Mokolo and Crocodile River water augmentation project. The authority's overall debt is expected to decrease at an average annual rate of 1.8 per cent, from R26.7 billion in 2018/19 to R25.3 billion in 2021/22. This decrease is linked to the expected redemption of debt and the lack of significant new debt being acquired due to a conservative budgeting approach to capital expenditure.

The authority plans to increase its number of personnel from 195 in 2018/19 to 200 in 2021/22, resulting in an increase in spending on compensation of employees at an average annual rate of 10.6 per cent, from R238.1 million in 2018/19 to R322.4 million in 2021/22.

### Programmes/Objectives/Activities

**Table 36.23 Trans-Caledon Tunnel Authority expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
Administration	4 206.9	3 631.8	4 064.1	6 165.3	13.6%	66.6%	9 273.8	4 720.6	6 839.6	3.5%	71.5%
Berg water project	88.1	90.8	87.2	116.4	9.7%	1.4%	61.7	52.3	46.7	-26.3%	0.8%
Vaal River eastern subsystem augmentation project	383.4	383.5	411.6	627.4	17.8%	6.7%	364.8	350.8	339.2	-18.5%	4.7%
Mooi-Mgeni transfer scheme	472.0	333.4	202.7	211.3	-23.5%	4.7%	187.3	162.8	147.6	-11.3%	2.0%
Olifants River water resource development project	304.2	140.2	203.1	73.1	-37.8%	2.8%	37.5	3.3	3.7	-63.1%	0.3%
Komati water scheme augmentation project	124.3	129.9	171.0	180.8	13.3%	2.3%	131.8	129.0	126.4	-11.2%	1.6%
Mokolo Crocodile water augmentation project	420.4	252.1	383.3	436.5	1.3%	5.5%	396.3	798.1	2 658.8	82.6%	11.2%
Acid mine drainage	1 145.4	390.7	362.8	843.4	-9.7%	9.8%	521.5	521.2	455.8	-18.5%	6.5%
Kriel	1.7	3.3	8.2	46.7	202.8%	0.2%	25.0	0.1	0.1	-86.9%	0.2%
Berg River Voelvllei augmentation project	-	-	-	30.7	-	0.1%	69.3	164.9	183.4	81.6%	1.3%
<b>Total</b>	<b>7 146.2</b>	<b>5 355.7</b>	<b>5 894.0</b>	<b>8 731.7</b>	<b>6.9%</b>	<b>100.0%</b>	<b>11 069.1</b>	<b>6 903.0</b>	<b>10 801.3</b>	<b>7.3%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 36.24 Trans-Caledon Tunnel Authority statements of historical financial performance and position**

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget	2015/16	Budget	2016/17	Budget	2017/18	2018/19	2018/19	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>4 418.5</b>	<b>5 424.3</b>	<b>7 241.4</b>	<b>7 659.9</b>	<b>16 922.2</b>	<b>7 981.0</b>	<b>6 778.6</b>	<b>6 778.6</b>	<b>78.7%</b>
Sale of goods and services other than capital assets	4 871.6	2 904.2	4 490.1	2 071.1	5 571.8	2 263.0	3 719.5	3 719.5	58.7%
of which:									
Construction revenue	4 871.6	2 904.2	4 490.1	2 071.1	5 571.8	2 263.0	3 719.5	3 719.5	58.7%
Other non-tax revenue	(453.1)	2 520.0	2 751.2	5 588.8	11 350.4	5 718.0	3 059.1	3 059.1	101.1%
<b>Total revenue</b>	<b>4 418.5</b>	<b>5 424.3</b>	<b>7 241.4</b>	<b>7 659.9</b>	<b>16 922.2</b>	<b>7 981.0</b>	<b>6 778.6</b>	<b>6 778.6</b>	<b>78.7%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>7 630.3</b>	<b>7 146.2</b>	<b>9 959.2</b>	<b>5 355.7</b>	<b>10 078.5</b>	<b>5 894.0</b>	<b>8 731.7</b>	<b>8 731.7</b>	<b>74.5%</b>
Compensation of employees	212.0	168.2	241.7	170.7	208.2	168.0	220.5	238.1	84.4%
Goods and services	4 648.2	2 730.0	4 224.7	1 894.7	5 321.2	2 084.8	4 158.3	4 140.8	59.1%
Depreciation	11.4	6.1	23.7	5.7	7.9	9.8	15.1	15.1	63.1%
Interest, dividends and rent on land	2 758.7	4 242.0	5 469.1	3 284.6	4 541.2	3 631.4	4 337.8	4 337.8	90.6%
<b>Total expenses</b>	<b>7 630.3</b>	<b>7 146.2</b>	<b>9 959.2</b>	<b>5 355.7</b>	<b>10 078.5</b>	<b>5 894.0</b>	<b>8 731.7</b>	<b>8 731.7</b>	<b>74.5%</b>
<b>Surplus/(Deficit)</b>	<b>(3 212.0)</b>	<b>(1 722.0)</b>	<b>(2 718.0)</b>	<b>2 304.0</b>	<b>6 844.0</b>	<b>2 087.0</b>	<b>(1 953.0)</b>	<b>(1 953.0)</b>	

**Table 36.24 Trans-Caledon Tunnel Authority statements of historical financial performance and position**

Statement of financial position									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Carrying value of assets	23.0	11.8	23.0	26.2	14.1	20.0	6.5	6.5	96.7%
<i>of which:</i>									
<i>Acquisition of assets</i>	(11.0)	(4.3)	–	(21.4)	–	(4.0)	(2.0)	(2.0)	243.6%
Investments	11 499.0	1 588.1	9 346.2	3 052.1	–	371.0	1 055.2	1 055.2	27.7%
Receivables and prepayments	36 127.7	25 929.5	29 489.5	27 389.4	35 598.8	29 249.0	25 072.5	25 072.5	85.2%
Cash and cash equivalents	–	3 118.3	–	2 558.9	8 012.4	3 849.0	4 256.5	4 256.5	112.3%
Taxation	–	40.7	–	2.1	–	–	–	–	–
<b>Total assets</b>	<b>47 649.7</b>	<b>30 688.4</b>	<b>38 858.7</b>	<b>33 028.7</b>	<b>43 625.4</b>	<b>33 489.0</b>	<b>30 390.7</b>	<b>30 390.7</b>	<b>79.5%</b>
Accumulated surplus/(deficit)	8 747.0	362.1	(2 596.3)	2 667.4	7 944.0	4 753.0	1 526.1	1 526.1	59.6%
Capital and reserves	–	–	–	–	34.5	–	–	–	–
Capital reserve fund	–	–	–	–	–	–	1 219.1	1 219.1	100.0%
Borrowings	38 129.3	28 439.9	40 849.5	28 741.0	33 184.7	27 149.0	26 706.6	26 706.6	80.0%
Trade and other payables	773.4	1 439.3	605.5	1 164.5	2 462.2	1 188.0	938.9	938.9	99.0%
Taxation	–	101.1	–	116.2	–	78.0	–	–	–
Provisions	–	343.5	–	339.6	–	321.0	–	–	–
Derivatives financial instruments	–	2.5	–	(0.0)	–	–	–	–	–
<b>Total equity and liabilities</b>	<b>47 649.7</b>	<b>30 688.4</b>	<b>38 858.7</b>	<b>33 028.7</b>	<b>43 625.4</b>	<b>33 489.0</b>	<b>30 390.7</b>	<b>30 390.7</b>	<b>79.5%</b>

**Statements of estimates of financial performance and position****Table 36.25 Trans-Caledon Tunnel Authority statements of estimates of financial performance and position**

Statement of financial performance								
R million	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>6 778.6</b>	<b>7.7%</b>	<b>100.0%</b>	<b>8 789.5</b>	<b>6 605.2</b>	<b>10 408.8</b>	<b>15.4%</b>	<b>100.0%</b>
Sale of goods and services other than capital assets	3 719.5	8.6%	41.0%	4 922.6	3 989.7	8 379.3	31.1%	62.9%
<i>of which:</i>								
<i>Construction revenue</i>	3 719.5	8.6%	41.0%	4 922.6	3 989.7	8 379.3	31.1%	62.9%
Other non-tax revenue	3 059.1	6.7%	59.0%	3 866.8	2 615.5	2 029.5	-12.8%	37.1%
<b>Total revenue</b>	<b>6 778.6</b>	<b>7.7%</b>	<b>100.0%</b>	<b>8 789.5</b>	<b>6 605.2</b>	<b>10 408.8</b>	<b>15.4%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>8 731.7</b>	<b>6.9%</b>	<b>100.0%</b>	<b>11 069.1</b>	<b>6 903.0</b>	<b>10 801.3</b>	<b>7.3%</b>	<b>100.0%</b>
Compensation of employees	238.1	12.3%	2.8%	277.2	299.9	322.3	10.6%	3.1%
Goods and services	4 140.8	14.9%	39.1%	4 639.5	3 682.9	8 051.5	24.8%	54.3%
Depreciation	15.1	35.4%	0.1%	5.9	6.9	5.4	-28.8%	0.1%
Interest, dividends and rent on land	4 337.8	0.7%	58.0%	6 146.5	2 913.3	2 422.0	-17.7%	42.5%
<b>Total expenses</b>	<b>8 731.7</b>	<b>6.9%</b>	<b>100.0%</b>	<b>11 069.1</b>	<b>6 903.0</b>	<b>10 801.3</b>	<b>7.3%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(1 953.0)</b>			<b>(2 280.0)</b>	<b>(298.0)</b>	<b>(393.0)</b>		
<b>Statement of financial position</b>								
Carrying value of assets	6.5	-17.8%	0.0%	21.0	19.5	19.7	44.4%	0.1%
<i>of which:</i>								
<i>Acquisition of assets</i>	(2.0)	-22.8%	-0.0%	(5.1)	(5.4)	(5.7)	42.6%	-0.0%
Investments	1 055.2	-12.7%	4.7%	–	–	–	-100.0%	0.9%
Receivables and prepayments	25 072.5	-1.1%	84.3%	22 365.4	21 741.8	27 053.3	2.6%	80.4%
Cash and cash equivalents	4 256.5	10.9%	10.9%	6 200.9	11 974.2	985.5	-38.6%	18.7%
<b>Total assets</b>	<b>30 390.7</b>	<b>-0.3%</b>	<b>100.0%</b>	<b>28 587.3</b>	<b>33 735.4</b>	<b>28 058.6</b>	<b>-2.6%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	1 526.1	61.5%	7.1%	(15.8)	(312.1)	(703.0)	-177.2%	0.4%
Capital reserve fund	1 219.1	–	1.0%	–	–	–	-100.0%	1.0%
Borrowings	26 706.6	-2.1%	87.2%	28 077.3	32 911.9	25 296.4	-1.8%	93.5%
Trade and other payables	938.9	-13.3%	3.7%	525.8	1 135.6	3 465.2	54.5%	5.2%
<b>Total equity and liabilities</b>	<b>30 390.7</b>	<b>-0.3%</b>	<b>100.0%</b>	<b>28 587.3</b>	<b>33 735.4</b>	<b>28 058.6</b>	<b>-2.6%</b>	<b>100.0%</b>

## Personnel information

**Table 36.26 Trans-Caledon Tunnel Authority personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)				
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
Trans-Caledon Tunnel Authority	195	195	141	168.0	1.2	195	238.1	1.2	200	277.2	1.4	200	299.9	1.5	200	322.3	1.6	10.6%	100.0%
Salary level																			
1 – 6	6	6	6	1.8	0.3	6	1.3	0.2	–	–	–	–	–	–	–	–	–	-100.0%	0.8%
7 – 10	62	62	53	31.3	0.6	62	32.2	0.5	55	31.5	0.6	55	34.1	0.6	55	36.7	0.7	4.5%	28.6%
11 – 12	25	25	18	18.6	1.0	25	22.9	0.9	36	35.1	1.0	36	38.0	1.1	36	40.9	1.1	21.4%	16.7%
13 – 16	90	90	54	84.6	1.6	90	145.4	1.6	89	154.6	1.7	89	167.7	1.9	89	180.2	2.0	7.4%	44.9%
17 – 22	12	12	10	31.6	3.2	12	36.3	3.0	20	56.1	2.8	20	60.0	3.0	20	64.5	3.2	21.1%	9.0%

1. Rand million.

## Umgeni Water

### Mandate

Umgeni Water was established in terms of the Water Services Act (1997) to provide water and sanitation services in its service area, which comprises mostly rural areas in KwaZulu-Natal, as well as the eThekweni metropolitan area. The entity supplies water to about 6 million consumers.

### Selected performance indicators

**Table 36.27 Umgeni Water performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Net debt to equity ratio per year	Bulk activities	Outcome 12: An efficient, effective and development-oriented public service	0.34	0.29	0.23	0.21	0.33	0.34	0.29
Debt service ratio per year	Bulk activities		4.6	2.9	4.9	3.9	3.1	2.9	4.1
Costs per kilolitre per year	Bulk activities		R3.25	R3.66	R3.57	R5.04	R5.34	R5.74	R5.93
Weighted average cost of capital per year	Bulk activities		10.53%	10.59%	10.63%	10.66%	11.29%	11.33%	11.37%
Volume of water sold (thousand kl) per year	Bulk activities		435 726	409 887	434 568	451 729	478 599	488 578	495 413

### Expenditure analysis

Umgeni Water's focus over the medium term will continue to be on the provision of bulk water services, which requires the development and maintenance of regional bulk infrastructure in its service areas across KwaZulu-Natal, with the eThekweni metropolitan area being its largest area of distribution. Over the medium term, spending in the bulk activities programme on activities related to the abstraction, treatment and distribution of bulk water is expected to account for 49.9 per cent of the board's total expenditure, increasing at an average annual rate of 10.7 per cent, from R1.3 billion in 2018/19 to R1.8 billion in 2021/22. As a result, spending on goods and services constitutes a projected 56.2 per cent (R5.3 billion) of the board's total expenditure. Spending in this regard is expected to increase at an average annual rate of 5.9 per cent, from R1.5 billion in 2018/19 to R1.8 billion in 2021/22, due to increases in production costs.

Spending in the administration programme is expected to amount to R4.4 billion over the MTEF period, increasing at an average annual rate of 8.5 per cent, from R1.1 billion in 2018/19 to R1.5 billion in 2020/21. This increase is due to increases in retirement benefit costs for employees and increases in impairment losses on rural development projects. Over the medium term, capital expenditure will mainly be directed towards the rehabilitation, renovation and refurbishment of infrastructure on flagship projects such as phase 1 of the Mkhomazi water project, the Lower Mkhomazi bulk water scheme and the Durban Heights wastewater treatment plant. These investments are expected to amount to capital expenditure of R7.1 billion over the MTEF period, increasing at an average annual rate of 7.8 per cent, from R1.7 billion in 2018/19 to R2.1 billion in 2021/22.

The entity plans to maintain its number of personnel at 1 168 over the medium term. In line with cost of living adjustments, spending on compensation of employees is expected to increase at an average annual rate of



6.9 per cent, from R609.2 million in 2018/19 to R743.8 million in 2021/22. The entity expects to sell 1.5 trillion litres of water over the MTEF period, accounting for R13.3 billion of its projected revenue over the period. This revenue is expected to increase at an average annual rate of 13 per cent, from R3.4 billion in 2018/19 to R4.9 billion in 2021/22. This is driven mainly by the projected increase in the volume of water sold, from 451 729 thousand kilolitres in 2018/19 to 495 413 thousand kilolitres in 2021/22, and a projected increase in tariffs from R5.04 per kilolitre in 2018/19 to R5.93 per kilolitre in 2021/22.

### Programmes/Objectives/Activities

**Table 36.28 Umgeni Water expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	730.0	771.5	720.9	1 139.5	16.0%	40.6%	1 372.9	1 528.1	1 454.3	8.5%	44.7%
Bulk activities	856.5	937.0	1 051.4	1 308.6	15.2%	50.4%	1 446.8	1 601.1	1 776.1	10.7%	49.9%
Waste water	75.3	88.2	96.5	126.3	18.8%	4.7%	136.7	148.1	160.4	8.3%	4.7%
Other activities	109.0	153.7	43.7	22.1	-41.2%	4.3%	23.5	24.9	26.4	6.0%	0.8%
<b>Total</b>	<b>1 770.8</b>	<b>1 950.4</b>	<b>1 912.4</b>	<b>2 596.5</b>	<b>13.6%</b>	<b>100.0%</b>	<b>2 980.0</b>	<b>3 302.2</b>	<b>3 417.1</b>	<b>9.6%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 36.29 Umgeni Water statements of historical financial performance and position**

Statement of financial performance									Average: Outcome/ Budget (%) 2015/16 - 2018/19
R million	Budget 2015/16	Audited outcome 2016/17	Budget 2016/17	Audited outcome 2017/18	Budget 2017/18	Audited outcome 2018/19	Budget estimate 2018/19	Revised estimate 2018/19	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>2 437.8</b>	<b>2 552.0</b>	<b>2 686.7</b>	<b>2 696.5</b>	<b>3 090.0</b>	<b>3 100.7</b>	<b>3 434.8</b>	<b>3 527.4</b>	<b>102.0%</b>
Sale of goods and services other than capital assets	2 391.1	2 377.3	2 599.9	2 509.5	3 001.8	2 903.7	3 363.0	3 397.6	98.5%
<i>of which:</i>									
Sales of bulk water	2 391.1	2 377.3	2 599.9	2 509.5	3 001.8	2 903.7	3 363.0	3 397.6	98.5%
Other non-tax revenue	46.6	174.7	86.7	187.0	88.1	196.9	71.8	129.9	234.8%
<b>Total revenue</b>	<b>2 437.8</b>	<b>2 552.0</b>	<b>2 686.7</b>	<b>2 696.5</b>	<b>3 090.0</b>	<b>3 100.7</b>	<b>3 434.8</b>	<b>3 527.4</b>	<b>102.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 915.3</b>	<b>1 676.1</b>	<b>1 985.1</b>	<b>1 844.8</b>	<b>2 228.2</b>	<b>1 847.5</b>	<b>2 453.0</b>	<b>2 491.6</b>	<b>91.6%</b>
Compensation of employees	437.7	473.0	496.3	560.2	550.4	592.4	590.8	609.2	107.7%
Goods and services	1 271.2	1 044.5	1 237.8	1 112.7	1 335.8	1 013.8	1 506.0	1 547.7	88.2%
Depreciation	76.7	157.4	228.9	170.6	275.8	239.6	295.7	293.2	98.1%
Interest, dividends and rent on land	129.6	1.2	22.0	1.4	66.3	1.7	60.5	41.5	16.4%
Transfers and subsidies	–	94.7	106.8	105.6	117.7	64.9	128.2	104.9	104.9%
<b>Total expenses</b>	<b>1 915.3</b>	<b>1 770.8</b>	<b>2 091.9</b>	<b>1 950.4</b>	<b>2 345.9</b>	<b>1 912.4</b>	<b>2 581.2</b>	<b>2 596.5</b>	<b>92.1%</b>
<b>Surplus/(Deficit)</b>	<b>522.0</b>	<b>781.0</b>	<b>595.0</b>	<b>746.0</b>	<b>744.0</b>	<b>1 188.0</b>	<b>854.0</b>	<b>931.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	7 201.0	7 144.0	8 892.7	7 911.5	9 404.7	8 449.3	10 632.6	9 572.3	91.5%
<i>of which:</i>									
Acquisition of assets	(2 133.4)	(2 034.3)	(1 977.9)	(1 172.3)	(1 503.4)	(989.6)	(1 661.5)	(1 652.3)	80.4%
Investments	1 003.2	1 928.0	729.3	1 807.7	1 362.7	2 488.9	880.7	1 939.0	205.3%
Inventory	12.4	14.7	17.5	15.7	20.5	19.0	23.7	17.9	90.9%
Accrued investment interest	–	28.4	28.4	35.6	28.4	44.0	28.4	8.0	171.4%
Receivables and prepayments	338.0	398.8	411.2	427.9	476.1	511.9	513.7	535.7	107.8%
Cash and cash equivalents	13.7	43.9	13.2	24.9	16.8	26.1	15.7	9.8	176.3%
<b>Total assets</b>	<b>8 568.2</b>	<b>9 557.7</b>	<b>10 092.4</b>	<b>10 223.3</b>	<b>11 309.2</b>	<b>11 539.0</b>	<b>12 094.8</b>	<b>12 112.7</b>	<b>103.3%</b>
Accumulated surplus/(deficit)	5 141.2	5 540.9	6 100.2	6 380.5	6 901.1	7 645.7	7 754.7	8 286.0	107.6%
Capital and reserves	442.8	442.8	442.8	442.8	442.8	442.8	442.8	442.8	100.0%
Borrowings	1 943.3	2 029.4	1 950.6	1 950.7	2 320.9	1 871.9	2 191.9	1 791.9	90.9%
Accrued interest	59.7	58.9	58.2	57.5	56.8	56.0	54.3	76.0	108.4%
Trade and other payables	389.5	776.5	769.6	626.5	713.9	717.6	699.0	604.2	105.9%
Provisions	588.5	706.1	770.8	722.3	843.3	709.2	922.6	868.6	96.2%
Derivatives financial instruments	3.2	3.2	–	43.1	30.3	95.9	29.4	43.1	294.6%
<b>Total equity and liabilities</b>	<b>8 568.2</b>	<b>9 557.7</b>	<b>10 092.4</b>	<b>10 223.3</b>	<b>11 309.2</b>	<b>11 539.0</b>	<b>12 094.8</b>	<b>12 112.7</b>	<b>103.3%</b>

## Statements of estimates of financial performance and position

**Table 36.30 Umgeni Water statements of estimates of financial performance and position**

Statement of financial performance	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>3 527.4</b>	<b>11.4%</b>	<b>100.0%</b>	<b>4 154.7</b>	<b>4 681.4</b>	<b>5 134.8</b>	<b>13.3%</b>	<b>100.0%</b>
Sale of goods and services other than capital assets	3 397.6	12.6%	94.0%	3 952.6	4 414.6	4 896.3	13.0%	95.3%
<i>of which:</i>								
<i>Sales of bulk water</i>	3 397.6	12.6%	94.0%	3 952.6	4 414.6	4 896.3	13.0%	95.3%
Other non-tax revenue	129.9	-9.4%	6.0%	202.1	266.8	238.5	22.5%	4.7%
<b>Total revenue</b>	<b>3 527.4</b>	<b>11.4%</b>	<b>100.0%</b>	<b>4 154.7</b>	<b>4 681.4</b>	<b>5 134.8</b>	<b>13.3%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>2 491.6</b>	<b>14.1%</b>	<b>95.5%</b>	<b>2 855.3</b>	<b>3 166.5</b>	<b>3 269.3</b>	<b>9.5%</b>	<b>95.8%</b>
Compensation of employees	609.2	8.8%	27.5%	649.9	694.9	743.8	6.9%	22.0%
Goods and services	1 547.7	14.0%	57.2%	1 696.6	1 793.1	1 839.9	5.9%	56.2%
Depreciation	293.2	23.0%	10.4%	311.8	332.8	354.4	6.5%	10.6%
Interest, dividends and rent on land	41.5	227.1%	0.5%	197.1	345.7	331.3	99.9%	7.1%
<b>Transfers and subsidies</b>	<b>104.9</b>	<b>3.5%</b>	<b>4.5%</b>	<b>124.6</b>	<b>135.7</b>	<b>147.8</b>	<b>12.1%</b>	<b>4.2%</b>
<b>Total expenses</b>	<b>2 596.5</b>	<b>13.6%</b>	<b>100.0%</b>	<b>2 980.0</b>	<b>3 302.2</b>	<b>3 417.1</b>	<b>9.6%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>931.0</b>			<b>1 175.0</b>	<b>1 379.0</b>	<b>1 718.0</b>		
<b>Statement of financial position</b>								
Carrying value of assets	9 572.3	10.2%	76.1%	11 151.6	12 925.9	14 729.5	15.4%	77.8%
<i>of which:</i>								
<i>Acquisition of assets</i>	(1 652.3)	-6.7%	-13.7%	(2 848.0)	(2 216.8)	(2 072.1)	7.8%	-14.3%
Investments	1 939.0	0.2%	18.9%	3 007.9	3 169.6	2 975.0	15.3%	17.8%
Inventory	17.9	6.8%	0.2%	19.1	20.3	21.7	6.5%	0.1%
Accrued investment interest	38.0	10.2%	0.3%	38.0	38.0	38.0	-	0.3%
Receivables and prepayments	535.7	10.3%	4.3%	589.2	634.8	681.1	8.3%	4.0%
Cash and cash equivalents	9.8	-39.4%	0.3%	9.3	10.7	17.9	22.2%	0.1%
<b>Total assets</b>	<b>12 112.7</b>	<b>8.2%</b>	<b>100.0%</b>	<b>14 815.0</b>	<b>16 799.3</b>	<b>18 463.2</b>	<b>15.1%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	8 286.0	14.4%	63.8%	9 460.4	10 836.6	12 547.9	14.8%	66.2%
Capital and reserves	442.8	-	4.1%	442.8	442.8	442.8	-	2.9%
Borrowings	1 791.9	-4.1%	17.8%	3 262.7	3 846.6	3 735.1	27.7%	20.0%
Accrued interest	76.0	8.9%	0.6%	77.0	55.4	55.3	-10.0%	0.4%
Trade and other payables	604.2	-8.0%	6.4%	589.3	557.9	538.7	-3.8%	3.8%
Provisions	868.6	7.1%	6.9%	939.8	1 016.8	1 100.1	8.2%	6.4%
Derivatives financial instruments	43.1	139.1%	0.4%	43.1	43.1	43.1	-	0.3%
<b>Total equity and liabilities</b>	<b>12 112.7</b>	<b>8.2%</b>	<b>100.0%</b>	<b>14 815.0</b>	<b>16 799.3</b>	<b>18 463.2</b>	<b>15.1%</b>	<b>100.0%</b>

## Personnel information

**Table 36.31 Umgeni Water personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019			Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment	Unit cost	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18	2018/19	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	2018/19 - 2021/22								
<b>Umgeni Water</b>			<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>	<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>	<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>	<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>	<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>		
Salary level	1 168	1 168	1 132	592.4	0.5	1 168	609.2	0.5	1 168	649.9	0.6	1 168	694.9	0.6	1 168	743.8	0.6	6.9%	100.0%
1 - 6	149	149	154	24.8	0.2	149	26.6	0.2	149	28.4	0.2	149	30.4	0.2	149	32.5	0.2	6.9%	12.8%
7 - 10	761	761	740	332.7	0.4	761	355.1	0.5	761	378.8	0.5	761	405.0	0.5	761	433.5	0.6	6.9%	65.2%
11 - 12	151	151	147	121.8	0.8	151	116.9	0.8	151	124.7	0.8	151	133.3	0.9	151	142.7	0.9	6.9%	12.9%
13 - 16	105	105	89	108.3	1.2	105	105.5	1.0	105	112.6	1.1	105	120.4	1.1	105	128.9	1.2	6.9%	9.0%
17 - 22	2	2	2	4.7	2.4	2	5.1	2.5	2	5.4	2.7	2	5.8	2.9	2	6.1	3.1	6.4%	0.2%

1. Rand million.

## Water Trading Entity

### Mandate

The Water Trading Entity was established in 1983 to separate the sale of raw water and related services from appropriated funds in the department. It was converted into a trading entity in terms of the Public Finance Management Act (1999) in 2008 to manage the recovery of usage costs to support the long-term sustainability of South Africa's water resources. The entity's core activities involve the construction of new water resources and the rehabilitation and refurbishment of existing ones. Functions related to resources management include

the management of water quality, water conservation, and the allocation of water through catchment management agencies to ensure sustainable water supply for both domestic and industrial use. The entity is further mandated to manage water resources, which includes the management of water quality, conservation, and the allocation of water through catchment management agencies.

### Selected performance indicators

**Table 36.32 Water Trading Entity performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Reduction in the number of days for the collection of outstanding debt per year	Administration	Outcome 12: An efficient, effective and development-oriented public service	150	120	100	100	100	100	100
Number of kilometres of conveyance systems rehabilitated per year	Operations, maintenance and refurbishment of national water resources schemes	Outcome 6: An efficient, competitive and responsive economic infrastructure network	– <sup>1</sup>	4.2km	5.4km	0	7km	10km	10km
Percentage of total maintenance budget spent on asset refurbishment and betterment against budget per year	Operations, maintenance and refurbishment of national water resources schemes		77% (247 549/ 321 492)	86% (343 796/ 400 000)	85% (270 488/ 316 613)	100%	100%	100%	100%
Percentage of planned maintenance projects completed per year per approved asset management project	Operations, maintenance and refurbishment of national water resources schemes		– <sup>1</sup>	60% (152/255)	36% (140/390)	90%	80%	80%	80%
Percentage of unscheduled maintenance projects completed per year as a proportion of planned maintenance projects	Operations, maintenance and refurbishment of national water resources schemes		– <sup>1</sup>	– <sup>1</sup>	0.2%	10% or less	20% or less	20% or less	20% or less
Number of raw water projects completed per year	Operations, maintenance and refurbishment of national water resources schemes		1	0	1	3	2	4	3
Number of dam safety rehabilitation projects completed per year	Implementation of dam safety projects		Outcome 10: Protect and enhance our environmental assets and natural resources	5	0	0	3	5	5
Total number of dam safety rehabilitation projects completed	Implementation of dam safety projects	Outcome 6: An efficient, competitive and responsive economic infrastructure network	43	40	45	49	53	53	53
Number of rivers where the river eco-status monitoring programme has been implemented to measure the ecological health of the system per year	Implementation of water resources management activities		98	66	92	71	70	80	70

1. No historical data available.

### Expenditure analysis

Over the medium term, the Water Trading Entity will continue to focus on developing and maintaining raw water infrastructure and managing water resources, while improving its operational and financial sustainability. An estimated R22.9 billion of the entity's total expenditure over the medium term is in the financing of and investment in raw water infrastructure programme. Spending in the programme increases at an average annual rate of 10.6 per cent, from R6.2 billion in 2018/19 to R8.4 billion in 2021/22.

Spending in the bulk water supply to strategic users programme accounts for an estimated R7.5 billion of total expenditure, increasing at an average annual rate of 10.6 per cent, from R2 billion in 2018/19 to R2.8 billion in 2021/22. Over the medium term, the entity plans to rehabilitate 27km of conveyance systems related to the Vlakfontein, Boskop, Vaalharts, Ncora, Pongolapoort, Nzhelele and Lindleyspoort canals; and complete 80 per cent of planned maintenance projects in each year over the MTEF period. As a result, spending in the operations, maintenance and refurbishment of national water resources schemes programme is expected to increase at an average annual rate of 10.6 per cent, from R1.6 billion in 2018/19 to R2.1 billion in 2021/22.

In ensuring the efficient management of water resources, the entity will continue to ensure compliance with dam safety regulations by completing an estimated 159 dam safety rehabilitation projects over the medium term. These projects include raising the walls of Clanwilliam Dam and Tzaneen Dam; and other projects involving pollution control, resource measurement and monitoring, water conservation, water demand management and water allocation. As such, spending in the implementation of water resource management activities programme increases at an average annual rate of 10.6 per cent, from R805.1 million in 2018/19 to R1.1 billion in 2021/22.

To improve its operational and financial sustainability, the entity plans to maintain its period for collecting outstanding debt at 100 days each year of the MTEF period. This will enable it to make timely payments to the Trans-Caledon Tunnel Authority to repay debts for the construction of new raw water infrastructure projects; and the maintenance of ongoing and completed raw water projects such as the long-term solution to acid mine drainage, the Lesotho Highlands water project, and phase 2 of the Mokolo and Crocodile River water augmentation project.

The entity plans to maintain its number of personnel at 3 440 over the medium term. In line with cost of living adjustments, spending on compensation of employees is expected to increase at an average annual rate of 6 per cent, from R1.2 billion in 2018/19 to R1.5 billion in 2021/22.

The entity expects to generate 81.8 per cent of its revenue over the medium term from the sale of raw water. The sale of raw water is expected to increase at an average annual rate of 10.7 per cent, from R11 billion in 2018/19 to R14.9 billion in 2021/22, due to a projected increase in sales. Remaining revenue is derived from departmental transfers amounting to R6.6 billion, increasing at an average annual rate of 4 per cent, from R2 billion in 2018/19 to R2.3 billion in 2021/22. Funds from these transfers are used to subsidise the entity's operations, its functions pertaining to the management of water resources, and the construction and maintenance of water infrastructure for which costs cannot be recuperated through tariffs.

### Programmes/Objectives/Activities

**Table 36.33 Water Trading Entity expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	386.5	2 727.5	698.1	815.8	28.3%	8.7%	902.3	997.9	1 103.7	10.6%	7.1%
Implementation of water resources management activities	383.8	528.7	528.6	805.1	28.0%	4.8%	890.4	984.8	1 089.2	10.6%	7.0%
Operations, maintenance and refurbishment of national water resources schemes	1 270.8	1 780.5	1 399.3	1 581.0	7.6%	12.8%	1 748.6	1 934.0	2 139.0	10.6%	13.7%
Financing and investment in raw water infrastructure	4 457.3	7 980.8	8 708.6	6 223.4	11.8%	56.4%	6 883.1	7 612.7	8 419.7	10.6%	53.8%
Bulk water supply to strategic users	1 538.1	2 175.4	1 855.4	2 038.4	9.8%	16.1%	2 254.5	2 493.5	2 757.8	10.6%	17.6%
Implementation of dam safety projects	170.0	236.0	29.8	95.7	-17.4%	1.2%	105.8	117.0	129.4	10.6%	0.8%
<b>Total</b>	<b>8 206.6</b>	<b>15 428.8</b>	<b>13 219.9</b>	<b>11 559.4</b>	<b>12.1%</b>	<b>100.0%</b>	<b>12 784.7</b>	<b>14 139.9</b>	<b>15 638.7</b>	<b>10.6%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 36.34 Water Trading Entity statements of historical financial performance and position**

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%) 2015/16 - 2018/19
	Budget	2015/16	Budget	2016/17	Budget	2017/18			
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>9 825.9</b>	<b>9 534.8</b>	<b>8 667.9</b>	<b>10 164.4</b>	<b>9 761.1</b>	<b>10 995.5</b>	<b>10 606.0</b>	<b>11 352.1</b>	<b>108.2%</b>
Sale of goods and services other than capital assets	9 730.9	9 061.9	8 606.5	9 458.3	9 646.2	10 154.8	10 479.6	11 252.0	103.8%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>9 730.9</i>	<i>9 061.9</i>	<i>8 606.5</i>	<i>9 458.3</i>	<i>9 646.2</i>	<i>10 154.8</i>	<i>10 479.6</i>	<i>11 252.0</i>	<i>103.8%</i>
<i>Sales of water</i>	<i>8 729.8</i>	<i>8 598.9</i>	<i>8 370.8</i>	<i>9 036.8</i>	<i>9 431.1</i>	<i>9 927.3</i>	<i>10 374.2</i>	<i>10 987.9</i>	<i>104.5%</i>
<i>Construction revenue</i>	<i>988.6</i>	<i>449.9</i>	<i>221.9</i>	<i>409.4</i>	<i>200.0</i>	<i>223.8</i>	<i>88.8</i>	<i>247.5</i>	<i>88.7%</i>
<i>Lease revenue earned</i>	<i>12.5</i>	<i>13.2</i>	<i>13.8</i>	<i>12.2</i>	<i>15.1</i>	<i>3.7</i>	<i>16.6</i>	<i>16.6</i>	<i>78.9%</i>
Other non-tax revenue	94.9	472.8	61.4	706.1	114.9	840.8	126.4	100.1	533.1%
<b>Transfers received</b>	<b>1 735.1</b>	<b>1 522.0</b>	<b>1 499.5</b>	<b>1 499.5</b>	<b>1 651.7</b>	<b>1 651.7</b>	<b>1 792.1</b>	<b>2 031.6</b>	<b>100.4%</b>
<b>Total revenue</b>	<b>11 561.0</b>	<b>11 056.8</b>	<b>10 167.5</b>	<b>11 664.0</b>	<b>11 412.7</b>	<b>12 647.2</b>	<b>12 398.1</b>	<b>13 383.7</b>	<b>107.1%</b>

**Table 36.34 Water Trading Entity statements of historical financial performance and position**

Statement of financial performance									
R million	Audited		Audited		Audited		Budget		Average: Outcome/ Budget (%)
	Budget	outcome	Budget	outcome	Budget	outcome	estimate	estimate	
	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
<b>Expenses</b>									
<b>Current expenses</b>	<b>7 954.4</b>	<b>8 206.6</b>	<b>9 194.8</b>	<b>15 428.8</b>	<b>9 908.0</b>	<b>13 219.9</b>	<b>10 603.4</b>	<b>11 559.4</b>	<b>128.6%</b>
Compensation of employees	979.3	804.7	908.5	924.4	972.1	1 191.1	1 040.0	1 218.4	106.1%
Goods and services	2 699.3	4 741.3	5 763.2	8 043.3	6 256.3	5 450.3	6 647.8	2 996.5	99.4%
Depreciation	2 554.4	1 913.0	2 071.0	1 833.4	2 199.4	1 922.2	2 359.2	2 314.1	86.9%
Interest, dividends and rent on land	1 721.3	747.5	452.1	4 627.7	480.1	4 656.2	556.4	5 030.3	469.2%
<b>Total expenses</b>	<b>7 954.4</b>	<b>8 206.6</b>	<b>9 194.8</b>	<b>15 428.8</b>	<b>9 908.0</b>	<b>13 219.9</b>	<b>10 603.4</b>	<b>11 559.4</b>	<b>128.6%</b>
<b>Surplus/(Deficit)</b>	<b>3 607.0</b>	<b>2 850.0</b>	<b>973.0</b>	<b>(3 765.0)</b>	<b>1 505.0</b>	<b>(573.0)</b>	<b>1 795.0</b>	<b>1 824.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	91 920.7	93 473.9	95 275.7	95 913.9	96 784.4	95 540.3	100 765.8	92 973.3	98.2%
<i>of which:</i>									
Acquisition of assets	(2 610.2)	(2 409.3)	(1 950.2)	(1 563.5)	(1 899.2)	(500.6)	(2 089.1)	(1 227.1)	66.7%
Inventory	126.9	148.0	134.3	158.8	120.8	145.7	108.8	108.8	114.4%
Receivables and prepayments	4 721.6	6 380.8	5 083.7	6 002.3	4 159.9	6 645.7	3 369.5	5 468.9	141.3%
Cash and cash equivalents	2 346.6	42.9	138.9	0.2	538.9	0.3	895.8	-	1.1%
<b>Total assets</b>	<b>99 115.8</b>	<b>100 045.6</b>	<b>100 632.6</b>	<b>102 075.3</b>	<b>101 603.9</b>	<b>102 332.1</b>	<b>105 139.8</b>	<b>98 550.9</b>	<b>99.1%</b>
Accumulated surplus/(deficit)	69 245.9	71 960.4	71 294.5	70 508.7	69 686.8	69 808.4	70 334.1	63 727.7	98.4%
Capital and reserves	330.3	362.6	326.3	279.6	313.0	407.2	281.7	407.2	116.4%
Borrowings	28 631.8	26 334.2	27 873.8	29 548.3	29 229.2	30 441.9	33 593.2	29 496.4	97.1%
Finance lease	17.0	50.9	48.7	4.7	46.8	5.7	46.3	6.0	42.4%
Trade and other payables	701.3	1 174.9	914.4	1 519.3	701.6	1 424.3	666.5	4 643.2	293.6%
Provisions	189.5	162.6	175.0	214.6	188.3	244.5	218.0	270.4	115.7%
<b>Total equity and liabilities</b>	<b>99 115.8</b>	<b>100 045.6</b>	<b>100 632.6</b>	<b>102 075.3</b>	<b>100 165.7</b>	<b>102 332.1</b>	<b>105 139.8</b>	<b>98 550.9</b>	<b>99.5%</b>

**Statements of estimates of financial performance and position****Table 36.35 Water Trading Entity statements of estimates of financial performance and position**

Statement of financial performance									
R million	Revised estimate	Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)	
				2018/19	2019/20	2020/21			2021/22
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>11 352.1</b>	<b>6.0%</b>	<b>86.3%</b>	<b>12 565.7</b>	<b>13 936.2</b>	<b>15 413.5</b>	<b>10.7%</b>	<b>86.0%</b>	
Sale of goods and services other than capital assets	11 252.0	7.5%	81.9%	12 455.6	13 787.0	15 248.5	10.7%	85.2%	
<i>of which:</i>									
Sales by market establishment	11 252.0	7.5%	81.9%	12 455.6	13 787.0	15 248.5	10.7%	85.2%	
Sales of water	10 987.9	8.5%	79.0%	11 383.1	13 465.1	14 892.4	10.7%	81.8%	
Construction revenue	247.5	-18.1%	2.8%	46.6	302.8	334.8	10.6%	1.5%	
Lease revenue earned	16.6	7.9%	9.4%	19.2	19.2	21.3	8.5%	1.2%	
Other non-tax revenue	100.1	-40.4%	4.4%	110.1	149.2	165.0	18.1%	0.8%	
<b>Transfers received</b>	<b>2 031.6</b>	<b>10.1%</b>	<b>13.7%</b>	<b>2 119.2</b>	<b>2 171.6</b>	<b>2 287.0</b>	<b>4.0%</b>	<b>14.0%</b>	
<b>Total revenue</b>	<b>13 383.7</b>	<b>6.6%</b>	<b>100.0%</b>	<b>14 684.8</b>	<b>16 107.8</b>	<b>17 700.5</b>	<b>9.8%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>11 559.4</b>	<b>12.1%</b>	<b>100.0%</b>	<b>12 784.7</b>	<b>14 139.9</b>	<b>15 638.7</b>	<b>10.6%</b>	<b>100.0%</b>	
Compensation of employees	1 218.4	14.8%	8.8%	1 292.8	1 370.3	1 451.2	6.0%	9.9%	
Goods and services	2 996.5	-14.2%	44.3%	3 699.6	4 509.6	4 771.8	16.8%	29.3%	
Depreciation	2 314.1	6.6%	17.4%	2 455.2	2 602.6	2 756.2	6.0%	18.8%	
Interest, dividends and rent on land	5 030.3	88.8%	29.5%	5 337.1	5 657.4	6 659.6	9.8%	42.0%	
<b>Total expenses</b>	<b>11 559.4</b>	<b>12.1%</b>	<b>100.0%</b>	<b>12 784.7</b>	<b>14 139.9</b>	<b>15 638.7</b>	<b>10.6%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>1 824.0</b>			<b>1 900.0</b>	<b>1 968.0</b>	<b>2 062.0</b>			
<b>Statement of financial position</b>									
Carrying value of assets	92 973.3	-0.2%	93.8%	93 231.0	93 646.7	91 487.9	-0.5%	95.1%	
<i>of which:</i>									
Acquisition of assets	(1 227.1)	-20.1%	-1.4%	(1 623.5)	(1 612.6)	(1 993.8)	17.6%	-1.7%	
Inventory	108.8	-9.8%	0.1%	97.9	102.8	101.8	-2.2%	0.1%	
Receivables and prepayments	5 468.9	-5.0%	6.1%	4 949.8	4 482.4	3 165.8	-16.7%	4.6%	
Cash and cash equivalents	-	-100.0%	0.0%	-	84.4	663.6	-	0.2%	
<b>Total assets</b>	<b>98 550.9</b>	<b>-0.5%</b>	<b>100.0%</b>	<b>98 278.7</b>	<b>98 316.2</b>	<b>95 419.0</b>	<b>-1.1%</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	63 727.7	-4.0%	68.5%	65 619.4	67 715.3	60 686.2	-1.6%	66.0%	
Capital and reserves	407.2	3.9%	0.4%	407.2	407.2	407.2	-	0.4%	
Borrowings	29 496.4	3.9%	28.7%	28 303.5	27 213.1	32 309.6	3.1%	30.1%	
Finance lease	6.0	-51.1%	0.0%	6.3	6.6	7.0	5.5%	0.0%	
Trade and other payables	4 643.2	58.1%	2.2%	3 643.2	2 643.2	1 643.2	-29.3%	3.2%	
Provisions	270.4	18.5%	0.2%	299.1	330.8	365.8	10.6%	0.3%	
<b>Total equity and liabilities</b>	<b>98 550.9</b>	<b>-0.5%</b>	<b>100.0%</b>	<b>98 278.7</b>	<b>98 316.2</b>	<b>95 419.0</b>	<b>-1.1%</b>	<b>100.0%</b>	

## Personnel information

**Table 36.36 Water Trading Entity personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number						
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost							
<b>Water Trading Entity</b>		<b>4 292</b>	<b>4 292</b>	<b>3 634</b>	<b>1 191.1</b>	<b>0.3</b>	<b>3 440</b>	<b>1 218.4</b>	<b>0.4</b>	<b>3 440</b>	<b>1 292.8</b>	<b>0.4</b>	<b>3 440</b>	<b>1 370.3</b>	<b>0.4</b>	<b>3 440</b>	<b>1 451.2</b>	<b>0.4</b>	<b>6.0%</b>	<b>100.0%</b>
1 – 6	2 605	2 605	2 243	401.9	0.2	2 053	411.1	0.2	2 053	436.2	0.2	2 053	461.9	0.2	2 053	489.2	0.2	6.0%	59.7%	
7 – 10	1 561	1 561	1 279	629.9	0.5	1 275	644.4	0.5	1 275	683.7	0.5	1 275	725.3	0.6	1 275	768.1	0.6	6.0%	37.1%	
11 – 12	120	120	106	148.9	1.4	106	152.3	1.4	106	161.6	1.5	106	171.1	1.6	106	181.2	1.7	6.0%	3.1%	
13 – 16	6	6	6	10.4	1.7	6	10.7	1.8	6	11.3	1.9	6	12.0	2.0	6	12.7	2.1	6.0%	0.2%	

1. Rand million.

## Other entities

Comprehensive coverage of the following entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Breede-Gouritz Catchment Management Agency** plays a key role in the use, protection and development of water resources in the Breede-Gouritz water management area. The agency's total budget for 2019/20 is R67.5 million.
- The **Inkomati-Usuthu Catchment Management Agency** plays a key role in the use, protection and development of water resources in the Inkomati-Usuthu water management area. The agency's total budget for 2019/20 is R130.4 million.
- The **Water Research Commission** was established in terms of the Water Research Act (1971) and is listed as a schedule 3A public entity. The commission's mandate is to conduct research on water by determining needs and priorities for research, stimulating and funding water research, promoting the effective transfer of information and technology, and enhancing knowledge and capacity building in the water sector. Research is informed by government policies, needs and international trends. The commission's total budget for 2019/20 is R318 million.

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
R million										
<b>Departmental infrastructure</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Pongolapoort bulk water supply (pipeline)	Construction of new bulk water scheme	Construction	1 376.0	290.0	95.3	113.6	–	3.6	–	–
Sedibeng bulk regional sewerage	Construction of new wastewater treatment works	Feasibility	3 000.0	26.9	44.1	10.1	62.7	76.8	152.0	220.0
De Hoop: Greater Sekhukhune district municipality regional bulk water and wastewater infrastructure	Construction of new bulk water infrastructure linking communities with the De Hoop Dam	Design	4 088.0	7.1	23.0	–	–	–	–	–
Mogalakwena bulk water supply phase 1	Upgrading of boreholes and construction of new bulk water scheme	Construction	1 399.6	252.8	161.1	142.2	110.0	183.6	250.0	300.0
Sebokeng waste treatment works phase 1 and phase 2	Upgrading of existing wastewater treatment works	Construction	1 123.6	99.8	166.3	117.6	140.7	128.7	263.0	150.0
Westonaria/Randfontein regional bulk wastewater treatment works (Zuurbekom)	Construction of new wastewater treatment works	Design	1 570.0	7.1	1.3	1.0	55.5	70.0	100.0	274.2
Mooihoek/Tubatse bulk water supply	Augmentation of existing bulk water scheme	Construction	1 000.0	73.1	143.0	–	–	–	–	–
Nebo bulk water supply	Construction of new bulk water scheme	Construction	1 400.0	38.4	31.2	50.5	60.0	–	–	–
Magalies bulk water supply to Waterberg	Construction of new bulk water scheme	Feasibility	1 891.0	–	–	–	15.0	–	–	–
Giyani water services phase 2	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	2 754.6	799.8	912.6	634.0	–	114.0	150.0	144.3
Thembisile bulk water supply (Loskop) phase 1 of 3	Construction of new bulk water scheme	Construction	1 500.0	–	–	–	13.4	100.0	100.0	100.0
OR Tambo, Mthatha, King Sabata and Dalindyebo district municipality bulk water supply and sanitation	Augmentation of existing bulk water scheme	Construction	22 156.8	457.5	–	–	–	–	–	–
Vaal Gamagara bulk water supply	Upgrading of existing bulk water scheme	Construction	200.0	53.8	–	–	–	–	–	–
Polokwane wastewater treatment works	Upgrading existing wastewater treatment works	Construction	1 043.8	–	–	–	–	–	–	–
Umgeni water board: Lower Thukela bulk water supply scheme	Construction of new bulk water scheme	Construction	1 044.0	279.1	–	–	–	–	–	–
<b>Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)</b>										
Matoks bulk water supply	Construction of new bulk water scheme	Feasibility	880.0	–	–	–	19.9	–	–	–
Ndlambe bulk water supply	Construction of new bulk water scheme and Upgrading of existing bulk water scheme	Construction	879.0	79.6	119.9	17.8	6.0	50.0	85.0	–
Xhora east bulk water supply	Construction of new bulk water scheme	Construction	620.2	70.6	33.0	51.1	26.0	99.7	56.5	–

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
Meyerton wastewater treatment works phase 1	Upgrading of existing wastewater treatment works	Construction	327.0	41.4	40.9	37.5	45.5	56.7	105.0	-
Mbizana regional bulk water supply	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	910.8	13.4	0.9	-	-	-	-	-
Westonaria/Randfontein (Hannes van Niekerk) regional bulk wastewater treatment works	Upgrading of existing wastewater treatment works	Handed over	266.0	-	-	-	-	-	-	-
Western highveld regional bulk water supply	Upgrading of existing bulk water scheme	Construction	486.0	21.9	-	-	-	-	-	-
Lebalelo central and north regional water supply	Construction of new bulk water scheme	Feasibility	600.0	-	-	-	40.0	-	-	-
Nzhelele valley bulk water supply	Construction of new bulk water scheme	Feasibility	600.0	-	-	-	20.0	-	-	-
Madibeng bulk water supply phase 2	Upgrading of existing bulk water scheme	Construction	586.8	53.1	76.2	82.3	60.0	40.0	120.0	155.2
Upgrading of the Homevale wastewater treatment plant (Sol Plaatje wastewater treatment works)	Upgrading of existing wastewater treatment works	Construction	298.0	-	-	-	-	-	-	-
Nketoana bulk water supply phase 1	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	316.7	34.0	19.6	13.1	40.0	50.0	80.0	80.0
Sterkfontein Dam scheme phase 1	Construction of new bulk water scheme	Construction	330.0	-	-	-	-	-	-	-
Potchefstroom wastewater treatment works upgrade	Upgrading of existing water treatment works and construction of new bulk water scheme	Feasibility	400.0	-	-	6.9	40.0	40.0	21.4	30.0
Sinthumule Kutama bulk water augmentation phase 3	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	751.6	25.2	10.2	-	75.0	50.0	80.0	95.0
Moutse bulk water supply phases 1-5	Upgrading of existing water treatment works and construction of new bulk water scheme	Construction	720.0	31.3	23.3	40.3	40.0	75.0	-	-
Glen Alpine bulk water supply	Construction of new bulk water scheme	Feasibility	345.0	-	-	-	15.0	-	-	-
Lephalale/Eskom: Bulk water augmentation	Augmentation of existing bulk water scheme	Feasibility	330.0	-	-	-	10.0	-	-	-
Moretele bulk water supply phase 1 (Klipdrift)	Construction of new bulk water scheme	Construction	640.6	117.4	60.0	23.3	58.0	18.3	30.0	-
Bitou cross border bulk water supply	Construction of new bulk sewage conveyance pipelines	Feasibility	250.0	-	-	-	-	-	-	-
West Coast desalination plant	Construction of new desalination plant	Design	563.2	-	-	-	-	20.0	30.0	20.1
Mncwasa bulk water supply	Construction of new bulk water scheme	Handed over	264.2	16.2	-	-	-	-	-	-
Kalahari East to Mier pipeline	Supply of water	Construction	468.1	134.1	23.3	1.3	-	-	-	-
Ohrigstad bulk water supply	Upgrading of existing bulk water scheme	Feasibility	450.0	-	-	-	-	-	-	-



**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
Northern Nzikazi bulk water supply phase 1	Construction of new bulk water scheme	Construction	404.9	46.3	120.1	85.7	19.0	30.0	30.0	73.7
Aganang bulk water supply	Upgrading of existing bulk water scheme	Design	350.0	-	-	-	25.0	-	-	-
Sundwana bulk water supply	Construction of new bulk water scheme	Feasibility	591.0	-	-	-	20.0	-	6.0	30.0
Mpumalanga lowveld feasibility studies	Construction of new bulk water scheme	Feasibility	800.0	-	-	-	5.0	-	-	-
Ngwathe bulk sewer phase 2	Upgrading of existing wastewater treatment works	Construction	300.0	19.8	3.6	1.6	25.0	-	40.0	80.0
Dihlabeng bulk water supply phase 2	Construction of new bulk water scheme	Construction	255.0	36.1	39.5	5.9	10.0	-	-	20.0
Dukuduku resettlement bulk water supply	Construction of new bulk water scheme	Construction	350.0	15.0	9.2	-	-	-	-	-
Giyani bulk water supply relief phase 1 (Nandoni Nsami)	Construction of new bulk water scheme	Construction	752.8	-	102.6	99.8	186.2	114.2	100.0	150.0
Sekororo-Mametja bulk water supply phase 1	Construction of new bulk water scheme	Construction	342.8	24.2	33.4	5.1	40.0	70.0	80.0	90.0
Tokologo regional water supply phase 2	Upgrading of bulk water scheme	Construction	500.2	20.0	96.1	104.1	40.0	90.0	100.0	50.0
Msukaligwa regional water supply scheme phase 1	Construction of new bulk water scheme	Design	407.0	-	6.9	-	-	-	-	-
Refurbishment of Emalahleni watertreatment works	Upgrading of existing water treatment works and construction of new bulk water scheme	Construction	335.6	24.8	1.2	-	-	-	-	-
Mafikeng South bulk water supply phase 2 (Upgrading of water treatment works)	Construction of new bulk water scheme	Construction	286.6	31.5	35.1	35.0	59.6	20.0	40.0	40.0
Matjhabeng bulk sewer (Welkom)	Upgrading of existing water treatment works and construction of new bulk water scheme	Feasibility	420.0	-	1.1	2.5	25.1	-	40.0	122.0
Thembisile water scheme (Loskop)	Construction of new bulk water scheme	Feasibility	324.4	4.2	-	-	-	-	-	-
Western highveld bulk water supply scheme (Rust de Winter)	Construction of new bulk water scheme	Feasibility	643.0	-	4.2	-	17.0	10.0	22.4	50.0
Welbedacht pipeline	Construction of new bulk water scheme	Tender	500.0	-	17.1	89.9	84.0	192.2	53.1	-
Bambanana pipeline	Construction of new bulk water scheme	Feasibility	301.3	-	-	-	-	-	24.6	27.1
Mooihoek/Tubatse bulk water supply	Augmentation of existing bulk water scheme	Construction	714.0	-	143.0	17.0	-	90.0	95.0	-
Nebo bulk water supply	Construction of new bulk water scheme	Construction	978.4	-	31.2	-	60.0	50.0	70.0	90.0
Nooitgedagt bulk water supply	Construction of new bulk water scheme	Construction	390.3	-	-	53.2	67.4	-	-	-
Driekoppies bulk water supply Upgradings	Construction of new bulk water scheme	Construction	397.6	-	-	-	42.5	71.9	70.0	134.1

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
Ngqamakwe water supply	Upgrading of existing wastewater treatment works	Construction	370.0	-	-	13.9	5.0	-	-	-
Kannaland Dam relocation	Augmentation of existing bulk water scheme	Construction	300.0	-	0.2	-	30.0	-	-	-
Masilonyana bulk water supply phase 1	Upgrading of existing bulk water scheme	Construction	304.9	-	-	-	-	60.0	130.0	80.0
Butterworth Emergency	Upgrading of existing bulk water scheme	Tender	250.0	-	-	-	10.0	-	45.4	80.0
Sedibeng bulk regional sewerage scheme: Sebokeng and Meyerton wastewater treatment works	Upgrading existing wastewater treatment works	Construction	856.0	141.2	-	-	-	-	-	-
Greater Mthonjaneni phases 1-3 bulk water supply	Construction of new bulk water scheme	Construction	668.5	222.1	-	-	-	-	-	-
Ngcebo regional bulk water supply (iLembe)	Construction of new bulk water scheme	Construction	682.0	106.2	-	-	-	-	-	-
Namakwa bulk water supply	Upgrading of existing bulk water scheme	Construction	648.3	149.7	-	-	-	-	-	-
Taung/Naledi bulk water supply	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	839.3	63.7	-	-	-	-	-	-
Greater Mamusa bulk water supply	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	444.3	46.8	-	-	-	-	-	-
Pilanesberg north and south bulk water supply	Upgrading of existing bulk water scheme and construction of new bulk water scheme	Construction	755.7	150.0	-	-	-	-	-	-
Chris Hani district municipality bulk water supply, Ncora cluster 4	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	353.1	72.6	-	-	-	-	-	-
Chris Hani district municipality: Ngcobo cluster 6	Construction of new bulk water scheme and spring protection	Construction	321.7	48.0	-	-	-	-	-	-
Xonxa Dam water supply to Lukhanji	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	444.0	68.3	-	-	-	-	-	-
Amatola Water: Refurbishment of 6 existing plants and downstream infrastructure	Upgrading of existing bulk water scheme	Feasibility	500.0	163.1	-	-	-	-	-	-
Mhlabatshane bulk water supply	Construction of new bulk water scheme	Construction	273.6	8.8	-	-	-	-	-	-
Greytown regional bulk water scheme	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	610.6	93.6	-	-	-	-	-	-
Greater Bulwer-Donnybrook water scheme	Upgrading of existing water treatment works	Construction	343.3	14.0	-	-	-	-	-	-
Kagisano-Molopo bulk water supply	Upgrading of existing water treatment works and new bulk water scheme	Feasibility	350.0	18.0	-	-	-	-	-	-

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2018/19	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
R million										
Nongoma bulk water supply	Construction of new bulk water scheme	Construction	529.1	-	-	-	-	-	-	-
Ngwathe bulk water supply phase 2	Construction of new bulk water scheme	Construction	160.0	6.8	-	-	-	-	-	-
Driefontein Indaka bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	326.3	20.8	-	-	-	-	-	-
Masilonyana bulk water supply	Upgrading of existing bulk water scheme	Design	304.9	41.9	-	-	-	-	-	-
Refurbishment of Emalahleni wastewater treatment works	Upgrading of existing water treatment works and construction of new bulk water scheme	Construction	335.6	24.8	-	-	-	-	-	-
Balf/Siyat/Greyll/Willem/Nthor bulk water supply	Construction of new bulk water scheme	Various	531.6	7.7	-	-	-	-	-	-
Setsoto bulk water supply	Construction of new bulk water scheme	Construction	147.6	40.6	-	-	-	-	-	-
Phumelela bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	166.0	5.8	-	66.8	-	5.0	-	-
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Graaff-Reinet emergency bulk water supply	Upgrading of existing bulk water scheme	Construction	55.7	2.2	17.9	19.6	10.0	6.0	-	-
Sundays River bulk water supply (Paterson)	Upgrading of existing water treatment works and construction of new bulk water scheme	Construction	106.5	8.9	2.0	1.4	-	7.0	-	-
Steytlerville bulk water supply	Augmentation of existing bulk water scheme	Construction	111.3	32.1	22.0	-	-	-	-	-
Ibika bulk water supply	Construction of new bulk water scheme	Handed over	64.8	9.0	-	-	-	-	-	-
Ikwezi bulk water supply	Upgrading of existing bulk water scheme	Feasibility	57.9	0.5	3.4	-	17.0	-	7.0	30.0
Kirkwood water treatment works	Upgrading of existing bulk water scheme	Feasibility	51.0	1.1	1.9	-	11.0	-	7.0	30.0
Misgund bulk water supply	Construction of new bulk water scheme and Upgrading of existing bulk water scheme	Feasibility	41.7	0.4	1.6	0.7	4.0	-	5.0	30.0
Matatiele bulk water supply	Construction of new bulk water scheme	Construction	182.3	25.8	20.2	13.1	2.0	12.0	-	-
Mount Ayliff bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Handed over	208.8	3.3	-	-	-	-	-	-
Jagersfontein/Fauresmith: Bulk water supply phase 2	Construction of new bulk water scheme	Construction	60.7	6.0	2.3	-	-	1.0	-	-
Phumelela bulk water supply phase 2	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	166.0	5.8	24.7	-	23.0	-	-	-

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
Moghaka bulk water supply (Streyrnus and Kroonstad water treatment works) phase 1	Construction of new bulk water scheme	Construction	115.9	32.9	9.7	13.3	–	–	10.0	50.0
Moghaka bulk sewer	Construction of bulk sewer	Construction	105.0	30.6	6.4	–	–	–	–	–
Nala bulk sewer (Wesselsbron/Monyakeng)	Construction of bulk sewer	Feasibility	46.0	23.0	5.3	–	–	–	–	–
Tswelopele bulk water supply phase 1	Construction of new bulk water scheme	Construction	109.6	10.1	20.3	17.2	20.0	2.0	20.0	20.0
Ratlou bulk water supply phase 1 (Setlagole)	Upgrading of existing water treatment works and construction of new bulk water scheme	Construction	218.1	16.0	30.9	1.8	35.0	40.0	40.0	40.0
Maluti-A-Phofung bulk water supply phase 2	Construction of new bulk water scheme	Construction	262.0	34.9	26.3	9.9	40.0	50.8	50.0	50.0
Greater Eston bulk water scheme	Construction of new bulk water scheme	Handed over	192.0	–	–	–	–	–	–	–
Driefontein Complex bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Handed over	196.1	–	–	–	–	–	–	–
Emadlangeni bulk regional scheme	Construction of new bulk water scheme	Handed over	50.3	–	–	–	–	–	–	–
Hlabisa regional bulk water supply	Construction of new bulk water scheme	Handed over	166.9	8.0	–	–	–	–	–	–
Port Nolloth bulk water supply	Construction of new bulk water scheme	Design	71.8	–	–	–	15.0	21.8	25.0	10.0
Colesberg bulk water supply	Construction of new bulk water scheme	Design	123.8	1.3	–	–	–	–	–	–
Noupoort bulk water supply	Construction of new bulk water scheme	Construction	77.7	40.6	7.2	–	–	–	–	–
De Aar bulk water supply	Upgrading of existing bulk water scheme	Design	48.9	–	–	–	20.0	6.8	5.0	17.1
Hopetown water treatment works bulk water supply (Thembelihle)	Upgrading of existing bulk water scheme	Handed over	75.0	–	–	–	–	–	–	–
Strydenburg groundwater project	Provision of groundwater development	Handed over	21.0	8.3	–	–	–	–	–	–
Heuningvei scheme bulk water supply	Construction of new bulk water scheme	Handed over	142.3	9.0	–	–	–	–	–	–
Kuruman bulk water supply phase 1 (reservoir)	Upgrading of existing bulk water scheme	Construction	186.9	15.6	12.2	–	–	–	–	–
Windsorton to Holpan bulk water supply phase 1 (pipeline)	Upgrading of existing bulk water scheme	Tender	43.9	3.5	16.3	10.0	–	–	–	–
Nooitgedagt bulk water supply	Construction of new bulk water scheme	Design	200.0	–	–	53.2	–	–	–	–
Niekerkshoop bulk water supply	Supply of water	Handed over	11.1	–	–	–	–	–	–	–
Mafube bulk sewer phase 1	Construction of new bulk water scheme	Construction	230.5	47.0	13.3	10.2	30.0	30.0	50.0	50.0
Pixley ka Seme bulk water supply	Upgrading of existing groundwater water scheme	Feasibility	40.0	–	–	–	–	–	–	–

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
Marydale bulk water supply	Upgrading of existing water treatment works and construction of new bulk water scheme	Feasibility	11.2	0.9	-	-	-	-	-	-
Upington wastewater treatment works	Construction of a new wastewater treatment works in Upington	Feasibility	107.8	-	-	-	30.0	31.4	25.0	21.4
Kakamas wastewater treatment works	Construction of new wastewater treatment works	Feasibility	50.0	0.3	-	-	-	10.0	12.1	25.0
Warrenton water treatment works	Upgrading of existing water treatment works and new bulk water scheme	Feasibility	30.6	-	0.8	-	-	-	-	-
Gariep Dam to Norvaltspond bulk water supply	Construction of new bulk water scheme	Construction	15.1	-	2.4	-	-	-	-	-
Vanderkloof/Renosterberg bulk water supply phase 1	Construction of new bulk water scheme	Construction	32.1	20.0	1.4	-	-	-	-	-
Driekoppies bulk water supply Upgradings	Construction of new bulk water scheme	Design	93.0	0.3	-	3.4	14.0	-	-	-
Acornhoek bulk water supply	Augmentation of existing bulk water scheme	Handed over	191.7	-	-	-	-	-	-	-
Sibange bulk water supply phase 1	Construction of new bulk water scheme	Design	154.0	0.5	-	3.0	20.5	50.0	60.0	20.0
Thaba Chweu groundwater development	Provision of groundwater development	Construction	8.5	-	-	-	-	-	-	-
Hoxane bulk water supply	Upgrading of existing water treatment works and construction of new bulk water scheme	Design	128.3	31.3	68.4	14.4	4.4	-	-	-
Wolmaransstad wastewater treatment works	Upgrading of existing wastewater treatment works	Construction	137.8	66.0	50.1	-	-	-	-	-
Nqamakwe water supply	Upgrading of existing wastewater treatment works	Feasibility	60.0	-	-	-	5.0	-	7.5	25.0
Worcester bulk water supply	Construction of new bulk water scheme	Construction	190.6	-	-	-	-	-	-	-
Grabouw wastewater treatment works	Upgrading of existing wastewater treatment works	Construction	61.6	2.2	-	-	-	-	-	-
Swellendam wastewater treatment works	Upgrading of existing wastewater treatment works	Handed over	61.2	-	-	-	-	-	-	-
Oudtshoorn groundwater supply	Provision of groundwater development	Feasibility	190.0	11.0	-	-	20.0	5.0	20.0	30.0
Beaufort West bulk water supply	Upgrading of existing wastewater treatment works and construction of new wastewater treatment works	Feasibility	46.3	-	-	-	5.0	5.0	5.0	10.0
Vanrhynsdorp raw water supply	Augmentation of existing bulk water scheme	Design	83.2	-	-	-	5.0	-	-	-
Klawer bulk water supply	Augmentation of existing bulk water scheme from boreholes	Design	25.7	-	-	-	4.0	5.0	6.0	6.0
Paarl bulk sewer phase 3	Construction of new bulk sewage conveyance pipelines	Construction	207.8	39.0	1.9	-	-	-	-	-

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
Free State region	Upgrading of existing wastewater treatment works	Feasibility	77.5	0.7	4.1	–	30.0	–	–	–
Kannaland Dam relocation	Augmentation of existing bulk water scheme	Feasibility	79.2	–	0.2	–	30.0	10.0	19.0	20.0
Moretele bulk water supply (north)	Augmentation of existing bulk water scheme	Feasibility	100.0	32.6	–	18.0	2.5	–	–	–
Makana bulk water supply (James Kleynhans)	Augmentation of existing bulk water scheme	Design	191.2	3.5	8.4	10.3	25.0	78.0	66.0	–
Ntabankulu bulk water supply	Construction of new bulk water scheme	Feasibility	245.0	–	–	1.5	2.0	–	–	30.0
Capricorn master plan	Development of master plan	Master plan	3.1	–	–	–	–	–	–	–
Sekhukhune master plan	Development of master plan	Master plan	3.1	–	–	–	–	–	–	–
Bushbuckridge master plan	Development of master plan	Master plan	3.5	–	–	–	–	–	–	–
Upgrade of Delmas wastewater treatment works phase 2	Upgrading of existing wastewater treatment works	Design	111.0	13.3	–	24.0	28.8	30.0	15.0	–
Upgrade of Botleng wastewater treatment works	Upgrading of existing wastewater treatment works	Construction	57.7	18.5	9.3	1.1	–	–	–	–
Upgrading of Balfour wastewater treatment works phase 2	Upgrading of existing wastewater treatment works	Tender	21.3	21.3	–	–	(14.0)	–	–	–
Belmont wastewater treatment works	Upgrading of existing wastewater treatment works	Feasibility	142.0	–	–	–	6.0	–	7.0	30.0
Makana bulk sewer	Upgrading of existing wastewater treatment works	Feasibility	34.0	–	–	–	–	–	–	30.0
Mayfield wastewater treatment works	Upgrading of existing wastewater treatment works	Feasibility	72.5	–	2.5	–	20.0	–	–	30.0
Kinira regional bulk water supply	Construction of new bulk water scheme	Feasibility	34.5	–	–	–	2.0	–	–	30.0
Mount Ayliff bulk peri-urban water supply	Construction of new bulk water scheme	Feasibility	322.8	2.5	49.4	30.5	75.4	80.0	85.0	–
Mkemane regional bulk water supply	Construction of new bulk water scheme	Feasibility	52.0	–	–	1.0	2.0	–	–	25.7
Trompsburg bulk sewer	Upgrading of existing wastewater treatment works	Feasibility	76.0	–	–	–	–	–	–	–
Upgrading of Deneysville wastewater treatment works	Upgrading of existing wastewater treatment works	Feasibility	275.7	139.9	9.3	26.5	30.0	70.0	–	–
Masilonyana bulk sewer (Brandfort and Winburg)	Upgrading of existing wastewater treatment works	Feasibility	70.0	–	–	1.2	20.0	–	–	–
Mantsopa bulk sewer (Ladybrand)	Upgrading of existing wastewater treatment works	Feasibility	42.2	20.7	–	1.5	20.0	–	–	–
Rothdene pump station and raising main	Upgrading of existing wastewater treatment works	Feasibility	113.0	0.0	–	13.5	19.5	80.0	–	–
Mohlakeng pump station and sewer outfall	Upgrading of existing wastewater treatment works	Feasibility	147.9	5.9	0.8	0.9	43.7	37.5	48.9	61.5
Koster wastewater treatment works Upgrading	Upgrading of existing wastewater treatment works	Design	136.8	9.3	19.8	37.6	30.0	40.0	–	–
Ventersdorp bulk water supply	Construction of new bulk water scheme	Construction	55.0	–	–	–	–	–	–	–

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2018/19	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
R million										
Nebo bulk water supply (De Hoop agumentation/North/South/Steelpoort)	Construction of new bulk water scheme	Design	150.2	–	–	–	50.0	–	–	–
Douglas water treatment works upgrading	Upgrading of existing water treatment works	Design	59.0	0.8	–	–	21.2	15.0	12.0	10.0
Ermelo bulk water supply phase 2	Construction of new bulk water scheme	Construction	46.9	7.6	–	–	–	–	–	–
Carolina-Silobela bulk water scheme	Construction of new bulk water scheme	Feasibility	189.0	189.0	–	–	–	–	–	–
Provincial high catalytic projects (Mutash Hub)	Construction of new bulk water scheme for various purposes	Feasibility	211.7	193.0	–	–	18.7	–	–	–
Reitz-Lindley construction	Construction of sewer main	Construction	108.4	41.0	39.7	13.9	–	13.7	–	–
Clocolan construction of sewer main	Construction of sewer main	Construction	146.5	59.0	–	59.9	–	27.6	–	–
Clocolan construction of pump station	Construction of pump station	Construction	9.3	9.3	–	–	–	–	–	–
Senekal construction of sewer main	Construction of sewer main	Construction	157.8	38.9	–	54.1	–	64.8	–	–
Petrus Steyn refurbishment of a plant	Refurbishment of a package plant	Construction	52.8	–	–	45.0	–	7.8	–	–
Dealesville construction of sewer main	Construction of sewer main	Construction	63.5	–	–	20.0	–	43.5	–	–
Water services infrastructure grant	Water supply and sanitation backlog	Construction	1 474.0	–	1 445.1	–	28.9	–	–	–
Eastern Cape region	Construction of water supply and sanitation backlog	Construction	441.3	4.9	5.7	–	430.6	–	–	–
Free State region	Construction of water supply and sanitation backlog	Construction	913.1	48.7	150.1	492.4	–	222.0	–	–
KwaZulu-Natal region	Construction of water supply and sanitation backlog	Construction	–	150.6	110.6	77.0	122.4	–	–	–
Limpopo region	Construction of water supply and sanitation backlog	Construction	–	178.4	20.3	5.1	233.0	170.2	360.6	419.7
Mpumalanga region	Construction of water supply and sanitation backlog	Construction	–	58.2	1.3	–	–	20.0	50.7	60.0
North West region	Construction of water supply and sanitation backlog	Construction	–	7.2	1.2	69.1	502.3	115.0	212.6	180.0
Accelerated community infrastructure programme	Water supply and sanitation backlog	Construction	–	–	7.7	–	152.5	–	–	–
Community infrastructure: Water supply	Construction of new and refurbishment of existing water infrastructures	Construction	–	51.4	–	–	44.7	–	–	–
Wastewater infrastructure: Refurbishment	Upgrading of existing wastewater treatment works	Construction	–	96.9	–	3.0	123.3	–	–	–
Clanwilliam/Lamberts Bay regional water supply and desalination	Upgrading of existing bulk water scheme	Construction	61.5	59.3	–	–	–	–	–	–
Infrastructure network	Water resource infrastructure monitoring tool	Construction	200.0	189.3	–	23.7	31.0	–	–	–
Chris Hani district municipality bulk water supply: Quthubeni cluster 9	Construction of new bulk water scheme	Construction	208.0	32.9	–	–	–	–	–	–
Hofmeyer groundwater supply (phase 1 completed)	Development of borehole to augment existing bulk water scheme	Construction	47.4	12.0	–	–	–	–	–	–

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
Middelburg groundwater supply	Development of borehole to augment existing bulk water scheme	Construction	31.1	0.8	-	-	-	-	-	-
Mohokare bulk water supply	Construction of new bulk water scheme	Construction	170.3	22.0	28.6	-	-	-	-	-
Mantsopa (Tweespruit) and Hobhouse bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	120.0	15.0	-	-	-	-	-	-
Mandlakazi bulk water supply (phase 1 to be completed) and construction of water treatment works phase 2	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	94.0	57.0	-	-	-	-	-	-
Loeriesfontein bulk water supply	Construction of new bulk water scheme	Feasibility	40.0	4.1	-	-	-	-	-	-
Van Wyksvlei groundwater	Construction of new bulk water scheme	Design	97.6	1.8	-	-	-	-	-	-
Eerstehoek/Ekulindeni bulk water supply	Construction of new bulk water supply and upgrading of existing water treatment works	Feasibility	103.6	98.0	-	-	-	-	-	-
Lushuhwane bulk water supply	Construction of new bulk water and sanitation schemes	Design	91.9	76.0	-	-	-	-	-	-
Amsterdam and Sheepmore bulk water supply	Upgrading of existing water treatment works and new bulk water scheme	Feasibility	30.5	26.0	-	-	-	-	-	-
Citrusdal wastewater treatment works	Construction of new wastewater treatment works	Construction	35.6	19.6	-	-	-	-	-	-
Clanwilliam water treatment works	Upgrading of existing bulk water scheme	construction	16.0	0.9	2.2	-	-	-	-	-
Clanwilliam/Lamberts Bay regional water supply	Upgrading of existing bulk water scheme	Construction	59.5	21.0	0.9	-	-	-	-	-
Tulbagh bulk water supply (Witzenberg)	Construction of new bulk water scheme	Construction	73.8	8.3	0.9	-	-	-	-	-
Drakenstein wastewater treatment works	Upgrading existing wastewater treatment works	Handed over	29.0	21.0	-	-	-	-	-	-
Stellenbosch wastewater treatment works	Upgrading existing wastewater treatment works	Construction	111.0	10.0	18.0	-	-	-	-	-
Williston bulk water supply	Construction of new bulk water scheme	Feasibility	47.0	44.8	-	-	-	-	-	-
Matatiele bulk water supply	Construction of new bulk water scheme	Construction	182.3	25.8	-	-	-	-	-	-
Petrus Steyn outfall sewer	Construction of outfall sewer	Construction	27.1	-	-	-	-	-	-	-
Memel refurbishment wastewater treatment works and sewer	Refurbishment of a sewer	Construction	3.5	-	-	-	-	-	-	-
Tweeling sewer pump station	Construction of sewer pump station	Construction	7.5	-	-	-	-	-	-	-
Ficksburg outfall sewer	Construction of outfall sewer	Construction	1.7	-	-	-	-	19.3	-	-
Arlington grey water package plant	construction of rising main	Construction	7.6	-	-	-	-	65.0	-	-
Dewetsdorp outfall sewer line	Construction of outfall sewer	Construction	3.1	-	-	-	-	-	-	-
Heilbron sewer and pump station	Construction of sewer and pump station	Construction	9.9	-	-	-	-	-	-	-
Hertzogville outfall sewer pump station	Construction of outfall sewer	Construction	3.0	-	-	-	-	3.0	-	-
Louisvale pump station	Construction of new pump station	Construction	8.2	-	-	-	-	-	-	-



**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
Louisvale pump station Prefab	Refurbishment of pump station	Construction	4.4	–	–	–	–	–	–	–
Breipaal pump station	Construction of new pump station	Construction	4.4	–	–	–	–	–	–	–
Calitzdorp and Ladysmith	Upgradings of wastewater treatment works	Feasibility	77.5	–	–	–	–	15.0	30.0	30.0
Northern Cape water services infrastructure grant	Sanitation backlog	Construction	96.9	–	–	175.8	–	96.9	–	–
Gauteng Region water services infrastructure grant	Sanitation backlog	Construction	20.0	–	–	–	–	20.0	55.0	70.0
Nama Khoi	Construction of bulk bucket	Construction	0.2	–	–	–	–	0.2	–	–
Britstown	Construction of bulk bucket	Construction	0.2	–	–	–	–	0.2	–	–
Marydale	Construction of bulk bucket	Construction	5.9	–	–	–	–	5.9	–	–
Breipaal	Construction of bulk bucket	Construction	0.3	–	–	–	–	0.3	–	–
Campbell	Construction of bulk bucket	Construction	29.5	–	–	–	–	29.5	–	–
Griekwastad	Construction of bulk bucket	Construction	3.6	–	–	–	–	3.6	–	–
Petrusville	Construction of bulk bucket	Construction	0.6	–	–	–	–	0.6	–	–
Victoria West	Construction of bulk bucket	Construction	14.0	–	–	–	–	14.0	–	–
Kalksloot	Construction of bulk bucket	Construction	1.6	–	–	–	–	1.6	–	–
Pabalello	Construction of bulk bucket	Construction	1.6	–	–	–	–	1.6	–	–
Rosedale	Construction of bulk bucket	Construction	9.0	–	–	–	–	9.0	–	–
Maranteng	Construction of bulk bucket	Construction	4.2	–	–	–	–	4.2	–	–
Postdene	Construction of bulk bucket	Construction	3.1	–	–	–	–	3.1	–	–
<b>Infrastructure transfers to other spheres, agencies and departments</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Olifants River water resources development project: De Hoop Dam phase 2A	Supply of water to new mining developments; and augmentation of domestic water supplies to urban and rural users in the middle of the Olifants River catchment area, and to various communities on the Nebo plateau and Sekhukhune	Handed over	3 074.0	19.5	17.9	3.2	10.0	–	–	–
Olifants River water resources development project phases 2B and 2G	Construction of Flag Boshielo to Mokopane pipeline and second pipeline between Flag Boshielo to Mokopane	Design	13 114.0	–	–	–	–	–	–	–
Olifants River water resources development project phase 2C	Supply of water to new mining developments; and augmentation of domestic water supplies to urban and rural users in the middle of the Olifants River catchment area and to various communities on the Nebo plateau and Sekhukhune	Construction	2 267.0	–	154.2	49.5	80.0	–	–	–
Olifants River water resources development project phase 2D	Construction of second pipeline between Steelpoort weir and Mooihoek	Tender	2 000.0	–	–	26.1	–	181.2	308.6	419.6
Olifants River water resources development project phases 2E and 2F	Construction of second pipeline parallel to Lebalelo scheme and Lebalelo scheme to Olifantspoort	Design	3 115.9	–	–	–	53.1	–	19.3	63.3
Groot Letaba River water development project: Nwamitwa Dam	Meeting of projected growing primary supply requirements for 2025, improvement of water availability for the riverine ecosystem and building of Nwamitwa Dam	Design	3 761.0	25.6	177.1	26.0	84.9	–	86.3	96.3

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
Dam safety rehabilitation programme	Rehabilitation of assets and improvement of dam safety	Design	2 800.0	170.0	–	33.9	110.0	150.0	175.0	200.0
Water resources project: Raising of Clanwilliam Dam	Upgrading of existing dam to stabilise distortion and augmentation of agricultural water supply to meet increasing demands	Tender	3 300.0	196.2	–	5.4	–	268.1	377.6	427.1
Mokolo-Crocodile water augmentation project phases 2A	Augmentation of domestic and industrial water supply to the new Eskom/independent power producer power stations to extend associated mining activities and accommodate growing population in the area	Feasibility	11 984.6	–	–	–	143.0	250.0	263.8	278.3
Acid mine drainage	Construction of water treatment works	Feasibility	–	–	683.8	200.0	350.0	300.0	300.0	300.0
OR Tambo, Mthatha, King Sabata and Dalindyebo district municipality bulk water supply and sanitation	Augmentation of existing bulk water scheme	Construction	3 001.5	457.5	350.5	325.0	334.5	246.4	–	–
Vaal Gamagara bulk water supply (phase 1)	Upgrading of existing bulk water scheme	Construction	18 000.0	53.8	215.6	350.0	350.0	137.5	110.0	–
Polokwane wastewater treatment works	Upgrading of existing wastewater treatment works	Design	1 043.8	–	–	90.0	128.5	531.0	644.5	297.1
Polokwane bulk water supply	Construction of new bulk water scheme and Upgrading of existing bulk water scheme	Construction	1 832.0	–	130.2	119.7	158.5	100.0	–	–
Umgeni water board: Lower Thukela bulk water supply scheme	Construction of new bulk water scheme	Construction	1 044.0	279.1	213.1	209.6	41.3	–	–	–
Umshwathi bulk water supply scheme	Construction of new bulk water scheme	Tender	2 308.7	–	209.9	142.0	350.9	160.0	305.5	552.4
Greater Mthonjaneni bulk water supply phases 2	Construction of new bulk water scheme	Construction	1 228.2	211.8	182.2	36.4	50.0	30.0	30.0	37.3
Ngcebo bulk water supply (iLembe)	Construction of new bulk water scheme	Construction	1 420.7	106.5	156.1	145.0	90.0	35.0	30.0	70.0
<b>Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)</b>										
Groot Letaba River water development project: Raising of Tzaneen Dam	Meeting of projected growing primary supply requirements for 2025, improvement of water availability for the riverine ecosystem and raising of Tzaneen Dam	Design	600.0	15.2	–	26.7	121.9	208.9	154.3	21.0
Mdloti River development project: Raising of Hazelmere Dam	Augmentation of water supply to Umgeni Water for treatment, for KwaZulu-Natal north coast	Construction	788.8	188.2	217.3	128.3	110.0	110.0	35.0	–
Mopani district municipality emergency works	Refurbishment of dilapidated infrastructure	Construction	100.7	100.7	–	–	–	–	–	–
Taung/Naledi bulk water supply phase 2	Construction of new bulk water scheme and Upgrading of existing bulk water scheme	Construction	733.8	63.7	69.3	55.0	30.0	60.0	69.7	107.7
Namakwa bulk water supply phase 1	Upgrading of existing bulk water scheme	Construction	648.3	149.7	63.4	83.2	19.7	75.0	135.0	–
Pilanesberg south bulk water supply phase 2	Upgrading of existing bulk water scheme and construction of new bulk water scheme	Construction	796.6	150.0	142.8	58.4	–	65.4	70.0	60.3
Amatola Water: Refurbishment of 6 existing plants and downstream infrastructure	Upgrading of existing bulk water scheme	Construction	500.0	169.1	–	88.6	92.4	–	–	–

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
Refurbishment of Greater Mamusa bulk water supply phase 1	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	491.2	46.8	55.0	101.0	90.0	61.7	60.0	76.8
Chris Hani district municipality Ncora bulk water supply cluster 4	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	461.8	72.6	68.3	45.0	40.0	40.0	85.0	110.9
Chris Hani district municipality Ngcobo bulk water supply cluster 6	Construction of new bulk water scheme and spring protection	Construction	345.6	48.0	63.3	35.0	7.0	35.3	72.0	85.0
Xonxa Dam bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	444.0	68.3	58.0	26.0	7.0	–	80.0	–
Mhlabatshane bulk water supply	Construction of new bulk water scheme	Construction	483.5	8.8	12.8	–	–	–	–	–
Greytown bulk water supply phase 2	Construction of new bulk water scheme and upgrading of existing bulk water scheme	Construction	950.0	93.6	106.4	98.9	60.0	20.0	13.5	–
Middeldrift bulk water supply	Construction of new water treatment works	Construction	349.4	24.1	79.0	30.0	54.8	61.5	50.0	50.0
Greater Bulwer bulk water supply phase 2	Upgrading of existing water treatment works	Construction	369.5	14.0	60.0	90.0	100.0	20.0	25.5	60.0
Nongoma bulk water supply	Construction of new bulk water scheme	Construction	529.1	131.8	110.4	70.0	65.2	73.8	33.8	–
Dukuduku resettlement bulk water supply	Construction of new bulk water scheme	Construction	266.4	15.0	15.2	–	–	–	–	–
Greater Mpošana regional bulk water supply phases 1-3	Construction of new bulk water scheme	Feasibility	469.3	–	–	86.8	161.6	80.0	100.7	258.5
Driefontein phase 3 (Spioenkop to Ladysmith) bulk water supply	Construction of bulk water scheme	Feasibility	350.0	–	–	–	100.0	–	100.0	400.0
Maphumulo bulk water supply	Construction of bulk water scheme	Feasibility	294.6	–	–	80.0	100.0	80.0	104.6	–
Chris Hani district municipality bulk water supply: Quthubeni cluster 9 phase 1	Construction of new bulk water scheme	Construction	208.0	32.9	15.0	95.0	75.0	–	85.0	–
Middelburg groundwater supply	Development of borehole to augment existing bulk water scheme	Construction	32.5	0.8	6.4	6.0	3.0	30.0	–	–
Masilonyana bulk water supply phase 1	Upgrading of existing bulk water scheme	Design	304.9	41.9	6.9	15.0	30.0	–	–	–
Driefontein Indaka bulk water supply	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	378.5	20.8	64.0	75.1	–	10.0	39.4	–
Mandlakazi bulk water supply phase 5	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	94.0	57.0	27.7	40.0	89.7	90.0	100.0	200.0
Balf/Siyat/Greyl/Willem/Nthor bulk water supply	Construction of new bulk water scheme	Various	590.7	7.7	36.6	42.0	31.3	70.0	85.0	100.0
Msukaligwa regional water supply phase 1	Construction of new bulk water scheme	Design	407.0	–	–	3.0	10.0	25.0	68.4	58.1
Empuluzi and Methula bulk water supply	Upgrading of existing bulk water scheme	Feasibility	291.0	–	–	5.0	41.9	65.0	100.0	96.9
Kagisano Molopo bulk water supply	Upgrading of existing water treatment works and new bulk water scheme	Feasibility	350.0	18.0	9.0	26.0	37.0	–	–	–
Stellenbosch wastewater treatment works phase 2	Upgrading of existing wastewater treatment works	Construction	304.3	48.1	32.8	–	–	–	–	–
Nooitgedagt bulk water supply	Construction of new bulk water scheme	Construction	390.3	–	–	–	–	185.0	–	–
Goedertrouw transfer scheme	Construction of new bulk water scheme	Construction	350.0	–	–	301.2	350.0	170.0	–	–
Lady Grey bulk water supply	Construction of new bulk water scheme	Feasibility	95.0	–	–	–	–	–	20.0	75.0
Financial management/project support	Funding of financial management and support		1 716.8	–	–	–	–	535.0	573.0	608.9

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Bushbuckridge water treatment plant, pipelines and reservoirs	Supply of water to Bushbuckridge area	Handed over	144.5	–	–	–	–	–	–	–
Zeerust water treatment plant, pipelines and reservoirs	Supply of water to Zeerust area	Handed over	14.2	–	–	–	–	–	–	–
Mzimvubu water project	Construction of 2 large dams and bulk distribution system in the Eastern Cape	Design	20 000.0	–	–	–	100.0	–	–	–
Abaqulusi, Nongoma and Jozini water intervention projects	Supply of water	Construction	100.0	–	–	55.0	–	–	–	–
Free State region	Construction of new bulk water scheme	Feasibility	128.5	2.5	10.4	83.2	10.0	–	–	–
Sterkspruit bulk water supply	Construction of new bulk water scheme	Feasibility	50.0	–	2.5	52.2	13.0	–	20.0	77.7
Coffee bay wastewater treatment works	Upgrading of existing water treatment works	Feasibility	130.0	–	12.7	88.6	7.0	–	15.0	60.0
Setsoto bulk water supply phases 1 and 2	Construction of new bulk water scheme	Construction	147.6	40.6	45.7	101.0	20.0	70.1	92.1	80.0
Rouxville/Smithfield/Zastron Mohokare bulk water supply phase 1	Construction of new bulk water scheme	Construction	180.3	44.1	31.8	45.0	30.0	30.0	5.0	–
Mantsopa bulk water supply phase 1	Construction of new bulk water scheme to augment existing bulk water scheme	Construction	250.0	13.4	8.3	35.0	20.0	5.0	–	–
Ngwathe bulk water supply phase 2	Construction of new bulk water scheme	Construction	250.0	6.8	2.3	26.0	30.0	38.0	52.5	77.8
Lushuhwane bulk water scheme	Construction of new bulk water and sanitation schemes	Design	91.9	–	25.4	–	36.5	57.0	–	–
Upgrading of Balfour wastewater treatment works phase 2	Upgrading of existing wastewater treatment works	Tender	85.5	–	23.0	80.9	15.3	48.0	10.0	–
Bushbuckridge water services (Cunningmore to Newington bulk water supply) phase 1	Construction of new bulk water scheme	Feasibility	190.0	–	40.0	30.0	–	40.0	40.0	–
Eerstehoek/Ekulindeni bulk water supply	Construction of new bulk water supply and Upgrading of existing water treatment works	Feasibility	115.1	–	–	90.0	25.6	25.0	25.0	99.0
Amsterdam wastewater treatment works phase 1	Upgrading of existing water treatment works and construction of new bulk water scheme	Feasibility	30.5	–	12.3	70.0	23.0	40.0	30.0	20.0
Van Wyksvlei groundwater phase 1 (pipeline upgrade)	Construction of new bulk water scheme	Design	94.7	1.8	15.0	–	46.8	–	–	–
Hantam desalination plant (Brandvlei)	Construction of new desalination plant	Construction	66.6	4.1	5.3	86.8	30.0	21.5	7.3	8.0
Loeriesfontein bulk water supply phase 1 (pipeline)	Construction of new bulk water scheme	Construction	95.4	3.6	14.2	–	17.2	–	–	–
Ritchie wastewater treatment works bucket eradication programme	Construction of bulk water supply line and extension of the treatment works as well as associated infrastructure.	Construction	40.4	3.0	–	80.0	10.6	–	–	–
Williston bulk water supply	Construction of new bulk water scheme	Feasibility	47.0	0.5	–	95.0	30.0	20.0	–	–
Britstown oxidation ponds	Upgrading of existing wastewater treatment works	Design	30.6	–	0.8	6.0	30.0	3.9	–	–
Danielskuil wastewater treatment works	Upgrading of existing water treatment works	Feasibility	12.6	–	–	15.0	–	12.6	40.0	50.0

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
Kathu bulk water supply	Construction of new bulk water scheme	Feasibility	90.0	–	–	75.1	21.6	31.0	51.4	46.1
Christiana wastewater treatment works	Upgrading of existing water treatment works	Feasibility	55.5	–	2.7	40.0	–	–	–	–
Citrusdal wastewater treatment works phase 2	Construction of new wastewater treatment works	Construction	52.7	19.6	2.7	42.0	–	–	–	–
Clanwilliam/Lamberts Bay regional water supply	Upgrading of existing bulk water scheme	Construction	61.5	–	14.4	3.0	–	–	–	–
Tulbagh bulk water supply (Witzenberg)	Construction of new bulk water scheme	Construction	76.8	–	27.8	5.0	10.0	19.5	–	–
Clanwilliam water treatment works	Upgrading of existing bulk water scheme	Construction	31.3	–	4.0	26.0	–	–	–	–
Hofmeyr groundwater	Development of borehole to augment existing bulk water scheme	Construction	64.0	12.0	6.8	–	–	–	–	–
Eastern Cape region	Water supply and sanitation backlog	Construction	3 710.4	441.8	503.5	485.5	494.6	520.5	574.6	689.9
Free State region	Water supply and sanitation backlog	Construction	1 795.9	15.0	131.0	247.0	340.3	307.3	380.6	374.6
Gauteng region	Water supply and sanitation backlog	Design	967.0	–	70.0	150.0	175.0	184.9	195.1	192.0
KwaZulu-Natal region	Water supply and sanitation backlog	Construction	6 469.7	803.1	855.6	890.0	1 064.6	903.4	955.6	997.4
Limpopo region	Water supply and sanitation backlog	Construction	3 560.0	130.5	540.3	527.5	605.0	506.7	605.6	644.4
Mpumalanga region	Water supply and sanitation backlog	Construction	2 728.6	263.7	398.7	393.8	300.0	510.0	402.4	460.0
Northern Cape region	Water supply and sanitation backlog	Construction	1 631.7	87.7	141.0	260.5	225.0	308.6	291.0	317.9
North West region	Water supply and sanitation backlog	Construction	1 961.6	62.0	204.9	321.0	334.6	328.0	346.0	365.1
Western Cape region	Water supply and sanitation backlog	Construction	390.0	–	–	30.0	20.0	100.0	120.0	120.0
<b>Total</b>			<b>231 132.8</b>	<b>12 518.9</b>	<b>11 897.5</b>	<b>11 309.7</b>	<b>12 437.9</b>	<b>12 373.4</b>	<b>13 055.3</b>	<b>13 967.4</b>



# Vote 37

## Arts and Culture

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	308.3	299.6	–	8.6	326.2	344.1
Institutional Governance	150.4	115.4	35.0	–	159.6	169.7
Arts and Culture Promotion and Development	1 132.2	134.4	997.8	–	1 195.2	1 264.9
Heritage Promotion and Preservation	3 026.6	126.2	2 663.8	236.6	3 196.1	3 381.4
<b>Total expenditure estimates</b>	<b>4 617.5</b>	<b>675.6</b>	<b>3 696.6</b>	<b>245.3</b>	<b>4 877.1</b>	<b>5 160.1</b>
Executive authority	Minister of Arts and Culture					
Accounting officer	Director-General of Arts and Culture					
Website address	<a href="http://www.dac.gov.za">www.dac.gov.za</a>					

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Contribute to sustainable economic development and enhance job creation by preserving, protecting and developing South African arts, culture and heritage to sustain a socially cohesive and democratic nation.*

### Mandate

The Department of Arts and Culture derives its mandate from the following legislation:

- the Heraldry Act (1962)
- the Culture Promotion Act (1983)
- the National Archives and Record Services of South Africa Act (1996)
- the Legal Deposit Act (1997)
- the South African Geographical Names Council Act (1998)
- the Cultural Institutions Act (1998)
- the National Heritage Resources Act (1999)
- the National Council for Library and Information Services Act (2001)
- the Use of Official Languages Act (2012).

Broadly, this legislation mandates the department to:

- preserve, develop, protect and promote the cultural, heritage and linguistic diversity and legacy of South Africa
- lead nation building and social cohesion through societal transformation
- enhance archives and records management structures and systems, and promote access to information
- provide leadership to the arts and culture sector to accelerate its transformation.

## Selected performance indicators

**Table 37.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of community conversations on social cohesion and nation building conducted per year	Institutional Governance	Outcome 14: Nation building and social cohesion	33	33	33	33	9 <sup>1</sup>	9 <sup>1</sup>	9 <sup>1</sup>
Number of flagship cultural events supported per year	Arts and Culture Promotion and Development		25	27	20	20	18	18	18
Number of community arts programmes activated per year	Arts and Culture Promotion and Development		100	150	150	150	9 <sup>2</sup>	9 <sup>2</sup>	9 <sup>2</sup>
Number of artists placed in schools per year	Arts and Culture Promotion and Development	Outcome 1: Quality basic education	352	342	352	340	360	360	360
Number of language practice bursaries awarded per year	Arts and Culture Promotion and Development	Outcome 5: A skilled and capable workforce to support an inclusive growth path	463	445	429	300	300	300	300
Number of newly built and/or modular libraries supported financially per year	Heritage Promotion and Preservation	Outcome 14: Nation building and social cohesion	44	20	27	29	32	35	38
Percentage of schools that have booklets and posters (frames) of national symbols and orders per year	Heritage Promotion and Preservation		27% (6 535/ 24 000)	24% (6 115/ 25 720)	27% (6 430/ 24 000)	_ <sup>3</sup>	_ <sup>3</sup>	_ <sup>3</sup>	_ <sup>3</sup>

1. Decrease in targets due to the department having conducted adequate community conversations on social cohesion and nation building to inform its social compact report.
2. Decrease in targets due to the department funding only 1 provincial community arts programme per province.
3. Indicator discontinued due to completion of project.

## Expenditure analysis

Over the medium term, the Department of Arts and Culture will focus on positioning cultural and creative industries to contribute to economic growth, providing community library services, promoting and preserving heritage infrastructure, and facilitating social cohesion and nation building.

Cabinet has approved budget reductions of R5.2 million in 2019/20, R5.7 million in 2020/21 and R6 million in 2021/22 on the department's allocation. These reductions will be effected on transfers to entities in line with the approved freeze on salary increases for senior management staff earning more than R1.5 million per year, and a 2.8 per cent increase for senior managers earning between R1 million and R1.49 million. The department's total allocation for the MTEF period is R14.7 billion.

### **Positioning cultural and creative industries to contribute to economic development**

The Mzansi golden economy strategy aims to optimise the economic potential of the arts, culture and heritage sector by creating jobs and contributing to inclusive economic growth, artist development, social cohesion and urban renewal. The strategy focuses on activities such as arts festivals, touring ventures, public art projects, artists in schools, and engagement in cultural and creative industries.

Over the medium term, R1.3 billion is budgeted in the *Cultural and Creative Industries Development* subprogramme in the *Arts and Culture Promotion and Development* programme to implement the strategy. Of this amount, 37 per cent (R481 million) is for 54 flagship cultural events (large-scale projects that have demonstrated a track record in contributing to economic activity), 60 cultural events (smaller, often community-based projects), 90 touring ventures and 60 public art programmes; and R117 million for interventions such as incubators and other initiatives that provide skills training, create jobs and empower artists to participate in the



economy. The impact of the strategy over the medium term will be measured through the generation of data and review of policy by the South African Cultural Observatory.

Included in the medium-term allocation for the *National Language Services* subprogramme in the *Arts and Culture Promotion and Development* programme is R19 million to fund 900 tertiary language bursary students and R35.2 million to support 6 projects to develop human language technologies in each year over the period.

### **Community library infrastructure and service delivery**

The *community library services grant* is an earmarked allocation in the *Public Library Services* subprogramme in the *Heritage Promotion and Preservation* programme amounting to R4.8 billion over the medium term. The grant aims to transform urban and rural library infrastructure, facilities and services in historically disadvantaged communities through a recapitalisation programme at provincial level. To this end, over the MTEF period, the grant will enable the department to build an estimated 105 new libraries, upgrade 165 community libraries, and procure 497 computers and 430 000 library materials so that provinces can ensure the consistent delivery of library services to the public. In collaboration with the Department of Basic Education, the department also plans to build 70 dual library service points that serve as both community libraries and school libraries.

### **Promoting and preserving heritage infrastructure**

The department's infrastructure development initiatives aim to achieve redress for South Africa's historical imbalances and contribute to social transformation by establishing and maintaining world-class heritage sites in order to boost tourism and create job opportunities, particularly in historically disadvantaged areas. Over the medium term, the new *Infrastructure Management Office* subprogramme in the *Heritage Promotion and Preservation* programme will provide an estimated R1.7 billion to infrastructure projects at various stages of completion. The subprogramme will centralise the management and implementation of all arts, culture and heritage infrastructure projects. This office has the necessary expertise to improve infrastructure development, implementation and spending. Of this allocation, R368.7 million over the medium term is made available for the implementation of 17 legacy projects such as monuments, memorials and museums.

### **Facilitating nation building and social cohesion**

Through its Young Patriots and national youth service programmes, the department plans to support 300 young people per year over the MTEF period to become active promoters of national symbols, constitutional values and moral regeneration initiatives. Through this support, the department aims to give expression to outcome 14 (nation building and social cohesion) of government's 2014-2019 medium-term strategic framework. Over the medium term, R30.1 million is included in the *Social Cohesion and Nation Building* subprogramme in the *Institutional Governance* programme for activities related to youth development.

## **Expenditure trends**

**Table 37.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Institutional Governance														
3. Arts and Culture Promotion and Development														
4. Heritage Promotion and Preservation														
Programme														
	Annual budget			Annual budget			Annual budget			Annual budget			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	Adjusted appropriation	Audited outcome	Adjusted appropriation	Audited outcome	Adjusted appropriation	Audited outcome	Adjusted appropriation	Audited outcome	Adjusted appropriation	Revised estimate	Adjusted appropriation	Audited outcome		
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	244.0	242.4	253.9	283.5	264.9	243.2	270.7	374.6	322.2	300.8	310.3	311.2	102.9%	94.8%
Programme 2	424.1	397.6	68.4	360.7	312.2	74.0	107.3	105.2	95.2	129.9	129.9	132.8	36.2%	39.2%
Programme 3	1 076.2	1 076.2	954.8	1 094.7	1 077.6	1 009.0	1 032.9	1 037.7	1 017.1	1 061.2	1 060.2	1 081.5	95.2%	95.5%
Programme 4	2 175.6	2 109.9	2 485.2	2 332.0	2 407.9	2 631.8	3 039.0	2 854.3	2 707.0	2 880.4	2 838.4	2 798.4	101.9%	104.0%
<b>Total</b>	<b>3 919.9</b>	<b>3 826.0</b>	<b>3 762.4</b>	<b>4 070.9</b>	<b>4 062.6</b>	<b>3 958.0</b>	<b>4 449.8</b>	<b>4 371.7</b>	<b>4 141.5</b>	<b>4 372.3</b>	<b>4 338.7</b>	<b>4 323.8</b>	<b>96.3%</b>	<b>97.5%</b>
Change to 2018 Budget estimate										(33.5)				

**Table 37.2 Vote expenditure trends by programme and economic classification**

Economic classification	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
R million														
<b>Current payments</b>	<b>640.2</b>	<b>634.7</b>	<b>590.6</b>	<b>597.2</b>	<b>588.8</b>	<b>541.7</b>	<b>631.4</b>	<b>669.2</b>	<b>584.4</b>	<b>640.6</b>	<b>631.0</b>	<b>649.2</b>	<b>94.3%</b>	<b>93.7%</b>
Compensation of employees	221.9	220.4	214.4	238.3	238.3	226.4	232.4	232.4	228.7	253.5	253.5	253.5	97.5%	97.7%
Goods and services	418.4	414.4	376.1	358.8	350.5	315.2	398.9	436.8	355.7	387.1	377.5	387.7	91.8%	90.9%
Interest and rent on land	–	–	0.2	–	–	0.1	–	–	–	–	–	8.0	–	–
<b>Transfers and subsidies</b>	<b>3 162.1</b>	<b>3 073.8</b>	<b>3 058.1</b>	<b>3 220.2</b>	<b>3 266.1</b>	<b>3 313.2</b>	<b>3 575.2</b>	<b>3 486.9</b>	<b>3 481.5</b>	<b>3 498.7</b>	<b>3 580.5</b>	<b>3 587.4</b>	<b>99.9%</b>	<b>100.2%</b>
Provinces and municipalities	1 311.0	1 274.3	1 274.3	1 357.1	1 357.1	1 357.1	1 420.0	1 420.0	1 420.0	1 423.7	1 423.7	1 423.7	99.3%	100.0%
Departmental agencies and accounts	1 449.0	1 428.7	1 461.7	1 522.2	1 569.8	1 627.8	1 831.5	1 744.3	1 773.2	1 707.1	1 787.3	1 787.3	102.2%	101.8%
Higher education institutions	–	–	0.1	–	–	6.2	–	7.3	7.6	7.1	5.4	5.4	271.0%	151.1%
Foreign governments and international organisations	3.7	4.2	4.0	3.7	4.2	14.9	4.6	3.9	2.9	4.8	4.8	4.8	158.5%	155.2%
Public corporations and private enterprises	201.3	176.0	115.5	146.2	104.3	136.4	90.5	110.4	89.5	156.4	122.7	128.7	79.1%	91.6%
Non-profit institutions	166.5	162.0	181.9	163.3	205.6	150.5	198.9	170.7	158.8	178.9	213.0	213.9	99.6%	93.8%
Households	30.6	28.6	20.5	27.7	25.1	20.4	29.7	30.3	29.6	20.7	23.6	23.6	86.7%	87.6%
<b>Payments for capital assets</b>	<b>117.5</b>	<b>117.5</b>	<b>113.1</b>	<b>253.4</b>	<b>207.6</b>	<b>102.9</b>	<b>243.3</b>	<b>215.7</b>	<b>75.4</b>	<b>232.9</b>	<b>127.2</b>	<b>87.2</b>	<b>44.7%</b>	<b>56.7%</b>
Buildings and other fixed structures	107.1	107.1	–	239.8	186.9	–	221.6	–	–	–	–	–	–	–
Machinery and equipment	7.4	7.4	2.6	7.4	10.3	4.6	7.7	64.2	27.8	8.2	17.7	17.7	171.5%	52.9%
Heritage assets	–	–	104.4	–	2.0	94.0	9.0	146.5	43.4	218.5	109.6	69.6	136.9%	120.7%
Software and other intangible assets	3.0	3.0	6.0	6.2	8.4	4.4	5.0	5.0	4.2	6.3	–	–	71.1%	88.9%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>0.6</b>	<b>–</b>	<b>–</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>0.2</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>3 919.9</b>	<b>3 826.0</b>	<b>3 762.4</b>	<b>4 070.9</b>	<b>4 062.6</b>	<b>3 958.0</b>	<b>4 449.8</b>	<b>4 371.7</b>	<b>4 141.5</b>	<b>4 372.3</b>	<b>4 338.7</b>	<b>4 323.8</b>	<b>96.3%</b>	<b>97.5%</b>

## Expenditure estimates

**Table 37.3 Vote expenditure estimates by programme and economic classification**

Programmes							
1. Administration							
2. Institutional Governance							
3. Arts and Culture Promotion and Development							
4. Heritage Promotion and Preservation							
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average: Expenditure/Total (%)
				2018/19	2019/20	2020/21	
R million							
Programme 1	311.2	8.7%	7.0%	308.3	326.2	344.1	6.8%
Programme 2	132.8	-30.6%	2.3%	150.4	159.6	169.7	3.2%
Programme 3	1 081.5	0.2%	25.1%	1 132.2	1 195.2	1 264.9	24.6%
Programme 4	2 798.4	9.9%	65.6%	3 026.6	3 196.1	3 381.4	65.4%
<b>Total</b>	<b>4 323.8</b>	<b>4.2%</b>	<b>100.0%</b>	<b>4 617.5</b>	<b>4 877.1</b>	<b>5 160.1</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(5.2)	(5.7)	(6.0)	

**Table 37.3 Vote expenditure estimates by programme and economic classification**

Economic classification	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
<b>Current payments</b>	<b>649.2</b>	<b>0.8%</b>	<b>14.6%</b>	<b>675.6</b>	<b>719.1</b>	<b>761.4</b>	<b>5.5%</b>	<b>14.8%</b>
Compensation of employees	253.5	4.8%	5.7%	272.9	293.3	312.4	7.2%	6.0%
Goods and services	387.7	-2.2%	8.9%	402.7	425.8	449.0	5.0%	8.8%
Interest and rent on land	8.0	-	0.1%	-	-	-	-100.0%	0.0%
<b>Transfers and subsidies</b>	<b>3 587.4</b>	<b>5.3%</b>	<b>83.0%</b>	<b>3 696.6</b>	<b>3 901.9</b>	<b>4 118.7</b>	<b>4.7%</b>	<b>80.6%</b>
Provinces and municipalities	1 423.7	3.8%	33.8%	1 501.2	1 584.1	1 679.2	5.7%	32.6%
Departmental agencies and accounts	1 787.3	7.7%	41.1%	1 860.8	1 929.0	2 025.1	4.3%	40.1%
Higher education institutions	5.4	-	0.1%	8.8	6.9	7.5	11.3%	0.2%
Foreign governments and international organisations	4.8	4.6%	0.2%	5.1	5.3	5.6	5.3%	0.1%
Public corporations and private enterprises	128.7	-9.9%	2.9%	101.8	105.4	122.5	-1.6%	2.4%
Non-profit institutions	213.9	9.7%	4.4%	196.5	249.2	255.8	6.1%	4.8%
Households	23.6	-6.1%	0.6%	22.5	21.9	23.1	-0.8%	0.5%
<b>Payments for capital assets</b>	<b>87.2</b>	<b>-9.5%</b>	<b>2.3%</b>	<b>245.3</b>	<b>256.1</b>	<b>280.0</b>	<b>47.5%</b>	<b>4.6%</b>
Machinery and equipment	17.7	33.6%	0.3%	8.6	9.1	9.6	-18.3%	0.2%
Heritage assets	69.6	-	1.9%	236.6	247.0	270.4	57.2%	4.3%
Software and other intangible assets	-	-100.0%	0.1%	-	-	-	-	-
<b>Total</b>	<b>4 323.8</b>	<b>4.2%</b>	<b>100.0%</b>	<b>4 617.5</b>	<b>4 877.1</b>	<b>5 160.1</b>	<b>6.1%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 37.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
Social cohesion and nation building	28 140	33 228	48 216	78 060	40.5%	1.2%	89 168	94 301	100 277	8.7%	1.9%
Mzansi golden economy	296 681	322 026	296 407	311 122	1.6%	7.6%	323 264	341 044	359 801	5.0%	7.0%
Library services conditional grant	1 274 314	1 357 132	1 419 960	1 423 684	3.8%	33.8%	1 501 199	1 584 122	1 679 168	5.7%	32.6%
Capital works: Capital works of national archives	24 113	53 242	23 136	36 520	14.8%	0.8%	22 000	11 500	12 136	-30.7%	0.4%
Capital works: Performing arts institutions	23 490	97 384	43 149	87 872	55.2%	1.6%	90 747	86 382	91 106	1.2%	1.9%
Capital works: Heritage legacy projects	129 122	47 096	27 742	103 582	-7.1%	1.9%	210 510	215 227	225 947	29.7%	4.0%
<b>Total</b>	<b>1 775 860</b>	<b>1 910 108</b>	<b>1 858 610</b>	<b>2 040 840</b>	<b>4.7%</b>	<b>46.9%</b>	<b>2 236 888</b>	<b>2 332 576</b>	<b>2 468 435</b>	<b>6.5%</b>	<b>47.8%</b>

## Goods and services expenditure trends and estimates

**Table 37.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2015/16 - 2018/19	2019/20		
Administrative fees	8 169	1 329	3 320	4 271	-19.4%	1.2%	2 811	2 978	3 141	-9.7%	0.8%
Advertising	7 807	5 647	9 454	16 459	28.2%	2.8%	15 342	16 211	17 102	1.3%	3.9%
Minor assets	204	172	929	1 094	75.0%	0.2%	375	394	414	-27.7%	0.1%
Audit costs: External	12 442	11 204	10 075	9 815	-7.6%	3.1%	12 481	13 163	13 888	12.3%	3.0%
Bursaries: Employees	519	574	481	819	16.4%	0.2%	870	918	968	5.7%	0.2%
Catering: Departmental activities	4 399	2 806	3 481	3 156	-10.5%	1.0%	3 354	3 540	3 612	4.6%	0.8%
Communication	8 864	8 067	7 382	7 231	-6.6%	2.2%	8 070	8 604	8 745	6.5%	2.0%
Computer services	11 428	13 444	16 775	14 335	7.8%	3.9%	16 960	17 893	18 876	9.6%	4.1%
Consultants: Business and advisory services	12 820	28 954	37 051	32 855	36.8%	7.8%	26 018	27 459	28 980	-4.1%	7.0%
Legal services	2 969	5 289	1 416	5 346	21.7%	1.1%	5 236	5 524	5 828	2.9%	1.3%

Table 37.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
Contractors	89 269	87 271	63 988	70 569	-7.5%	21.8%	94 109	100 982	106 314	14.6%	22.5%
Agency and support/outsourced services	20 930	10 728	9 284	13 933	-12.7%	3.9%	20 776	21 423	22 643	17.6%	4.8%
Entertainment	148	157	127	276	23.1%	–	289	304	319	4.9%	0.1%
Fleet services (including government motor transport)	2 326	2 326	2 592	3 109	10.2%	0.7%	2 925	3 085	3 255	1.5%	0.7%
Inventory: Other supplies	12 194	4 404	967	3 465	-34.3%	1.5%	–	–	–	-100.0%	0.2%
Consumable supplies	737	480	881	1 245	19.1%	0.2%	8 085	8 436	8 900	92.6%	1.6%
Consumables: Stationery, printing and office supplies	1 108	1 209	736	3 052	40.2%	0.4%	3 822	4 031	4 252	11.7%	0.9%
Operating leases	66 711	48 280	97 854	91 400	11.1%	21.4%	90 580	95 081	100 418	3.2%	22.8%
Rental and hiring	53	159	1 908	150	41.5%	0.2%	130	137	145	-1.1%	–
Property payments	40 087	18 174	27 472	31 561	-7.7%	8.2%	29 976	31 623	33 365	1.9%	7.6%
Travel and subsistence	63 682	52 575	50 895	48 046	-9.0%	15.1%	48 432	51 326	54 456	4.3%	12.2%
Training and development	1 576	1 308	1 304	2 694	19.6%	0.5%	2 739	2 890	3 049	4.2%	0.7%
Operating payments	4 638	3 938	4 036	4 938	2.1%	1.2%	6 157	6 497	6 853	11.5%	1.5%
Venues and facilities	2 987	6 717	3 313	7 693	37.1%	1.5%	3 175	3 325	3 509	-23.0%	1.1%
<b>Total</b>	<b>376 067</b>	<b>315 212</b>	<b>355 721</b>	<b>377 512</b>	<b>0.1%</b>	<b>100.0%</b>	<b>402 712</b>	<b>425 824</b>	<b>449 032</b>	<b>6.0%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 37.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>1 096</b>	<b>591</b>	<b>1 452</b>	–	<b>-100.0%</b>	–	–	–	–	–	–
Employee social benefits	1 096	591	1 452	–	-100.0%	–	–	–	–	–	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>1 276 658</b>	<b>1 360 697</b>	<b>1 627 159</b>	<b>1 494 497</b>	<b>5.4%</b>	<b>42.9%</b>	<b>1 594 767</b>	<b>1 685 567</b>	<b>1 778 658</b>	<b>6.0%</b>	<b>42.8%</b>
National Youth Development Agency	–	6 200	12 000	9 000	–	0.2%	9 504	10 027	10 578	5.5%	0.3%
Pan South African Language Board	90 905	115 564	110 696	113 587	7.7%	3.2%	120 857	127 414	134 420	5.8%	3.2%
Artscape	53 090	55 904	58 699	60 912	4.7%	1.7%	63 915	67 428	71 134	5.3%	1.7%
National Arts Council	97 589	101 182	106 241	109 677	4.0%	3.1%	115 761	122 126	128 843	5.5%	3.1%
Performing Arts Centre of the Free State	39 424	41 513	47 589	45 322	4.8%	1.3%	47 418	49 954	52 728	5.2%	1.3%
Windybrow Theatre	28 195	–	–	–	-100.0%	0.2%	–	–	–	–	–
National Film and Video Foundation	116 721	122 907	129 052	133 472	4.6%	3.7%	140 403	148 119	156 265	5.4%	3.8%
Mzansi golden economy: Art bank resources	–	3 000	–	6 000	–	0.1%	8 000	10 000	10 550	20.7%	0.2%
Various institutions: Mzansi golden economy (cultural events)	3 900	22 500	5 100	7 000	21.5%	0.3%	14 000	16 000	16 880	34.1%	0.4%
Various institutions: Mzansi golden economy (artists in schools)	900	960	1 440	2 600	42.4%	–	2 746	2 897	3 056	5.5%	0.1%
Various institutions: Mzansi golden economy (community arts development)	–	–	450	–	–	–	–	–	–	–	–
Various institutions: Mzansi golden economy (entrepreneur and local content development)	9 700	–	30 000	50 000	72.7%	0.7%	52 800	55 704	58 768	5.5%	1.4%
Performing arts institutions: Mzansi golden economy (incubators entrepreneur and local content development)	–	10 888	13 850	9 000	–	0.3%	9 504	10 027	10 578	5.5%	0.3%
Arts and culture industries: Local market development and promotion	1 920	820	–	–	-100.0%	–	558	589	621	–	–

Table 37.6 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R thousand											
Die Afrikaanse Taalmuseum en -monument: Paarl	6 521	7 754	8 711	9 419	13.0%	0.2%	10 395	10 939	11 512	6.9%	0.3%
Freedom Park: Pretoria	71 158	72 922	113 613	84 551	5.9%	2.5%	96 056	101 349	106 917	8.1%	2.5%
Iziko Museums: Cape Town	80 768	87 844	107 641	86 317	2.2%	2.7%	91 557	96 640	101 970	5.7%	2.5%
Luthuli Museum: Stanger	9 477	10 059	14 113	14 828	16.1%	0.4%	15 562	16 415	17 316	5.3%	0.4%
KwaZulu-Natal Museum: Pietermaritzburg	21 663	23 727	36 686	35 224	17.6%	0.9%	36 151	38 150	40 244	4.5%	1.0%
National Heritage Council	58 475	82 724	64 653	68 493	5.4%	2.0%	71 353	75 279	79 420	5.1%	1.9%
National Museum: Bloemfontein	47 566	51 688	100 378	54 281	4.5%	1.9%	57 294	60 497	63 824	5.5%	1.5%
Nelson Mandela Museum: Mthatha	21 612	24 083	26 779	27 103	7.8%	0.7%	28 561	30 132	31 790	5.5%	0.8%
Robben Island Museum: Cape Town	95 662	73 172	89 438	80 451	-5.6%	2.5%	84 495	89 209	94 141	5.4%	2.3%
South African Heritage Resources Agency	48 552	51 125	57 861	55 650	4.7%	1.6%	58 315	61 525	64 909	5.3%	1.6%
War Museum of the Boer Republics: Bloemfontein	9 907	10 604	22 084	12 710	8.7%	0.4%	15 427	16 270	17 170	10.5%	0.4%
William Humphreys Art Gallery: Kimberley	7 546	7 713	9 967	10 383	11.2%	0.3%	10 967	11 570	12 206	5.5%	0.3%
Ditsong Museums of South Africa: Pretoria	77 880	84 164	125 777	87 212	3.8%	2.8%	92 045	97 160	102 505	5.5%	2.5%
National Library of South Africa	102 231	115 012	135 398	117 805	4.8%	3.5%	124 381	131 490	138 722	5.6%	3.3%
South African Library for the Blind	17 741	19 601	19 221	22 323	8.0%	0.6%	23 533	24 827	26 192	5.5%	0.6%
Constitution Hill	-	-	700	-	-	-	-	-	-	-	-
uMsunduzi Museum (incorporating the Voortrekker Museum): Pietermaritzburg	13 190	14 052	17 297	18 296	11.5%	0.5%	19 794	20 882	22 033	6.4%	0.5%
Market Theatre Foundation	39 089	42 419	44 540	46 303	5.8%	1.3%	48 709	51 389	54 216	5.4%	1.3%
The Playhouse Company	48 632	41 165	49 838	49 632	0.7%	1.4%	52 127	54 987	58 368	5.6%	1.4%
The South African State Theatre	47 099	49 595	52 075	55 453	5.6%	1.5%	59 443	62 712	66 161	6.1%	1.6%
The National English Literary Museum: Grahamstown	9 545	9 836	15 272	11 493	6.4%	0.3%	13 136	13 860	14 621	8.4%	0.3%
<b>Capital</b>	<b>185 064</b>	<b>267 065</b>	<b>146 036</b>	<b>292 768</b>	<b>16.5%</b>	<b>6.6%</b>	<b>265 986</b>	<b>243 463</b>	<b>246 395</b>	<b>-5.6%</b>	<b>6.9%</b>
Various institutions	-	-	2 000	-	-	-	-	-	-	-	-
Artscape	-	28 270	16 480	16 500	-	0.5%	1 975	14 974	15 798	-1.4%	0.3%
National Arts Council	-	-	-	1 800	-	-	-	-	-	-100.0%	-
Performing Arts Centre of the Free State	-	30 000	-	7 738	-	0.3%	25 975	6 667	7 034	-3.1%	0.3%
National Film and Video Foundation	-	-	-	-	-	-	7 750	-	-	-	0.1%
Freedom Park: Pretoria	-	-	2 000	-	-	-	-	10 730	11 320	-	0.1%
Iziko Museums: Cape Town	40 206	74 740	52 784	50 200	7.7%	1.6%	16 406	9 474	9 995	-41.6%	0.6%
Luthuli Museum: Stanger	-	5 967	750	-	-	0.1%	-	-	-	-	-
KwaZulu-Natal Museum: Pietermaritzburg	-	395	223	25 584	-	0.2%	33 542	16 374	17 275	-12.3%	0.6%
National Museum: Bloemfontein	-	-	1 735	-	-	-	9 750	9 735	10 270	-	0.2%
Nelson Mandela Museum: Mthatha	1 303	335	668	43 145	221.1%	0.3%	6 000	10 000	10 550	-37.5%	0.5%
Robben Island Museum: Cape Town	27 621	26 121	11 341	34 900	8.1%	0.7%	37 825	8 722	9 202	-35.9%	0.6%
South African Heritage Resources Agency	25 000	-	-	5 000	-41.5%	0.2%	-	18 945	15 815	46.8%	0.3%
War Museum of the Boer Republics: Bloemfontein	1 347	1 149	1 000	500	-28.1%	-	6 053	6 000	6 330	133.1%	0.1%
William Humphreys Art Gallery: Kimberley	-	1 000	1 000	4 103	-	-	17 000	4 500	4 748	5.0%	0.2%
Ditsong Museums of South Africa: Pretoria	3 974	576	1 159	21 000	74.2%	0.2%	25 577	20 900	28 000	10.1%	0.6%
National Library of South Africa	10 547	17 151	19 560	34 838	48.9%	0.6%	11 299	34 687	36 595	1.7%	0.8%
South African Library for the Blind	-	-	13 000	2 500	-	0.1%	8 600	18 600	7 648	45.2%	0.2%
Gauteng Tourism Authority	-	200	-	-	-	-	-	-	-	-	-
uMsunduzi Museum (incorporating the Voortrekker Museum): Pietermaritzburg	11 428	-	1 000	-	-100.0%	0.1%	3 250	1 000	1 055	-	-
Die Afrikaanse Taalmuseum en -monument: Paarl	420	1 030	1 566	1 608	56.4%	-	3 581	5 687	5 736	52.8%	0.1%
Market Theatre Foundation	-	8 417	12 000	1 500	-	0.2%	25 698	14 472	15 268	116.7%	0.4%
The Playhouse Company	-	13 762	1 770	31 852	-	0.4%	6 537	21 512	22 695	-10.7%	0.5%
The South African State Theatre	-	12 300	5 000	5 900	-	0.2%	17 168	9 484	10 006	19.3%	0.3%
The National English Literary Museum: Grahamstown	63 218	45 652	1 000	4 100	-59.8%	0.8%	2 000	1 000	1 055	-36.4%	0.1%

Table 37.6 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R thousand											
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>19 410</b>	<b>19 775</b>	<b>28 141</b>	<b>23 649</b>	<b>6.8%</b>	<b>0.7%</b>	<b>22 512</b>	<b>21 893</b>	<b>23 097</b>	<b>-0.8%</b>	<b>0.6%</b>
Employee social benefits	710	–	1 618	–	-100.0%	–	–	–	–	–	–
Kenneth Arthur Bogosi Bolokwe	–	98	–	–	–	–	–	–	–	–	–
Mzansi golden economy: Public art	225	952	256	1 000	64.4%	–	828	857	904	-3.3%	–
Various institutions: Mzansi golden economy (cultural events)	2 166	1 041	2 066	2 500	4.9%	0.1%	2 848	2 221	2 343	-2.1%	0.1%
Various institutions: Mzansi golden economy (touring ventures)	1 397	2 901	4 652	2 000	12.7%	0.1%	2 112	2 228	2 351	5.5%	0.1%
Various institutions: Mzansi golden economy (export market development and promotion)	–	–	486	1 500	–	–	2 584	1 671	1 763	5.5%	–
Arts and culture industries: Local market development and promotion	1 079	4 178	9 575	4 726	63.6%	0.1%	1 885	1 987	2 096	-23.7%	0.1%
Language development projects	8 859	6 000	6 300	6 000	-12.2%	0.2%	6 000	6 330	6 678	3.6%	0.2%
Heritage projects	4 974	4 605	3 188	5 923	6.0%	0.1%	6 255	6 599	6 962	5.5%	0.2%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>3 998</b>	<b>14 891</b>	<b>2 899</b>	<b>4 809</b>	<b>6.3%</b>	<b>0.2%</b>	<b>5 050</b>	<b>5 327</b>	<b>5 620</b>	<b>5.3%</b>	<b>0.1%</b>
Commonwealth Foundation	2 298	1 963	1 899	2 865	7.6%	0.1%	3 025	3 191	3 367	5.5%	0.1%
African World Heritage Fund	1 700	12 928	1 000	1 944	4.6%	0.1%	2 025	2 136	2 253	5.0%	0.1%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>152 166</b>	<b>144 321</b>	<b>146 835</b>	<b>173 864</b>	<b>4.5%</b>	<b>4.6%</b>	<b>177 490</b>	<b>188 075</b>	<b>202 183</b>	<b>5.2%</b>	<b>4.8%</b>
Various institutions	9 865	5 894	10 108	14 812	14.5%	0.3%	15 837	16 708	17 961	6.6%	0.4%
Gcwala-Ngamasiko cultural festival	2 000	1 700	2 000	2 000	–	0.1%	2 000	2 000	2 150	2.4%	0.1%
Ikauru African contemporary art touring exhibition	–	–	–	497	–	–	637	782	841	19.2%	–
Moral Regeneration Movement	1 500	3 500	3 000	4 000	38.7%	0.1%	4 000	4 193	4 507	4.1%	0.1%
Business and Arts South Africa	7 648	11 053	8 456	8 946	5.4%	0.3%	9 447	9 967	10 715	6.2%	0.3%
Mzansi golden economy: Public art	1 756	1 218	1 302	2 500	12.5%	0.1%	1 800	2 500	2 688	2.4%	0.1%
Various institutions: Mzansi golden economy (cultural events)	82 664	63 373	56 037	54 539	-12.9%	1.9%	52 610	55 504	59 667	3.0%	1.5%
Various institutions: Mzansi golden economy (touring ventures)	11 313	13 716	6 498	8 000	-10.9%	0.3%	11 508	12 223	13 140	18.0%	0.3%
Various institutions: Mzansi golden economy (National Cultural Industries Skills Academy)	–	9 150	13 337	15 492	–	0.3%	13 269	14 000	15 050	-1.0%	0.4%
Various institutions: Mzansi golden economy (artists in schools)	9 374	6 800	9 846	9 661	1.0%	0.3%	13 517	14 260	15 330	16.6%	0.3%
Various institutions: Mzansi golden economy (community arts development)	–	–	8 509	8 008	–	0.1%	10 280	10 845	11 658	13.3%	0.3%
Various institutions: Mzansi golden economy (export market development and promotion)	–	3 880	1 910	2 500	–	0.1%	4 640	3 785	4 069	17.6%	0.1%
Various institutions: Mzansi golden economy (entrepreneur and local content development)	–	950	720	1 000	–	–	1 056	2 388	2 567	36.9%	–
Arts and culture industries: Local market development and promotion	9 601	11 217	7 337	20 721	29.2%	0.4%	14 501	15 301	16 449	-7.4%	0.4%
Arts and culture industries: Community arts development	–	–	5 233	6 960	–	0.1%	7 350	7 754	8 336	6.2%	0.2%
Engelenburg House art collection: Pretoria	302	318	334	353	5.3%	–	373	394	424	6.3%	–
Blind South Africa	7 108	7 485	7 859	8 315	5.4%	0.2%	8 781	9 264	9 959	6.2%	0.2%
Various institutions: Heritage projects	3 870	2 267	2 459	3 560	-2.7%	0.1%	3 772	3 979	4 277	6.3%	0.1%
Library and Information Association of South Africa	2 566	1 800	1 890	2 000	-8.0%	0.1%	2 112	2 228	2 395	6.2%	0.1%
South African National Council for the Blind	982	–	–	–	-100.0%	–	–	–	–	–	–
African Renaissance Institute	333	–	–	–	-100.0%	–	–	–	–	–	–
Voortrekker Monument	1 284	–	–	–	-100.0%	–	–	–	–	–	–

Table 37.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
<b>Capital</b>	<b>29 765</b>	<b>6 098</b>	<b>11 989</b>	<b>39 088</b>	<b>9.5%</b>	<b>0.6%</b>	<b>18 994</b>	<b>61 142</b>	<b>53 593</b>	<b>11.1%</b>	<b>1.1%</b>
Blind South Africa	365	-	-	-	-100.0%	-	-	-	-	-	-
Adams College	-	3 598	2 150	238	-	-	-	-	-	-100.0%	-
Liliesleaf Farm	500	-	-	-	-100.0%	-	-	-	-	-	-
Valoyi Traditional Authority Trust	3 109	-	-	-	-100.0%	-	-	-	-	-	-
National Heritage Company	15 000	-	-	-	-100.0%	0.1%	-	-	-	-	-
Steve Biko Foundation	996	-	2 790	3 410	50.7%	0.1%	4 000	4 400	4 642	10.8%	0.1%
Robert Mangaliso Sobukwe Museum	-	-	2 000	-	-	-	-	-	-	-	-
Upgrading of community arts centres and public spaces	8 895	-	4 549	16 031	21.7%	0.2%	6 285	15 576	4 877	-32.7%	0.3%
Upgrading of public spaces	-	-	-	-	-	-	709	797	890	-	-
National heritage project	-	-	-	17 409	-	0.1%	-	40 369	41 074	33.1%	0.6%
Kwa-Culture	-	-	-	-	-	-	6 000	-	2 110	-	0.1%
Sankofa Arts Charitable Trust	-	2 500	500	-	-	-	-	-	-	-	-
Trevor Huddleston CR Memorial Centre	900	-	-	-	-100.0%	-	-	-	-	-	-
Caiphus Katse Semanya Foundation (incubator)	-	-	-	2 000	-	-	2 000	-	-	-100.0%	-
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>3 098</b>	<b>1 124</b>	<b>1 133</b>	<b>3 764</b>	<b>6.7%</b>	<b>0.1%</b>	<b>5 660</b>	<b>3 830</b>	<b>3 870</b>	<b>0.9%</b>	<b>0.1%</b>
Arts and culture industries: Entrepreneur and local content development	80	-	-	-	-100.0%	-	-	-	-	-	-
Human languages technologies projects (Council for Scientific and Industrial and Research)	3 018	1 124	1 133	3 764	7.6%	0.1%	5 660	3 830	3 870	0.9%	0.1%
<b>Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21 101</b>	<b>-</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>
Mpumalanga Economic Growth Agency	-	-	-	8 101	-	0.1%	-	-	-	-100.0%	0.1%
Polokwane Performing Arts Centre (incubator)	-	-	-	13 000	-	0.1%	-	-	-	-100.0%	0.1%
<b>Higher education institutions</b>											
<b>Current</b>	<b>80</b>	<b>6 171</b>	<b>7 575</b>	<b>5 441</b>	<b>308.2%</b>	<b>0.1%</b>	<b>4 445</b>	<b>6 888</b>	<b>7 501</b>	<b>11.3%</b>	<b>0.2%</b>
Various institutions: Mzansi golden economy (cultural events)	80	-	-	-	-100.0%	-	-	-	-	-	-
Human languages technologies projects (Saigen)	-	6 171	7 575	5 441	-	0.1%	4 445	6 888	7 501	11.3%	0.2%
<b>Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 373</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
University of Fort Hare	-	-	-	-	-	-	4 373	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>97 774</b>	<b>130 647</b>	<b>86 987</b>	<b>89 837</b>	<b>-2.8%</b>	<b>3.0%</b>	<b>95 267</b>	<b>98 667</b>	<b>104 030</b>	<b>5.0%</b>	<b>2.5%</b>
Various institutions	50	900	-	-	-100.0%	-	-	-	-	-	-
Mzansi golden economy: Public art	1 185	915	507	2 000	19.1%	-	1 956	1 479	1 560	-7.9%	-
Various institutions: Mzansi golden economy (cultural events)	73 638	106 712	52 563	52 500	-10.7%	2.1%	44 572	47 072	49 661	-1.8%	1.3%
Various institutions: Mzansi golden economy (touring ventures)	5 490	8 896	12 241	11 000	26.1%	0.3%	10 948	10 413	10 986	-	0.3%
Various institutions: Mzansi golden economy (National Cultural Industries Skills Academy)	-	-	4 517	11 300	-	0.1%	10 560	11 141	11 754	1.3%	0.3%
Various institutions: Mzansi golden economy (artists in schools)	1 800	900	1 100	2 600	13.0%	-	2 746	2 897	3 056	5.5%	0.1%
Various institutions: Mzansi golden economy (export market development and promotion)	-	-	3 953	3 000	-	0.1%	3 168	4 342	4 581	15.2%	0.1%
Various institutions: Mzansi golden economy (entrepreneur and local content development)	9 000	4 200	3 465	1 500	-45.0%	0.1%	5 168	4 342	4 581	45.1%	0.1%
Arts and culture industries: Local market development and promotion	5 236	6 834	8 441	4 928	-2.0%	0.2%	15 132	15 964	16 842	50.6%	0.3%
Intsyst Labs	1 375	1 290	200	-	-100.0%	-	-	-	-	-	-

**Table 37.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Human languages technologies projects (Saigen)	-	-	-	1 009	-	-	1 017	1 017	1 009	-	-
<b>Capital</b>	<b>14 595</b>	<b>4 635</b>	<b>1 350</b>	<b>7 950</b>	<b>-18.3%</b>	<b>0.2%</b>	<b>900</b>	<b>2 900</b>	<b>14 566</b>	<b>22.4%</b>	<b>0.2%</b>
National Heroes Acre	-	-	-	5 000	-	-	-	-	-	-100.0%	-
Upgrading of community arts centres and public spaces	-	-	-	-	-	-	-	-	11 556	-	0.1%
Upgrading of public spaces	14 595	4 635	1 350	2 950	-41.3%	0.2%	900	900	900	-32.7%	-
Afrivibe Entertainment (Pty) Ltd (incubator)	-	-	-	-	-	-	-	2 000	2 110	-	-
<b>Provinces and municipalities</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>419 407</b>	<b>709 143</b>	<b>996 886</b>	<b>1 057 777</b>	<b>36.1%</b>	<b>23.7%</b>	<b>1 126 198</b>	<b>1 188 139</b>	<b>1 259 427</b>	<b>6.0%</b>	<b>30.3%</b>
Community library services grant	419 407	709 143	996 886	1 057 777	36.1%	23.7%	1 126 198	1 188 139	1 259 427	6.0%	30.3%
<b>Capital</b>	<b>854 907</b>	<b>647 989</b>	<b>423 074</b>	<b>365 907</b>	<b>-24.6%</b>	<b>17.1%</b>	<b>375 001</b>	<b>395 983</b>	<b>419 741</b>	<b>4.7%</b>	<b>10.2%</b>
Community library services grant	854 907	647 989	423 074	365 907	-24.6%	17.1%	375 001	395 983	419 741	4.7%	10.2%
<b>Total</b>	<b>3 058 018</b>	<b>3 313 147</b>	<b>3 481 516</b>	<b>3 580 452</b>	<b>5.4%</b>	<b>100.0%</b>	<b>3 696 643</b>	<b>3 901 874</b>	<b>4 118 681</b>	<b>4.8%</b>	<b>100.0%</b>

## Personnel information

**Table 37.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>Arts and Culture</b>																			
Salary level	416	16	397	228.7	0.6	397	253.5	0.6	400	272.9	0.7	399	293.3	0.7	396	312.4	0.8	-0.1%	100.0%
1 – 6	70	4	72	19.3	0.3	66	19.1	0.3	67	21.0	0.3	65	22.1	0.3	64	23.4	0.4	-1.0%	16.5%
7 – 10	198	3	187	81.7	0.4	189	89.1	0.5	191	96.9	0.5	192	105.2	0.5	191	112.4	0.6	0.4%	47.9%
11 – 12	90	4	84	63.4	0.8	88	71.4	0.8	88	76.3	0.9	88	81.8	0.9	87	86.4	1.0	-0.4%	22.0%
13 – 16	56	5	48	59.6	1.2	52	69.1	1.3	52	73.5	1.4	52	78.8	1.5	52	84.3	1.6	-	13.1%
Other	2	-	6	4.6	0.8	2	4.8	2.4	2	5.2	2.6	2	5.5	2.8	2	5.9	3.0	-	0.5%
<b>Programme</b>	<b>416</b>	<b>16</b>	<b>397</b>	<b>228.7</b>	<b>0.6</b>	<b>397</b>	<b>253.5</b>	<b>0.6</b>	<b>400</b>	<b>272.9</b>	<b>0.7</b>	<b>399</b>	<b>293.3</b>	<b>0.7</b>	<b>396</b>	<b>312.4</b>	<b>0.8</b>	<b>-0.1%</b>	<b>100.0%</b>
Programme 1	164	15	159	96.2	0.6	162	107.1	0.7	163	114.4	0.7	161	122.1	0.8	158	128.8	0.8	-0.8%	40.5%
Programme 2	49	1	47	33.1	0.7	51	37.7	0.7	52	41.6	0.8	52	44.6	0.9	52	47.7	0.9	0.6%	13.0%
Programme 3	80	-	76	44.9	0.6	77	51.8	0.7	78	56.8	0.7	78	61.0	0.8	78	65.4	0.8	0.4%	19.5%
Programme 4	123	-	115	54.5	0.5	107	56.9	0.5	107	60.1	0.6	108	65.7	0.6	108	70.5	0.7	0.3%	27.0%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.  
 2. Rand million.

## Departmental receipts

**Table 37.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate 2018/19	Revised estimate	Average growth rate (%) 2015/16 - 2018/19	Average: Receipt item/Total (%) 2015/16 - 2018/19	Medium-term receipts estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Receipt item/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18					2019/20	2020/21	2021/22		
<b>Departmental receipts</b>	<b>2 970</b>	<b>1 262</b>	<b>1 547</b>	<b>573</b>	<b>310</b>	<b>-52.9%</b>	<b>100.0%</b>	<b>758</b>	<b>845</b>	<b>912</b>	<b>43.3%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>318</b>	<b>298</b>	<b>308</b>	<b>293</b>	<b>131</b>	<b>-25.6%</b>	<b>17.3%</b>	<b>429</b>	<b>451</b>	<b>457</b>	<b>51.7%</b>	<b>52.0%</b>
Sales by market establishments	15	14	56	74	37	35.1%	2.0%	19	20	22	-15.9%	3.5%
of which:												
Rental parking: Covered and open	15	14	56	74	37	35.1%	2.0%	19	20	22	-15.9%	3.5%
Administrative fees	5	2	1	7	-	-100.0%	0.1%	10	12	13	-	1.2%
of which:												
Promotion of Access to Information Act (2005)	3	1	1	7	-	-100.0%	0.1%	8	9	9	-	0.9%
Duplicate certificates	2	1	-	-	-	-100.0%	-	2	3	4	-	0.3%



Table 37.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate 2018/19	Revised estimate	Average growth rate (%) 2015/16 - 2018/19	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2019/20	2020/21	2021/22		
Other sales	298	282	251	212	94	-31.9%	15.2%	400	419	422	65.0%	47.3%
of which:												
Coat of arms	151	146	117	58	29	-42.3%	7.3%	240	250	260	107.7%	27.6%
Photocopy and faxes	62	41	40	60	16	-36.3%	2.6%	70	75	80	71.0%	8.5%
Commission on insurance and garnishee	80	86	88	85	46	-16.8%	4.9%	78	80	82	21.3%	10.1%
Departmental Production	-	4	-	-	-	-	0.1%	-	-	-	-	-
Transportation fees	5	5	6	9	3	-15.7%	0.3%	12	14	-	-100.0%	1.0%
Sales of scrap, waste, arms and other used current goods	4	-	12	3	-	-100.0%	0.3%	7	1	1	-	0.3%
of which:												
Wastepaper	-	-	-	-	-	-	-	-	1	1	-	0.1%
Sale of assets less than R5 000	3	-	11	-	-	-100.0%	0.2%	3	-	-	-	0.1%
Sale of departmental publications	1	-	1	3	-	-100.0%	-	4	-	-	-	0.1%
Interest, dividends and rent on land	8	40	23	9	3	-27.9%	1.2%	12	13	14	67.1%	1.5%
Interest	8	40	23	9	3	-27.9%	1.2%	12	13	14	67.1%	1.5%
Sales of capital assets	125	-	220	-	-	-100.0%	5.7%	220	250	270	-	26.2%
Transactions in financial assets and liabilities	2 515	924	984	268	176	-58.8%	75.5%	90	130	170	-1.1%	20.0%
<b>Total</b>	<b>2 970</b>	<b>1 262</b>	<b>1 547</b>	<b>573</b>	<b>310</b>	<b>-52.9%</b>	<b>100.0%</b>	<b>758</b>	<b>845</b>	<b>912</b>	<b>43.3%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

Table 37.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Ministry	4.2	4.2	4.3	4.9	5.0%	1.6%	5.2	5.5	5.9	6.7%	1.7%
Management	61.0	61.4	56.6	53.4	-4.3%	20.6%	50.9	53.6	57.1	2.2%	16.7%
Corporate Services	85.1	92.8	116.4	111.6	9.5%	35.9%	113.3	120.4	125.9	4.1%	36.6%
Office of the Chief Financial Officer	30.8	29.3	30.0	31.5	0.7%	10.8%	34.6	37.0	39.5	7.9%	11.1%
Office Accommodation	72.8	55.5	115.0	108.9	14.3%	31.2%	104.3	109.6	115.6	2.0%	34.0%
<b>Total</b>	<b>253.9</b>	<b>243.2</b>	<b>322.2</b>	<b>310.3</b>	<b>6.9%</b>	<b>100.0%</b>	<b>308.3</b>	<b>326.2</b>	<b>344.1</b>	<b>3.5%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				12.5			4.7	5.1	5.5		
<b>Economic classification</b>	<b>246.6</b>	<b>235.4</b>	<b>288.3</b>	<b>292.7</b>	<b>5.9%</b>	<b>94.1%</b>	<b>299.6</b>	<b>317.0</b>	<b>334.5</b>	<b>4.5%</b>	<b>96.5%</b>
<b>Current payments</b>											
Compensation of employees	95.0	97.0	96.2	107.1	4.1%	35.0%	114.4	122.1	128.8	6.3%	36.7%
Goods and services <sup>1</sup>	151.4	138.3	192.1	185.5	7.0%	59.1%	185.3	195.0	205.7	3.5%	59.9%
of which:											
Advertising	2.1	1.7	1.2	9.9	67.0%	1.3%	10.5	11.1	11.7	5.6%	3.4%
Audit costs: External	9.8	9.6	9.3	8.8	-3.2%	3.3%	10.2	10.8	11.4	8.7%	3.2%
Computer services	11.1	13.3	16.3	10.8	-0.8%	4.6%	11.5	12.1	12.8	5.7%	3.7%
Operating leases	65.8	48.3	97.9	90.4	11.2%	26.8%	87.4	91.7	96.7	2.3%	28.4%
Property payments	18.0	17.0	27.0	30.6	19.3%	8.2%	29.9	31.5	33.2	2.8%	9.7%
Travel and subsistence	23.7	20.9	17.9	9.8	-25.5%	6.4%	9.6	10.1	10.6	2.8%	3.1%
Interest and rent on land	0.1	0.1	-	-	-100.0%	-	-	-	-	-	-
Transfers and subsidies <sup>1</sup>	1.1	0.4	2.5	-	-100.0%	0.4%	-	-	-	-	-
Households	1.1	0.4	2.5	-	-100.0%	0.3%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>6.0</b>	<b>7.4</b>	<b>31.3</b>	<b>17.7</b>	<b>43.2%</b>	<b>5.5%</b>	<b>8.6</b>	<b>9.1</b>	<b>9.6</b>	<b>-18.3%</b>	<b>3.5%</b>
Machinery and equipment	2.5	4.3	27.7	17.7	92.9%	4.6%	8.6	9.1	9.6	-18.3%	3.5%
Software and other intangible assets	3.6	3.1	3.6	-	-100.0%	0.9%	-	-	-	-	-
<b>Payments for financial assets</b>	<b>0.3</b>	<b>0.0</b>	<b>0.1</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>253.9</b>	<b>243.2</b>	<b>322.2</b>	<b>310.3</b>	<b>6.9%</b>	<b>100.0%</b>	<b>308.3</b>	<b>326.2</b>	<b>344.1</b>	<b>3.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>6.7%</b>	<b>6.1%</b>	<b>7.8%</b>	<b>7.2%</b>	<b>-</b>	<b>-</b>	<b>6.7%</b>	<b>6.7%</b>	<b>6.7%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Institutional Governance

### Programme purpose

Coordinate and manage all cross-cutting functions of the department and its public entities. Provide support and oversight to these public entities.

### Objectives

- Create a coherent policy and legislative environment for the arts, culture and heritage sector by:
  - implementing governance frameworks for the department's public entities by March 2020
  - hosting 2 public entity chief executive forums per year over the medium term.
- Build relations and partnerships locally and internationally through cultural diplomacy by coordinating 16 cultural diplomacy engagements by March 2020.
- Lead, coordinate and implement social cohesion and nation building programmes and target groups by:
  - commemorating 6 national days annually
  - monitoring the implementation of the recommendations of the social cohesion compact annually
  - hosting 9 community conversations by March 2020
  - hosting 20 social cohesion advocacy platforms by March 2020.

### Subprogrammes

- *International Cooperation* assists in building continental and international relations for the promotion and development of South African arts, culture and heritage.
- *Social Cohesion and Nation Building* is responsible for the implementation of the national social cohesion strategy and the mainstreaming of targeted groups in arts, culture and heritage, including arts and culture in schools. It is also responsible for the coordination of outcome 14 (nation building and social cohesion) of government's 2014-2019 medium-term strategic framework.
- *Coordination, Monitoring, Evaluation and Good Governance* provides sector-wide planning, monitoring and evaluation, and coordinates the institutional development and governance of public entities in the arts, culture and heritage sector.

### Expenditure trends and estimates

**Table 37.10 Institutional Governance expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
International Cooperation	31.3	25.9	31.0	34.5	3.3%	33.4%	36.8	39.1	41.6	6.4%	24.9%
Social Cohesion and Nation Building	28.1	33.2	48.2	78.1	40.5%	51.1%	89.2	94.3	100.3	8.7%	59.4%
Coordination, Monitoring, Evaluation and Good Governance	9.0	14.8	16.0	17.3	24.3%	15.6%	24.4	26.2	27.8	17.1%	15.7%
<b>Total</b>	<b>68.4</b>	<b>74.0</b>	<b>95.2</b>	<b>129.9</b>	<b>23.8%</b>	<b>100.0%</b>	<b>150.4</b>	<b>159.6</b>	<b>169.7</b>	<b>9.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				2.5			9.3	9.9	10.7		
<b>Economic classification</b>											
<b>Current payments</b>	<b>52.3</b>	<b>59.9</b>	<b>65.3</b>	<b>96.7</b>	<b>22.7%</b>	<b>74.6%</b>	<b>115.4</b>	<b>122.7</b>	<b>130.3</b>	<b>10.4%</b>	<b>76.3%</b>
Compensation of employees	25.5	30.5	33.1	37.7	14.0%	34.5%	41.6	44.6	47.7	8.2%	28.2%
Goods and services <sup>1</sup>	26.8	29.4	32.3	59.0	30.1%	40.1%	73.8	78.1	82.5	11.8%	48.1%
of which:											
Catering: Departmental activities	0.9	1.3	1.7	1.1	5.8%	1.4%	1.7	1.8	1.8	17.4%	1.1%
Communication	1.4	0.9	1.0	1.1	-6.9%	1.2%	1.9	2.0	1.8	17.9%	1.1%
Contractors	5.9	8.2	7.9	31.4	74.7%	14.6%	44.5	47.0	49.8	16.6%	28.3%
Agency and support/outsourced services	5.3	0.9	0.1	–	-100.0%	1.7%	2.2	2.3	2.5	–	1.1%
Travel and subsistence	11.3	11.5	14.3	16.3	13.0%	14.5%	16.8	17.7	19.0	5.3%	11.5%
Operating payments	0.2	0.4	1.1	1.4	90.8%	0.8%	1.7	1.8	1.9	11.1%	1.1%

**Table 37.10 Institutional Governance expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
<b>Transfers and subsidies<sup>1</sup></b>	<b>16.0</b>	<b>14.1</b>	<b>29.8</b>	<b>33.2</b>	<b>27.6%</b>	<b>25.3%</b>	<b>35.0</b>	<b>36.9</b>	<b>39.4</b>	<b>5.9%</b>	<b>23.7%</b>
Departmental agencies and accounts	–	–	12.7	9.0	–	5.9%	9.5	10.0	10.6	5.5%	6.4%
Foreign governments and international organisations	2.3	2.0	1.9	2.9	7.6%	2.5%	3.0	3.2	3.4	5.5%	2.0%
Public corporations and private enterprises	0.1	0.9	–	–	-100.0%	0.3%	–	–	–	–	–
Non-profit institutions	13.4	11.1	15.1	21.3	16.8%	16.6%	22.5	23.7	25.5	6.1%	15.2%
Households	0.3	0.1	0.1	–	-100.0%	0.1%	–	–	–	–	–
<b>Payments for financial assets</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>68.4</b>	<b>74.0</b>	<b>95.2</b>	<b>129.9</b>	<b>23.8%</b>	<b>100.0%</b>	<b>150.4</b>	<b>159.6</b>	<b>169.7</b>	<b>–</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.8%</b>	<b>1.9%</b>	<b>2.3%</b>	<b>3.0%</b>	<b>–</b>	<b>–</b>	<b>3.3%</b>	<b>3.3%</b>	<b>3.3%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>–</b>	<b>–</b>	<b>12.7</b>	<b>9.0</b>	<b>–</b>	<b>5.9%</b>	<b>9.5</b>	<b>10.0</b>	<b>10.6</b>	<b>–</b>	<b>6.4%</b>
National Youth Development Agency	–	–	12.0	9.0	–	5.7%	9.5	10.0	10.6	6.1%	6.4%
Constitution Hill	–	–	0.7	–	–	0.2%	–	–	–	–	–
<b>Non-profit institutions</b>											
<b>Current</b>	<b>13.4</b>	<b>11.1</b>	<b>15.1</b>	<b>21.3</b>	<b>16.8%</b>	<b>16.6%</b>	<b>22.5</b>	<b>23.7</b>	<b>25.5</b>	<b>–</b>	<b>15.2%</b>
Various institutions	9.9	5.9	10.1	14.8	14.5%	11.1%	15.8	16.7	18.0	–	10.7%
Gcwala-Ngamasiko cultural festival	2.0	1.7	2.0	2.0	–	2.1%	2.0	2.0	2.2	–	1.3%
!Kauru African contemporary art touring exhibition	–	–	–	0.5	–	0.1%	0.6	0.8	0.8	–	0.5%
Moral Regeneration Movement	1.5	3.5	3.0	4.0	38.7%	3.3%	4.0	4.2	4.5	9.3%	2.7%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>2.3</b>	<b>2.0</b>	<b>1.9</b>	<b>2.9</b>	<b>7.6%</b>	<b>2.5%</b>	<b>3.0</b>	<b>3.2</b>	<b>3.4</b>	<b>–</b>	<b>2.0%</b>
Commonwealth Foundation	2.3	2.0	1.9	2.9	7.6%	2.5%	3.0	3.2	3.4	–	2.0%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Arts and Culture Promotion and Development

### Programme purpose

Promote and develop arts, culture and languages.

### Objectives

- Develop, protect and promote the cultural and creative sector by supporting 100 cultural and creative sector projects through Mzansi golden economy workstreams and strategic partnerships by March 2020.
- Develop and promote official languages by:
  - developing terminologies in the 4 language domains (listening, speaking, reading and writing) per year
  - supporting 6 human language technology projects per year.
- Build relationships and partnerships locally and internationally by supporting 13 market access platforms by March 2020.
- Lead, coordinate and implement arts programmes by providing financial support to 9 provincial community arts development programmes by March 2020.
- Build capacity in human resources and promote excellence in the arts, culture and heritage sector by March 2020 by:
  - providing 300 bursaries towards the development of qualified language practitioners
  - supporting 23 capacity building programmes
  - placing 360 artists in schools.

- Drive integrated outcomes-based research, planning, monitoring and evaluation across the arts, culture and heritage sector by producing 36 research reports annually through the South African Cultural Observatory.

## Subprogrammes

- *National Language Services* promotes the use and equal status of all official languages. This entails the development of language terminologies and human language technology, translation and publishing services in all official languages, and the awarding of bursaries.
- *Pan South African Language Board* transfers funds to the Pan South African Language Board, which creates an environment conducive to developing, using and promoting all official languages, as well as the Khoi, Nama and San languages, and South African sign language.
- *Cultural and Creative Industries Development* implements the majority of projects for the Mzansi golden economy strategy, and supports creative industries by developing strategies, implementing sector development programmes, supporting projects and providing training.
- *Performing Arts Institutions* transfers funds to performing arts institutions, which provide a platform for the artistic and cultural expression of artists and those interested in performing arts.
- *National Film and Video Foundation* transfers funds to the National Film and Video Foundation in support of the development of skills, local content and local marketing in South Africa's film and video industry.
- *National Arts Council* transfers funds to the National Arts Council, which develops and financially supports various disciplines of arts and culture, in accordance with the National Arts Council Act (1997).

## Expenditure trends and estimates

**Table 37.11 Arts and Culture Promotion and Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
National Language Services	43.0	45.1	44.9	52.4	6.8%	4.6%	56.5	60.3	64.3	7.1%	5.0%
Pan South African Language Board	90.9	115.6	110.7	113.6	7.7%	10.7%	120.9	127.4	134.4	5.8%	10.7%
Cultural and Creative Industries Development	343.4	382.6	365.0	384.5	3.8%	36.5%	417.6	440.8	467.8	6.8%	36.8%
Performing Arts Institutions	263.2	241.6	261.2	266.6	0.4%	25.6%	281.1	296.4	313.3	5.5%	24.9%
National Film and Video Foundation	116.7	122.9	129.1	133.5	4.6%	12.4%	140.4	148.1	156.3	5.4%	12.4%
National Arts Council	97.6	101.2	106.2	109.7	4.0%	10.3%	115.8	122.1	128.8	5.5%	10.2%
<b>Total</b>	<b>954.8</b>	<b>1 009.0</b>	<b>1 017.1</b>	<b>1 060.2</b>	<b>3.6%</b>	<b>100.0%</b>	<b>1 132.2</b>	<b>1 195.2</b>	<b>1 264.9</b>	<b>6.1%</b>	<b>100.0%</b>
Change to 2018				(1.4)			7.2	6.9	7.2		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>140.3</b>	<b>126.8</b>	<b>129.0</b>	<b>116.1</b>	<b>-6.1%</b>	<b>12.7%</b>	<b>134.4</b>	<b>142.7</b>	<b>151.2</b>	<b>9.2%</b>	<b>11.7%</b>
Compensation of employees	43.4	45.7	44.9	51.8	6.1%	4.6%	56.8	61.0	65.4	8.1%	5.0%
Goods and services <sup>1</sup>	96.9	81.1	84.1	64.3	-12.8%	8.1%	77.6	81.7	85.8	10.1%	6.6%
of which:											
Advertising	1.9	0.9	3.8	1.2	-13.8%	0.2%	3.0	3.2	3.4	40.2%	0.2%
Consultants: Business and advisory services	10.4	18.5	26.0	18.5	21.0%	1.8%	16.2	17.1	18.1	-0.7%	1.5%
Legal services	1.8	0.5	0.6	1.3	-9.3%	0.1%	1.4	1.4	1.5	5.0%	0.1%
Contractors	57.3	41.3	32.7	27.9	-21.3%	3.9%	36.2	38.0	39.6	12.4%	3.0%
Agency and support/outsourced services	6.0	6.5	8.9	3.5	-16.4%	0.6%	8.3	8.8	9.2	38.3%	0.6%
Travel and subsistence	12.2	9.5	8.2	6.8	-17.7%	0.9%	7.5	8.0	8.4	7.2%	0.7%
<b>Transfers and subsidies<sup>1</sup></b>	<b>814.3</b>	<b>882.0</b>	<b>888.0</b>	<b>944.1</b>	<b>5.1%</b>	<b>87.3%</b>	<b>997.8</b>	<b>1 052.6</b>	<b>1 113.8</b>	<b>5.7%</b>	<b>88.3%</b>
Departmental agencies and accounts	577.2	608.4	649.6	689.0	6.1%	62.5%	736.2	779.3	822.6	6.1%	65.1%
Higher education institutions	0.1	6.2	7.6	5.4	247.2%	0.5%	4.4	6.9	7.5	11.3%	0.5%
Public corporations and private enterprises	100.8	130.9	88.1	93.6	-2.4%	10.2%	100.9	102.5	107.9	4.9%	8.7%
Non-profit institutions	122.4	121.4	119.2	138.3	4.2%	12.4%	140.0	148.5	159.7	4.9%	12.6%
Households	13.9	15.2	23.6	17.7	8.5%	1.7%	16.3	15.3	16.1	-3.1%	1.4%

**Table 37.11 Arts and Culture Promotion and Development expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
<b>Payments for capital assets</b>	<b>0.1</b>	<b>0.2</b>	–	–	<b>-100.0%</b>	–	–	–	–	–	–
Machinery and equipment	0.1	–	–	–	-100.0%	–	–	–	–	–	–
Software and other intangible assets	–	0.2	–	–	–	–	–	–	–	–	–
<b>Total</b>	<b>954.8</b>	<b>1 009.0</b>	<b>1 017.1</b>	<b>1 060.2</b>	<b>-100.0%</b>	–	<b>1 132.2</b>	<b>1 195.2</b>	<b>1 264.9</b>	<b>6.1%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>25.4%</b>	<b>25.5%</b>	<b>24.6%</b>	<b>24.4%</b>	<b>3.6%</b>	<b>100.0%</b>	<b>24.5%</b>	<b>24.5%</b>	<b>24.5%</b>	–	–
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>577.2</b>	<b>608.4</b>	<b>649.6</b>	<b>689.0</b>	<b>6.1%</b>	<b>62.5%</b>	<b>736.2</b>	<b>779.3</b>	<b>822.6</b>	<b>6.1%</b>	<b>65.1%</b>
Pan South African Language Board	90.9	115.6	110.7	113.6	7.7%	10.7%	120.9	127.4	134.4	5.8%	10.7%
Artscape	53.1	55.9	58.7	60.9	4.7%	5.7%	63.9	67.4	71.1	5.3%	5.7%
National Arts Council	97.6	101.2	106.2	109.7	4.0%	10.3%	115.8	122.1	128.8	5.5%	10.2%
Performing Arts Centre of the Free State	39.4	41.5	47.6	45.3	4.8%	4.3%	47.4	50.0	52.7	5.2%	4.2%
Windybrow Theatre	28.2	–	–	–	-100.0%	0.7%	–	–	–	–	–
National Film and Video Foundation	116.7	122.9	129.1	133.5	4.6%	12.4%	140.4	148.1	156.3	5.4%	12.4%
Mzansi golden economy: Art bank resources	–	3.0	–	6.0	–	0.2%	8.0	10.0	10.6	20.7%	0.7%
Various institutions: Mzansi golden economy (cultural events)	3.9	22.5	5.1	7.0	21.5%	1.0%	14.0	16.0	16.9	34.1%	1.2%
Various institutions: Mzansi golden economy (artists in schools)	0.9	1.0	1.4	2.6	42.4%	0.1%	2.7	2.9	3.1	5.5%	0.2%
Various institutions: Mzansi golden economy (community arts development)	–	–	0.5	–	–	–	–	–	–	–	–
Various institutions: Mzansi golden economy (entrepreneur and local content development)	9.7	–	30.0	50.0	72.7%	2.2%	52.8	55.7	58.8	5.5%	4.7%
Performing arts institutions: Mzansi golden economy (incubators entrepreneur and local content development)	–	10.9	13.9	9.0	–	0.8%	9.5	10.0	10.6	5.5%	0.8%
Arts and culture industries: Local market development and promotion	1.9	0.8	–	–	-100.0%	0.1%	0.6	0.6	0.6	–	–
Market Theatre Foundation	39.1	42.4	44.5	46.3	5.8%	4.3%	48.7	51.4	54.2	5.4%	4.3%
The Playhouse Company	48.6	41.2	49.8	49.6	0.7%	4.7%	52.1	55.0	58.4	5.6%	4.6%
The South African State Theatre	47.1	49.6	52.1	55.5	5.6%	5.1%	59.4	62.7	66.2	6.1%	5.2%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>13.7</b>	<b>15.1</b>	<b>23.3</b>	<b>17.7</b>	<b>6.1%</b>	<b>65.1%</b>	<b>16.3</b>	<b>15.3</b>	<b>16.1</b>	<b>-3.1%</b>	<b>1.4%</b>
Mzansi golden economy: Public art	0.2	1.0	0.3	1.0	5.8%	10.7%	0.8	0.9	0.9	-3.3%	0.1%
Various institutions: Mzansi golden economy (cultural events)	2.2	1.0	2.1	2.5	5.3%	5.7%	2.8	2.2	2.3	-2.1%	0.2%
Various institutions: Mzansi golden economy (touring ventures)	1.4	2.9	4.7	2.0	5.5%	10.2%	2.1	2.2	2.4	5.5%	0.2%
Various institutions: Mzansi golden economy (export market development and promotion)	–	–	0.5	1.5	5.2%	4.2%	2.6	1.7	1.8	5.5%	0.2%
Arts and culture industries: Local market development and promotion	1.1	4.2	9.6	4.7	–	–	1.9	2.0	2.1	-23.7%	0.2%
Language development projects	8.9	6.0	6.3	6.0	5.4%	12.4%	6.0	6.3	6.7	3.6%	0.5%

**Table 37.11 Arts and Culture Promotion and Development expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
<b>Non-profit institutions</b>											
<b>Current</b>	<b>122.4</b>	<b>121.4</b>	<b>119.2</b>	<b>138.3</b>	<b>-3.1%</b>	<b>1.4%</b>	<b>140.0</b>	<b>148.5</b>	<b>159.7</b>	<b>-3.1%</b>	<b>1.4%</b>
Business and Arts South Africa	7.6	11.1	8.5	8.9	-3.3%	0.1%	9.4	10.0	10.7	-3.3%	0.1%
Mzansi golden economy: Public art	1.8	1.2	1.3	2.5	-2.1%	0.2%	1.8	2.5	2.7	-2.1%	0.2%
Various institutions: Mzansi golden economy (cultural events)	82.7	63.4	56.0	54.5	5.5%	0.2%	52.6	55.5	59.7	5.5%	0.2%
Various institutions: Mzansi golden economy (touring ventures)	11.3	13.7	6.5	8.0	5.5%	0.2%	11.5	12.2	13.1	5.5%	0.2%
Various institutions: Mzansi golden economy (National Cultural Industries Skills Academy)	-	9.2	13.3	15.5	-23.7%	0.2%	13.3	14.0	15.1	-23.7%	0.2%
Various institutions: Mzansi golden economy (artists in schools)	9.4	6.8	9.8	9.7	3.6%	0.5%	13.5	14.3	15.3	3.6%	0.5%
Various institutions: Mzansi golden economy (community arts development)	-	-	8.5	8.0	-3.1%	1.4%	10.3	10.8	11.7	-3.1%	1.4%
Various institutions: Mzansi golden economy (export market development and promotion)	-	3.9	1.9	2.5	-3.3%	0.1%	4.6	3.8	4.1	-3.3%	0.1%
Various institutions: Mzansi golden economy (entrepreneur and local content development)	-	1.0	0.7	1.0	-2.1%	0.2%	1.1	2.4	2.6	-2.1%	0.2%
Arts and culture industries: Local market development and promotion	9.6	11.2	7.3	20.7	5.5%	0.2%	14.5	15.3	16.4	5.5%	0.2%
Arts and culture industries: Community arts development	-	-	5.2	7.0	5.5%	0.2%	7.4	7.8	8.3	5.5%	0.2%
<b>Higher education institutions</b>											
<b>Current</b>	<b>0.1</b>	<b>6.2</b>	<b>7.6</b>	<b>5.4</b>	<b>3.6%</b>	<b>0.5%</b>	<b>4.4</b>	<b>6.9</b>	<b>7.5</b>	<b>3.6%</b>	<b>0.5%</b>
Various institutions: Mzansi golden economy (cultural events)	0.1	-	-	-	-3.1%	1.4%	-	-	-	-3.1%	1.4%
Human languages technologies projects (Saigen)	-	6.2	7.6	5.4	-3.3%	0.1%	4.4	6.9	7.5	-3.3%	0.1%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>3.1</b>	<b>1.1</b>	<b>1.1</b>	<b>3.8</b>	<b>6.7%</b>	<b>0.2%</b>	<b>5.7</b>	<b>3.8</b>	<b>3.9</b>	<b>0.9%</b>	<b>0.4%</b>
Arts and culture industries: Entrepreneur and local content development	0.1	-	-	-	-100.0%	-	-	-	-	-	-
Human languages technologies projects (Council for Scientific and Industrial and Research)	3.0	1.1	1.1	3.8	7.6%	0.2%	5.7	3.8	3.9	0.9%	0.4%
<b>Public corporations and private enterprises</b>											
<b>Private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>97.7</b>	<b>129.7</b>	<b>87.0</b>	<b>89.8</b>	<b>-2.8%</b>	<b>10.0%</b>	<b>95.3</b>	<b>98.7</b>	<b>104.0</b>	<b>5.0%</b>	<b>8.3%</b>
Mzansi golden economy: Public art	1.2	0.9	0.5	2.0	19.1%	0.1%	2.0	1.5	1.6	-7.9%	0.2%
Various institutions: Mzansi golden economy (cultural events)	73.6	106.7	52.6	52.5	-10.7%	7.1%	44.6	47.1	49.7	-1.8%	4.2%
Various institutions: Mzansi golden economy (touring ventures)	5.5	8.9	12.2	11.0	26.1%	0.9%	10.9	10.4	11.0	-	0.9%
Various institutions: Mzansi golden economy (National Cultural Industries Skills Academy)	-	-	4.5	11.3	-	0.4%	10.6	11.1	11.8	1.3%	1.0%
Various institutions: Mzansi golden economy (artists in schools)	1.8	0.9	1.1	2.6	13.0%	0.2%	2.7	2.9	3.1	5.5%	0.2%
Various institutions: Mzansi golden economy (export market development and promotion)	-	-	4.0	3.0	-	0.2%	3.2	4.3	4.6	15.2%	0.3%
Various institutions: Mzansi golden economy (entrepreneur and local content development)	9.0	4.2	3.5	1.5	-45.0%	0.4%	5.2	4.3	4.6	45.1%	0.3%
Arts and culture industries: Local market development and promotion	5.2	6.8	8.4	4.9	-2.0%	0.6%	15.1	16.0	16.8	50.6%	1.1%
Intsyst Labs	1.4	1.3	0.2	-	-100.0%	0.1%	-	-	-	-	-
Human languages technologies projects (Saigen)	-	-	-	1.0	-	-	1.0	1.0	1.0	-	0.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Heritage Promotion and Preservation

### Programme purpose

Preserve and promote South African heritage, including archival and heraldic heritage. Oversee and transfer funds to libraries.

### Objectives

- Develop, preserve, protect and promote heritage annually by:
  - publishing 3 gazette notices on the standardisation of geographical names
  - profiling 2 living human treasures
  - financially supporting 2 multiyear heritage infrastructure projects by March 2020.
- Provide access to information and promote a culture of reading across society by March 2020 by:
  - digitising 3 archival collections
  - financing the construction of 32 new and/or modular community libraries
  - upgrading 50 existing community libraries.
- Create a coherent policy and legislative environment for the arts, culture and heritage sector by developing a policy on the repatriation of cultural heritage objects and human remains of historic significance by March 2020.

### Subprogrammes

- *Heritage Promotion* supports a range of heritage initiatives and projects, such as Heritage Month; the repatriation of South African cultural heritage; and the Bureau of Heraldry, which registers symbols, popularises national symbols through public awareness campaigns, coordinates the national orders awards ceremony, and develops policy to ensure the promotion and preservation of South Africa's heritage.
- *National Archive Services* acquires, preserves, manages and makes accessible public and non-public records with enduring value.
- *Heritage Institutions* funds and determines policy for declared cultural institutions and heritage bodies by ensuring that funds to the institutions are used to preserve, research, protect and promote heritage.
- *National Library Services* funds libraries and institutions, such as the National Library of South Africa, the South African Library for the Blind, and Blind South Africa. This subprogramme also develops related policy.
- *Public Library Services* transfers funds to provincial departments for conditional allocations to community library services for constructing and upgrading libraries, hiring personnel and purchasing library materials.
- *Infrastructure Management Office* funds capital works and administers capital allocations for the construction and maintenance of heritage institutions, playhouses, libraries, national archives, new structures of national legacy projects and other capital projects.
- *South African Heritage Resources Agency* transfers funds to the South African Heritage Resources Agency, the key strategic objectives of which are to develop and implement norms and standards for managing heritage resources.
- *South African Geographical Names Council* transfers funds to the South African Geographical Names Council, an advisory body that facilitates name changes by consulting with communities to advise the Minister of Arts and Culture.
- *National Heritage Council* transfers funds to the National Heritage Council, the mandate of which involves enhancing knowledge production on heritage, and ensuring the promotion and awareness of heritage.

## Expenditure trends and estimates

Table 37.12 Heritage Promotion and Preservation expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
Heritage Promotion	86.1	92.3	54.9	55.4	-13.7%	2.7%	60.5	64.3	68.1	7.2%	2.0%
National Archive Services	39.4	37.3	39.4	46.2	5.4%	1.5%	48.8	53.2	57.1	7.3%	1.6%
Heritage Institutions	472.8	477.9	688.1	532.6	4.1%	20.4%	571.8	603.5	636.7	6.1%	18.8%
National Library Services	111.3	125.5	145.0	130.0	5.3%	4.8%	137.2	145.0	153.2	5.6%	4.5%
Public Library Services	1 299.1	1 381.0	1 444.9	1 452.5	3.8%	52.3%	1 531.7	1 616.3	1 713.1	5.7%	50.7%
Infrastructure Management Office	367.0	382.7	208.8	492.7	10.3%	13.6%	541.9	571.8	603.3	7.0%	17.8%
South African Heritage Resources Agency	48.6	51.1	57.9	55.7	4.7%	2.0%	58.3	61.5	64.9	5.3%	1.9%
South African Geographical Names Council	2.5	1.3	3.4	4.8	24.4%	0.1%	5.1	5.3	5.6	5.5%	0.2%
National Heritage Council	58.5	82.7	64.7	68.5	5.4%	2.6%	71.4	75.3	79.4	5.1%	2.4%
<b>Total</b>	<b>2 485.2</b>	<b>2 631.8</b>	<b>2 707.0</b>	<b>2 838.4</b>	<b>4.5%</b>	<b>100.0%</b>	<b>3 026.6</b>	<b>3 196.1</b>	<b>3 381.4</b>	<b>6.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(47.1)			(26.5)	(27.6)	(29.4)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>151.4</b>	<b>119.6</b>	<b>101.8</b>	<b>125.5</b>	<b>-6.1%</b>	<b>4.7%</b>	<b>126.2</b>	<b>136.8</b>	<b>145.5</b>	<b>5.1%</b>	<b>4.3%</b>
Compensation of employees	50.4	53.2	54.5	56.9	4.1%	2.0%	60.1	65.7	70.5	7.4%	2.0%
Goods and services <sup>1</sup>	101.0	66.4	47.2	68.6	-12.1%	2.7%	66.0	71.1	75.1	3.0%	2.3%
of which:											
Computer services	—	—	0.5	3.5	—	—	5.1	5.4	5.7	17.4%	0.2%
Consultants: Business and advisory services	0.8	4.5	5.7	11.7	142.5%	0.2%	7.3	7.7	8.0	-11.7%	0.3%
Contractors	23.8	36.4	19.2	9.9	-25.4%	0.8%	11.9	14.4	15.2	15.3%	0.4%
Agency and support/outsourced services	6.9	0.7	0.2	8.5	7.2%	0.2%	8.2	8.2	8.7	0.6%	0.3%
Consumable supplies	0.4	0.1	0.1	0.6	13.5%	—	7.0	7.3	7.8	140.1%	0.2%
Travel and subsistence	16.5	10.7	10.5	15.2	-2.7%	0.5%	14.5	15.5	16.4	2.7%	0.5%
Interest and rent on land	0.3	—	—	—	-100.0%	—	—	—	—	—	—
<b>Transfers and subsidies<sup>1</sup></b>	<b>2 226.7</b>	<b>2 416.8</b>	<b>2 561.2</b>	<b>2 603.2</b>	<b>5.3%</b>	<b>92.0%</b>	<b>2 663.8</b>	<b>2 812.4</b>	<b>2 965.5</b>	<b>4.4%</b>	<b>88.8%</b>
Provinces and municipalities	1 274.3	1 357.1	1 420.0	1 423.7	3.8%	51.3%	1 501.2	1 584.1	1 679.2	5.7%	49.7%
Departmental agencies and accounts	884.6	1 019.3	1 110.9	1 089.3	7.2%	38.5%	1 115.0	1 139.7	1 191.9	3.0%	36.5%
Higher education institutions	—	—	—	—	—	—	4.4	—	—	—	—
Foreign governments and international organisations	1.7	12.9	1.0	1.9	4.6%	0.2%	2.0	2.1	2.3	5.0%	0.1%
Public corporations and private enterprises	14.6	4.6	1.4	29.1	25.8%	0.5%	0.9	2.9	14.6	-20.6%	0.4%
Non-profit institutions	46.2	18.0	24.5	53.3	4.9%	1.3%	34.0	77.0	70.6	9.8%	1.9%
Households	5.4	4.8	3.4	5.9	3.4%	0.2%	6.3	6.6	7.0	5.5%	0.2%
<b>Payments for capital assets</b>	<b>106.9</b>	<b>95.4</b>	<b>44.1</b>	<b>109.6</b>	<b>0.8%</b>	<b>3.3%</b>	<b>236.6</b>	<b>247.0</b>	<b>270.4</b>	<b>35.1%</b>	<b>6.9%</b>
Machinery and equipment	—	0.3	0.0	—	—	—	—	—	—	—	—
Heritage assets	104.4	94.0	43.4	109.6	1.6%	3.3%	236.6	247.0	270.4	35.1%	6.9%
Software and other intangible assets	2.4	1.1	0.6	—	-100.0%	—	—	—	—	—	—
<b>Payments for financial assets</b>	<b>0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>—</b>	<b>-100.0%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total</b>	<b>2 485.2</b>	<b>2 631.8</b>	<b>2 707.0</b>	<b>2 838.4</b>	<b>4.5%</b>	<b>100.0%</b>	<b>3 026.6</b>	<b>3 196.1</b>	<b>3 381.4</b>	<b>6.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>66.1%</b>	<b>66.5%</b>	<b>65.4%</b>	<b>65.4%</b>	<b>—</b>	<b>—</b>	<b>65.5%</b>	<b>65.5%</b>	<b>65.5%</b>	<b>—</b>	<b>—</b>



**Table 37.12 Heritage Promotion and Preservation expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies											
R million	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22	
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>699.5</b>	<b>752.3</b>	<b>964.9</b>	<b>796.5</b>	<b>4.4%</b>	<b>30.1%</b>	<b>849.0</b>	<b>896.2</b>	<b>945.5</b>	<b>5.9%</b>	<b>28.0%</b>
National Youth Development Agency	–	6.2	–	–	–	0.1%	–	–	–	–	–
Die Afrikaanse Taalmuseum en -monument: Paarl	6.5	7.8	8.7	9.4	13.0%	0.3%	10.4	10.9	11.5	6.9%	0.3%
Freedom Park: Pretoria	71.2	72.9	113.6	84.6	5.9%	3.2%	96.1	101.3	106.9	8.1%	3.1%
Iziko Museums: Cape Town	80.8	87.8	107.6	86.3	2.2%	3.4%	91.6	96.6	102.0	5.7%	3.0%
Luthuli Museum: Stanger	9.5	10.1	14.1	14.8	16.1%	0.5%	15.6	16.4	17.3	5.3%	0.5%
KwaZulu-Natal Museum: Pietermaritzburg	21.7	23.7	36.7	35.2	17.6%	1.1%	36.2	38.2	40.2	4.5%	1.2%
National Heritage Council	58.5	82.7	64.7	68.5	5.4%	2.6%	71.4	75.3	79.4	5.1%	2.4%
National Museum: Bloemfontein	47.6	51.7	100.4	54.3	4.5%	2.4%	57.3	60.5	63.8	5.5%	1.9%
Nelson Mandela Museum: Mthatha	21.6	24.1	26.8	27.1	7.8%	0.9%	28.6	30.1	31.8	5.5%	0.9%
Robben Island Museum: Cape Town	95.7	73.2	89.4	80.5	-5.6%	3.2%	84.5	89.2	94.1	5.4%	2.8%
South African Heritage Resources Agency	48.6	51.1	57.9	55.7	4.7%	2.0%	58.3	61.5	64.9	5.3%	1.9%
War Museum of the Boer Republics: Bloemfontein	9.9	10.6	22.1	12.7	8.7%	0.5%	15.4	16.3	17.2	10.5%	0.5%
William Humphreys Art Gallery: Kimberley	7.5	7.7	10.0	10.4	11.2%	0.3%	11.0	11.6	12.2	5.5%	0.4%
Ditsong Museums of South Africa: Pretoria	77.9	84.2	125.8	87.2	3.8%	3.5%	92.0	97.2	102.5	5.5%	3.0%
National Library of South Africa	102.2	115.0	135.4	117.8	4.8%	4.4%	124.4	131.5	138.7	5.6%	4.1%
South African Library for the Blind	17.7	19.6	19.2	22.3	8.0%	0.7%	23.5	24.8	26.2	5.5%	0.8%
uMsunduzi Museum (incorporating the Voortrekker Museum): Pietermaritzburg	13.2	14.1	17.3	18.3	11.5%	0.6%	19.8	20.9	22.0	6.4%	0.7%
The National English Literary Museum: Grahamstown	9.5	9.8	15.3	11.5	6.4%	0.4%	13.1	13.9	14.6	8.4%	0.4%
<b>Capital</b>	<b>185.1</b>	<b>267.1</b>	<b>146.0</b>	<b>292.8</b>	<b>16.5%</b>	<b>8.4%</b>	<b>266.0</b>	<b>243.5</b>	<b>246.4</b>	<b>-5.6%</b>	<b>8.4%</b>
Various institutions	–	–	2.0	–	–	–	–	–	–	–	–
Artscape	–	28.3	16.5	16.5	–	0.6%	2.0	15.0	15.8	-1.4%	0.4%
National Arts Council	–	–	–	1.8	–	–	–	–	–	-100.0%	–
Performing Arts Centre of the Free State	–	30.0	–	7.7	–	0.4%	26.0	6.7	7.0	-3.1%	0.4%
National Film and Video Foundation	–	–	–	–	–	–	7.8	–	–	–	0.1%
Die Afrikaanse Taalmuseum en -monument: Paarl	0.4	1.0	1.6	1.6	56.4%	–	3.6	5.7	5.7	52.8%	0.1%
Freedom Park: Pretoria	–	–	2.0	–	–	–	–	10.7	11.3	–	0.2%
Iziko Museums: Cape Town	40.2	74.7	52.8	50.2	7.7%	2.0%	16.4	9.5	10.0	-41.6%	0.7%
Luthuli Museum: Stanger	–	6.0	0.8	–	–	0.1%	–	–	–	–	–
KwaZulu-Natal Museum: Pietermaritzburg	–	0.4	0.2	25.6	–	0.2%	33.5	16.4	17.3	-12.3%	0.7%
National Museum: Bloemfontein	–	–	1.7	–	–	–	9.8	9.7	10.3	–	0.2%
Nelson Mandela Museum: Mthatha	1.3	0.3	0.7	43.1	221.1%	0.4%	6.0	10.0	10.6	-37.5%	0.6%
Robben Island Museum: Cape Town	27.6	26.1	11.3	34.9	8.1%	0.9%	37.8	8.7	9.2	-35.9%	0.7%
South African Heritage Resources Agency	25.0	–	–	5.0	-41.5%	0.3%	–	18.9	15.8	46.8%	0.3%
War Museum of the Boer Republics: Bloemfontein	1.3	1.1	1.0	0.5	-28.1%	–	6.1	6.0	6.3	133.1%	0.2%
William Humphreys Art Gallery: Kimberley	–	1.0	1.0	4.1	–	0.1%	17.0	4.5	4.7	5.0%	0.2%
Ditsong Museums of South Africa: Pretoria	4.0	0.6	1.2	21.0	74.2%	0.3%	25.6	20.9	28.0	10.1%	0.8%
National Library of South Africa	10.5	17.2	19.6	34.8	48.9%	0.8%	11.3	34.7	36.6	1.7%	0.9%

**Table 37.12 Heritage Promotion and Preservation expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
South African Library for the Blind	–	–	13.0	2.5	48.9%	0.8%	8.6	18.6	7.6	1.7%	0.9%
Gauteng Tourism Authority	–	0.2	–	–	–	0.1%	–	–	–	45.2%	0.3%
uMsunduzi Museum (incorporating the Voortrekker Museum): Pietermaritzburg	11.4	–	1.0	–	–	–	3.3	1.0	1.1	–	–
Market Theatre Foundation	–	8.4	12.0	1.5	-100.0%	0.1%	25.7	14.5	15.3	–	–
The Playhouse Company	–	13.8	1.8	31.9	–	0.2%	6.5	21.5	22.7	116.7%	0.5%
The South African State Theatre	–	12.3	5.0	5.9	–	0.4%	17.2	9.5	10.0	-10.7%	0.7%
The National English Literary Museum: Grahamstown	63.2	45.7	1.0	4.1	–	0.2%	2.0	1.0	1.1	19.3%	0.3%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>5.0</b>	<b>4.6</b>	<b>3.2</b>	<b>5.9</b>	<b>6.0%</b>	<b>0.2%</b>	<b>6.3</b>	<b>6.6</b>	<b>7.0</b>	<b>5.5%</b>	<b>0.2%</b>
Heritage projects	5.0	4.6	3.2	5.9	6.0%	0.2%	6.3	6.6	7.0	5.5%	0.2%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>16.4</b>	<b>11.9</b>	<b>12.5</b>	<b>14.2</b>	<b>-4.7%</b>	<b>0.5%</b>	<b>15.0</b>	<b>15.9</b>	<b>17.1</b>	<b>6.2%</b>	<b>0.5%</b>
Engelenburg House art collection: Pretoria	0.3	0.3	0.3	0.4	5.3%	–	0.4	0.4	0.4	6.3%	–
Blind South Africa	7.1	7.5	7.9	8.3	5.4%	0.3%	8.8	9.3	10.0	6.2%	0.3%
Various institutions: Heritage projects	3.9	2.3	2.5	3.6	-2.7%	0.1%	3.8	4.0	4.3	6.3%	0.1%
Library and Information Association of South Africa	2.6	1.8	1.9	2.0	-8.0%	0.1%	2.1	2.2	2.4	6.2%	0.1%
South African National Council for the Blind	1.0	–	–	–	-100.0%	–	–	–	–	–	–
African Renaissance Institute	0.3	–	–	–	-100.0%	–	–	–	–	–	–
Voortrekker Monument	1.3	–	–	–	-100.0%	–	–	–	–	–	–
<b>Capital</b>	<b>29.8</b>	<b>6.1</b>	<b>12.0</b>	<b>39.1</b>	<b>9.5%</b>	<b>0.8%</b>	<b>19.0</b>	<b>61.1</b>	<b>53.6</b>	<b>11.1%</b>	<b>1.4%</b>
Blind South Africa	0.4	–	–	–	-100.0%	–	–	–	–	–	–
Adams College	–	3.6	2.2	0.2	–	–	–	–	–	–	–
Liliesleaf Farm	0.5	–	–	–	–	0.1%	–	–	–	-100.0%	–
Valoyi Traditional Authority Trust	3.1	–	–	–	-100.0%	–	–	–	–	–	–
National Heritage Company	15.0	–	–	–	-100.0%	–	–	–	–	–	–
Steve Biko Foundation	1.0	–	2.8	3.4	-100.0%	0.1%	4.0	4.4	4.6	–	–
Robert Mangaliso Sobukwe Museum	–	–	2.0	–	50.7%	0.1%	–	–	–	10.8%	0.1%
Upgrading of community arts centres and public spaces	8.9	–	4.5	16.0	–	–	6.3	15.6	4.9	–	–
Upgrading of public spaces	–	–	–	–	21.7%	0.3%	0.7	0.8	0.9	-32.7%	0.3%
National heritage project	–	–	–	17.4	–	–	–	40.4	41.1	–	–
Kwa-Culture	–	–	–	–	–	0.2%	6.0	–	2.1	33.1%	0.8%
Sankofa Arts Charitable Trust	–	2.5	0.5	–	–	–	–	–	–	–	0.1%
Trevor Huddleston CR Memorial Centre	0.9	–	–	–	–	–	–	–	–	–	–
Caiphus Katse Semanya Foundation (incubator)	–	–	–	2.0	-100.0%	–	2.0	–	–	–	–
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>1.7</b>	<b>12.9</b>	<b>1.0</b>	<b>1.9</b>	<b>4.6%</b>	<b>0.2%</b>	<b>2.0</b>	<b>2.1</b>	<b>2.3</b>	<b>5.0%</b>	<b>0.1%</b>
African World Heritage Fund	1.7	12.9	1.0	1.9	4.6%	0.2%	2.0	2.1	2.3	5.0%	0.1%
<b>Higher education institutions</b>											
<b>Capital</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>4.4</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
University of Fort Hare	–	–	–	–	–	–	4.4	–	–	–	–
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Capital</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>21.1</b>	<b>–</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.2%</b>
Mpumalanga Economic Growth Agency	–	–	–	8.1	–	0.1%	–	–	–	-100.0%	0.1%
Polokwane Performing Arts Centre (incubator)	–	–	–	13.0	–	0.1%	–	–	–	-100.0%	0.1%

**Table 37.12 Heritage Promotion and Preservation expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome			2018/19				2015/16 - 2018/19	2019/20	2020/21		
R million	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>419.4</b>	<b>709.1</b>	<b>996.9</b>	<b>1 057.8</b>	<b>36.1%</b>	<b>29.9%</b>	<b>1 126.2</b>	<b>1 188.1</b>	<b>1 259.4</b>	<b>6.0%</b>	<b>37.2%</b>
Community library services grant	419.4	709.1	996.9	1 057.8	36.1%	29.9%	1 126.2	1 188.1	1 259.4	6.0%	37.2%
<b>Capital</b>	<b>854.9</b>	<b>648.0</b>	<b>423.1</b>	<b>365.9</b>	<b>-24.6%</b>	<b>21.5%</b>	<b>375.0</b>	<b>396.0</b>	<b>419.7</b>	<b>4.7%</b>	<b>12.5%</b>
Community library services grant	854.9	648.0	423.1	365.9	-24.6%	21.5%	375.0	396.0	419.7	4.7%	12.5%
<b>Public corporations and private enterprises</b>											
<b>Private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Capital</b>	<b>14.6</b>	<b>4.6</b>	<b>1.4</b>	<b>8.0</b>	<b>-18.3%</b>	<b>0.3%</b>	<b>0.9</b>	<b>2.9</b>	<b>14.6</b>	<b>22.4%</b>	<b>0.2%</b>
National Heroes Acre	-	-	-	5.0	-	-	-	-	-	-100.0%	-
Upgrading of community arts centres and public spaces	-	-	-	-	-	-	-	-	11.6	-	0.1%
Upgrading of public spaces	14.6	4.6	1.4	3.0	-41.3%	0.2%	0.9	0.9	0.9	-32.7%	-
Afrivibe Entertainment (Pty) Ltd (incubator)	-	-	-	-	-	-	-	2.0	2.1	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

Comprehensive coverage of the following entities is provided with more detailed information for the vote under the budget information link.

- The following officially declared **heritage institutions** are dependent on annual transfers from the department: die Afrikaanse Taalmuseum en -monument, Paarl; Ditsong Museums of South Africa, Pretoria; the Iziko Museums, Cape Town; the KwaZulu-Natal Museum, Pietermaritzburg; the uMsonduzi Museum (incorporating the Voortrekker Museum), Pietermaritzburg; the National Museum, Bloemfontein; the National English Literary Museum, Grahamstown; the Robben Island Museum, Cape Town; the War Museum of the Boer Republics, Bloemfontein; the William Humphreys Art Gallery, Kimberley; the Luthuli Museum, Stanger; the Nelson Mandela Museum, Mthatha; Freedom Park, Pretoria; and the Engelenburg House art collection, Pretoria. The total budget of the heritage institutions is estimated to increase over the medium term at an average annual rate of 4.1 per cent. Their total budget for 2019/20 is R849.4 million, including capital works.
- The department oversees various **libraries**, including the National Library of South Africa, a statutory body; the South African Library for the Blind; and Blind South Africa. The total budget for libraries is estimated to decrease over the medium term at an average annual rate of 5.5 per cent. Their total budget for 2019/20 is R165.6 million, including capital works.
- The **National Arts Council** facilitates opportunities for people to practise and appreciate the arts. The council also promotes the general application of the arts in communities, fosters the expression of national identity by means of the arts, promotes freedom in the practice of the arts, and gives historically disadvantaged people greater access to the arts. The council's total budget is expected to increase over the medium term at an average annual rate of 5.4 per cent. Its total budget for 2019/20 is R117.5 million.
- The **National Film and Video Foundation** develops and promotes the film and video industry in South Africa; supports the development of and access to the industry; and addresses historical imbalances in infrastructure, skills and resources in the industry. The foundation's total budget is estimated to increase over the medium term at an average annual rate of 5.3 per cent. Its total budget for 2019/20 is R143.9 million.

- The **National Heritage Council** engages heritage stakeholders in public and private institutions, including various organs of civil society; mobilises debate; and builds awareness about heritage. The council's total budget is estimated to increase over the medium term at an average annual rate of 4.2 per cent. Its total budget for 2019/20 is R71.3 million.
- The **Pan South African Language Board** is a constitutional institution that promotes the awareness of multilingualism as a national resource and supports previously marginalised languages. It is mandated to investigate complaints about language rights and violations by any individual, organisation or institution. The board's total budget is estimated to increase over the medium term at an average annual rate of 6.3 per cent. Its total budget for 2019/20 is R124.6 million.
- The following **performing arts institutions** receive annual transfers from the department: the South African State Theatre, the Playhouse Company, Artscape, the Market Theatre Foundation and the Performing Arts Council of the Free State. These entities also generate their own revenue through entrance fees, donor assistance and sponsorships. The total budget for the performing arts institutions is estimated to increase over the medium term at an average annual rate of 0.7 per cent. Their total budget for 2019/20 is R422.5 million.
- The **South African Heritage Resources Agency** is the national administrative management body for the protection of South Africa's cultural heritage. The agency's main functions include managing the national estate through partnerships with other bodies to promote an integrated system for the management of heritage resources. The agency's total budget is estimated to decrease over the medium term at an average annual rate of 5.2 per cent. Its total budget for 2019/20 is R66.3 million.

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
<b>Departmental infrastructure</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Liberation heritage route	Construction of heritage route	Construction	1 001.7	–	–	–	–	20.4	32.7	35.0
<b>Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)</b>										
Saartjie Baartman Centre	Construction of centre	Construction	587.8	25.2	45.3	14.4	40.7	60.8	2.5	–
National Archives building: Pretoria	Upgrade of existing building	Construction	390.6	12.8	48.7	23.1	28.7	76.0	84.1	90.3
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Isibhubhu Cultural Arena	Construction of arena	Construction	215.4	–	–	–	–	40.0	60.7	65.1
Vlakplaas	Renovation of existing monuments	Construction	2.0	–	–	–	–	–	–	–
Isandlwana	Renovations of existing monuments	Construction	17.0	–	–	–	1.1	–	2.0	–
Mandela House	Purchase of Mandela House	Construction	6.0	–	–	–	–	–	–	–
Drakenstein correctional facility	Renovations of existing facility	Construction	3.6	–	–	–	–	–	–	–
Archie Gumede statue	Development of statue	Construction	5.9	–	–	–	–	4.0	–	–
Gumtree Mill	Construction of mill	Construction	4.2	–	–	–	–	–	–	–
Raymond Mhlaba statue	Development of statue	Construction	5.0	–	–	–	6.2	2.0	–	–
Delville Wood	Renovations of existing monuments	Construction	35.0	25.0	–	–	–	–	–	–
John L Dube House	Upgrade of existing monument	Various	134.2	–	–	–	4.4	5.0	–	–
OR Tambo Memorial	Upgrade of existing monument	Various	37.5	–	–	1.4	–	8.0	–	–
Ingquza Hill Museum	Upgrade of existing museum	Various	156.4	–	–	4.4	–	–	–	–
Winnie Madikizela Mandela House and clinic	Restoration and construction of existing monument	Construction	4.0	–	–	0.1	5.8	5.4	–	–
Polokwane Performing Arts Centre (incubator)	Construction of incubator	Construction	25.0	–	–	–	13.0	–	–	–
Caiphus Katse Semenya Foundation (incubator)	Construction of incubator	Construction	10.0	8.0	–	–	–	2.0	–	–
Afrivibe Entertainment (incubator)	Construction of incubator	Construction	10.0	8.0	–	–	–	–	2.0	2.1
Chief Tyali	Construction of statue	Construction	–	–	–	–	1.5	–	–	–
National Archives (new purpose building)	Construction of new building	Construction	–	–	–	–	–	15.0	65.0	80.0
Khananda Memorial	Construction of new building	Construction	–	–	–	–	1.6	–	–	–
OR Tambo statue	Construction of statue	Construction	–	–	–	–	5.4	–	–	–
Nelson Mandela statue	Construction of statue	Construction	–	–	–	–	1.0	–	–	–
<b>Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)</b>										
The Playhouse Company	Upgrade of existing building	Various	295.7	9.1	13.8	1.8	31.9	6.5	21.5	22.7
Performing Arts Centre of the Free State	Upgrade of existing building	Various	252.0	–	30.0	–	7.7	26.0	6.7	7.0
Upgrade of community arts centres	Upgrade of existing building	Various	301.1	6.0	–	4.5	14.0	6.3	15.6	4.9
Upgrade of community arts centres	Upgrade of existing building	Various	–	–	–	–	(2.4)	–	–	11.6

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
National Heritage Monument	Upgrade of existing building	Various	503.9	15.0	–	–	–	–	–	–
Robben Island Museum	Upgrade of existing building	Various	561.1	27.6	26.1	10.3	34.9	37.8	8.7	9.2
Iziko Museums of Cape Town	Upgrade of existing building	Various	338.8	40.2	74.7	48.5	50.2	16.4	9.5	10.0
The South Africa State Theatre	Upgrade of existing building	Various	282.7	–	12.3	5.0	5.9	17.2	9.5	10.0
National heritage project	Construction of statues	Various	–	–	–	–	17.4	–	40.4	41.1
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Department of Arts and Culture public entities and heritage projects	Upgrade of existing building	Various	142.7	–	–	–	–	–	–	–
William Humphreys Art Gallery	Upgrade of existing building	Various	3.5	–	1.0	1.0	4.1	17.0	4.5	4.7
Die Afrikaanse Taal Museum en -monument	Upgrade of existing building	Various	147.8	0.4	1.0	1.3	1.6	3.6	5.7	5.7
Ditsong Museums	Upgrade of existing building	Various	201.2	4.0	0.6	–	21.0	25.6	20.9	28.0
KwaZulu-Natal Museum	Upgrade of existing building	Various	85.9	–	0.4	–	25.6	33.5	16.4	17.3
Luthuli Museum	Upgrade of existing building	Various	22.1	–	6.0	0.8	–	–	–	–
uMsunduzi Museum (incorporating the Voortrekker Museum)	Upgrade of existing building	Various	22.0	11.4	–	1.0	–	3.3	1.0	1.1
National Museum: Bloemfontein	Upgrade of existing building	Various	114.3	–	–	–	–	9.8	9.7	10.3
National English Literary Museum: Grahamstown	Upgrade of existing building	Various	153.1	63.2	45.7	1.0	4.1	2.0	1.0	1.1
Nelson Mandela Museum	Upgrade of existing building	Various	122.7	1.3	0.3	0.7	43.1	6.0	10.0	10.6
Anglo-Boer War Museum	Upgrade of existing building	Various	129.6	1.3	1.1	1.0	0.5	6.1	6.0	6.3
South African Heritage Resources Agency	Upgrade of existing building	Various	157.2	25.0	–	13.0	5.0	–	18.9	15.8
National Library: Centre for the Book	Upgrade of existing building	Various	72.8	–	–	–	–	–	–	–
National Library: Pretoria Campus	Upgrade of existing building	Various	171.2	10.5	17.2	12.9	34.8	11.3	34.7	36.6
South African Library for the Blind	Upgrade of existing building	Various	89.4	–	–	–	2.5	8.6	18.6	7.6
Artscape	Upgrade of existing building	Various	127.2	–	28.3	16.5	16.5	2.0	15.0	15.8
Market Theatre Foundation	Upgrade of existing building	Various	241.3	10.0	7.7	12.0	1.5	25.7	14.5	15.3
Windybrow Theatre	Upgrade of existing building	Various	17.0	17.0	–	–	–	–	–	–
Performing arts projects	Upgrade of existing building	Various	40.1	–	–	–	–	–	–	–
National Arts Council	Upgrade of existing building	Various	1.5	1.5	–	–	1.8	–	–	–
National Film and Video Foundation	Upgrade of existing building	Various	45.0	–	–	–	–	7.8	–	–
Freedom Park	Upgrade of existing building	Various	170.1	–	–	2.0	–	–	10.7	11.3
Cultural precincts	Upgrade of existing building	Various	37.0	–	–	–	–	–	–	–
Die Erfenisstigting	Upgrade of existing building	Various	4.2	–	–	–	–	–	–	–
Adams College	Upgrade of existing building	Various	8.6	–	–	2.2	0.2	–	–	–
Voortrekker Monument	Upgrade of existing building	Various	3.8	1.3	–	–	–	–	–	–

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
Blind South Africa	Upgrade of existing building	Various	1.7	0.4	–	–	–	–	–	–
Cultural precincts	Upgrade of cultural precincts	Various	32.5	–	–	–	–	–	–	–
Upgrading of public spaces	Upgrade of public spaces	Various	17.8	0.3	–	1.4	3.3	0.9	0.9	0.9
Upgrading of public spaces	Upgrade of public spaces	Various	–	–	–	–	1.0	0.7	0.8	0.9
South African Roadies Association	Construction of association building	Various	15.0	–	–	–	–	–	–	–
Bram Fischer House	Upgrade of existing building	Various	2.0	–	–	–	–	–	–	–
Origins Centre	Upgrade of existing building	Various	3.0	–	–	–	–	–	–	–
National Heritage Company	Construction of company building	Construction	16.1	–	–	–	–	–	–	–
Sankofa Arts Charitable Trust	Construction of trust building	Construction	3.0	–	–	0.5	–	–	–	–
Gauteng Tourism Authority	Construction of authority building	Various	0.2	–	–	–	–	–	–	–
Kwazulu-Natal Arts and Culture Trust (incubator)	Upgrade of existing building	Various	1.0	0.9	–	–	–	–	–	–
Northern Cape Arts and Culture Council	Upgrade of existing building	Various	2.0	–	–	2.0	–	–	–	–
Non-profit organisations	Upgrade of existing building	Various	21.9	–	–	–	–	–	–	–
Provincial departmental agencies	Upgrade of existing building	Various	0.6	–	–	–	–	–	–	–
National Heritage Council	Upgrade of existing building	Various	21.2	–	21.2	–	–	–	–	–
National Heroes Acre	Upgrade of existing structure	Various	100.0	–	–	–	5.0	–	–	–
Steve Biko Foundation	Maintenance	Various	–	–	–	2.8	3.4	4.0	4.4	4.6
Isandlwana (statue of King Cetshwayo)	Construction of statue	Various	3.0	–	–	2.0	–	6.0	–	2.1
Mpumalanga Economic Growth Agency	Upgrade of existing building	Various	–	–	–	–	8.1	–	–	–
Chief Tyali	Installation of statue	Various	–	–	–	–	–	4.4	–	–
<b>Total</b>			<b>7 758.8</b>	<b>325.4</b>	<b>381.3</b>	<b>187.5</b>	<b>452.5</b>	<b>526.9</b>	<b>554.5</b>	<b>585.0</b>





# Vote 38

## Human Settlements

### Budget summary

R million	2019/20					2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
<b>MTEF allocation</b>							
Administration	464.7	462.6	–	2.1	–	495.2	523.9
Human Settlements Policy, Strategy and Planning	104.7	101.2	3.1	0.4	–	111.8	119.1
Human Settlements Delivery Support	258.7	246.9	11.0	0.8	–	327.1	346.5
Housing Development Finance	33 051.1	29.2	32 971.8	0.1	50.0	34 198.0	35 681.4
<b>Total expenditure estimates</b>	<b>33 879.2</b>	<b>839.9</b>	<b>32 985.8</b>	<b>3.4</b>	<b>50.0</b>	<b>35 132.0</b>	<b>36 670.8</b>
Executive authority	Minister of Human Settlements						
Accounting officer	Director-General of Human Settlements						
Website address	www.dhs.gov.za						

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

### Vote purpose

Facilitate the creation of sustainable human settlements and the improvement to household quality of life.

### Mandate

The Department of Human Settlements derives its core mandate and responsibilities from section 26 of the Constitution and section 3 of the Housing Act (1997). This allows the department, in collaboration with provinces and municipalities, to establish and facilitate a sustainable housing development process. The department does this by: determining national policy and national norms and standards for housing and human settlements development, setting broad national housing delivery goals, providing funding to provinces and metropolitan municipalities, and monitoring the financial and non-financial performance of provinces and municipalities against these goals. In executing these roles and responsibilities, the department also builds capacity for provinces and municipalities, and promotes consultation with all stakeholders in the housing delivery chain, including other sector departments, civil society and the private sector.

### Selected performance indicators

**Table 38.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of municipalities provided with technical assistance for informal settlement upgrading per year	Human Settlements Delivery Support	Outcome 8: Sustainable human settlements and improved quality of household life	91	63	0	41	39	39	39
Number of informal settlements with settlement upgrading plans per year	Human Settlements Delivery Support		76	283	109	546	300	200	266

**Table 38.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of title deeds registered to eradicate pre-2014 backlog per year	Housing Development Finance	Outcome 8: Sustainable human settlements and improved quality of household life	60 944	67 458	38 614	247 500	206 170	206 170	– <sup>1</sup>
Number of title deeds registered for new (post-2014) developments per year	Housing Development Finance		14 266	60 740	1 151	170 240	159 687	159 687	159 687
Number of People's Housing Process subsidies allocated to approved beneficiaries per year	Housing Development Finance		8 498	7 000	0	8 000	8 500	9 000	10 000
Number of subsidy housing units completed per year	Housing Development Finance		99 904	90 692	86 131	99 454	98 152	83 292	80 473
Number of additional households living in affordable rental housing units per year	Housing Development Finance		12 097	9 616	3 506	20 429	10 000	10 000	10 000
Number of households benefitting from informal settlements upgrading programmes per year	Housing Development Finance		52 349	75 941	89 670	131 107	77 000	77 000	77 000
Number of finance-linked individual subsidy programme subsidies allocated to approved beneficiaries per year	Housing Development Finance		2 253	2 660	2 295	18 680	1 900	6 685	9 600
Number of integrated and catalytic projects implemented per year	Housing Development Finance		13	15	0	7	10	14	10

1. Target is expected to be achieved by 2020/21.

## Expenditure analysis

Chapter 8 of the National Development Plan (NDP) envisages that, by 2030, South Africa should have spatially transformed and integrated human settlements. Outcome 8 (sustainable human settlements and improved quality of household life) of government's 2014-2019 medium-term strategic framework gives expression to this vision by guiding the work of the Department of Human Settlements. In working towards the realisation of this vision, over the medium term, the department will focus on facilitating the provision of integrated human settlements, upgrading informal settlements, and facilitating affordable housing finance.

The department's budget is set to increase at an average annual rate of 4.4 per cent, from R32.2 billion in 2018/19 to R36.7 billion in 2021/22. Transfers and subsidies to grants and entities are the department's largest cost drivers, accounting for 97.3 per cent (R102.8 billion) of its total budget over the MTEF period. Major transfers and subsidies over the medium term include: the *human settlements development grant* to provinces, which funds the low-income housing programme, amounting to R50.1 billion; the *urban settlements development grant* to metropolitan municipalities, which is a supplementary capital grant that supports infrastructure provision for broader urban development, amounting to R31.1 billion; and transfers to entities, amounting to R4.3 billion. This spending is in the *Housing Development Finance* programme and is expected to increase at an average annual rate of 4.3 per cent, from R31.5 billion in 2018/19 to R35.7 billion in 2021/22.

Through these transfers and subsidies, the department aims to support the delivery of 261 917 subsidy housing units and 27 500 self-build subsidies; and issue 891 401 title deeds, of which 412 340 form part of the historical backlog and 479 061 are for new developments.

Cabinet has approved budget reductions of R3.4 billion to the *human settlements development grant* and R200 million to the *urban settlements development grant* over the medium term. Despite these cuts, an additional R814.5 million over the medium term is allocated to the *urban settlements development grant* to provide electricity to households in metropolitan cities; and additional allocations to the *human settlements development grant* of R247 million in 2019/20 and R400 million in 2021/22 are earmarked for post-disaster relief in KwaZulu-Natal.

### ***Towards integrated human settlements***

The department's ongoing policy review seeks to reinforce the shift from housing to human settlements, as envisaged in the Breaking New Ground strategy and chapter 8 of the NDP. The emphasis is on creating integrated, mixed-use, mixed-income developments that support densification and the development of transport-oriented corridors, and provide access to housing, and social and economic amenities. The department's operational activities, which largely enable it to develop policy and oversee programme implementation, will be funded from an operational budget that is expected to increase at an average annual rate of 9.4 per cent, from R766.4 million in 2018/19 to R1 billion in 2021/22. This above inflationary increase is as a result of previous reductions to the department's budget that created a lower base in 2018/19, as well as an increase in operational funding for the title deeds restoration programme. Operational activities to support delivery are mainly undertaken in the *Human Settlements Policy, Strategy and Planning*, and *Human Settlements Delivery Support* programmes.

Providing integrated human settlements also entails increasing access to and delivering adequate housing and housing services in high quality living environments, providing affordable rental housing and state-subsidised units, delivering title deeds, and providing temporary shelter for housing-related emergencies, among other interventions.

### ***Upgrading informal settlements***

To strengthen the department's policy response to informal settlements, a dedicated *informal settlements upgrading partnership grant* for provinces and metropolitan municipalities is expected to be introduced in 2020/21. The aim of the grant will be to incentivise a programmatic approach to the upgrading of informal settlements at municipal level. Funding for the grant, of R14.7 billion in 2020/21 and 2021/22, will be reprioritised from the *human settlements development grant* and the *urban settlements development grant*. These funds are expected to enable the upgrading of 231 000 households in informal settlements over the medium term. For 2019/20, funds are earmarked for informal settlements within the existing grant frameworks.

To provide an estimated 117 municipalities with technical assistance for the development of 766 settlement upgrading plans over the MTEF period, R150 million is allocated to the national upgrading support programme in the *Human Settlements Delivery Support* programme. As a rapid response mechanism for the provision of temporary shelters in emergencies such as fires and floods, R1.4 billion over the medium term is allocated to the provincial and municipal *emergency housing grants*.

### ***Affordable housing finance***

There is not sufficient provision of housing finance for individuals who earn too much to qualify for a fully subsidised house but too little to qualify for a home loan. To reduce the cost of mortgage finance, and streamline administration and the interaction between subsidy beneficiaries and banks, the administration and funding of the finance-linked individual subsidy programme will be shifted from provinces to the National Housing Finance Corporation. In providing a targeted 18 185 households with subsidies to access mortgages over the medium term, the allocation to the programme is expected to increase from R100 million in 2019/20 to R500 million in 2021/22. To address the undersupply of affordable rental housing, the Social Housing Regulatory Authority is expected to spend R2.3 billion over the medium term to finance and regulate 30 000 affordable rental units through accredited social housing institutions.

To achieve improved efficiencies, economies of scale and a more sustainable housing finance model, the Rural Housing Loan Fund and the National Urban Reconstruction and Housing Agency merged with the National Housing Finance Corporation in October 2018. This was the first step towards establishing a new, consolidated finance institution for the development of human settlements. The institution is expected to be formally established over the MTEF period, and is expected to support broader funding in the human settlements value chain.

## Expenditure trends

Table 38.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Human Settlements Policy, Strategy and Planning														
3. Human Settlements Delivery Support														
4. Housing Development Finance														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	435.1	440.6	411.1	442.3	460.1	420.9	457.7	471.5	419.8	442.7	439.8	439.8	95.2%	93.4%
Programme 2	74.3	73.5	75.7	83.1	88.1	86.6	93.6	93.6	99.9	89.8	92.7	92.7	104.1%	102.0%
Programme 3	169.8	165.6	120.8	224.6	217.3	151.7	217.3	216.9	156.5	246.0	246.0	236.0	77.5%	78.6%
Programme 4	30 264.1	29 863.6	29 426.9	29 940.9	29 930.9	29 928.0	32 695.8	32 695.8	32 694.3	31 577.3	31 677.4	31 477.4	99.2%	99.5%
<b>Total</b>	<b>30 943.4</b>	<b>30 543.4</b>	<b>30 034.5</b>	<b>30 690.9</b>	<b>30 696.4</b>	<b>30 587.2</b>	<b>33 464.3</b>	<b>33 477.7</b>	<b>33 370.5</b>	<b>32 355.7</b>	<b>32 455.8</b>	<b>32 245.8</b>	<b>99.0%</b>	<b>99.3%</b>
Change to 2018 Budget estimate										100.1				
Economic classification														
<b>Current payments</b>	<b>687.0</b>	<b>674.8</b>	<b>603.7</b>	<b>758.9</b>	<b>757.8</b>	<b>657.8</b>	<b>777.4</b>	<b>772.9</b>	<b>658.2</b>	<b>787.6</b>	<b>776.4</b>	<b>766.4</b>	<b>89.2%</b>	<b>90.1%</b>
Compensation of employees	322.2	320.8	310.2	383.5	371.5	325.3	383.3	383.3	345.9	376.9	376.9	376.9	92.7%	93.5%
Goods and services	364.7	354.0	293.5	375.4	386.3	332.5	394.1	389.6	312.2	410.7	399.5	389.5	85.9%	86.8%
<b>Transfers and subsidies</b>	<b>30 252.4</b>	<b>29 692.7</b>	<b>29 255.4</b>	<b>29 826.5</b>	<b>29 821.5</b>	<b>29 822.6</b>	<b>32 531.3</b>	<b>32 531.9</b>	<b>32 543.3</b>	<b>31 482.1</b>	<b>31 585.5</b>	<b>31 385.5</b>	<b>99.1%</b>	<b>99.5%</b>
Provinces and municipalities	28 857.0	28 957.0	28 957.0	29 123.5	29 123.5	29 123.5	31 351.6	31 351.6	31 351.6	30 391.3	30 491.4	30 491.4	100.2%	100.0%
Departmental agencies and accounts	1 385.5	724.5	287.9	692.4	682.4	682.4	1 167.0	1 167.0	1 167.0	1 079.0	1 079.0	879.0	69.8%	82.6%
Higher education institutions	–	–	–	–	–	3.5	–	–	–	3.5	3.5	3.5	200.0%	200.0%
Foreign governments and international organisations	1.2	1.2	1.4	1.2	1.2	1.9	1.3	1.5	2.1	1.3	4.2	4.2	194.0%	119.5%
Public corporations and private enterprises	–	–	–	–	5.0	5.0	1.5	1.5	10.9	–	–	–	1 062.1%	245.1%
Households	8.8	10.0	9.2	9.4	9.4	6.3	9.9	10.3	11.6	6.9	7.3	7.3	98.2%	92.7%
<b>Payments for capital assets</b>	<b>4.0</b>	<b>14.8</b>	<b>14.1</b>	<b>5.5</b>	<b>17.1</b>	<b>6.6</b>	<b>5.7</b>	<b>22.8</b>	<b>18.6</b>	<b>6.0</b>	<b>13.8</b>	<b>13.8</b>	<b>251.4%</b>	<b>77.5%</b>
Buildings and other fixed structures	–	0.2	0.2	–	–	–	–	–	–	–	–	–	–	96.3%
Machinery and equipment	3.7	14.5	13.8	5.2	16.8	6.5	5.7	22.8	18.6	6.0	13.8	13.8	256.0%	77.6%
Software and other intangible assets	0.3	0.1	0.1	0.3	0.3	0.1	–	–	–	–	–	–	25.4%	38.6%
<b>Payments for financial assets</b>	<b>–</b>	<b>161.1</b>	<b>161.3</b>	<b>100.0</b>	<b>100.0</b>	<b>100.2</b>	<b>150.0</b>	<b>150.1</b>	<b>150.5</b>	<b>80.0</b>	<b>80.2</b>	<b>80.2</b>	<b>149.1%</b>	<b>100.2%</b>
<b>Total</b>	<b>30 943.4</b>	<b>30 543.4</b>	<b>30 034.5</b>	<b>30 690.9</b>	<b>30 696.4</b>	<b>30 587.2</b>	<b>33 464.3</b>	<b>33 477.7</b>	<b>33 370.5</b>	<b>32 355.7</b>	<b>32 455.8</b>	<b>32 245.8</b>	<b>99.0%</b>	<b>99.3%</b>

## Expenditure estimates

**Table 38.3 Vote expenditure estimates by programme and economic classification**

Programmes								
1. Administration								
2. Human Settlements Policy, Strategy and Planning								
3. Human Settlements Delivery Support								
4. Housing Development Finance								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	439.8	-0.1%	1.3%	464.7	495.2	523.9	6.0%	1.4%
Programme 2	92.7	8.0%	0.3%	104.7	111.8	119.1	8.7%	0.3%
Programme 3	236.0	12.5%	0.5%	258.7	327.1	346.5	13.7%	0.8%
Programme 4	31 477.4	1.8%	97.9%	33 051.1	34 198.0	35 681.4	4.3%	97.4%
<b>Total</b>	<b>32 245.8</b>	<b>1.8%</b>	<b>100.0%</b>	<b>33 879.2</b>	<b>35 132.0</b>	<b>36 670.8</b>	<b>4.4%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				191.3	(654.1)	(1 740.6)		
Economic classification								
<b>Current payments</b>	<b>766.4</b>	<b>4.3%</b>	<b>2.1%</b>	<b>839.9</b>	<b>946.8</b>	<b>1 003.1</b>	<b>9.4%</b>	<b>2.6%</b>
Compensation of employees	376.9	5.5%	1.1%	405.7	436.1	464.5	7.2%	1.2%
Goods and services	389.5	3.2%	1.1%	434.2	510.7	538.6	11.4%	1.4%
<b>Transfers and subsidies</b>	<b>31 385.5</b>	<b>1.9%</b>	<b>97.4%</b>	<b>32 985.8</b>	<b>34 181.6</b>	<b>35 664.0</b>	<b>4.4%</b>	<b>97.3%</b>
Provinces and municipalities	30 491.4	1.7%	95.0%	31 798.9	32 685.5	33 954.7	3.7%	93.5%
Departmental agencies and accounts	879.0	6.7%	2.4%	1 172.9	1 481.1	1 693.3	24.4%	3.8%
Higher education institutions	3.5	–	0.0%	3.5	3.5	3.5	–	0.0%
Foreign governments and international organisations	4.2	54.6%	0.0%	3.1	3.4	3.8	-3.9%	0.0%
Households	7.3	-10.1%	0.0%	7.5	8.1	8.7	6.2%	0.0%
<b>Payments for capital assets</b>	<b>13.8</b>	<b>-2.4%</b>	<b>0.0%</b>	<b>3.4</b>	<b>3.6</b>	<b>3.8</b>	<b>-34.9%</b>	<b>0.0%</b>
Machinery and equipment	13.8	-1.7%	0.0%	3.4	3.6	3.8	-34.9%	0.0%
<b>Payments for financial assets</b>	<b>80.2</b>	<b>-20.8%</b>	<b>0.4%</b>	<b>50.0</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>
<b>Total</b>	<b>32 245.8</b>	<b>1.8%</b>	<b>100.0%</b>	<b>33 879.2</b>	<b>35 132.0</b>	<b>36 670.8</b>	<b>4.4%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 38.4 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
Human settlements development grant	18 302 675	18 283 991	19 969 343	18 266 647	-0.1%	59.3%	18 779 815	15 936 617	15 397 240	-5.5%	49.6%
Urban settlements development grant	10 554 345	10 839 468	11 382 247	11 306 137	2.3%	34.9%	12 045 386	9 716 794	9 373 053	-6.1%	30.8%
Social Housing Regulatory Authority: Consolidated capital grant	109 210	424 388	851 658	743 640	89.5%	1.7%	723 706	762 747	804 646	2.7%	2.2%
Housing Development Agency	104 615	147 512	210 668	222 177	28.5%	0.5%	229 311	241 939	255 245	4.7%	0.7%
Municipal emergency housing grant	–	–	–	140 000	–	0.1%	149 100	158 792	167 526	6.2%	0.4%
Provincial emergency housing grant	–	–	–	260 000	–	0.2%	276 900	294 899	311 118	6.2%	0.8%
Title deeds restoration grant	–	–	–	518 655	–	0.4%	547 700	577 823	–	-100.0%	1.2%
<b>Total</b>	<b>29 070 845</b>	<b>29 695 359</b>	<b>32 413 916</b>	<b>31 457 256</b>	<b>2.7%</b>	<b>97.1%</b>	<b>32 751 918</b>	<b>27 689 611</b>	<b>26 308 828</b>	<b>-5.8%</b>	<b>85.7%</b>

## Goods and services expenditure trends and estimates

**Table 38.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
Administrative fees	324	244	1 274	358	3.4%	0.2%	330	349	368	0.9%	0.1%
Advertising	20 019	13 501	22 229	22 334	3.7%	5.8%	23 182	24 460	25 805	4.9%	5.1%
Minor assets	1 664	619	417	4 544	39.8%	0.5%	11 202	11 824	12 612	40.5%	2.1%
Audit costs: External	7 169	7 481	10 054	9 161	8.5%	2.5%	9 658	10 176	10 736	5.4%	2.1%
Bursaries: Employees	974	834	947	2 031	27.8%	0.4%	2 150	2 268	2 393	5.6%	0.5%
Catering: Departmental activities	4 568	2 174	3 751	5 115	3.8%	1.2%	4 085	4 308	4 546	-3.9%	1.0%
Communication	9 798	9 658	10 420	11 371	5.1%	3.1%	11 655	12 296	12 974	4.5%	2.6%
Computer services	43 874	53 261	33 901	58 568	10.1%	14.2%	61 535	64 858	68 424	5.3%	13.5%
Consultants: Business and advisory services	34 484	70 668	30 771	137 367	58.5%	20.4%	153 117	214 161	225 594	18.0%	38.8%
Legal services	2 850	1 351	5 866	3 130	3.2%	1.0%	3 300	3 482	3 674	5.5%	0.7%
Science and technological services	144	-	-	-	-100.0%	-	-	-	-	-	-
Contractors	749	7 603	18 578	4 784	85.5%	2.4%	4 359	4 598	4 852	0.5%	1.0%
Agency and support/outsourced services	2 207	3 034	-	626	-34.3%	0.4%	-	-	-	-100.0%	-
Entertainment	200	190	201	749	55.3%	0.1%	953	966	1 020	10.8%	0.2%
Fleet services (including government motor transport)	1 777	1 284	1 369	1 857	1.5%	0.5%	2 160	2 279	2 404	9.0%	0.5%
Inventory: Clothing material and accessories	267	198	-	-	-100.0%	-	-	-	-	-	-
Inventory: Materials and supplies	27	42	-	-	-100.0%	-	-	-	-	-	-
Inventory: Medical supplies	-	1	-	-	-	-	-	-	-	-	-
Consumable supplies	918	1 230	2 269	2 896	46.7%	0.5%	2 872	3 028	3 192	3.3%	0.6%
Consumables: Stationery, printing and office supplies	4 082	3 328	4 575	8 296	26.7%	1.5%	14 042	14 815	15 632	23.5%	2.8%
Operating leases	34 216	38 228	40 223	28 737	-5.7%	10.6%	30 300	32 081	33 846	5.6%	6.6%
Rental and hiring	788	-	-	8	-78.3%	0.1%	-	-	-	-100.0%	-
Property payments	8 113	9 129	9 907	15 293	23.5%	3.2%	15 890	16 764	17 686	5.0%	3.5%
Transport provided: Departmental activity	25 672	-	-	-	-100.0%	1.9%	-	-	-	-	-
Travel and subsistence	46 539	69 869	71 051	53 848	5.0%	18.0%	56 144	59 217	62 493	5.1%	12.3%
Training and development	3 656	2 752	2 768	4 927	10.5%	1.1%	5 204	5 491	5 793	5.5%	1.1%
Operating payments	7 515	6 793	6 976	9 787	9.2%	2.3%	10 681	11 268	11 884	6.7%	2.3%
Venues and facilities	30 920	29 025	34 676	13 672	-23.8%	8.1%	11 400	12 027	12 690	-2.5%	2.6%
<b>Total</b>	<b>293 514</b>	<b>332 497</b>	<b>312 223</b>	<b>399 459</b>	<b>10.8%</b>	<b>100.0%</b>	<b>434 219</b>	<b>510 716</b>	<b>538 618</b>	<b>10.5%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 38.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>1 705</b>	<b>1 482</b>	<b>1 778</b>	<b>360</b>	<b>-40.5%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Transfers to households	1 522	1 479	1 631	249	-45.3%	-	-	-	-	-100.0%	-
Employee social benefits	-	-	123	111	-	-	-	-	-	-100.0%	-
Leave gratuities	183	3	24	-	-100.0%	-	-	-	-	-	-

Table 38.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>178 696</b>	<b>258 007</b>	<b>315 373</b>	<b>335 394</b>	<b>23.4%</b>	<b>0.9%</b>	<b>449 178</b>	<b>718 399</b>	<b>888 661</b>	<b>38.4%</b>	<b>1.8%</b>
Social Housing Regulatory Authority: Operational	34 560	36 392	46 815	51 980	14.6%	0.1%	65 761	69 378	73 194	12.1%	0.2%
Housing Development Agency	104 615	147 512	210 668	222 177	28.5%	0.6%	229 311	241 939	255 245	4.7%	0.7%
Housing Development Agency: National upgrading support programme	-	10 000	-	-	-	-	-	-	-	-	-
National Housing Finance Corporation: Finance linked individual subsidy programme	-	-	-	-	-	-	5 000	15 750	20 000	-	-
Operational	-	-	-	-	-	-	-	-	-	-	-
Community Schemes Ombud Service	39 521	30 020	29 400	31 105	-7.7%	0.1%	32 847	34 654	36 560	5.5%	0.1%
Social Housing Regulatory Authority: Institutional investment	-	28 083	20 490	20 132	-	0.1%	21 259	22 428	23 662	5.5%	0.1%
Social Housing Regulatory Authority: Regulations	-	6 000	8 000	10 000	-	-	-	-	-	-100.0%	-
National Housing Finance Corporation: Finance linked individual subsidy programme	-	-	-	-	-	-	95 000	334 250	480 000	-	0.7%
<b>Capital</b>	<b>109 210</b>	<b>424 388</b>	<b>851 658</b>	<b>743 640</b>	<b>89.5%</b>	<b>1.7%</b>	<b>723 706</b>	<b>762 747</b>	<b>804 646</b>	<b>2.7%</b>	<b>2.3%</b>
Social Housing Regulatory Authority: Consolidated capital grant	109 210	424 388	851 658	743 640	89.5%	1.7%	723 706	762 747	804 646	2.7%	2.3%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>7 450</b>	<b>4 842</b>	<b>9 820</b>	<b>6 922</b>	<b>-2.4%</b>	<b>-</b>	<b>7 474</b>	<b>8 078</b>	<b>8 715</b>	<b>8.0%</b>	<b>-</b>
Bursaries for non-employees	7 301	4 587	9 820	6 892	-1.9%	-	7 474	8 078	8 715	8.1%	-
Gifts and donations	149	255	-	30	-41.4%	-	-	-	-	-100.0%	-
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Capital</b>	<b>10 654 345</b>	<b>10 839 468</b>	<b>11 382 247</b>	<b>11 446 137</b>	<b>2.4%</b>	<b>36.0%</b>	<b>12 194 486</b>	<b>12 860 871</b>	<b>13 924 409</b>	<b>6.8%</b>	<b>37.5%</b>
Urban settlements development grant	10 554 345	10 839 468	11 382 247	11 306 137	2.3%	35.8%	12 045 386	9 716 794	9 373 053	-6.1%	31.6%
Municipal human settlements capacity grant	100 000	-	-	-	-100.0%	0.1%	-	-	-	-	-
Municipal emergency housing grant	-	-	-	140 000	-	0.1%	149 100	158 792	167 526	6.2%	0.5%
Informal settlements upgrading partnership grant: Municipalities	-	-	-	-	-	-	-	2 985 285	4 383 830	-	5.5%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>1 368</b>	<b>1 923</b>	<b>2 121</b>	<b>4 246</b>	<b>45.9%</b>	<b>-</b>	<b>3 085</b>	<b>3 395</b>	<b>3 770</b>	<b>-3.9%</b>	<b>-</b>
Habitat Foundation	1 368	1 923	2 121	3 516	37.0%	-	2 400	2 695	3 050	-4.6%	-
Cities Alliance	-	-	-	730	-	-	685	700	720	-0.5%	-
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>-</b>	<b>5 000</b>	<b>10 932</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Council for Scientific and Industrial Research	-	5 000	10 932	-	-	-	-	-	-	-	-
<b>Higher education institutions</b>											
<b>Current</b>	<b>-</b>	<b>3 500</b>	<b>-</b>	<b>3 500</b>	<b>-</b>	<b>-</b>	<b>3 500</b>	<b>3 500</b>	<b>3 500</b>	<b>-</b>	<b>-</b>
Mangosuthu University of Technology	-	3 500	-	3 500	-	-	3 500	3 500	3 500	-	-
<b>Provinces and municipalities</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>518 655</b>	<b>-</b>	<b>0.4%</b>	<b>547 700</b>	<b>577 823</b>	<b>-</b>	<b>-100.0%</b>	<b>1.2%</b>
Title deeds restoration grant	-	-	-	518 655	-	0.4%	547 700	577 823	-	-100.0%	1.2%
<b>Capital</b>	<b>18 302 675</b>	<b>18 283 991</b>	<b>19 969 343</b>	<b>18 526 647</b>	<b>0.4%</b>	<b>60.9%</b>	<b>19 056 715</b>	<b>19 246 802</b>	<b>20 030 267</b>	<b>2.6%</b>	<b>57.2%</b>
Human settlements development grant	18 302 675	18 283 991	19 969 343	18 266 647	-0.1%	60.7%	18 779 815	15 936 617	15 397 240	-5.5%	50.9%
Provincial emergency housing grant	-	-	-	260 000	-	0.2%	276 900	294 899	311 118	6.2%	0.9%
Informal settlements upgrading partnership grant: Provinces	-	-	-	-	-	-	-	3 015 286	4 321 909	-	5.5%
<b>Total</b>	<b>29 255 449</b>	<b>29 822 601</b>	<b>32 543 272</b>	<b>31 585 501</b>	<b>2.6%</b>	<b>100.0%</b>	<b>32 985 844</b>	<b>34 181 615</b>	<b>35 663 968</b>	<b>4.1%</b>	<b>100.0%</b>

## Personnel information

**Table 38.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment															Number		
Number of posts estimated for 31 March 2019																	Average growth rate (%)	Average: Salary level/Total (%)	
Number of funded posts	Number of posts additional to the establishment	Actual 2017/18			Revised estimate 2018/19			Medium-term expenditure estimate					2018/19 - 2021/22						
		Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20		2020/21		2021/22		2018/19 - 2021/22					
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2018/19 - 2021/22		
<b>Human Settlements</b>																			
Salary level	557	25	597	345.9	0.6	628	376.9	0.6	629	405.7	0.6	629	436.1	0.7	626	464.5	0.7	-0.1%	100.0%
1 – 6	142	6	156	38.3	0.2	143	37.5	0.3	143	40.2	0.3	142	43.2	0.3	142	46.5	0.3	-0.2%	22.7%
7 – 10	215	3	230	101.1	0.4	224	109.4	0.5	224	117.2	0.5	225	126.9	0.6	223	135.1	0.6	-0.1%	35.7%
11 – 12	118	7	121	95.5	0.8	125	101.6	0.8	125	109.2	0.9	125	117.0	0.9	125	125.1	1.0	–	19.9%
13 – 16	80	9	88	106.8	1.2	96	121.0	1.3	97	131.1	1.4	97	140.5	1.4	96	148.6	1.5	–	15.4%
Other	2	–	2	4.2	2.1	40	7.5	0.2	40	8.0	0.2	40	8.6	0.2	40	9.1	0.2	–	6.4%
<b>Programme</b>	<b>557</b>	<b>25</b>	<b>597</b>	<b>345.9</b>	<b>0.6</b>	<b>628</b>	<b>376.9</b>	<b>0.6</b>	<b>629</b>	<b>405.7</b>	<b>0.6</b>	<b>629</b>	<b>436.1</b>	<b>0.7</b>	<b>626</b>	<b>464.5</b>	<b>0.7</b>	<b>-0.1%</b>	<b>100.0%</b>
Programme 1	367	20	403	207.2	0.5	421	223.8	0.5	422	239.7	0.6	422	257.9	0.6	419	273.6	0.7	-0.2%	67.0%
Programme 2	75	3	79	57.6	0.7	83	61.5	0.7	83	69.2	0.8	83	74.2	0.9	83	79.4	1.0	–	13.2%
Programme 3	87	2	88	62.1	0.7	96	72.0	0.7	96	75.2	0.8	96	80.7	0.8	96	86.5	0.9	–	15.3%
Programme 4	28	–	27	19.0	0.7	28	19.7	0.7	28	21.7	0.8	28	23.3	0.8	28	25.0	0.9	–	4.5%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 38.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate 2018/19	Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Receipt item/ Total (%) 2015/16 - 2018/19	Medium-term receipts estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Receipt item/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18					2019/20	2020/21	2021/22		
<b>Departmental receipts</b>	<b>1 237</b>	<b>539</b>	<b>603</b>	<b>850</b>	<b>850</b>	<b>-11.8%</b>	<b>100.0%</b>	<b>242</b>	<b>251</b>	<b>262</b>	<b>-32.4%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>199</b>	<b>201</b>	<b>203</b>	<b>204</b>	<b>204</b>	<b>0.8%</b>	<b>25.0%</b>	<b>223</b>	<b>231</b>	<b>240</b>	<b>5.6%</b>	<b>56.0%</b>
Sales by market establishments	66	66	63	64	64	-1.0%	8.0%	62	66	70	3.0%	16.3%
of which:												
Parking	66	66	63	64	64	-1.0%	8.0%	62	66	70	3.0%	16.3%
Administrative fees	–	–	–	–	–	–	–	157	160	164	–	30.0%
of which:												
Commission on insurance	–	–	–	–	–	–	–	157	160	164	–	30.0%
Other sales	133	135	140	140	140	1.7%	17.0%	4	5	6	-65.0%	9.7%
of which:												
Replacement of security cards	133	135	140	140	140	1.7%	17.0%	4	5	6	-65.0%	9.7%
Sales of scrap, waste, arms and other used current goods	3	3	4	4	4	10.1%	0.4%	6	6	6	14.5%	1.4%
of which:												
Wastepaper	3	3	4	4	4	10.1%	0.4%	6	6	6	14.5%	1.4%
Interest, dividends and rent on land	166	20	53	22	22	-49.0%	8.1%	13	14	16	-10.1%	4.0%
Interest	166	20	53	22	22	-49.0%	8.1%	13	14	16	-10.1%	4.0%
Transactions in financial assets and liabilities	869	315	343	620	620	-10.6%	66.5%	–	–	–	-100.0%	38.6%
<b>Total</b>	<b>1 237</b>	<b>539</b>	<b>603</b>	<b>850</b>	<b>850</b>	<b>-11.8%</b>	<b>100.0%</b>	<b>242</b>	<b>251</b>	<b>262</b>	<b>-32.4%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.



## Expenditure trends and estimates

**Table 38.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Ministry	78.6	75.6	73.9	58.2	-9.5%	16.9%	55.6	58.6	61.7	2.0%	12.2%
Departmental Management	56.6	63.9	54.5	87.3	15.6%	15.5%	89.0	96.7	101.5	5.1%	19.5%
Corporate Services	188.4	189.2	191.2	197.7	1.6%	45.3%	211.7	224.7	238.4	6.5%	45.4%
Property Management	42.0	47.1	48.1	41.1	-0.8%	10.5%	43.3	45.8	48.4	5.6%	9.3%
Financial Management	45.5	45.1	52.1	55.5	6.8%	11.7%	65.0	69.3	73.8	10.0%	13.7%
<b>Total</b>	<b>411.1</b>	<b>420.9</b>	<b>419.8</b>	<b>439.8</b>	<b>2.3%</b>	<b>100.0%</b>	<b>464.7</b>	<b>495.2</b>	<b>523.9</b>	<b>6.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(2.9)			(6.9)	(7.5)	(9.1)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>398.9</b>	<b>414.0</b>	<b>401.8</b>	<b>431.8</b>	<b>2.7%</b>	<b>97.3%</b>	<b>462.6</b>	<b>493.0</b>	<b>521.5</b>	<b>6.5%</b>	<b>99.2%</b>
Compensation of employees	186.8	194.4	207.2	223.8	6.2%	48.0%	239.7	257.9	273.6	6.9%	51.7%
Goods and services <sup>1</sup>	212.1	219.6	194.6	208.0	-0.6%	49.3%	222.9	235.0	247.9	6.0%	47.5%
of which:											
Advertising	19.1	13.3	18.5	21.2	3.5%	4.3%	22.7	24.0	25.3	6.1%	4.8%
Computer services	43.8	41.5	19.4	31.1	-10.8%	8.0%	32.5	34.2	36.1	5.1%	7.0%
Consultants: Business and advisory services	8.1	18.3	3.9	24.6	44.9%	3.2%	23.9	25.0	26.2	2.2%	5.2%
Operating leases	34.2	38.2	40.2	28.7	-5.7%	8.4%	30.3	32.1	33.8	5.6%	6.5%
Property payments	8.1	9.1	9.9	15.3	23.5%	2.5%	15.9	16.8	17.7	5.0%	3.4%
Travel and subsistence	18.7	43.0	42.4	25.7	11.2%	7.7%	28.8	30.4	32.0	7.6%	6.1%
Transfers and subsidies <sup>1</sup>	1.0	1.5	0.7	0.2	-41.0%	0.2%	-	-	-	-100.0%	-
Households	1.0	1.5	0.7	0.2	-41.0%	0.2%	-	-	-	-100.0%	-
Payments for capital assets	10.9	5.2	17.0	7.6	-11.4%	2.4%	2.1	2.2	2.3	-32.5%	0.7%
Buildings and other fixed structures	0.2	-	-	-	-100.0%	-	-	-	-	-	-
Machinery and equipment	10.6	5.1	17.0	7.6	-10.5%	2.4%	2.1	2.2	2.3	-32.5%	0.7%
Software and other intangible assets	0.1	0.1	-	-	-100.0%	-	-	-	-	-	-
Payments for financial assets	0.3	0.2	0.3	0.1	-23.7%	-	-	-	-	-100.0%	-
<b>Total</b>	<b>411.1</b>	<b>420.9</b>	<b>419.8</b>	<b>439.8</b>	<b>2.3%</b>	<b>100.0%</b>	<b>464.7</b>	<b>495.2</b>	<b>523.9</b>	<b>6.0%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	1.4%	1.4%	1.3%	1.4%	-	-	1.4%	1.4%	1.4%	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Human Settlements Policy, Strategy and Planning

### Programme purpose

Manage the development of policy and compliance with human settlements sector delivery and intergovernmental relations frameworks, and oversee integrated human settlements strategic and planning services.

### Objectives

- Ensure compliance with frameworks on the governance of human settlements by developing and maintaining policies, programmes, and norms and standards for human settlements development on an ongoing basis.
- Promote the sustainable development of human settlements by drafting a new human settlements policy and legislation by March 2020.
- Facilitate the national rollout of human settlements programmes and related projects by managing and monitoring the planning frameworks and processes of the programmes on an ongoing basis.
- Improve the development of sustainable human settlements by assessing identified municipalities for accreditation on an ongoing basis.
- Improve cooperation and collaboration in the sector by managing intergovernmental and sector relations with all stakeholders in the value chain of human settlements development by coordinating 32 intergovernmental forums and 14 stakeholder partnerships by March 2022.

## Subprogrammes

- *Management for Policy, Strategy and Planning* provides strategic leadership to the programme.
- *Human Settlements Policy Frameworks* manages the implementation of the national housing code, provides advisory services to provinces and municipalities in relation to the application of the code, and facilitates the accreditation of municipalities.
- *Human Settlements Strategy and Planning* manages the research, development and evaluation of the human settlements macro strategy; manages the human settlements planning framework; and communicates the national human settlements development plan to sector stakeholders through the implementation of international and intergovernmental programmes and plans.

## Expenditure trends and estimates

**Table 38.10 Human Settlements Policy, Strategy and Planning expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
Management for Policy, Strategy and Planning	7.4	7.6	7.1	8.1	2.9%	8.5%	8.4	8.9	9.4	5.0%	8.1%
Human Settlements Policy Frameworks	29.2	27.9	29.7	33.4	4.6%	33.9%	38.7	41.6	44.4	10.0%	36.9%
Human Settlements Strategy and Planning	39.1	51.1	63.1	51.2	9.4%	57.6%	57.6	61.3	65.3	8.4%	55.0%
<b>Total</b>	<b>75.7</b>	<b>86.6</b>	<b>99.9</b>	<b>92.7</b>	<b>7.0%</b>	<b>100.0%</b>	<b>104.7</b>	<b>111.8</b>	<b>119.1</b>	<b>8.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				2.9			8.7	9.1	10.1		
<b>Economic classification</b>											
<b>Current payments</b>	<b>72.9</b>	<b>79.0</b>	<b>85.2</b>	<b>87.1</b>	<b>6.1%</b>	<b>91.4%</b>	<b>101.2</b>	<b>107.9</b>	<b>114.9</b>	<b>9.7%</b>	<b>96.0%</b>
Compensation of employees	49.8	53.4	57.6	61.5	7.3%	62.7%	69.2	74.2	79.4	8.9%	66.4%
Goods and services <sup>1</sup>	23.1	25.6	27.6	25.6	3.5%	28.7%	32.0	33.7	35.5	11.5%	29.6%
of which:											
Minor assets	0.2	0.0	0.1	0.6	59.6%	0.3%	1.3	1.4	1.4	30.5%	1.1%
Catering: Departmental activities	0.6	0.5	0.9	1.0	18.5%	0.9%	1.4	1.4	1.5	13.1%	1.2%
Communication	1.3	1.3	1.7	1.7	8.2%	1.7%	1.5	1.6	1.7	1.0%	1.5%
Consultants: Business and advisory services	2.1	1.1	3.4	5.9	40.1%	3.5%	10.8	11.4	11.9	26.3%	9.4%
Travel and subsistence	14.2	14.8	11.6	10.9	-8.5%	14.5%	11.2	11.8	12.5	4.6%	10.8%
Venues and facilities	2.9	6.5	5.5	2.9	-0.2%	5.0%	3.3	3.5	3.7	8.8%	3.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1.6</b>	<b>7.0</b>	<b>13.9</b>	<b>4.3</b>	<b>-</b>	<b>-</b>	<b>3.1</b>	<b>3.4</b>	<b>3.8</b>	<b>-</b>	<b>-</b>
Foreign governments and international organisations	1.4	1.9	2.1	4.2	38.9%	7.6%	3.1	3.4	3.8	-4.4%	3.4%
Public corporations and private enterprises	-	5.0	10.9	-	45.9%	2.7%	-	-	-	-3.9%	3.4%
Households	0.2	0.1	0.8	0.1	-	4.5%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>1.2</b>	<b>0.5</b>	<b>0.8</b>	<b>1.2</b>	<b>-33.8%</b>	<b>0.3%</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>-100.0%</b>	<b>-</b>
Machinery and equipment	1.2	0.5	0.8	1.2	0.5%	1.1%	0.4	0.4	0.4	-28.9%	0.6%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.5%</b>	<b>1.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-28.9%</b>	<b>0.6%</b>
<b>Total</b>	<b>75.7</b>	<b>86.6</b>	<b>99.9</b>	<b>92.7</b>	<b>-51.3%</b>	<b>-</b>	<b>104.7</b>	<b>111.8</b>	<b>119.1</b>	<b>-100.0%</b>	<b>-</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>7.0%</b>	<b>100.0%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>8.7%</b>	<b>100.0%</b>
<b>Details of selected transfers and subsidies</b>											
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>1.4</b>	<b>1.9</b>	<b>2.1</b>	<b>4.2</b>	<b>0.5%</b>	<b>2.7%</b>	<b>3.1</b>	<b>3.4</b>	<b>3.8</b>	<b>-28.9%</b>	<b>3.4%</b>
Habitat Foundation	1.4	1.9	2.1	3.5	-	2.5%	2.4	2.7	3.1	-	2.7%
Cities Alliance	-	-	-	0.7	-	0.2%	0.7	0.7	0.7	-	0.7%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>-</b>	<b>5.0</b>	<b>10.9</b>	<b>-</b>	<b>-51.3%</b>	<b>4.5%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Council for Scientific and Industrial Research	-	5.0	10.9	-	7.0%	4.5%	-	-	-	8.7%	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Human Settlements Delivery Support

### Programme purpose

Support the execution, and monitor and evaluate the implementation of human settlements programmes and projects. Manage the building of capacity and skills in the sector and provide oversight of public entities.

### Objectives

- Improve the delivery rate of housing projects, including blocked projects and informal settlement upgrading projects, by providing technical support to all provinces and municipalities for the planning and implementation of strategic programmes and projects on an ongoing basis.
- Promote better human settlements outcomes in informal settlements by implementing the national upgrading support programme in 117 municipalities over the next three years.
- Ensure and verify the delivery of quality housing opportunities by monitoring and evaluating the performance of provinces and municipalities, as reported in the housing subsidy system, through project-level site visits, review sessions and workshops on a quarterly basis.
- Develop professional and institutional capacity to support roles and responsibilities at the provincial and municipal spheres by managing training and skills development programmes for officials and communities on an ongoing basis.
- Manage the performance of public entities, provinces and municipalities by monitoring the performance of human settlements development and housing programmes on a quarterly basis.

### Subprogrammes

- *Management for Human Settlements Delivery Support* provides strategic leadership to the programme.
- *Programme Management Unit* provides support to provinces and municipalities for the implementation of housing and human settlements projects and programmes, including catalytic projects.
- *Chief of Operations* provides regulatory, strategic and policy oversight to the public entities reporting to the department; and manages the development of sector-specific technical skills development programmes and strategies, as well as the scholarship programme.

### Expenditure trends and estimates

**Table 38.11 Human Settlements Delivery Support expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
Management for Human Settlements Delivery Support	7.5	6.8	11.2	9.0	6.2%	5.1%	8.9	9.4	10.0	3.4%	3.2%
Programme Management Unit	70.6	99.9	102.1	189.0	38.9%	68.4%	202.2	267.3	283.2	14.4%	79.9%
Chief of Operations	42.7	45.0	43.2	48.0	4.0%	26.5%	47.6	50.4	53.3	3.6%	16.9%
<b>Total</b>	<b>120.8</b>	<b>151.7</b>	<b>156.5</b>	<b>246.0</b>	<b>26.8%</b>	<b>100.0%</b>	<b>258.7</b>	<b>327.1</b>	<b>346.5</b>	<b>12.1%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			(2.3)	(2.7)	(2.3)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>111.8</b>	<b>142.7</b>	<b>145.7</b>	<b>230.8</b>	<b>27.3%</b>	<b>93.5%</b>	<b>246.9</b>	<b>314.7</b>	<b>333.3</b>	<b>13.0%</b>	<b>95.5%</b>
Compensation of employees	58.0	59.9	62.1	72.0	7.5%	37.3%	75.2	80.7	86.5	6.3%	26.7%
Goods and services <sup>1</sup>	53.8	82.8	83.6	158.8	43.4%	56.1%	171.8	234.0	246.8	15.8%	68.9%
of which:											
Communication	1.2	1.0	1.8	2.1	21.5%	0.9%	2.0	2.1	2.2	2.2%	0.7%
Computer services	0.0	11.8	14.5	27.5	789.6%	8.0%	29.0	30.6	32.3	5.6%	10.1%
Consultants: Business and advisory services	24.1	51.3	22.3	104.5	63.0%	30.0%	116.7	175.9	185.6	21.1%	49.5%
Consumables: Stationery, printing and office supplies	0.3	0.6	0.5	2.0	94.0%	0.5%	2.4	2.5	2.7	10.6%	0.8%
Travel and subsistence	12.0	10.5	15.4	14.8	7.2%	7.8%	13.5	14.3	15.1	0.7%	4.9%
Operating payments	0.6	0.5	0.2	1.4	28.6%	0.4%	2.0	2.1	2.2	17.6%	0.6%

**Table 38.11 Human Settlements Delivery Support expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
<b>Transfers and subsidies<sup>1</sup></b>	<b>7.9</b>	<b>8.2</b>	<b>10.1</b>	<b>10.5</b>	<b>10.0%</b>	<b>5.4%</b>	<b>11.0</b>	<b>11.6</b>	<b>12.2</b>	<b>5.3%</b>	<b>3.8%</b>
Higher education institutions	–	3.5	–	3.5	–	1.0%	3.5	3.5	3.5	–	1.2%
Households	7.9	4.7	10.1	7.0	-3.9%	4.4%	7.5	8.1	8.7	7.7%	2.7%
<b>Payments for capital assets</b>	<b>1.1</b>	<b>0.8</b>	<b>0.5</b>	<b>4.7</b>	<b>63.2%</b>	<b>1.1%</b>	<b>0.8</b>	<b>0.9</b>	<b>0.9</b>	<b>-41.6%</b>	<b>0.6%</b>
Machinery and equipment	1.1	0.8	0.5	4.7	63.2%	1.1%	0.8	0.9	0.9	-41.6%	0.6%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.1</b>	<b>0.2</b>	<b>0.0</b>	–	–	–	–	–	–	–
<b>Total</b>	<b>120.8</b>	<b>151.7</b>	<b>156.5</b>	<b>246.0</b>	<b>0.8%</b>	<b>0.1%</b>	<b>258.7</b>	<b>327.1</b>	<b>346.5</b>	<b>-100.0%</b>	<b>–</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.4%</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.8%</b>	<b>26.8%</b>	<b>100.0%</b>	<b>0.8%</b>	<b>0.9%</b>	<b>0.9%</b>	<b>12.1%</b>	<b>100.0%</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>7.3</b>	<b>4.6</b>	<b>9.8</b>	<b>6.9</b>	–	<b>4.2%</b>	<b>7.5</b>	<b>8.1</b>	<b>8.7</b>	–	<b>2.6%</b>
Bursaries for non-employees	7.3	4.6	9.8	6.9	-3.9%	4.2%	7.5	8.1	8.7	7.7%	2.6%
<b>Higher education institutions</b>											
<b>Current</b>	–	<b>3.5</b>	–	<b>3.5</b>	–	<b>1.0%</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>	–	<b>1.2%</b>
Mangosuthu University of Technology	–	3.5	–	3.5	63.2%	1.0%	3.5	3.5	3.5	-41.6%	1.2%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Housing Development Finance

### Programme purpose

Fund the delivery of housing and human settlements programmes, and manage all matters related to improving access to housing finance and developing partnerships with the financial sector.

### Objectives

- Manage the performance of provinces and municipalities by monitoring the expenditure and non-financial performance of human settlements development and housing programmes on a monthly and quarterly basis.
- Accelerate the delivery of housing and human settlements by providing funding from the *human settlements development grant*, the *urban settlements development grant*, the *informal settlements upgrading partnership grant*, the *title deeds restoration grant*, the *emergency housing grant* and transfers to public entities on an ongoing basis.
- Improve access to housing finance by collaborating with the private sector and related entities to develop mechanisms to increase market penetration and provide loans to low- and middle-income households on an ongoing basis.
- Ensure equal access to housing finance through monitoring the lending practices of the financial sector by publishing an annual report on mortgage finance.

### Subprogrammes

- *Management for Housing Development Finance* provides strategic leadership to the programme.
- *Chief Investment Officer* monitors the spending and performance of provinces and municipalities implementing housing and human settlements programmes, mobilises the financial sector to provide financial resources to human settlements development, and monitors and reports on the lending patterns by financial institutions through the Office of Disclosure.
- *Human Settlements Development Grant* reflects the conditional allocation transferred to all provinces for delivering housing projects as per the national housing code.
- *Contributions* makes transfers to certain public entities reporting to the department, such as the Social Housing Regulatory Authority and the Housing Development Agency.

- *Urban Settlements Development Grant* reflects the conditional allocations transferred to metropolitan municipalities to supplement their capital budgets for infrastructure to support broader urban development.
- *Municipal Human Settlements Capacity Grant* reflects the conditional grant transferred to municipalities to build capacity within metropolitan municipalities. This subprogramme has subsequently been closed down as the conditional grant no longer exists.
- *Title Deeds Restoration Grant* reflects the conditional grant allocation to provinces for the eradication of backlogs in issuing title deeds. The grant ends in 2020/21.
- *Emergency Housing Grant* reflects the allocation of funds related to emergency housing in provinces and municipalities.
- *Informal Settlements Upgrading Partnership Grants* reflects the conditional grant allocation to metropolitan cities and provinces for the upgrading of informal settlements.

## Expenditure trends and estimates

**Table 38.12 Housing Development Finance expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R million											
Management for Housing Development Finance	1.0	2.1	2.7	4.5	62.6%	-	4.6	4.8	5.0	4.1%	-
Chief Investment Officer	20.0	20.0	23.0	22.5	4.0%	0.1%	24.7	26.5	28.4	8.1%	0.1%
Human Settlements Development Grant	18 302.7	18 284.0	19 969.3	18 266.6	-0.1%	60.5%	18 779.8	15 936.6	15 397.2	-5.5%	50.8%
Contributions	448.9	782.4	1 317.0	1 159.0	37.2%	3.0%	1 222.9	1 481.1	1 693.3	13.5%	4.1%
Urban Settlements Development Grant	10 554.3	10 839.5	11 382.2	11 306.1	2.3%	35.6%	12 045.4	9 716.8	9 373.1	-6.1%	31.5%
Municipal Human Settlements Capacity Grant	100.0	-	-	-	-100.0%	0.1%	-	-	-	-	-
Title Deeds Restoration Grant	-	-	-	518.7	-	0.4%	547.7	577.8	-	-100.0%	1.2%
Emergency Housing Grant	-	-	-	400.0	-	0.3%	426.0	453.7	478.6	6.2%	1.3%
Informal Settlements Upgrading Partnership Grants	-	-	-	-	-	-	-	6 000.6	8 705.7	-	10.9%
<b>Total</b>	<b>29 426.9</b>	<b>29 928.0</b>	<b>32 694.3</b>	<b>31 677.4</b>	<b>2.5%</b>	<b>100.0%</b>	<b>33 051.1</b>	<b>34 198.0</b>	<b>35 681.4</b>	<b>4.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				100.1			191.7	(653.1)	(1 739.4)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>20.1</b>	<b>22.0</b>	<b>25.4</b>	<b>26.7</b>	<b>9.9%</b>	<b>0.1%</b>	<b>29.2</b>	<b>31.2</b>	<b>33.4</b>	<b>7.7%</b>	<b>0.1%</b>
Compensation of employees	15.6	17.5	19.0	19.7	8.1%	0.1%	21.7	23.3	25.0	8.2%	0.1%
Goods and services <sup>1</sup> of which:	4.5	4.5	6.4	7.0	15.5%	-	7.6	8.0	8.4	6.3%	-
Minor assets	0.2	-	0.0	0.1	-10.5%	-	0.3	0.3	0.3	36.5%	-
Communication	0.2	0.3	0.4	0.4	24.1%	-	0.4	0.5	0.5	5.5%	-
Consultants: Business and advisory services	0.1	-	1.2	2.4	174.5%	-	1.7	1.8	1.9	-7.9%	-
Consumables: Stationery, printing and office supplies	0.3	0.1	0.2	0.3	4.7%	-	1.6	1.6	1.7	81.1%	-
Travel and subsistence	1.6	1.5	1.7	2.5	15.5%	-	2.6	2.8	2.9	5.8%	-
Venues and facilities	0.0	0.0	0.2	0.3	89.2%	-	0.3	0.3	0.4	5.5%	-
<b>Transfers and subsidies<sup>1</sup></b>	<b>29 245</b>	<b>29 806</b>	<b>32 519</b>	<b>31 570</b>	<b>2.6%</b>	<b>99.5%</b>	<b>32 972</b>	<b>34 167</b>	<b>35 648</b>	<b>4.1%</b>	<b>99.8%</b>
Provinces and municipalities	28 957.0	29 123.5	31 351.6	30 491.4	1.7%	96.9%	31 798.9	32 685.5	33 954.7	3.7%	95.8%
Departmental agencies and accounts	287.9	682.4	1 167.0	1 079.0	55.3%	2.6%	1 172.9	1 481.1	1 693.3	16.2%	4.0%
Households	0.0	0.0	-	0.0	27.9%	-	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>0.9</b>	<b>0.1</b>	<b>0.2</b>	<b>0.2</b>	<b>-36.1%</b>	<b>-</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-26.5%</b>	<b>-</b>
Machinery and equipment	0.9	0.1	0.2	0.2	-36.1%	-	0.1	0.1	0.1	-26.5%	-
<b>Payments for financial assets</b>	<b>161.0</b>	<b>100.0</b>	<b>150.0</b>	<b>80.0</b>	<b>-20.8%</b>	<b>0.4%</b>	<b>50.0</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>
<b>Total</b>	<b>29 426.9</b>	<b>29 928.0</b>	<b>32 694.3</b>	<b>31 677.4</b>	<b>2.5%</b>	<b>100.0%</b>	<b>33 051.1</b>	<b>34 198.0</b>	<b>35 681.4</b>	<b>4.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>98.0%</b>	<b>97.8%</b>	<b>98.0%</b>	<b>97.6%</b>	<b>-</b>	<b>-</b>	<b>97.6%</b>	<b>97.3%</b>	<b>97.3%</b>	<b>-</b>	<b>-</b>

**Table 38.12 Housing Development Finance expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies											
R million	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average Expenditure/ Total (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>178.7</b>	<b>258.0</b>	<b>315.4</b>	<b>335.4</b>	–	<b>0.9%</b>	<b>449.2</b>	<b>718.4</b>	<b>888.7</b>	–	<b>1.8%</b>
Social Housing Regulatory Authority: Operational	34.6	36.4	46.8	52.0	–	0.1%	65.8	69.4	73.2	–	0.2%
Housing Development Agency	104.6	147.5	210.7	222.2	27.9%	0.6%	229.3	241.9	255.2	-100.0%	0.7%
Housing Development Agency: National upgrading support programme	–	10.0	–	–	-36.1%	–	–	–	–	–	-26.5%
National Housing Finance Corporation: Finance linked individual subsidy programme	–	–	–	–	–	0.1%	5.0	15.8	20.0	–	0.1%
Operational Community Schemes Ombud Service	39.5	30.0	29.4	31.1	-36.1%	–	32.8	34.7	36.6	-26.5%	–
Social Housing Regulatory Authority: Institutional investment	–	28.1	20.5	20.1	–	–	21.3	22.4	23.7	–	–
Social Housing Regulatory Authority: Regulations	–	6.0	8.0	10.0	–	0.1%	–	–	–	–	0.1%
National Housing Finance Corporation: Finance linked individual subsidy programme	–	–	–	–	–	–	95.0	334.3	480.0	–	0.7%
<b>Capital</b>	<b>109.2</b>	<b>424.4</b>	<b>851.7</b>	<b>743.6</b>	–	<b>1.7%</b>	<b>723.7</b>	<b>762.7</b>	<b>804.6</b>	–	<b>2.3%</b>
Social Housing Regulatory Authority: Consolidated capital grant	109.2	424.4	851.7	743.6	–	1.7%	723.7	762.7	804.6	–	2.3%
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Capital</b>	<b>10 654.3</b>	<b>10 839.5</b>	<b>11 382.2</b>	<b>11 446.1</b>	–	<b>35.8%</b>	<b>12 194.5</b>	<b>12 860.9</b>	<b>13 924.4</b>	–	<b>37.5%</b>
Urban settlements development grant	10 554.3	10 839.5	11 382.2	11 306.1	–	35.6%	12 045.4	9 716.8	9 373.1	–	31.5%
Municipal human settlements capacity grant	100.0	–	–	–	–	0.1%	–	–	–	–	–
Municipal emergency housing grant	–	–	–	140.0	–	0.1%	149.1	158.8	167.5	–	0.5%
Informal settlements upgrading partnership grant: Municipalities	–	–	–	–	–	–	–	2 985.3	4 383.8	–	5.5%
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	–	–	–	<b>518.7</b>	–	<b>0.4%</b>	<b>547.7</b>	<b>577.8</b>	–	–	<b>1.2%</b>
Title deeds restoration grant	–	–	–	518.7	23.4%	0.4%	547.7	577.8	–	38.4%	1.2%
<b>Capital</b>	<b>18 302.7</b>	<b>18 284.0</b>	<b>19 969.3</b>	<b>18 526.6</b>	<b>14.6%</b>	<b>60.7%</b>	<b>19 056.7</b>	<b>19 246.8</b>	<b>20 030.3</b>	<b>12.1%</b>	<b>57.1%</b>
Human settlements development grant	18 302.7	18 284.0	19 969.3	18 266.6	28.5%	60.5%	18 779.8	15 936.6	15 397.2	4.7%	50.8%
Provincial emergency housing grant	–	–	–	260.0	–	0.2%	276.9	294.9	311.1	–	0.8%
Informal settlements upgrading partnership grant: Provinces	–	–	–	–	–	–	–	3 015.3	4 321.9	5.5%	5.5%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entity

### National Home Builders Registration Council

#### Mandate

The National Home Builders Registration Council was established in terms of the Housing Consumers Protection Measures Act (1998), as amended, to represent the interests of housing consumers by providing warranty protection against defined defects in new homes and to regulate the home building industry. The council provides training and capacity building to promote and ensure compliance with technical standards in the home building environment.

### Selected performance indicators

**Table 38.13 National Home Builders Registration Council performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of home builders registered per year	Regulation	Outcome 8: Sustainable human settlements and improved quality of household life	4 384	4 879	3 435	3 518	3 050	3 218	3 395
Number of home builders registration renewal per year	Regulation		12 602	13 343	13 832	12 919	11 938	12 595	13 287
Number of homes enrolled in the non-subsidy sector per year	Regulation		49 612	51 990	56 506	50 485	60 485	64 114	67 320
Number of homes enrolled in the subsidy sector per year	Regulation		77 004	74 149	66 691	105 308	61 923	65 019	68 270
Number of home builders to be trained per year	Regulation		2 463	1 739	2 357	2 120	2 247	2 382	2 525
Number of home inspectors to be trained per year	Regulation		310	607	587	530	562	596	631
Number of inspections in the subsidy sector per year <sup>1</sup>	Protection		230 103	94 528	83 369	112 179	98 152	83 292	80 473
Number of inspections in the non-subsidy sector per year	Protection		258 446	113 379	75 176	50 485	55 518	58 294	61 209
Number of homes enrolled late in the non-subsidy sector per year	Protection		1 030	1 287	1 020	2 120	2 120	2 120	2 120

1. Inspections range from a minimum of 4 to a maximum of 8 inspection stages per home.

### Expenditure analysis

The National Home Builders Registration Council's focus over the medium term will continue to be on the professionalisation of the home building sector, and increasing the number of homes enrolled and inspected, in line with its core regulatory function. Over the medium term, the council is expected to concentrate on activities that protect home owners, and enrol 195 212 subsidy and 191 919 non-subsidy homes.

The council's spending is mainly in relation to its regulatory function: inspecting homes, and training home builders and inspectors. The council is expected to inspect 261 917 subsidy houses and 175 021 non-subsidy houses over the medium term. Total expenditure is expected to increase at an average annual rate of 5.4 per cent, from R805.2 million in 2018/19 to R943.1 million in 2021/22. The number of personnel in the council is expected to remain stable at 645 over the medium term. As such, spending on compensation of employees increases from R484.6 million in 2018/19 to R569 million in 2021/22, in line with inflation.

The council generates revenue mainly through home enrolment fees, registration and renewal fees for home builders, technical services, and interest and dividends. Total revenue is expected to increase at an average annual rate of 9.7 per cent, from R1.2 billion in 2018/19 to R1.6 billion in 2021/22.

### Programmes/Objectives/Activities

**Table 38.14 National Home Builders Registration Council expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Administration	370.5	298.9	306.6	296.5	-7.2%	38.9%	312.9	330.1	348.2	5.5%	36.9%
Regulation	269.4	307.8	252.7	272.8	0.4%	33.9%	285.7	301.4	318.0	5.2%	33.8%
Protection	247.9	205.2	199.4	235.8	-1.6%	27.2%	248.8	262.5	276.9	5.5%	29.3%
<b>Total</b>	<b>887.8</b>	<b>811.9</b>	<b>758.7</b>	<b>805.2</b>	<b>-3.2%</b>	<b>100.0%</b>	<b>847.4</b>	<b>894.0</b>	<b>943.1</b>	<b>5.4%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

**Table 38.15 National Home Builders Registration Council statements of historical financial performance and position**

Statement of financial performance									
R million	Audited		Audited		Audited		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget	outcome	Budget	outcome	Budget	outcome			
	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>1 088.2</b>	<b>1 138.1</b>	<b>1 255.9</b>	<b>1 300.2</b>	<b>1 263.6</b>	<b>1 378.1</b>	<b>1 355.9</b>	<b>1 228.2</b>	<b>101.6%</b>
Sale of goods and services other than capital assets	812.9	801.1	868.6	879.4	863.2	775.0	931.4	803.8	93.8%
<i>of which:</i>									
<i>Sales by market establishment</i>	<b>812.9</b>	<b>798.9</b>	<b>868.6</b>	<b>876.0</b>	<b>861.8</b>	<b>769.4</b>	<b>930.0</b>	<b>801.8</b>	<b>93.5%</b>
Home enrolment fees	671.7	700.3	716.1	798.5	785.1	718.8	848.7	757.7	98.5%
Fee revenue	68.9	42.3	117.5	32.9	35.0	43.5	37.1	21.1	54.0%
Technical services revenue	72.3	56.3	35.0	44.7	41.7	7.1	44.2	23.0	67.9%
Other sales	-	2.2	-	3.4	1.4	5.6	1.5	2.0	458.3%
Other non-tax revenue	275.3	337.0	387.3	420.8	400.4	603.1	424.5	424.5	120.0%
<b>Total revenue</b>	<b>1 088.2</b>	<b>1 138.1</b>	<b>1 255.9</b>	<b>1 300.2</b>	<b>1 263.6</b>	<b>1 378.1</b>	<b>1 355.9</b>	<b>1 228.2</b>	<b>101.6%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>839.5</b>	<b>887.8</b>	<b>812.1</b>	<b>811.9</b>	<b>843.9</b>	<b>758.7</b>	<b>915.4</b>	<b>805.2</b>	<b>95.7%</b>
Compensation of employees	451.4	411.4	418.2	426.4	470.6	453.8	498.7	484.6	96.6%
Goods and services	362.9	463.3	367.4	362.1	338.8	281.4	380.2	297.1	96.9%
Depreciation	25.2	13.1	26.5	23.4	34.4	23.4	36.5	23.4	68.0%
<b>Total expenses</b>	<b>839.5</b>	<b>887.8</b>	<b>812.1</b>	<b>811.9</b>	<b>843.9</b>	<b>758.7</b>	<b>915.4</b>	<b>805.2</b>	<b>95.7%</b>
<b>Surplus/(Deficit)</b>	<b>249.0</b>	<b>250.0</b>	<b>444.0</b>	<b>488.0</b>	<b>420.0</b>	<b>619.0</b>	<b>441.0</b>	<b>423.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	350.9	219.4	325.4	199.6	299.0	179.3	271.7	257.2	68.6%
<i>of which:</i>									
<i>Acquisition of assets</i>	<b>(190.0)</b>	<b>(43.3)</b>	<b>(49.7)</b>	<b>(3.8)</b>	<b>(8.0)</b>	<b>(4.7)</b>	<b>(8.0)</b>	<b>(37.4)</b>	<b>34.9%</b>
Investments	5 187.3	5 127.5	5 549.0	5 600.6	5 915.2	6 208.8	6 304.6	6 559.4	102.4%
Inventory	0.2	13.9	0.2	13.2	0.2	13.2	0.3	10.2	5 460.3%
Receivables and prepayments	29.3	22.1	27.9	45.3	31.0	14.3	32.0	19.8	84.4%
Cash and cash equivalents	109.2	251.9	109.1	204.9	108.3	331.1	107.7	87.1	201.5%
<b>Total assets</b>	<b>5 677.0</b>	<b>5 634.8</b>	<b>6 011.6</b>	<b>6 063.6</b>	<b>6 353.8</b>	<b>6 746.6</b>	<b>6 716.2</b>	<b>6 933.5</b>	<b>102.5%</b>
Accumulated surplus/(deficit)	4 146.0	4 037.2	4 405.9	4 531.3	4 681.8	5 159.1	4 970.8	5 253.5	104.3%
Capital and reserves	43.4	31.0	36.0	25.2	28.2	16.7	20.0	42.5	90.3%
Trade and other payables	191.6	196.6	202.5	126.1	201.7	125.0	204.3	122.4	71.2%
Provisions	1 295.9	1 370.0	1 367.1	1 381.1	1 442.1	1 445.7	1 521.1	1 515.2	101.5%
<b>Total equity and liabilities</b>	<b>5 677.0</b>	<b>5 634.8</b>	<b>6 011.6</b>	<b>6 063.6</b>	<b>6 353.8</b>	<b>6 746.6</b>	<b>6 716.2</b>	<b>6 933.5</b>	<b>102.5%</b>

## Statements of estimates of financial performance and position

**Table 38.16 National Home Builders Registration Council statements of estimates of financial performance and position**

Statement of financial performance								
R million	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>1 228.2</b>	<b>2.6%</b>	<b>100.0%</b>	<b>1 457.5</b>	<b>1 537.6</b>	<b>1 622.2</b>	<b>9.7%</b>	<b>100.0%</b>
Sale of goods and services other than capital assets	803.8	0.1%	64.9%	901.9	951.5	1 003.9	7.7%	62.8%
<i>of which:</i>								
<i>Sales by market establishment</i>	<b>801.8</b>	<b>0.1%</b>	<b>64.7%</b>	<b>899.8</b>	<b>949.3</b>	<b>1 001.5</b>	<b>7.7%</b>	<b>62.6%</b>
Home enrolment fees	757.7	2.7%	59.2%	837.8	883.9	932.5	7.2%	58.5%
Fee revenue	21.1	-20.8%	2.8%	37.9	40.0	42.2	26.1%	2.4%
Technical services revenue	23.0	-25.8%	2.7%	24.2	25.5	26.9	5.3%	1.7%
Other sales	2.0	-3.3%	0.3%	2.1	2.2	2.3	5.3%	0.1%
Other non-tax revenue	424.5	8.0%	35.1%	555.6	586.1	618.4	13.4%	37.2%
<b>Total revenue</b>	<b>1 228.2</b>	<b>2.6%</b>	<b>100.0%</b>	<b>1 457.5</b>	<b>1 537.6</b>	<b>1 622.2</b>	<b>9.7%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>805.2</b>	<b>-3.2%</b>	<b>100.0%</b>	<b>847.4</b>	<b>894.0</b>	<b>943.1</b>	<b>5.4%</b>	<b>100.0%</b>
Compensation of employees	484.6	5.6%	54.7%	511.3	539.4	569.0	5.5%	60.3%
Goods and services	297.1	-13.8%	42.7%	313.5	330.7	348.9	5.5%	37.0%
Depreciation	23.4	21.5%	2.6%	22.6	23.9	25.2	2.5%	2.7%
<b>Total expenses</b>	<b>805.2</b>	<b>-3.2%</b>	<b>100.0%</b>	<b>847.4</b>	<b>894.0</b>	<b>943.1</b>	<b>5.4%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>423.0</b>			<b>610.0</b>	<b>644.0</b>	<b>679.0</b>		



**Table 38.16 National Home Builders Registration Council statements of estimates of financial performance and position**

Statement of financial position		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Carrying value of assets	257.2	5.4%	3.4%	240.6	226.8	220.7	-5.0%	3.3%
of which:								
Acquisition of assets	(37.4)	-4.8%	-0.4%	(8.0)	(8.0)	(8.0)	-40.2%	-0.2%
Investments	6 559.4	8.6%	92.5%	6 762.1	7 009.4	7 224.3	3.3%	95.2%
Inventory	10.2	-9.8%	0.2%	8.2	6.2	4.2	-25.7%	0.1%
Receivables and prepayments	19.8	-3.7%	0.4%	18.5	17.7	18.7	-1.7%	0.3%
Cash and cash equivalents	87.1	-29.8%	3.5%	82.7	78.6	74.7	-5.0%	1.1%
<b>Total assets</b>	<b>6 933.5</b>	<b>7.2%</b>	<b>100.0%</b>	<b>7 112.0</b>	<b>7 338.7</b>	<b>7 542.5</b>	<b>2.8%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	5 253.5	9.2%	74.7%	5 360.4	5 467.6	5 576.9	2.0%	74.9%
Capital and reserves	42.5	11.1%	0.5%	35.6	58.3	50.7	6.0%	0.6%
Trade and other payables	122.4	-14.6%	2.3%	114.9	120.6	126.7	1.2%	1.7%
Provisions	1 515.2	3.4%	22.6%	1 601.2	1 692.1	1 788.3	5.7%	22.8%
<b>Total equity and liabilities</b>	<b>6 933.5</b>	<b>7.2%</b>	<b>100.0%</b>	<b>7 112.0</b>	<b>7 338.7</b>	<b>7 542.5</b>	<b>2.8%</b>	<b>100.0%</b>

### Personnel information

**Table 38.17 National Home Builders Registration Council personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment											Number							
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost			2021/22		Unit cost		
National Home Builders Registration Council		645	645	636	453.8	0.7	645	484.6	0.8	645	511.3	0.8	645	539.4	0.8	645	569.0	0.9	5.5%	100.0%
Salary level																				
1 – 6	23	23	22	3.6	0.2	23	3.9	0.2	23	4.1	0.2	23	4.3	0.2	23	4.6	0.2	5.5%	3.6%	
7 – 10	369	369	366	197.5	0.5	369	209.2	0.6	369	222.0	0.6	369	234.3	0.6	369	247.2	0.7	5.7%	57.2%	
11 – 12	193	193	191	173.6	0.9	193	185.2	1.0	193	195.3	1.0	193	206.1	1.1	193	217.5	1.1	5.5%	29.9%	
13 – 16	54	54	51	64.3	1.3	54	70.3	1.3	54	72.8	1.3	54	76.8	1.4	54	81.0	1.5	4.8%	8.4%	
17 – 22	6	6	6	14.7	2.5	6	16.0	2.7	6	17.0	2.8	6	17.9	3.0	6	18.7	3.1	5.3%	0.9%	

1. Rand million.

### Other entities

Comprehensive coverage of the following entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **Community Schemes Ombud Service** provides a dispute resolution service for community schemes; monitors and controls the quality of all governance documentation relating to sectional title schemes; and takes custody of, preserves and provides public access to scheme governance documentation. The entity's total budget for 2019/20 is R267.8 million.
- The **Estate Agency Affairs Board** regulates, maintains and promotes the conduct of estate agents, issue certificates from the Estate Agents Fidelity Fund, prescribes the standard of education and training for estate agents, investigates complaints lodged against estate agents, and manages and controls the Estate Agents Fidelity Fund. The entity's total budget for 2019/20 is R162.2 million.
- The **Housing Development Agency** identifies, acquires, holds, develops and releases state-owned and privately owned land for residential and community purposes; and project manages housing developments for the creation of sustainable human settlements. The entity's total budget for 2019/20 is R443.3 million.
- The **National Housing Finance Corporation** broadens and deepens access to affordable housing finance for low- to middle-income households by facilitating private sector lending for housing purposes. The entity's total budget for 2019/20 is R433.5 million.
- The **National Urban Reconstruction and Housing Agency** provides bridging finance to contractors building low- to moderate-income housing, infrastructure and community facilities; and provides account administration and support services. The entity is being merged with the National Housing Finance Corporation and the Rural Housing Loan Fund.

- The **Rural Housing Loan Fund** facilitates access to housing credit to low-income rural households by providing wholesale finance through a network of retail intermediaries and community-based organisations. The entity is being merged with the National Housing Finance Corporation and the National Urban Reconstruction and Housing Agency.
- The **Social Housing Regulatory Authority** regulates the social housing sector, and ensures a sustainable and regulated flow of investment into the social housing sector to support the restructuring of urban spaces through capital grant provisions to accredited social housing institutions. The entity's total budget for 2019/20 is R815.9 million.

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
<b>Departmental infrastructure</b>										
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Office refurbishment	Refurbish office accommodation	Handed over	0.2	–	–	–	–	–	–	–
<b>Infrastructure transfers to other spheres, agencies and departments</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Human settlements development grant	Houses completed and sites serviced	On-going	–	18 302.7	18 284.0	19 969.3	18 266.6	18 779.8	15 936.6	15 397.2
Urban settlements development grant	Bulk infrastructure installed	On-going	–	10 554.3	10 839.5	11 382.2	11 306.1	12 045.4	9 716.8	9 373.1
Social Housing Regulatory Authority: Consolidated capital grant	Funding of social housing	On-going	–	109.2	424.4	851.7	743.6	738.4	762.7	804.6
Informal settlements upgrading partnership grants: Provinces	Informal settlements upgrading	On-going	–	–	–	–	–	–	3 015.3	4 321.9
Informal settlements upgrading partnership grant: Municipalities	Informal settlements upgrading	On-going	–	–	–	–	–	–	2 985.3	4 383.8
<b>Total</b>			<b>0.2</b>	<b>28 966.2</b>	<b>29 547.8</b>	<b>32 203.2</b>	<b>30 316.4</b>	<b>31 563.6</b>	<b>32 416.7</b>	<b>34 280.7</b>



# Vote 39

## Rural Development and Land Reform

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	1 889.1	1 640.4	0.2	248.5	1 976.8	2 087.6
National Geomatics Management Services	712.8	669.8	38.6	4.4	762.3	817.8
Rural Development	1 821.1	1 104.7	312.6	403.8	1 985.2	2 112.9
Restitution	3 608.2	679.4	2 926.4	2.4	3 336.8	3 552.2
Land Reform	2 915.0	666.4	2 244.8	3.8	2 608.8	2 785.1
<b>Total expenditure estimates</b>	<b>10 946.2</b>	<b>4 760.7</b>	<b>5 522.7</b>	<b>662.8</b>	<b>10 669.9</b>	<b>11 355.5</b>

Executive authority: Minister of Rural Development and Land Reform  
 Accounting officer: Director-General of Rural Development and Land Reform  
 Website address: [www.ruraldevelopment.gov.za](http://www.ruraldevelopment.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Create and maintain an equitable and sustainable land dispensation, and act as a catalyst in rural development, to ensure sustainable rural livelihoods, decent work and continued social and economic advancement for all South Africans.*

### Mandate

The Department of Rural Development and Land Reform executes its legislative mandate by implementing, managing and overseeing the following pieces of legislation:

- the Deeds Registries Act (1937), which makes provision for the administration of the land registration system and the registration of rights in land. It requires that deeds and documents be prepared and lodged in a deeds registry by a conveyancer or notary public
- the State Land Disposal Act (1961), which makes provision for the disposal of certain state land and prohibits the acquisition of state land by prescription
- the Sectional Titles Act (1986), which makes provision for the division of buildings into sections and common property, and for the acquisition of separate ownership in sections coupled with joint ownership in common property. It further regulates the transfer of ownership of sections and the registration of sectional mortgage bonds, and real rights in such sections; and makes provision for the establishment of bodies corporate to control common property
- the Conversion of Certain Rights into Leasehold Act (1988), which makes provision for the conversion of certain rights into leasehold or ownership
- the Physical Planning Act (1991), which promotes the orderly physical development of South Africa, with provisions for the division of the country into regions; and for the preparation of national development plans, regional development plans, regional structural plans and urban structure plans

- the Upgrading of Land Tenure Rights Act (1991), which makes provision for the upgrading and conversion into ownership of certain rights graded in respect of land, as well as for the transfer of tribal land in full ownership to a tribe
- the Distribution and Transfer of Certain State Land Act (1993), which makes provision for the distribution and transfer of certain land belonging to the state and designated by the Minister of Rural Development and Land Reform as land to be dealt with in accordance with the provisions of the act
- the Land Titles Adjustment Act (1993), which regulates the allocation or devolution of certain land in respect of one or more persons who claim ownership, but do not have registered title deeds in respect thereof
- the Provision of Land and Assistance Act (1993), which makes provision for the designation of certain land, the regulation of the subdivision of such land and the settlement of persons thereon. It also provides for the acquisition, maintenance, planning, development, improvement and disposal of property, and the provision of financial assistance for land reform purposes
- the KwaZulu-Natal Ingonyama Trust Act (1994), which makes provision for the establishment of the Ingonyama Trust and for certain land to be held in trust
- the Restitution of Land Rights Act (1994), which makes provision for the restitution of rights in land to people or communities dispossessed of such rights after 19 June 1913 as a result of racially discriminatory laws or practices. To administer this task, the act established a Commission on Restitution of Land Rights and a Land Claims Court. The Minister of the Department of Rural Development and Land Reform is authorised to purchase, acquire in any other manner or expropriate land or rights in land for the purpose of restitution awards
- the Land Administration Act (1995), which provides for the delegation of powers and the assignment to provinces of the administration of laws regarding land matters
- the Communal Property Associations Act (1996), which makes provision for communities to form juristic persons, to be known as communal property associations, in order to acquire, hold and manage property on a basis agreed to by members of a community. This has to be done in terms of a written constitution
- the Interim Protection of Informal Land Rights Act (1996), which makes provision for the temporary protection of certain rights to and interests in land which are not otherwise adequately protected by law
- the Land Reform (Labour Tenants) Act (1996), which makes provision for the security of tenure of labour tenants and those occupying or using land as a result of their association with labour tenants. It also makes provision for the acquisition of land and rights in land by labour tenants
- the Land Survey Act (1997), which makes provision for the regulation of the surveying of land in South Africa
- the Extension of Security of Tenure Act (1997), which makes provision for the facilitation of long-term security of land tenure to regulate the conditions of residence on certain land, and to regulate the conditions on and circumstances under which the right of people to reside on land may be terminated
- the Transformation of Certain Rural Areas Act (1998), which provides for the transfer of certain land to municipalities and certain other legal entities, and for the removal of restrictions on the alienation of land
- the Planning Profession Act (2002), which makes provision for the establishment of the South African Council for Planners. The act makes provision for different categories of planners and the registration of planners, and authorises the identification of areas of work for planners. The act seeks to protect the public from unethical practices and to ensure a high standard of professional conduct and integrity
- the Spatial Data Infrastructure Act (2003), which makes provision for the establishment of South African spatial data infrastructure, the committee for spatial information and an electronic metadata catalogue; for the determination of standards and prescriptions with regard to the facilitation of the sharing of spatial information; and for the capture and publication of metadata
- the Geomatics Profession Act (2013), which makes provision for the establishment of the South African Geomatics Council, for different categories of registered people and branches in the geomatics profession, and for the identification of areas of work to be performed by the different categories of registered people

- the Spatial Planning and Land Use Management Act (2013), which provides for a framework for spatial planning and the management of land use in South Africa
- the Property Valuation Act (2014), which provides for the establishment of the Office of the Valuer-General, and for the regulation of the valuation of property that has been identified for land reform and property that has been identified for acquisition or disposal by a department.

## Selected performance indicators

**Table 39.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of new agricultural enterprises supported in the 44 districts aligned with agri-parks per year	Rural Development	Outcome 7: Comprehensive rural development and land reform	216	192	194	150	159	168	178
Number of skills development opportunities provided in rural development initiatives per year	Rural Development		9 516	7 993	7 707	6 864	7 400	7 600	7 580
Number of infrastructure projects facilitated to support production per year	Rural Development		589	269	149	80	100	130	150
Number of land claims finalised per year	Restitution		560	672	865	991	620	391	721
Number of hectares acquired per year	Land Reform		242 556	201 430	155 791	81 000	103 012	108 298	113 795

## Expenditure analysis

Over the medium term, the Department of Rural Development and Land Reform will focus on restoring land rights; accelerating land reform by promoting equitable land redistribution and land development; transforming land tenure; increasing job opportunities through skills development programmes; and increasing operational capacity. Through activities emanating from this focus, the department gives expression to the National Development Plan's vision of creating an integrated and inclusive rural economy, and outcome 7 (comprehensive rural development and land reform) of government's 2014-2019 medium-term strategic framework. The department's total budget over the medium term is R33 billion.

### **Restoring land rights**

Over the MTEF period, 1 732 restitution claims are expected to be finalised at a cost of R10.5 billion, comprising 31.9 per cent of the department's total budget. Verifying land claims is research intensive, and is mainly done by consultants. As such, an estimated R343.2 million over the period ahead will be spent on consultants to conduct research to confirm the validity of claims and verify claimants. To further improve the reach of restitution, the department will roll out a comprehensive communication strategy at a projected cost of R37.9 million over the medium term.

In 2016, the Constitutional Court ruled that the Restitution of Land Rights Amendment Act (2014) was invalid due to a lack of consultation before it was passed, and ordered that it be amended within 2 years. An amendment bill is in Parliament.

### **Accelerating land reform by promoting equitable land redistribution and development**

The One Household, One Hectare initiative is aimed at providing the landless with access to land and promoting agrarian transformation. The objective of the initiative is to support rural enterprises by creating smallholder producers, and facilitate the development of rural industries and the efficient movement of rural produce to markets. To this end, the department aims to acquire 269 539 hectares of strategically located land over the MTEF period through a transfer of R3.5 billion to the agricultural land holding account. This spending is in the *Land Reform* programme, which is expected to account for 25.5 per cent (R8.3 billion) of the department's total





**Table 39.2 Vote expenditure trends by programme and economic classification**

Economic classification	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	2015/16	2016/17	2017/18	2018/19	2015/16	2016/17	2017/18	2018/19	2015/16	2016/17	2017/18	2018/19	2015/16	2016/17	2017/18	2018/19				
R million	3 617.7	3 469.9	3 335.5	3 822.7	3 842.7	3 746.0	3 910.1	3 922.4	3 466.6	4 061.3	3 872.5	3 872.5	93.6%	93.6%	93.6%	93.6%	93.6%	93.6%	93.6%	
<b>Current payments</b>	<b>3 617.7</b>	<b>3 469.9</b>	<b>3 335.5</b>	<b>3 822.7</b>	<b>3 842.7</b>	<b>3 746.0</b>	<b>3 910.1</b>	<b>3 922.4</b>	<b>3 466.6</b>	<b>4 061.3</b>	<b>3 872.5</b>	<b>3 872.5</b>	<b>93.6%</b>	<b>93.6%</b>	<b>93.6%</b>	<b>93.6%</b>	<b>93.6%</b>	<b>93.6%</b>	<b>93.6%</b>	
Compensation of employees	2 115.9	2 114.7	1 937.2	2 142.6	2 142.6	2 065.3	2 194.6	2 194.6	2 085.6	2 325.6	2 325.6	2 325.6	95.8%	95.8%	95.8%	95.8%	95.8%	95.8%	95.8%	95.9%
Goods and services	1 501.8	1 354.8	1 396.3	1 680.2	1 700.1	1 679.9	1 715.5	1 727.9	1 377.2	1 735.7	1 546.9	1 546.9	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	94.8%
Interest and rent on land	–	0.3	2.1	–	–	0.8	–	–	3.7	–	0.1	0.1	–	–	–	–	–	–	–	1 913.1%
<b>Transfers and subsidies</b>	<b>5 736.8</b>	<b>5 665.7</b>	<b>5 018.4</b>	<b>6 282.2</b>	<b>6 225.2</b>	<b>5 564.0</b>	<b>6 249.3</b>	<b>6 225.2</b>	<b>5 542.1</b>	<b>6 339.0</b>	<b>6 248.4</b>	<b>6 248.4</b>	<b>90.9%</b>	<b>90.9%</b>	<b>90.9%</b>	<b>90.9%</b>	<b>90.9%</b>	<b>90.9%</b>	<b>90.9%</b>	<b>91.8%</b>
Provinces and municipalities	3.7	57.2	76.7	83.3	93.3	115.3	67.5	95.0	217.7	72.8	96.4	96.4	222.6%	222.6%	222.6%	222.6%	222.6%	222.6%	222.6%	148.1%
Departmental agencies and accounts	1 679.6	1 380.0	1 381.5	1 592.5	1 532.2	1 539.2	1 493.1	1 436.9	1 436.9	1 491.8	1 491.8	1 491.8	93.5%	93.5%	93.5%	93.5%	93.5%	93.5%	93.5%	100.1%
Foreign governments and international organisations	1.5	1.5	2.6	1.6	1.6	2.3	1.7	1.7	2.4	1.7	1.7	1.7	140.1%	140.1%	140.1%	140.1%	140.1%	140.1%	140.1%	140.1%
Public corporations and private enterprises	0.0	0.0	0.4	0.0	0.0	0.2	0.0	0.0	0.0	0.0	650.0	0.0	15 075.0%	15 075.0%	15 075.0%	15 075.0%	15 075.0%	15 075.0%	15 075.0%	0.1%
Non-profit institutions	3.2	3.2	3.2	3.3	3.3	3.3	3.5	3.5	3.5	3.7	3.7	3.7	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Households	4 048.8	4 223.8	3 554.0	4 601.4	4 594.9	3 903.6	4 683.4	4 688.2	3 881.6	4 768.9	4 004.7	4 654.7	88.4%	88.4%	88.4%	88.4%	88.4%	88.4%	88.4%	91.3%
<b>Payments for capital assets</b>	<b>25.1</b>	<b>61.8</b>	<b>758.9</b>	<b>19.4</b>	<b>56.4</b>	<b>732.3</b>	<b>24.9</b>	<b>36.6</b>	<b>718.0</b>	<b>25.0</b>	<b>304.4</b>	<b>304.4</b>	<b>2 659.5%</b>	<b>2 659.5%</b>	<b>2 659.5%</b>	<b>2 659.5%</b>	<b>2 659.5%</b>	<b>2 659.5%</b>	<b>2 659.5%</b>	<b>547.5%</b>
Buildings and other fixed structures	–	–	601.2	–	7.1	568.9	–	–	563.3	–	237.8	237.8	–	–	–	–	–	–	–	804.7%
Machinery and equipment	23.3	61.5	67.2	18.3	44.9	59.0	24.0	36.6	43.6	25.0	47.5	47.5	239.5%	239.5%	239.5%	239.5%	239.5%	239.5%	239.5%	114.1%
Land and subsoil assets	–	–	90.6	–	4.4	104.4	–	–	111.1	–	19.1	19.1	–	–	–	–	–	–	–	1 384.4%
Software and other intangible assets	1.8	0.3	–	1.1	–	–	0.9	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>5.2</b>	<b>–</b>	<b>–</b>	<b>24.7</b>	<b>–</b>	<b>–</b>	<b>3.5</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>9 379.7</b>	<b>9 197.4</b>	<b>9 118.0</b>	<b>10 124.3</b>	<b>10 124.3</b>	<b>10 067.0</b>	<b>10 184.2</b>	<b>10 184.2</b>	<b>9 730.2</b>	<b>10 425.2</b>	<b>10 425.2</b>	<b>10 425.2</b>	<b>98.1%</b>	<b>98.1%</b>	<b>98.1%</b>	<b>98.1%</b>	<b>98.1%</b>	<b>98.1%</b>	<b>98.1%</b>	<b>98.5%</b>

## Expenditure estimates

**Table 39.3 Vote expenditure estimates by programme and economic classification**

Programmes									
1. Administration									
2. National Geomatics Management Services									
3. Rural Development									
4. Restitution									
5. Land Reform									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
				2018/19	2015/16 - 2018/19	2019/20			2020/21
R million									
Programme 1	1 861.4	12.0%	15.7%	1 889.1	1 976.8	2 087.6	3.9%	18.0%	
Programme 2	677.3	-3.3%	6.7%	712.8	762.3	817.8	6.5%	6.8%	
Programme 3	1 785.4	-3.5%	19.1%	1 821.1	1 985.2	2 112.9	5.8%	17.8%	
Programme 4	3 363.8	8.9%	31.6%	3 608.2	3 336.8	3 552.2	1.8%	31.9%	
Programme 5	2 737.3	2.6%	26.9%	2 915.0	2 608.8	2 785.1	0.6%	25.5%	
<b>Total</b>	<b>10 425.2</b>	<b>4.3%</b>	<b>100.0%</b>	<b>10 946.2</b>	<b>10 669.9</b>	<b>11 355.5</b>	<b>2.9%</b>	<b>100.0%</b>	
Change to 2018 Budget estimate				(103.6)	(1 035.8)	(1 021.0)			

**Table 39.3 Vote expenditure estimates by programme and economic classification**

Economic classification	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
R million								
<b>Current payments</b>	<b>3 872.5</b>	<b>3.7%</b>	<b>36.7%</b>	<b>4 760.7</b>	<b>5 117.9</b>	<b>5 433.2</b>	<b>11.9%</b>	<b>44.2%</b>
Compensation of employees	2 325.6	3.2%	21.4%	2 501.0	2 688.4	2 853.7	7.1%	23.9%
Goods and services	1 546.9	4.5%	15.3%	2 259.7	2 429.5	2 579.6	18.6%	20.3%
Interest and rent on land	0.1	-45.0%	0.0%	–	–	–	-100.0%	0.0%
<b>Transfers and subsidies</b>	<b>6 248.4</b>	<b>3.3%</b>	<b>56.9%</b>	<b>5 522.7</b>	<b>4 824.4</b>	<b>5 143.1</b>	<b>-6.3%</b>	<b>50.1%</b>
Provinces and municipalities	96.4	19.0%	1.3%	78.0	82.3	86.8	-3.4%	0.8%
Departmental agencies and accounts	1 491.8	2.6%	14.9%	1 573.7	1 157.9	1 248.9	-5.8%	12.6%
Foreign governments and international organisations	1.7	5.4%	0.0%	1.8	1.9	2.1	5.5%	0.0%
Non-profit institutions	3.7	5.4%	0.0%	3.9	4.1	4.3	5.5%	0.0%
Households	4 654.7	3.3%	40.7%	3 865.2	3 578.2	3 800.9	-6.5%	36.6%
<b>Payments for capital assets</b>	<b>304.4</b>	<b>70.1%</b>	<b>6.4%</b>	<b>662.8</b>	<b>727.6</b>	<b>779.3</b>	<b>36.8%</b>	<b>5.7%</b>
Buildings and other fixed structures	237.8	–	5.0%	238.2	251.3	270.7	4.4%	2.3%
Machinery and equipment	47.5	-8.3%	0.6%	424.6	476.3	508.5	120.5%	3.4%
Land and subsoil assets	19.1	–	0.8%	–	–	–	-100.0%	0.0%
<b>Total</b>	<b>10 425.2</b>	<b>4.3%</b>	<b>100.0%</b>	<b>10 946.2</b>	<b>10 669.9</b>	<b>11 355.5</b>	<b>2.9%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 39.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Rural Development	1 921 995	1 814 769	1 995 657	1 787 249	-2.4%	19.1%	1 821 141	1 985 173	2 112 851	5.7%	17.8%
Restitution	2 630 239	3 331 114	3 093 990	3 359 330	8.5%	31.6%	3 608 193	3 336 786	3 552 191	1.9%	31.9%
Land Reform	2 547 063	2 645 052	2 649 294	2 743 055	2.5%	26.9%	2 914 974	2 608 813	2 785 102	0.5%	25.5%
<b>Total</b>	<b>7 099 297</b>	<b>7 790 935</b>	<b>7 738 941</b>	<b>7 889 634</b>	<b>3.6%</b>	<b>77.6%</b>	<b>8 344 308</b>	<b>7 930 772</b>	<b>8 450 144</b>	<b>2.3%</b>	<b>75.2%</b>

## Goods and services expenditure trends and estimates

**Table 39.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administrative fees	20 116	31 094	27 807	20 416	0.5%	1.7%	31 734	32 902	34 296	18.9%	1.4%
Advertising	41 902	16 839	10 362	36 515	-4.5%	1.8%	16 082	16 678	12 406	-30.2%	0.9%
Minor assets	10 211	10 484	6 421	23 007	31.1%	0.8%	16 926	11 297	12 208	-19.0%	0.7%
Audit costs: External	17 178	18 815	20 069	23 741	11.4%	1.3%	44 589	49 233	51 984	29.9%	1.9%
Bursaries: Employees	3 479	4 149	5 546	4 753	11.0%	0.3%	4 991	5 266	5 556	5.3%	0.2%
Catering: Departmental activities	8 973	5 001	4 771	6 875	-8.5%	0.4%	6 915	7 649	7 820	4.4%	0.3%
Communication	57 360	63 614	54 110	41 586	-10.2%	3.6%	46 719	49 709	52 000	7.7%	2.2%
Computer services	156 164	227 313	138 183	239 060	15.3%	12.7%	203 625	218 484	231 450	-1.1%	10.1%
Consultants: Business and advisory services	134 282	188 702	140 398	160 163	6.1%	10.4%	256 128	273 441	286 900	21.4%	11.1%
Infrastructure and planning services	766	707	887	4 147	75.6%	0.1%	1 971	2 367	5 949	12.8%	0.2%
Legal services	134 390	26 701	211 250	108 396	-6.9%	8.0%	108 499	116 774	123 470	4.4%	5.2%
Science and technological services	29 129	167 014	–	–	-100.0%	3.3%	–	–	–	–	–
Contractors	32 143	30 656	16 950	30 368	-1.9%	1.8%	493 233	566 995	613 757	172.4%	19.3%
Agency and support/outsourced services	31 701	27 341	17 958	68 245	29.1%	2.4%	45 782	46 997	55 838	-6.5%	2.5%
Entertainment	–	–	3	30	–	–	29	30	31	1.1%	–
Fleet services (including government motor transport)	22 910	17 733	19 131	24 796	2.7%	1.4%	23 693	25 387	26 799	2.6%	1.1%
Inventory: Farming supplies	–	–	–	–	–	–	228 362	236 480	253 179	–	8.1%
Consumable supplies	6 829	7 071	5 837	16 216	33.4%	0.6%	12 631	12 687	13 583	-5.7%	0.6%
Consumables: Stationery, printing and office supplies	27 600	29 903	26 838	45 179	17.9%	2.2%	48 671	49 405	47 241	1.5%	2.2%
Operating leases	250 050	263 687	225 093	280 179	3.9%	17.0%	261 514	275 539	290 688	1.2%	12.6%
Rental and hiring	3 376	17 480	3 072	1 979	-16.3%	0.4%	3 502	3 758	4 000	26.4%	0.2%

Table 39.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/Total (%) 2021/22
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average Expenditure/Total (%)	2019/20	2020/21	2021/22		
Property payments	115 773	124 836	130 545	159 496	11.3%	8.8%	156 943	166 237	175 429	3.2%	7.5%
Transport provided:	2 406	107 393	2 345	1 620	-12.4%	1.9%	2 921	3 334	3 541	29.8%	0.1%
Departmental activity											
Travel and subsistence	231 800	193 373	246 786	168 294	-10.1%	14.0%	171 068	179 321	187 824	3.7%	8.0%
Training and development	7 897	17 193	7 173	30 778	57.4%	1.1%	26 560	27 879	29 332	-1.6%	1.3%
Operating payments	13 753	32 166	8 743	22 453	17.7%	1.3%	19 255	21 742	23 005	0.8%	1.0%
Venues and facilities	36 077	50 677	46 967	28 580	-7.5%	2.7%	27 312	29 949	31 265	3.0%	1.3%
<b>Total</b>	<b>1 396 265</b>	<b>1 679 942</b>	<b>1 377 245</b>	<b>1 546 872</b>	<b>3.5%</b>	<b>100.0%</b>	<b>2 259 655</b>	<b>2 429 540</b>	<b>2 579 551</b>	<b>18.6%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 39.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/Total (%) 2021/22
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average Expenditure/Total (%)	2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>2 829</b>	<b>7 008</b>	<b>5 847</b>	<b>1 702</b>	<b>-15.6%</b>	<b>0.1%</b>	<b>1 037</b>	<b>1 094</b>	<b>1 151</b>	<b>-12.2%</b>	<b>-</b>
Employee social benefits	2 829	7 008	5 847	1 702	-15.6%	0.1%	1 037	1 094	1 151	-12.2%	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>1 381 512</b>	<b>1 539 207</b>	<b>1 436 945</b>	<b>1 491 833</b>	<b>2.6%</b>	<b>26.1%</b>	<b>1 573 671</b>	<b>1 157 873</b>	<b>1 248 920</b>	<b>-5.8%</b>	<b>25.2%</b>
Communication	3	-	14	-	-100.0%	-	-	-	-	-	-
Registration of deeds trading account	15 929	-	-	1	-96.0%	0.1%	1	1	1	-	-
South African Geomatics Council	-	4 000	4 000	3 900	-	0.1%	4 107	4 333	4 571	5.4%	0.1%
South African Broadcasting Corporation	-	2	1	-	-	-	-	-	-	-	-
KwaZulu-Natal Ingonyama Trust Board	18 069	18 788	19 727	20 349	4.0%	0.3%	21 489	22 671	23 918	5.5%	0.4%
Agricultural land holding account	1 342 027	1 502 117	1 348 397	1 326 457	-0.4%	24.7%	1 405 947	983 387	1 064 838	-7.1%	22.0%
Office of the Valuer-General	5 484	14 300	64 806	141 126	195.2%	1.0%	142 127	147 481	155 592	3.3%	2.7%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>960 718</b>	<b>837 763</b>	<b>1 062 251</b>	<b>1 390 374</b>	<b>13.1%</b>	<b>19.0%</b>	<b>340 925</b>	<b>358 922</b>	<b>377 127</b>	<b>-35.3%</b>	<b>11.4%</b>
Bursaries for non-employees	20 424	19 500	15 607	26 824	9.5%	0.4%	28 326	29 884	31 528	5.5%	0.5%
Rural Infrastructure Development	136 119	93 879	93 421	724 700	74.6%	4.7%	1	1	1	-98.9%	3.3%
National Rural Youth Service Corps	274 273	349 423	373 942	325 044	5.8%	5.9%	312 597	329 036	345 597	2.1%	6.0%
Rural Enterprise and Industrial Development	529 902	374 961	578 792	313 806	-16.0%	8.0%	1	1	1	-98.5%	1.4%
Claims against the state	-	-	489	-	-	-	-	-	-	-	-
<b>Capital</b>	<b>2 590 458</b>	<b>3 058 811</b>	<b>2 813 473</b>	<b>2 612 606</b>	<b>0.3%</b>	<b>49.5%</b>	<b>3 523 268</b>	<b>3 218 145</b>	<b>3 422 643</b>	<b>9.4%</b>	<b>58.8%</b>
Restitution grants	2 019 224	2 677 395	2 408 669	2 226 283	3.3%	41.7%	2 919 712	2 580 296	2 749 712	7.3%	48.2%
Land reform grants: Land redistribution payments	-	380 171	400 375	122 288	-	4.0%	305 500	323 127	340 899	40.7%	5.0%
Land reform grants: Land tenure payments	571 234	1 245	4 429	264 035	-22.7%	3.8%	298 056	314 722	332 032	7.9%	5.6%
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>76 741</b>	<b>115 330</b>	<b>217 739</b>	<b>96 394</b>	<b>7.9%</b>	<b>2.3%</b>	<b>78 018</b>	<b>82 293</b>	<b>86 818</b>	<b>-3.4%</b>	<b>1.6%</b>
Vehicle licences	19 089	9 590	367	316	-74.5%	0.1%	307	318	335	2.0%	-
Rates and taxes	57 652	105 740	217 368	96 078	15.3%	2.1%	71 910	81 975	86 483	-7.2%	1.6%
Fines and penalties	-	-	4	-	-	-	-	-	-	-	-
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>2 596</b>	<b>2 333</b>	<b>2 385</b>	<b>1 749</b>	<b>-12.3%</b>	<b>-</b>	<b>1 847</b>	<b>1 949</b>	<b>2 056</b>	<b>5.5%</b>	<b>-</b>
Regional Centre for Mapping of Resources for Development	2 596	2 333	2 385	1 749	-12.3%	-	1 847	1 949	2 056	5.5%	-

Table 39.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	-	-	1	1	-	-	1	1	1	-	-
Land reform empowerment facility	-	-	1	1	-	-	1	1	1	-	-
<b>Capital</b>	-	-	-	650 000	-	2.9%	-	-	-	-100.0%	3.0%
Land Bank black producer commercialisation programme	-	-	-	650 000	-	2.9%	-	-	-	-100.0%	3.0%
<b>Public corporations and private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	410	191	-	-	-100.0%	-	-	-	-	-	-
Employee social benefits	410	191	-	-	-100.0%	-	-	-	-	-	-
<b>Non-profit institutions</b>											
<b>Current</b>	3 159	3 326	3 492	3 695	5.4%	0.1%	3 902	4 117	4 343	5.5%	0.1%
South African Council for Planners	3 159	3 326	3 492	3 695	5.4%	0.1%	3 902	4 117	4 343	5.5%	0.1%
<b>Total</b>	<b>5 018 423</b>	<b>5 563 969</b>	<b>5 542 133</b>	<b>6 248 354</b>	<b>7.6%</b>	<b>100.0%</b>	<b>5 522 669</b>	<b>4 824 394</b>	<b>5 143 059</b>	<b>-6.3%</b>	<b>100.0%</b>

## Personnel information

Table 39.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes																	
1. Administration 2. National Geomatics Management Services 3. Rural Development 4. Restitution 5. Land Reform																	
Number of posts estimated for 31 March 2019		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number			
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)		
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22					
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	
<b>Rural Development and Land Reform</b>																	
<b>Salary level</b>	<b>4 124</b>	<b>284</b>	<b>4 297</b>	<b>2 085.6</b>	<b>0.5</b>	<b>4 522</b>	<b>2 325.6</b>	<b>0.5</b>	<b>4 619</b>	<b>2 501.0</b>	<b>0.5</b>	<b>4 385</b>	<b>2 688.4</b>	<b>0.6</b>	<b>4 339</b>	<b>2 853.7</b>	<b>0.7</b>
1 – 6	976	-	987	270.5	0.3	1 032	310.0	0.3	1 034	335.5	0.3	1 025	359.6	0.4	1 010	383.0	0.4
7 – 10	2 216	-	2 313	998.6	0.4	2 437	1 179.0	0.5	2 432	1 265.4	0.5	2 455	1 378.0	0.6	2 441	1 473.5	0.6
11 – 12	674	-	539	519.4	1.0	586	466.9	0.8	584	498.6	0.9	588	539.7	0.9	583	572.4	1.0
13 – 16	255	-	257	279.0	1.1	311	355.2	1.1	311	379.7	1.2	309	404.3	1.3	300	417.7	1.4
Other	3	284	201	18.0	0.1	156	14.5	0.1	258	21.9	0.1	8	6.8	0.9	5	7.1	1.4
<b>Programme</b>	<b>4 124</b>	<b>284</b>	<b>4 297</b>	<b>2 085.6</b>	<b>0.5</b>	<b>4 522</b>	<b>2 325.6</b>	<b>0.5</b>	<b>4 619</b>	<b>2 501.0</b>	<b>0.5</b>	<b>4 385</b>	<b>2 688.4</b>	<b>0.6</b>	<b>4 339</b>	<b>2 853.7</b>	<b>0.7</b>
Programme 1	1 522	284	1 585	697.3	0.4	1 643	777.0	0.5	1 790	864.9	0.5	1 510	894.8	0.6	1 484	946.0	0.6
Programme 2	904	-	936	452.4	0.5	982	493.2	0.5	965	520.1	0.5	960	558.6	0.6	950	593.7	0.6
Programme 3	363	-	466	272.8	0.6	494	302.6	0.6	486	319.4	0.7	470	329.4	0.7	466	348.8	0.7
Programme 4	717	-	713	341.9	0.5	748	376.1	0.5	745	402.6	0.5	774	455.5	0.6	771	484.9	0.6
Programme 5	618	-	597	321.3	0.5	655	376.8	0.6	633	394.0	0.6	671	450.1	0.7	668	480.3	0.7

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 39.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate 2018/19	Revised estimate	Average growth rate (%) 2015/16 - 2018/19	Average: Receipt item/ Total (%) 2018/19	Medium-term receipts estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Receipt item/ Total (%) 2021/22
	2015/16	2016/17	2017/18					2019/20	2020/21	2021/22		
<b>Departmental receipts</b>	<b>54 643</b>	<b>89 761</b>	<b>81 608</b>	<b>86 594</b>	<b>71 030</b>	<b>9.1%</b>	<b>100.0%</b>	<b>83 478</b>	<b>91 738</b>	<b>100 813</b>	<b>12.4%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>23 695</b>	<b>21 649</b>	<b>22 861</b>	<b>23 132</b>	<b>23 049</b>	<b>-0.9%</b>	<b>30.7%</b>	<b>25 304</b>	<b>27 782</b>	<b>30 434</b>	<b>9.7%</b>	<b>30.7%</b>
Sales by market establishments of which:	743	799	833	654	654	-4.2%	1.0%	870	958	1 017	15.9%	1.0%
Market establishment: Non-residential building	732	729	763	654	654	-3.7%	1.0%	815	897	950	13.3%	1.0%
Market establishment: Parking: Covered and open	11	70	70	-	-	-100.0%	0.1%	55	61	67	-	0.1%
Administrative fees of which:	18 065	17 240	17 208	18 470	18 384	0.6%	23.9%	19 257	21 183	23 302	8.2%	23.7%
Servitude rights	1 012	2 405	597	582	415	-25.7%	1.5%	1 472	1 619	1 781	62.5%	1.5%
Surveyor inspection fees	17 049	14 832	16 608	17 882	17 963	1.8%	22.4%	17 779	19 557	21 513	6.2%	22.1%
Request information: Promotion of Access to Information Act (2000)	4	3	3	6	6	14.5%	-	6	7	8	10.1%	-
Other sales of which:	4 887	3 610	4 820	4 008	4 011	-6.4%	5.8%	5 177	5 641	6 115	15.1%	6.0%
Services rendered: Commission on insurance and garnishees	912	1 010	1 069	1 100	1 100	6.4%	1.4%	1 097	1 206	1 327	6.5%	1.4%
Services rendered: Management fees	5	4	-	4	4	-7.2%	-	4	5	6	14.5%	-
Sales: Tender documents	1 262	411	483	456	456	-28.8%	0.9%	791	870	957	28.0%	0.9%
Sales: Maps	2 400	1 979	2 912	1 914	1 914	-7.3%	3.1%	2 673	2 941	3 235	19.1%	3.1%
Plan sales: Charts/posters	308	206	204	534	534	20.1%	0.4%	534	534	587	3.2%	0.6%
Sales: Plans	-	-	149	-	-	-	0.1%	75	82	-	-	-
Lost office property	-	-	3	-	3	-	-	3	3	3	-	-
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>31</b>	<b>149.3%</b>	<b>-</b>
of which:												
Sales: Scrap	1	3	2	2	2	26.0%	-	2	2	30	146.6%	-
Sales: Wastepaper	1	-	2	-	-	-100.0%	-	1	1	1	-	-
<b>Interest, dividends and rent on land</b>	<b>20 946</b>	<b>29 761</b>	<b>30 940</b>	<b>37 122</b>	<b>21 641</b>	<b>1.1%</b>	<b>34.8%</b>	<b>29 938</b>	<b>32 931</b>	<b>36 224</b>	<b>18.7%</b>	<b>34.8%</b>
Interest	15 756	19 327	17 582	33 324	17 582	3.7%	23.6%	19 311	21 242	23 366	9.9%	23.5%
Rent on land	5 190	10 434	13 358	3 798	4 059	-7.9%	11.1%	10 627	11 689	12 858	46.9%	11.3%
<b>Sales of capital assets</b>	<b>790</b>	<b>439</b>	<b>595</b>	<b>400</b>	<b>400</b>	<b>-20.3%</b>	<b>0.7%</b>	<b>980</b>	<b>1 044</b>	<b>1 148</b>	<b>42.1%</b>	<b>1.0%</b>
<b>Transactions in financial assets and liabilities</b>	<b>9 210</b>	<b>37 909</b>	<b>27 208</b>	<b>25 938</b>	<b>25 938</b>	<b>41.2%</b>	<b>33.8%</b>	<b>27 253</b>	<b>29 978</b>	<b>32 976</b>	<b>8.3%</b>	<b>33.5%</b>
<b>Total</b>	<b>54 643</b>	<b>89 761</b>	<b>81 608</b>	<b>86 594</b>	<b>71 030</b>	<b>9.1%</b>	<b>100.0%</b>	<b>83 478</b>	<b>91 738</b>	<b>100 813</b>	<b>12.4%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

**Table 39.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Ministry	44.5	46.6	45.2	47.8	2.4%	3.0%	46.4	47.9	50.8	2.0%	2.5%
Management	146.4	165.9	164.9	207.4	12.3%	11.1%	215.6	220.4	232.9	3.9%	11.2%
Internal Audit	43.2	40.5	34.4	46.7	2.6%	2.7%	48.6	51.3	54.2	5.1%	2.6%
Corporate Services	381.5	469.4	364.3	456.4	6.2%	27.0%	423.8	447.9	472.8	1.2%	23.0%
Financial Services	166.9	282.6	179.9	193.2	5.0%	13.3%	205.7	218.5	231.6	6.2%	10.8%
Provincial Coordination	315.1	339.6	352.6	393.5	7.7%	22.6%	435.7	449.2	473.3	6.4%	22.4%
Office Accommodation	239.2	262.9	231.7	532.9	30.6%	20.4%	513.2	541.6	571.9	2.4%	27.6%
<b>Total</b>	<b>1 336.9</b>	<b>1 607.5</b>	<b>1 373.0</b>	<b>1 877.9</b>	<b>12.0%</b>	<b>100.0%</b>	<b>1 889.1</b>	<b>1 976.8</b>	<b>2 087.6</b>	<b>3.6%</b>	<b>100.0%</b>
Change to 2018				52.5			19.9	(16.1)	(24.1)		
Budget estimate											

**Table 39.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome				Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18	2018/19		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
R million												
<b>Current payments</b>	<b>1 294.8</b>	<b>1 578.7</b>	<b>1 358.1</b>	<b>1 620.6</b>		<b>7.8%</b>	<b>94.5%</b>	<b>1 640.4</b>	<b>1 714.6</b>	<b>1 805.6</b>	<b>3.7%</b>	<b>86.6%</b>
Compensation of employees	649.2	700.2	697.3	793.5		6.9%	45.8%	864.9	894.8	946.0	6.0%	44.7%
Goods and services <sup>1</sup>	645.5	878.4	660.0	827.0		8.6%	48.6%	775.5	819.8	859.6	1.3%	41.9%
<i>of which:</i>												
<i>Audit costs: External</i>	16.8	17.2	18.4	22.4		10.1%	1.2%	23.9	25.2	26.6	5.9%	1.3%
<i>Computer services</i>	137.5	208.1	122.1	203.2		13.9%	10.8%	181.7	191.6	201.8	-0.2%	9.9%
<i>Operating leases</i>	220.0	236.4	205.2	259.7		5.7%	14.9%	239.1	253.1	266.9	0.9%	13.0%
<i>Property payments</i>	94.5	111.9	109.5	132.0		11.8%	7.2%	122.3	129.7	136.6	1.2%	6.6%
<i>Travel and subsistence</i>	59.1	79.6	68.8	46.8		-7.5%	4.1%	45.4	46.6	49.2	1.7%	2.4%
<i>Training and development</i>	4.5	9.8	5.6	15.3		50.6%	0.6%	24.4	25.7	27.2	21.1%	1.2%
<i>Interest and rent on land</i>	0.0	0.1	0.8	–		-100.0%	–	–	–	–	–	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>1.1</b>	<b>2.2</b>	<b>2.1</b>	<b>0.8</b>		<b>-10.6%</b>	<b>0.1%</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>-35.7%</b>	<b>–</b>
Households	1.1	2.2	2.1	0.8		-11.7%	0.1%	0.2	0.2	0.2	-39.5%	–
<b>Payments for capital assets</b>	<b>40.3</b>	<b>21.4</b>	<b>11.2</b>	<b>256.6</b>		<b>85.3%</b>	<b>5.3%</b>	<b>248.5</b>	<b>262.1</b>	<b>281.7</b>	<b>3.2%</b>	<b>13.4%</b>
Buildings and other fixed structures	5.1	2.7	2.0	237.8		259.8%	4.0%	238.2	251.3	270.7	4.4%	12.7%
Machinery and equipment	35.2	18.7	9.1	18.7		-19.0%	1.3%	10.2	10.7	11.0	-16.2%	0.6%
<b>Payments for financial assets</b>	<b>0.7</b>	<b>5.1</b>	<b>1.7</b>	<b>–</b>		<b>-100.0%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>1 336.9</b>	<b>1 607.5</b>	<b>1 373.0</b>	<b>1 877.9</b>		<b>12.0%</b>	<b>100.0%</b>	<b>1 889.1</b>	<b>1 976.8</b>	<b>2 087.6</b>	<b>3.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>14.7%</b>	<b>16.0%</b>	<b>14.1%</b>	<b>18.0%</b>		<b>–</b>	<b>–</b>	<b>17.3%</b>	<b>18.5%</b>	<b>18.4%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: National Geomatics Management Services

### Programme purpose

Provide geospatial information, cadastral surveys, deeds registration, spatial planning and other technical services in support of sustainable land development.

### Objective

- Facilitate integrated spatial planning and land use management in all provinces through the application of relevant legislation on an ongoing basis.

### Subprogrammes

- National Geomatics Management Services* is responsible for examining and approving all surveys of land and real rights intended to be registered in the deeds office; maintaining records; compiling, maintaining and revising maps of property boundaries; providing cadastral advisory services to other government institutions; promoting and controlling all matters related to geodetic and topographical surveying; establishing and maintaining a network of national georeferencing stations; facilitating state surveys related to land reform; and providing cadastral and geospatial information services, including South African spatial data infrastructure.
- Spatial Planning and Land Use Management* provides for national land use management and spatial planning systems; develops the national spatial development framework and rural development plans, guidelines, norms and standards; and ensures compliance with the Spatial Land Use Management Act (2013). This subprogramme also provides support to the South African Council for Planners and technical assistance to other spheres of government by providing spatial development frameworks and land use schemes; and establishing functional municipal land use tribunals.
- Registration of Deeds Trading Account* provides a deeds registration system in which secure titles are registered and accurate information is provided.
- South African Council for Planners* transfers funds annually to the South African Council for Planners, a non-profit organisation dealing with the registration and other activities of the planning profession.
- South African Geomatics Council* regulates and promotes the transformation of the geomatics profession.

## Expenditure trends and estimates

Table 39.10 National Geomatics Management Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R million											
National Geomatics Management Services	486.7	505.7	467.1	497.5	0.7%	74.5%	512.8	543.4	584.9	5.5%	72.5%
Spatial Planning and Land Use Management	176.1	155.5	143.6	152.5	-4.7%	23.9%	192.0	210.5	224.1	13.7%	26.4%
Registration of Deeds Trading Account	15.9	–	–	0.0	-96.0%	0.6%	0.0	0.0	0.0	–	–
South African Council for Planners	3.2	3.3	3.5	3.7	5.4%	0.5%	3.9	4.1	4.3	5.5%	0.5%
South African Geomatics Council	–	4.0	4.0	3.9	–	0.5%	4.1	4.3	4.6	5.4%	0.6%
<b>Total</b>	<b>681.8</b>	<b>668.6</b>	<b>618.2</b>	<b>657.7</b>	<b>-1.2%</b>	<b>100.0%</b>	<b>712.8</b>	<b>762.3</b>	<b>817.8</b>	<b>7.5%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(32.8)			(31.8)	(28.3)	(22.0)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>625.0</b>	<b>611.9</b>	<b>584.7</b>	<b>613.1</b>	<b>-0.6%</b>	<b>92.7%</b>	<b>669.8</b>	<b>717.0</b>	<b>770.0</b>	<b>7.9%</b>	<b>93.9%</b>
Compensation of employees	449.0	465.7	452.4	473.5	1.8%	70.1%	520.1	558.6	593.7	7.8%	72.7%
Goods and services <sup>1</sup>	176.0	146.1	132.3	139.6	-7.4%	22.6%	149.6	158.3	176.4	8.1%	21.1%
of which:											
Computer services	12.7	13.6	13.7	32.1	36.3%	2.7%	17.5	22.4	24.6	-8.5%	3.3%
Consultants: Business and advisory services	75.2	55.5	61.5	56.6	-9.0%	9.5%	79.4	80.0	84.8	14.4%	10.2%
Contractors	19.3	17.4	14.0	11.3	-16.2%	2.4%	14.5	15.3	25.2	30.5%	2.2%
Consumables: Stationery, printing and office supplies	4.3	4.8	3.3	4.9	5.1%	0.7%	4.9	5.2	5.5	3.5%	0.7%
Property payments	6.7	6.8	4.9	6.1	-3.2%	0.9%	6.4	7.1	7.7	8.1%	0.9%
Travel and subsistence	20.2	21.8	16.9	11.9	-16.2%	2.7%	13.1	13.3	13.2	3.5%	1.7%
Transfers and subsidies <sup>1</sup>	<b>42.7</b>	<b>32.2</b>	<b>27.3</b>	<b>36.6</b>	<b>-5.0%</b>	<b>5.3%</b>	<b>38.6</b>	<b>40.8</b>	<b>43.0</b>	<b>5.5%</b>	<b>5.4%</b>
Departmental agencies and accounts	15.9	4.0	4.0	3.9	-37.4%	1.1%	4.1	4.3	4.6	5.4%	0.6%
Foreign governments and international organisations	2.6	2.3	2.4	1.7	-12.3%	0.3%	1.8	1.9	2.1	5.5%	0.3%
Non-profit institutions	3.2	3.3	3.5	3.7	5.4%	0.5%	3.9	4.1	4.3	5.5%	0.5%
Households	21.0	22.6	17.4	27.2	9.0%	3.4%	28.8	30.4	32.0	5.5%	4.0%
Payments for capital assets	<b>12.0</b>	<b>13.2</b>	<b>5.6</b>	<b>8.0</b>	<b>-12.8%</b>	<b>1.5%</b>	<b>4.4</b>	<b>4.6</b>	<b>4.8</b>	<b>-15.5%</b>	<b>0.7%</b>
Machinery and equipment	12.0	13.2	5.6	8.0	-12.8%	1.5%	4.4	4.6	4.8	-15.5%	0.7%
Payments for financial assets	<b>2.0</b>	<b>11.3</b>	<b>0.6</b>	<b>–</b>	<b>-100.0%</b>	<b>0.5%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>681.8</b>	<b>668.6</b>	<b>618.2</b>	<b>657.7</b>	<b>-1.2%</b>	<b>100.0%</b>	<b>712.8</b>	<b>762.3</b>	<b>817.8</b>	<b>7.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>7.5%</b>	<b>6.6%</b>	<b>6.4%</b>	<b>6.3%</b>			<b>6.5%</b>	<b>7.1%</b>	<b>7.2%</b>		
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>15.9</b>	<b>4.0</b>	<b>4.0</b>	<b>3.9</b>	<b>100.0%</b>	<b>0.2%</b>	<b>4.1</b>	<b>4.3</b>	<b>4.6</b>	<b>5.4%</b>	<b>0.6%</b>
Registration of deeds trading account	15.9	–	–	0.0	-37.4%	0.2%	0.0	0.0	0.0	–	–
South African Geomatics Council	–	4.0	4.0	3.9	9.0%	0.5%	4.1	4.3	4.6	5.4%	0.6%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>20.4</b>	<b>19.5</b>	<b>15.6</b>	<b>26.8</b>	<b>9.5%</b>	<b>3.1%</b>	<b>28.3</b>	<b>29.9</b>	<b>31.5</b>	<b>5.5%</b>	<b>4.0%</b>
Bursaries for non-employees	20.4	19.5	15.6	26.8	9.5%	3.1%	28.3	29.9	31.5	5.5%	4.0%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>3.2</b>	<b>3.3</b>	<b>3.5</b>	<b>3.7</b>	<b>5.4%</b>	<b>0.5%</b>	<b>3.9</b>	<b>4.1</b>	<b>4.3</b>	<b>5.5%</b>	<b>0.5%</b>
South African Council for Planners	3.2	3.3	3.5	3.7	5.4%	0.5%	3.9	4.1	4.3	5.5%	0.5%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>2.6</b>	<b>2.3</b>	<b>2.4</b>	<b>1.7</b>	<b>12.3%</b>	<b>0.3%</b>	<b>1.8</b>	<b>1.9</b>	<b>2.1</b>	<b>5.5%</b>	<b>0.3%</b>
Regional Centre for Mapping of Resources for Development	2.6	2.3	2.4	1.7	12.3%	0.3%	1.8	1.9	2.1	5.5%	0.3%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Rural Development

### Programme purpose

Catalyse, initiate, facilitate and coordinate the implementation of a comprehensive rural development programme, leading to sustainable and vibrant rural communities.

### Objectives

- Support rural economic transformation in areas with economic development potential and opportunities over the medium term by:
  - facilitating the development of 505 rural enterprises and industries
  - facilitating 380 infrastructure development projects.
- Implement the comprehensive rural development programme by providing 22 580 skills development opportunities to rural communities over the medium term.

### Subprogrammes

- *Rural Infrastructure Development* facilitates improved access to social and economic infrastructure, and provides opportunities to generate income through improved infrastructure in rural areas.
- *Rural Enterprise and Industrial Development* creates an enabling institutional environment for sustainable rural development, and provides for social and economic development and sustainable livelihoods in rural communities. Its functions are based on the social mobilisation of communities to ensure that rural communities take ownership of rural development projects and programmes; establish rural development forums and partnerships; increase food security; promote youth development and social organisation; create jobs through the creation of cooperatives; and develop rural enterprises and industries.
- *National Rural Youth Service Corps* trains rural youth in skills sectors such as administration, agriculture, construction, education, engineering, health and safety, hospitality, renewable energy and transport to match the economic priorities of the communities and provinces from which they were recruited.

### Expenditure trends and estimates

**Table 39.11 Rural Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Rural Infrastructure Development	861.7	807.6	781.0	835.0	-1.0%	43.7%	875.0	996.8	1 063.6	8.4%	48.9%
Rural Enterprise and Industrial Development	707.5	571.7	757.2	509.2	-10.4%	33.9%	534.5	553.3	592.5	5.2%	28.4%
National Rural Youth Service Corps	352.7	435.5	457.5	443.0	7.9%	22.5%	411.6	435.1	456.8	1.0%	22.7%
<b>Total</b>	<b>1 922.0</b>	<b>1 814.8</b>	<b>1 995.7</b>	<b>1 787.2</b>	<b>-2.4%</b>	<b>100.0%</b>	<b>1 821.1</b>	<b>1 985.2</b>	<b>2 112.9</b>	<b>5.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(27.3)			(103.3)	(50.3)	(38.3)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>380.8</b>	<b>422.2</b>	<b>372.2</b>	<b>418.3</b>	<b>3.2%</b>	<b>21.2%</b>	<b>1 104.7</b>	<b>1 201.5</b>	<b>1 281.3</b>	<b>45.2%</b>	<b>52.0%</b>
Compensation of employees	255.0	265.0	272.8	304.4	6.1%	14.6%	319.4	329.4	348.8	4.6%	16.9%
Goods and services <sup>1</sup>	125.4	157.2	99.4	113.9	-3.2%	6.6%	785.3	872.1	932.4	101.6%	35.1%
of which:											
Consultants: Business and advisory services	19.6	12.6	14.8	6.7	-30.1%	0.7%	17.6	18.8	19.9	44.0%	0.8%
Contractors	0.4	1.0	0.0	0.2	-24.5%	–	453.7	524.9	560.7	1403.5%	20.0%
Agency and support/outsourced services	0.9	1.0	1.1	22.1	186.4%	0.3%	13.0	15.4	17.8	-7.0%	0.9%
Inventory: Farming supplies	–	–	–	–	–	–	228.4	236.5	253.2	–	9.3%
Consumables: Stationery, printing and office supplies	3.6	2.9	3.4	6.1	18.8%	0.2%	7.2	7.5	8.0	9.5%	0.4%
Travel and subsistence	65.4	85.3	55.9	35.1	-18.7%	3.2%	34.6	36.7	38.9	3.5%	1.9%
Interest and rent on land	0.4	–	0.0	–	-100.0%	–	–	–	–	–	–



**Table 39.11 Rural Development expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	
R million											
<b>Transfers and subsidies<sup>1</sup></b>	<b>940.4</b>	<b>818.8</b>	<b>1 046.6</b>	<b>1 363.6</b>	<b>13.2%</b>	<b>55.4%</b>	<b>312.6</b>	<b>329.0</b>	<b>345.6</b>	<b>-36.7%</b>	<b>30.5%</b>
Households	940.4	818.8	1 046.6	1 363.6	13.2%	55.4%	312.6	329.0	345.6	-36.7%	30.5%
<b>Payments for capital assets</b>	<b>599.8</b>	<b>573.0</b>	<b>576.5</b>	<b>5.4</b>	<b>-79.2%</b>	<b>23.3%</b>	<b>403.8</b>	<b>454.6</b>	<b>486.0</b>	<b>347.9%</b>	<b>17.5%</b>
Buildings and other fixed structures	596.0	566.2	561.3	–	-100.0%	22.9%	–	–	–	–	–
Machinery and equipment	3.8	6.8	15.2	5.4	12.9%	0.4%	403.8	454.6	486.0	347.9%	17.5%
<b>Payments for financial assets</b>	<b>1.0</b>	<b>0.8</b>	<b>0.3</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>1 922.0</b>	<b>1 814.8</b>	<b>1 995.7</b>	<b>1 787.2</b>	<b>-2.4%</b>	<b>100.0%</b>	<b>1 821.1</b>	<b>1 985.2</b>	<b>2 112.9</b>	<b>5.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>21.1%</b>	<b>18.0%</b>	<b>20.5%</b>	<b>17.1%</b>	<b>–</b>	<b>–</b>	<b>16.6%</b>	<b>18.6%</b>	<b>18.6%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>940.3</b>	<b>818.3</b>	<b>1 046.2</b>	<b>1 363.6</b>	<b>13.2%</b>	<b>55.4%</b>	<b>312.6</b>	<b>329.0</b>	<b>345.6</b>	<b>-36.7%</b>	<b>30.5%</b>
Rural Infrastructure Development	136.1	93.9	93.4	724.7	74.6%	13.9%	0.0	0.0	0.0	-98.9%	9.4%
National Rural Youth Service Corps	274.3	349.4	373.9	325.0	5.8%	17.6%	312.6	329.0	345.6	2.1%	17.0%
Rural Enterprise and Industrial Development	529.9	375.0	578.8	313.8	-16.0%	23.9%	0.0	0.0	0.0	-98.5%	4.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Restitution

### Programme purpose

Settle land restitution claims under the Restitution of Land Rights Act, 1994, and provide settlement support to beneficiaries.

### Objective

- Facilitate the restoration of land rights and alternative forms of equitable redress through conducting research and finalising claims over the medium term.

### Subprogrammes

- Restitution National Office* provides administrative and professional support to the Commission on Restitution of Land Rights for processing and investigating restitution claims, develops and coordinates restitution policy, and oversees court cases.
- Restitution Regional Offices* is responsible for the research, validation, verification and negotiation of settlements, and provides administrative support services for the settlement of claims.
- Restitution Grants* redresses restitution claims by restoring land or providing alternative land, provides financial compensation and alternative relief, offers settlement planning and facilitation assistance, and contributes funds to the resettlement of communities.

### Expenditure trends and estimates

**Table 39.12 Restitution expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	
R million											
Restitution National Office	88.0	90.7	116.5	653.7	95.1%	7.6%	185.2	202.7	225.5	-29.9%	9.1%
Restitution Regional Offices	523.0	563.0	568.9	479.3	-2.9%	17.2%	503.3	553.8	577.0	6.4%	15.3%
Restitution Grants	2 019.2	2 677.4	2 408.7	2 226.3	3.3%	75.2%	2 919.7	2 580.3	2 749.7	7.3%	75.6%
<b>Total</b>	<b>2 630.2</b>	<b>3 331.1</b>	<b>3 094.0</b>	<b>3 359.3</b>	<b>8.5%</b>	<b>100.0%</b>	<b>3 608.2</b>	<b>3 336.8</b>	<b>3 552.2</b>	<b>1.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(11.7)			4.6	(473.9)	(472.4)		

**Table 39.12 Restitution expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Current payments</b>	<b>491.9</b>	<b>524.3</b>	<b>549.2</b>	<b>598.7</b>	<b>6.8%</b>	<b>17.4%</b>	<b>679.4</b>	<b>746.9</b>	<b>792.4</b>	<b>9.8%</b>	<b>20.3%</b>
Compensation of employees	304.7	325.5	341.9	371.6	6.8%	10.8%	402.6	455.5	484.9	9.3%	12.4%
Goods and services <sup>1</sup>	186.0	198.1	204.4	227.1	6.9%	6.6%	276.8	291.4	307.5	10.6%	8.0%
<i>of which:</i>											
Communication	11.1	12.2	9.7	11.0	-0.3%	0.4%	11.7	12.7	13.5	7.2%	0.4%
Consultants: Business and advisory services	12.7	21.9	36.9	53.6	61.8%	1.0%	104.0	114.9	124.3	32.4%	2.9%
Legal services	–	2.3	30.4	17.9	–	0.4%	16.5	19.2	20.6	4.7%	0.5%
Agency and support/outsourced services	7.9	11.7	7.1	23.4	43.7%	0.4%	19.3	18.4	23.5	0.1%	0.6%
Property payments	6.0	1.8	5.5	9.9	18.6%	0.2%	12.7	12.9	13.7	11.4%	0.4%
Travel and subsistence	43.2	6.5	52.6	31.2	-10.3%	1.1%	35.7	37.2	38.8	7.6%	1.0%
Interest and rent on land	1.2	0.6	2.9	–	-100.0%	–	–	–	–	–	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>2 039.4</b>	<b>2 687.6</b>	<b>2 426.6</b>	<b>2 734.6</b>	<b>10.3%</b>	<b>79.6%</b>	<b>2 926.4</b>	<b>2 587.4</b>	<b>2 757.2</b>	<b>0.3%</b>	<b>79.4%</b>
Provinces and municipalities	19.1	9.6	17.7	7.9	-25.4%	0.4%	6.4	6.7	7.1	-3.6%	0.2%
Public corporations and private enterprises	0.4	0.2	–	500.0	968.4%	4.0%	–	–	–	-100.0%	3.6%
Households	2 019.9	2 677.9	2 408.9	2 226.7	3.3%	75.2%	2 920.1	2 580.7	2 750.1	7.3%	75.6%
<b>Payments for capital assets</b>	<b>97.9</b>	<b>112.3</b>	<b>117.7</b>	<b>26.0</b>	<b>-35.7%</b>	<b>2.9%</b>	<b>2.4</b>	<b>2.5</b>	<b>2.7</b>	<b>-53.2%</b>	<b>0.2%</b>
Machinery and equipment	7.3	7.9	6.6	6.9	-1.8%	0.2%	2.4	2.5	2.7	-27.3%	0.1%
Land and subsoil assets	90.6	104.4	111.1	19.1	-40.5%	2.6%	–	–	–	-100.0%	0.1%
<b>Payments for financial assets</b>	<b>1.1</b>	<b>6.9</b>	<b>0.4</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>2 630.2</b>	<b>3 331.1</b>	<b>3 094.0</b>	<b>3 359.3</b>	<b>8.5%</b>	<b>100.0%</b>	<b>3 608.2</b>	<b>3 336.8</b>	<b>3 552.2</b>	<b>1.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>28.8%</b>	<b>33.1%</b>	<b>31.8%</b>	<b>32.2%</b>	<b>–</b>	<b>–</b>	<b>33.0%</b>	<b>31.3%</b>	<b>31.3%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Other transfers to households</b>											
Capital	2 019.2	2 677.4	2 408.7	2 226.3	3.3%	75.2%	2 919.7	2 580.3	2 749.7	7.3%	75.6%
Restitution grants	2 019.2	2 677.4	2 408.7	2 226.3	3.3%	75.2%	2 919.7	2 580.3	2 749.7	7.3%	75.6%
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>19.1</b>	<b>9.6</b>	<b>17.7</b>	<b>7.9</b>	<b>-25.4%</b>	<b>0.4%</b>	<b>6.4</b>	<b>6.7</b>	<b>7.1</b>	<b>3.6%</b>	<b>0.2%</b>
Vehicle licences	19.1	9.6	0.3	0.3	–	0.2%	0.3	0.3	0.3	2.0%	–
Rates and taxes	–	–	17.4	7.6	-76.1%	0.2%	6.1	6.4	6.8	-3.8%	0.2%
<b>Public corporations and private enterprises</b>							8.5%	–	–	–	–
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
Capital	–	–	–	500.0	–	4.0%	–	–	–	100%	3.6%
Land Bank black producer commercialisation programme	–	–	–	500.0	–	4.0%	–	–	–	100%	3.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Land Reform

### Programme purpose

Provide sustainable land reform programmes in South Africa.

### Objective

- Promote equitable land redistribution and agricultural development by acquiring 103 012 hectares of strategically located land by March 2020.

### Subprogrammes

- Land Redistribution and Development* is responsible for the implementation of the One Household, One Hectare initiative, the recapitalisation and development of existing projects, and the department's proactive strategy to acquire land.
- Land Tenure and Administration* provides functional systems and institutional arrangements for tenure and land administration to enable agrarian reform in all provinces.

- *Land Reform Grants* provides funding for project and programme planning, land acquisition and settlement; and allows the department to maintain, plan, develop or improve property.
- *KwaZulu-Natal Ingonyama Trust Board* provides quarterly transfers for administering land owned by the Ingonyama Trust.
- *Agricultural Land Holding Account* is responsible for buying and holding land until suitable beneficiaries are identified in terms of the Provisions of Land and Assistance Act (1993). This subprogramme's total budget is used for recapitalisation, development and land acquisition.
- *Office of the Valuer-General* is responsible for providing land valuations of land earmarked for land reform and land restitution purposes.

## Expenditure trends and estimates

**Table 39.13 Land Reform expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22		
R million											
Land Redistribution and Development	363.7	253.6	230.5	422.3	5.1%	12.0%	298.2	333.4	352.8	-5.8%	12.7%
Land Tenure and Administration	246.5	474.8	581.1	446.5	21.9%	16.5%	443.6	484.0	515.0	4.9%	17.1%
Land Reform Grants	571.2	381.4	404.8	386.3	-12.2%	16.5%	603.6	637.8	672.9	20.3%	20.8%
KwaZulu-Natal Ingonyama Trust Board	18.1	18.8	19.7	20.3	4.0%	0.7%	21.5	22.7	23.9	5.5%	0.8%
Agricultural Land Holding Account	1 342.0	1 502.1	1 348.4	1 326.5	-0.4%	52.1%	1 405.9	983.4	1 064.8	-7.1%	43.3%
Office of the Valuer-General	5.5	14.3	64.8	141.1	195.2%	2.1%	142.1	147.5	155.6	3.3%	5.3%
<b>Total</b>	<b>2 547.1</b>	<b>2 645.1</b>	<b>2 649.3</b>	<b>2 743.1</b>	<b>2.5%</b>	<b>100.0%</b>	<b>2 915.0</b>	<b>2 608.8</b>	<b>2 785.1</b>	<b>0.5%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				19.2			7.0	(467.2)	(464.3)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>543.0</b>	<b>609.0</b>	<b>602.3</b>	<b>621.9</b>	<b>4.6%</b>	<b>22.4%</b>	<b>666.4</b>	<b>737.9</b>	<b>784.0</b>	<b>8.0%</b>	<b>25.4%</b>
Compensation of employees	279.2	308.9	321.3	382.5	11.1%	12.2%	394.0	450.1	480.3	7.9%	15.4%
Goods and services <sup>1</sup>	263.3	300.0	281.0	239.3	-3.1%	10.2%	272.4	287.9	303.7	8.3%	10.0%
<i>of which:</i>											
<i>Audit costs: External</i>	–	0.6	–	0.8	–	–	20.6	23.9	25.3	210.3%	0.6%
<i>Consultants: Business and advisory services</i>	11.5	1.6	0.3	21.7	23.5%	0.3%	31.3	32.5	34.3	16.5%	1.1%
<i>Legal services</i>	124.0	–	156.6	79.3	-13.8%	3.4%	82.5	87.0	91.8	5.0%	3.1%
<i>Consumables: Stationery, printing and office supplies</i>	5.1	5.6	5.4	10.9	28.5%	0.3%	12.8	12.5	13.1	6.4%	0.4%
<i>Property payments</i>	7.1	1.6	8.9	9.6	10.7%	0.3%	12.5	13.4	14.1	13.8%	0.4%
<i>Travel and subsistence</i>	43.9	0.0	52.5	43.3	-0.4%	1.3%	42.3	45.6	47.8	3.3%	1.6%
Interest and rent on land	0.5	0.1	0.1	0.1	-53.6%	–	–	–	–	-100.0%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 994.8</b>	<b>2 023.1</b>	<b>2 039.5</b>	<b>2 112.8</b>	<b>1.9%</b>	<b>77.2%</b>	<b>2 244.8</b>	<b>1 867.0</b>	<b>1 997.1</b>	<b>-1.9%</b>	<b>74.4%</b>
Provinces and municipalities	57.7	105.7	200.0	88.4	15.3%	4.3%	71.6	75.5	79.7	-3.4%	2.9%
Departmental agencies and accounts	1 365.6	1 535.2	1 432.9	1 487.9	2.9%	55.0%	1 569.6	1 153.5	1 244.3	-5.8%	49.4%
Public corporations and private enterprises	–	–	0.0	150.0	–	1.4%	0.0	0.0	0.0	-98.1%	1.4%
Households	571.6	382.1	406.6	386.4	-12.2%	16.5%	603.6	637.9	673.0	20.3%	20.8%
<b>Payments for capital assets</b>	<b>8.9</b>	<b>12.3</b>	<b>7.1</b>	<b>8.4</b>	<b>-1.9%</b>	<b>0.3%</b>	<b>3.8</b>	<b>3.9</b>	<b>4.1</b>	<b>-21.6%</b>	<b>0.2%</b>
Buildings and other fixed structures	0.1	–	–	–	-100.0%	–	–	–	–	–	–
Machinery and equipment	8.8	12.3	7.1	8.4	-1.6%	0.3%	3.8	3.9	4.1	-21.6%	0.2%
<b>Payments for financial assets</b>	<b>0.4</b>	<b>0.6</b>	<b>0.4</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>2 547.1</b>	<b>2 645.1</b>	<b>2 649.3</b>	<b>2 743.1</b>	<b>2.5%</b>	<b>100.0%</b>	<b>2 915.0</b>	<b>2 608.8</b>	<b>2 785.1</b>	<b>0.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>27.9%</b>	<b>26.3%</b>	<b>27.2%</b>	<b>26.3%</b>	<b>–</b>	<b>–</b>	<b>26.6%</b>	<b>24.5%</b>	<b>24.5%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>1 365.6</b>	<b>1 535.2</b>	<b>1 432.9</b>	<b>1 487.9</b>	<b>2.9%</b>	<b>55.0%</b>	<b>1 569.6</b>	<b>1 153.5</b>	<b>1 244.3</b>	<b>-5.8%</b>	<b>49.4%</b>
KwaZulu-Natal Ingonyama Trust Board	18.1	18.8	19.7	20.3	-4.0%	0.7%	21.5	22.7	23.9	5.5%	0.8%
Agricultural land holding account	1 342.0	1 502.1	1 348.4	1 326.5	-0.4%	52.1%	1 405.9	983.4	1 064.8	-7.1%	43.3%
Office of the Valuer-General	5.5	14.3	64.8	141.1	195.2%	2.1%	142.1	147.5	155.6	3.3%	5.3%

**Table 39.13 Land Reform expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)		Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)		Average: Expenditure/Total (%)
Audited outcome			2018/19		2015/16	2018/19		2019/20	2020/21	2021/22	2018/19	2021/22	
R million	2015/16	2016/17	2017/18										
<b>Households</b>													
<b>Other transfers to households</b>													
<b>Capital</b>	<b>571.2</b>	<b>381.4</b>	<b>404.8</b>	<b>386.3</b>	–	<b>16.5%</b>	<b>603.6</b>	<b>637.8</b>	<b>672.9</b>	<b>20.3%</b>	<b>20.8%</b>		
Land reform grants: Land redistribution payments	–	380.2	400.4	122.3	–	8.5%	305.5	323.1	340.9	40.7%	9.9%		
Land reform grants: Land tenure payments	571.2	1.2	4.4	264.0	-22.7.0%	7.9%	298.1	314.7	332.0	7.9%	10.9%		
<b>Provinces and municipalities</b>													
<b>Municipalities</b>													
<b>Municipal bank accounts</b>													
<b>Current</b>	<b>57.7</b>	<b>105.7</b>	<b>200.0</b>	<b>88.4</b>	<b>15.3%</b>	<b>4.3%</b>	<b>71.6</b>	<b>75.5</b>	<b>79.7</b>	<b>-3.4%</b>	<b>2.9%</b>		
Rates and taxes	57.7	105.7	200.0	88.4	15.3%	4.3%	71.6	75.5	79.7	-3.4%	2.9%		
<b>Public corporations and private enterprises</b>													
<b>Public corporations</b>													
<b>Other transfers to public corporations</b>													
<b>Capital</b>	–	–	–	<b>150.0</b>	–	<b>1.4%</b>	–	–	–	<b>100%</b>	<b>1.4%</b>		
Land Bank black producer commercialisation programme	–	–	–	150.0	–	1.4%	–	–	–	100%	1.4%		

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entity

### Agricultural land holding account

#### Mandate

The agricultural land holding account was established in terms of the Provision of Land and Assistance Act (1993). Section 10 (1) (a) gives legal effect to the proactive acquisition of land, where the Minister of Rural Development and Land Reform may, with money appropriated by Parliament, acquire targeted land in line with the demand or need for it. The entity's main strategic objective over the medium term is to ensure greater access to and more productive use of land, as well as to acquire land for redistribution to land reform beneficiaries.

#### Selected performance indicators

**Table 39.14 Agricultural land holding account performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
Number of hectares of land acquired per year	Increased access to productive use of land	Outcome 7: Comprehensive rural development and land reform	242 556	87 153	85 568	81 000	85 500	89 775	94 264
Number of households participating in the One Household, One Hectare initiative per year	Increased access to productive use of land		– <sup>1</sup>	– <sup>1</sup>	4 640	3 437	3 850	4 400	4 620

1. No historical data available.

#### Expenditure analysis

Over the medium term, the agricultural land holding account will focus on acquiring a targeted 269 539 hectares of strategically located land for redistribution to smallholder farmers at an estimated cost of R1.9 billion. The main drivers of this spending are set to be development support to farmers for equipment and other farming inputs, and planning costs involved in activities such as land valuations and feasibility studies.

The entity's recapitalisation and development policy focuses on redistributed farms that have received limited or no agricultural support since 1994, but have the potential to grow. To facilitate the growth of these farms, R138 million is allocated over the medium term.

The entity is set to receive 85.7 per cent of its revenue over the medium term through transfers from the department of R1.4 billion in 2019/20, R983.4 million in 2020/21 and R1.1 billion in 2021/22. The decrease in these transfers is due to Cabinet-approved reductions to the budget. These reductions are not likely to have an

effect on the number of hectares targeted for redistribution, and will be offset by the generation of an estimated R376.1 million in non-tax revenue over the same period through rental income on qualifying lease contracts and interest charged on outstanding leases.

The entity is administered by the *Agricultural Land Holding Account* subprogramme in the *Land Reform* programme. As such, it has no personnel and no expenditure on compensation of employees.

### Programmes/Objectives/Activities

**Table 39.15 Agricultural land holding account expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22		
Administration	432.4	687.9	530.0	950.3	30.0%	100.0%	587.1	429.6	488.5	-19.9%	100.0%
<b>Total</b>	<b>432.4</b>	<b>687.9</b>	<b>530.0</b>	<b>950.3</b>	<b>30.0%</b>	<b>100.0%</b>	<b>587.1</b>	<b>429.6</b>	<b>488.5</b>	<b>-19.9%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 39.16 Agricultural land holding account statements of historical financial performance and position**

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average Outcome/Budget (%)
	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2018/19	2015/16 - 2018/19
<b>Revenue</b>									
Non-tax revenue	287.1	64.3	267.1	75.5	202.6	102.7	372.8	885.8	99.9%
Other non-tax revenue	287.1	64.3	267.1	75.5	202.6	102.7	372.8	885.8	99.9%
Transfers received	1 461.9	1 360.1	1 607.9	1 528.1	1 348.4	1 362.8	1 326.5	1 326.5	97.1%
<b>Total revenue</b>	<b>1 749.0</b>	<b>1 424.4</b>	<b>1 875.0</b>	<b>1 603.6</b>	<b>1 551.0</b>	<b>1 465.5</b>	<b>1 699.3</b>	<b>2 212.2</b>	<b>97.5%</b>
<b>Expenses</b>									
Current expenses	215.0	432.4	496.9	296.9	371.9	334.8	384.9	348.7	96.2%
Goods and services	167.9	389.1	448.9	246.0	322.6	284.0	332.2	302.0	96.0%
Depreciation	47.1	42.8	48.0	47.1	49.3	48.4	52.7	46.7	93.9%
Interest, dividends and rent on land	-	0.5	-	3.9	-	2.4	-	-	-
Transfers and subsidies	675.1	-	420.0	391.0	334.7	195.2	136.3	601.6	75.8%
<b>Total expenses</b>	<b>890.1</b>	<b>432.4</b>	<b>916.9</b>	<b>687.9</b>	<b>706.5</b>	<b>530.0</b>	<b>521.2</b>	<b>950.3</b>	<b>85.7%</b>
<b>Surplus/(Deficit)</b>	<b>859.0</b>	<b>992.0</b>	<b>958.0</b>	<b>916.0</b>	<b>845.0</b>	<b>935.0</b>	<b>1 178.0</b>	<b>1 262.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	11 158.1	11 217.8	13 061.7	11 974.9	11 877.7	12 463.9	13 945.5	13 522.5	98.3%
of which:									
Acquisition of assets	(850.8)	(990.1)	(664.1)	(712.7)	(515.0)	(577.2)	(871.9)	(980.7)	112.4%
Investments	265.3	265.4	284.2	311.6	316.6	307.3	352.4	325.7	99.3%
Receivables and prepayments	605.4	247.4	884.7	667.4	675.9	422.1	836.9	241.3	52.6%
Cash and cash equivalents	291.6	181.2	(86.9)	257.6	131.1	779.6	73.7	6.6	299.2%
<b>Total assets</b>	<b>12 320.4</b>	<b>11 911.9</b>	<b>14 143.7</b>	<b>13 211.5</b>	<b>13 001.3</b>	<b>13 972.9</b>	<b>15 208.6</b>	<b>14 096.0</b>	<b>97.3%</b>
Accumulated surplus/(deficit)	12 258.7	11 782.5	14 121.7	12 921.4	12 978.0	13 856.9	15 184.0	13 946.7	96.3%
Trade and other payables	61.7	129.4	22.0	200.6	23.3	33.9	24.7	21.7	292.9%
Provisions	-	-	-	89.6	-	82.1	-	127.7	-
Derivatives financial instruments	-	0.1	-	-	-	-	-	-	-
<b>Total equity and liabilities</b>	<b>12 320.4</b>	<b>11 911.9</b>	<b>14 143.7</b>	<b>13 211.5</b>	<b>13 001.3</b>	<b>13 972.9</b>	<b>15 208.6</b>	<b>14 096.0</b>	<b>97.3%</b>

### Statements of estimates of financial performance and position

**Table 39.17 Agricultural land holding account statements of estimates of financial performance and position**

Statement of financial performance									
R million	Revised estimate	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average Expenditure/Total (%)	
	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	
<b>Revenue</b>									
Non-tax revenue	885.8	139.7%	14.1%	90.4	179.2	197.5	-39.4%	19.3%	
Other non-tax revenue	885.8	139.7%	14.1%	90.4	179.2	197.5	-39.4%	19.3%	
Transfers received	1 326.5	-0.8%	85.9%	1 405.9	983.4	1 064.8	-7.1%	80.7%	
<b>Total revenue</b>	<b>2 212.2</b>	<b>15.8%</b>	<b>100.0%</b>	<b>1 496.3</b>	<b>1 162.5</b>	<b>1 262.3</b>	<b>-17.1%</b>	<b>100.0%</b>	

**Table 39.17 Agricultural land holding account statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	Revised estimate							
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Expenses</b>								
<b>Current expenses</b>	<b>348.7</b>	<b>-6.9%</b>	<b>60.8%</b>	<b>163.3</b>	<b>226.7</b>	<b>251.5</b>	<b>-10.3%</b>	<b>42.2%</b>
Goods and services	302.0	-8.1%	52.8%	110.1	164.1	183.3	-15.3%	31.6%
Depreciation	46.7	2.9%	7.7%	48.2	62.6	68.3	13.5%	10.4%
Interest, dividends and rent on land	–	-100.0%	0.3%	5.0	–	–	–	0.2%
<b>Transfers and subsidies</b>	<b>601.6</b>	<b>–</b>	<b>39.2%</b>	<b>423.8</b>	<b>202.9</b>	<b>237.0</b>	<b>-26.7%</b>	<b>57.8%</b>
<b>Total expenses</b>	<b>950.3</b>	<b>30.0%</b>	<b>100.0%</b>	<b>587.1</b>	<b>429.6</b>	<b>488.5</b>	<b>-19.9%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>1 262.0</b>			<b>909.0</b>	<b>733.0</b>	<b>774.0</b>		
<b>Statement of financial position</b>								
Carrying value of assets	13 522.5	6.4%	92.5%	15 771.3	15 819.1	18 424.1	10.9%	97.8%
<i>of which:</i>								
<i>Acquisition of assets</i>	<i>(980.7)</i>	<i>-0.3%</i>	<i>-6.2%</i>	<i>(720.6)</i>	<i>(625.4)</i>	<i>(656.6)</i>	<i>-12.5%</i>	<i>-4.7%</i>
Investments	325.7	7.1%	2.3%	175.7	–	–	-100.0%	0.9%
Receivables and prepayments	241.3	-0.8%	3.0%	153.3	224.2	140.9	-16.4%	1.2%
Cash and cash equivalents	6.6	-66.9%	2.3%	5.1	30.2	62.0	111.4%	0.1%
<b>Total assets</b>	<b>14 096.0</b>	<b>5.8%</b>	<b>100.0%</b>	<b>16 105.3</b>	<b>16 073.4</b>	<b>18 627.0</b>	<b>9.7%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	13 946.7	5.8%	98.7%	15 957.5	16 048.6	18 594.8	10.1%	99.4%
Trade and other payables	21.7	-44.9%	0.8%	20.1	24.8	32.2	14.1%	0.2%
Provisions	127.7	–	0.5%	127.7	–	–	-100.0%	0.4%
<b>Total equity and liabilities</b>	<b>14 096.0</b>	<b>5.8%</b>	<b>100.0%</b>	<b>16 105.3</b>	<b>16 073.4</b>	<b>18 627.0</b>	<b>9.7%</b>	<b>100.0%</b>

## Other entities

Comprehensive coverage of the following entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- The **KwaZulu-Natal Ingonyama Trust Board** is a land management agency that ensures that commercial activity on communal land is developmental and beneficial to local communities. The KwaZulu-Natal Ingonyama Trust Act (1994) makes provision for the 2.8 million hectares of land spread across KwaZulu-Natal to be held in trust and managed on behalf of communities. The affairs of the trust are administered by the Ingonyama Trust Board. The board's total budget for 2019/20 is R210.9 million.
- The **Office of the Valuer-General** values all land to be acquired for land reform purpose, in accordance with a defined set of criteria based on section 25(3) of the Constitution, to ensure fair and equitable prices. The Property Valuation Act (2014) prescribes that the office must be impartial in exercising its powers and performing its functions, and be accountable to the Minister of Rural Development and Land Reform. The office's total budget for 2019/20 is R143.4 million.
- The **Registration of deeds trading account** makes provision for the administration of the land registration system and the registration of rights in land. It requires that deeds and documents are prepared and lodged in the deeds registry by a conveyancer or public notary, and are scrutinised for accuracy and compliance with common law, case law and statutory law. The main goal of the trading account is to contribute to effective land planning, administration and property registration. The account's total budget for 2019/20 is R938.6 million.

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R million										
<b>Departmental infrastructure</b>										
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Deeds office (Bloemfontein): Sewerage system	Upgrading	Completed	1.8	–	0.0	0.7	–	–	–	–
Deeds office (Bloemfontein): Fire protection system	Maintenance	Tender	7.0	0.4	–	0.2	1.5	2.0	2.0	1.0
49 Beacon Street, Ladysmith (KwaZulu-Natal): Accommodation	Upgrading	On-going	3.4	–	0.3	0.1	1.0	1.0	0.5	0.5
Kimberley Deeds office	Upgrading	Site identification	3.0	–	–	0.8	–	1.0	1.0	1.0
Kimberley: Fire detection and compression systems	Assessment	Site identification	6.5	–	–	–	1.5	2.0	2.0	1.0
King William's Town: Fire detection and compression systems	Assessment	Site identification	6.0	–	–	–	–	3.0	3.0	–
Deeds office and surveyor general office (Pietermaritzburg): Air conditioning and fire detection systems	Maintenance and upgrading	Tender	5.1	–	–	–	–	1.0	1.0	1.0
Old cooperation building (Pretoria) heritage and south block	Upgrading	Tender	2.1	0.0	2.1	–	–	–	–	–
Deeds office (Bloemfontein): Assessment and implementation of remedial strategies for the existing climate control systems	Upgrading	Feasibility	1.2	–	–	–	0.5	0.5	0.2	–
Kimberley New accommodation, state-owned facility	Upgrading	Prefeasibility	2.0	–	–	–	–	1.0	0.5	0.5
East London: Ocean terrace building elevators	Upgrading	Project Registration	2.5	–	–	–	–	1.0	1.0	0.5
East London: Old SARS building	Refurbishment	Project Registration	2.5	–	–	–	–	1.0	1.0	0.5
Western Cape: Fence for Mowbray office	Refurbishment or replacement	Project Registration	1.5	–	–	–	–	1.0	0.5	–
Western Cape: Elevators for 90 Plein Street	Upgrading	Project Registration	2.5	–	–	–	–	1.0	1.0	0.5
Western Cape: Air conditioning system for 90 Plein Street	Upgrading	Project Registration	5.0	–	–	–	1.0	1.5	1.5	1.0
Western Cape: Fire protection and climate control system for 90 Plein Street	Upgrading and maintenance	Project Registration	6.5	–	–	–	1.5	2.0	2.0	1.0
Rural infrastructure development projects	Various	Handed over	–	554.7	343.3	482.9	–	–	–	–
<b>Total</b>			<b>58.6</b>	<b>555.1</b>	<b>345.7</b>	<b>484.7</b>	<b>7.0</b>	<b>19.0</b>	<b>17.2</b>	<b>8.5</b>





# Vote 40

## Sport and Recreation South Africa

### Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	145.7	143.1	0.1	2.5	155.6	165.1
Active Nation	744.1	78.9	665.2	–	784.9	828.8
Winning Nation	83.7	40.0	43.7	–	88.4	93.7
Sport Support	164.9	19.3	145.7	–	174.3	186.9
Sport Infrastructure Support	15.2	15.2	–	–	16.2	17.2
<b>Total expenditure estimates</b>	<b>1 153.7</b>	<b>296.4</b>	<b>854.7</b>	<b>2.5</b>	<b>1 219.3</b>	<b>1 291.7</b>

Executive authority Minister of Sport and Recreation South Africa  
 Accounting officer Director-General of Sport and Recreation South Africa  
 Website address [www.srsa.gov.za](http://www.srsa.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.*

### Vote purpose

*Transform the delivery of sport and recreation by ensuring equitable access, development and excellence at all levels of participation, thereby improving social cohesion, nation building and the quality of life of all South Africans.*

### Mandate

The Department of Sport and Recreation South Africa is established in terms of the Public Service Act (1994). Its legal mandate is derived from the National Sport and Recreation Act (1998), which requires it to oversee the development and management of sport and recreation in South Africa. The act provides the framework for relationships between the department and its external clients. This includes the department's partnership with the South African Sports Confederation and Olympic Committee, which is key to improving South Africa's international ranking in selected sports. The act also ensures that sport and physical activity contribute to social cohesion by legislating on sports participation and sports infrastructure.

### Selected performance indicators

**Table 40.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of people actively participating in sport and recreation promotion campaigns and events per year	Active Nation	Outcome 14: Nation building and social cohesion	12 963	21 835	51 405 <sup>1</sup>	48 000	46 964	46 964	46 964
Number of learners in national school sport championships per year	Active Nation		10 685	7 925	6 514	5 000 <sup>2</sup>	5 000	5 000	5 000

**Table 40.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of schools, hubs and clubs provided with equipment and/or attire as per the established norms and standards per year	Active Nation	Outcome 14: Nation building and social cohesion	3 938	2 964	2 880	2 500 <sup>3</sup>	2 500	2 500	2 500
Number of major international events receiving intra-governmental support per year	Winning Nation		0	4	7 <sup>4</sup>	4	4	4	4
Number of athletes supported by sports academies per year	Winning Nation		6 089 <sup>5</sup>	4 358 <sup>5</sup>	5 296 <sup>6</sup>	3 600	3 700	3 700	3 700
Number of athletes supported through the scientific support programme per year	Winning Nation		43	359 <sup>5</sup>	279 <sup>6</sup>	80	80	80	80
Number of athletes supported through the ministerial sports bursary programme per year	Winning Nation		52	66	60	60	50 <sup>3</sup>	50 <sup>3</sup>	50 <sup>3</sup>
Number of sport and recreation bodies receiving financial and non-financial support in an effort to assist them in meeting their transformation targets per year	Sport Support		65	68	66	60	60	60	60
Number of municipalities provided with technical and management support per year	Sport Infrastructure Support		- <sup>7</sup>	- <sup>7</sup>	62 <sup>8</sup>	35	40	45	45

1. Increase in participants in 2017/18 was due to an increase in interest and participation in the Big Walk, which has since developed into an established annual event.

2. Decrease in participants was due to a reduction in the number of age categories in the championships.

3. Targets do not increase over the MTEF period due to inflation.

4. Some events supported were not officially communicated at the time of planning.

5. More athletes were supported in 2015/16 and 2016/17 in preparation for the 2016 Olympic and Paralympic Games.

6. More athletes were supported in 2017/18 in preparation for the Commonwealth Games.

7. No historical data available.

8. This includes support to facilities carried over from 2016/17.

## Expenditure analysis

The National Development Plan and national sport and recreation plan recognise sport and recreation as a way to foster nation building and social cohesion. To give expression to the visions of these plans over the medium term, the Department of Sport and Recreation South Africa intends to continue broadening the participation base in sport and recreation, cultivating sporting talent and encouraging excellence in the international sporting arena, pursuing the delivery of sport infrastructure, and championing transformation in sport and recreation.

### ***Broadening the participation base in sport and recreation***

To be an active nation, citizens need to get into the habit of participating in sport and recreation from a young age. An estimated 140 892 people are expected to participate in events such as youth camps, the Big Walk, the national recreation day and the national indigenous games festival over the MTEF period. These events are mainly funded by transfers over the medium term to provinces through a R2 billion allocation to the *mass participation and sport development grant*, and R111 million from goods and services in the *Active Nation* programme.

The department will continue to assist provincial departments over the MTEF period by deploying managers to oversee youth camps and provide logistical support to ensure that they are successful. An estimated

1 800 participants from various backgrounds attend these camps, where learners are taught leadership skills, life skills, and the importance of national pride. The department plans to spend R3 million in each year over the medium term on the camps in the *Community Sport* subprogramme in the *Active Nation* programme, while each province allocates an additional R3 million each year from the *mass participation and sport development grant*.

9 indigenous games frequently played in South Africa are showcased during the national indigenous games festival. The games bring people from culturally diverse backgrounds together as part of South Africa's heritage celebrations in September. All provinces present teams selected from various communities at the games, which are held from community to provincial level. Provincial departments are responsible for the development of indigenous games at the school and community levels, the selection of provincial teams, and the preparation and presentation of teams at the festival. Indigenous games federations have been established at the provincial level, and national structures are being formally constituted for all indigenous games. The department will provide financial support to sustainable federations once they are established. Developing and hosting the games is expected to result in expenditure of R83.7 million over the medium term in the *Community Sport* subprogramme in the *Active Nation* programme.

The department supports school sport leagues in partnership with the Department of Basic Education, and will continue integrating the 16 priority sporting codes and indigenous games, such as morabaraba and jukskei, into the school sport system over the medium term. An estimated 2 500 schools, hubs and clubs are expected to receive equipment and attire in each year over the MTEF period to facilitate sustainable participation. R45 million is allocated over the medium term for these activities in the *Community Sport* subprogramme in the *Active Nation* programme. A further R143.1 million over the MTEF period is allocated in the subprogramme for the department's partnership with loveLife to provide youth empowerment programmes at sport and recreation events such as national youth camps and the national school sport championships.

### ***Cultivating sporting talent and encouraging excellence***

Young people are given opportunities to showcase their skills at events such as the national school sport championships, which expose South African sporting talent to national federations and talent scouts. Of the projected 42 000 learners who are expected to participate in school sport competitions at the district level in 2019/20, 5 000 are expected to progress to participate at the autumn, winter and summer championships, and as school sport participants at the 2019 national indigenous games festival. School teams began participating in the festival in 2018/19. In 2019/20, this event will form one segment of the championships. The department has allocated R33.7 million for these events in the *Active Nation* programme's *School Sport* subprogramme, and R205 million that is set to be transferred to provinces through the *mass participation and sport development grant* in the *Provincial Sport Support and Coordination* subprogramme.

Ministerial sports bursaries are awarded to young, talented athletes to enable them to attend verified schools that focus on sports. These bursaries are available for high school learners and are valid for the duration of their school careers if they maintain their sporting achievements. In 2019/20, a minimum of 50 qualifying learners, including learners already in the programme, are expected to be supported through the payment of school fees, the provision of school uniforms and sport clothing, sport scientific support, and event attendance. R22.6 million is allocated over the MTEF period for this in the *Scientific Support* subprogramme in the *Winning Nation* programme.

The department plans to support a projected 40 emerging athletes identified by national federations as having high potential through an allocation of R150.1 million over the medium term in the *Scientific Support* subprogramme in the *Winning Nation* programme. In 2019/20, 39 provincial and district sports academies are expected to receive R68.2 million from the *mass participation and sport development grant* to provide specialist training and sport scientific support to a projected 3 700 talented athletes.

Elite athletes preparing to compete in the All Africa Games, the World Games, the Commonwealth Games, and the Olympic and Paralympic Games receive advanced coaching and financial support each year through the South African Sports Confederation and Olympic Committee's high-performance programme. The department plans to transfer R35 million over the medium term to the committee through the *Scientific Support*

subprogramme in the *Winning Nation* programme to support 40 elite athletes.

### **Pursuing the delivery of sport infrastructure**

The *Sport and Recreation Facility Planning* subprogramme in the *Sport Infrastructure Support* programme encourages participation in sport and recreation by advocating for municipalities to deliver community gyms and children's play parks. The department expects to provide 10 community gyms and children's play parks across South Africa in each year over the MTEF period to give community members and athletes in disadvantaged areas access to opportunities to exercise and improve their health and fitness. R12 million is allocated over the medium term for the provision of these facilities.

The department facilitates the delivery of specialised, multipurpose sport courts and other infrastructure projects to improve access to sport and recreation activities through a partnership with the Sports Trust. Through a transfer of R75.8 million over the medium term, the trust expects to provide 30 multipurpose sports courts.

An allocation of R33.5 million over the MTEF period in the *Sport Infrastructure Support* programme will enable the department to strengthen its oversight of and support to municipalities to improve the planning and delivery of infrastructure for sport and recreation. The department, along with the Department of Cooperative Governance and Traditional Affairs, the South African Local Government Association and municipalities, will ensure that funds earmarked in the *municipal infrastructure grant* for the provision of sport and recreation facilities are used to provide facilities in areas where they are most needed.

### **Championing transformation in sport and recreation**

It is a national imperative, and a strategic goal of the department, to transform the sport and recreation sector. To this end, the *Sport and Recreation Service Providers* subprogramme in the *Sport Support* programme will continue to fund 60 national federations through an allocation of R345.2 million over the medium term. The department selects a federation each year from the 16 priority sporting codes to receive additional support to implement key priorities. Federations are audited against their own transformation targets. Based on this, a comprehensive transformation report is published annually that reflects the status of transformation as well as a comparative analysis across different federations. The department intends to expand the mechanisms developed to ensure that recommendations from transformation audits are implemented, including the use of financial rewards for federations that meet transformation targets and non-financial punitive measures for those that fail to do so.

## **Expenditure trends**

**Table 40.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration														
2. Active Nation														
3. Winning Nation														
4. Sport Support														
5. Sport Infrastructure Support														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	124.8	115.5	114.4	134.9	130.9	117.3	136.9	127.9	118.7	142.3	125.3	127.4	88.7%	95.7%
Programme 2	628.6	629.0	652.2	648.7	663.3	684.0	689.1	704.1	716.3	696.8	717.3	715.6	103.9%	102.0%
Programme 3	92.2	75.6	56.5	91.1	67.2	62.7	76.9	71.9	64.2	79.8	69.8	71.1	74.9%	89.5%
Programme 4	133.2	154.0	153.9	137.6	149.0	147.1	150.7	150.7	152.0	158.1	166.6	164.7	106.6%	99.6%
Programme 5	9.7	6.8	2.8	16.3	16.3	12.5	13.1	12.1	9.2	13.8	11.8	11.7	68.7%	77.4%
<b>Total</b>	<b>988.5</b>	<b>980.9</b>	<b>979.9</b>	<b>1 028.6</b>	<b>1 026.6</b>	<b>1 023.6</b>	<b>1 066.6</b>	<b>1 066.6</b>	<b>1 060.4</b>	<b>1 090.8</b>	<b>1 090.8</b>	<b>1 090.5</b>	<b>99.5%</b>	<b>99.7%</b>
Change to 2018 Budget estimate														

Table 40.2 Vote expenditure trends by programme and economic classification

Economic classification	2015/16			2016/17			2017/18			2018/19			Average: Outcome/Annual budget (%)	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	2015/16	2018/19
R million														
<b>Current payments</b>	<b>265.7</b>	<b>262.1</b>	<b>256.1</b>	<b>276.6</b>	<b>274.6</b>	<b>270.1</b>	<b>268.3</b>	<b>267.6</b>	<b>264.2</b>	<b>278.6</b>	<b>281.6</b>	<b>281.3</b>	<b>98.4%</b>	<b>98.7%</b>
Compensation of employees	100.7	95.8	93.8	108.6	101.6	101.3	106.1	106.1	99.9	111.5	111.5	111.2	95.1%	97.9%
Goods and services	165.0	166.3	162.4	168.0	173.0	168.8	162.2	161.5	164.3	167.0	170.0	170.0	100.5%	99.2%
<b>Transfers and subsidies</b>	<b>720.7</b>	<b>716.6</b>	<b>718.6</b>	<b>749.8</b>	<b>749.8</b>	<b>749.4</b>	<b>796.1</b>	<b>796.1</b>	<b>793.0</b>	<b>809.8</b>	<b>806.8</b>	<b>806.8</b>	<b>99.7%</b>	<b>100.0%</b>
Provinces and municipalities	537.3	533.2	533.2	555.7	555.7	555.4	585.8	585.8	585.8	587.4	587.4	587.4	99.8%	100.0%
Departmental agencies and accounts	30.4	30.4	30.3	33.0	33.0	33.0	34.7	34.7	34.7	36.7	36.7	36.7	100.0%	100.0%
Non-profit institutions	153.0	153.0	153.0	161.1	161.1	156.9	169.2	169.2	169.2	179.0	179.0	179.0	99.4%	99.4%
Households	–	–	2.0	–	–	4.1	6.4	6.4	3.3	6.7	3.7	3.7	100.4%	130.2%
<b>Payments for capital assets</b>	<b>2.2</b>	<b>2.2</b>	<b>5.2</b>	<b>2.2</b>	<b>2.2</b>	<b>3.5</b>	<b>2.2</b>	<b>2.9</b>	<b>3.1</b>	<b>2.4</b>	<b>2.4</b>	<b>2.4</b>	<b>158.3%</b>	<b>146.8%</b>
Machinery and equipment	2.2	2.2	5.2	2.2	2.2	3.5	2.2	2.9	3.1	2.4	2.4	2.4	158.3%	146.8%
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>0.6</b>	<b>–</b>	<b>–</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>988.5</b>	<b>980.9</b>	<b>979.9</b>	<b>1 028.6</b>	<b>1 026.6</b>	<b>1 023.6</b>	<b>1 066.6</b>	<b>1 066.6</b>	<b>1 060.4</b>	<b>1 090.8</b>	<b>1 090.8</b>	<b>1 090.5</b>	<b>99.5%</b>	<b>99.7%</b>

## Expenditure estimates

Table 40.3 Vote expenditure estimates by programme and economic classification

Programmes								
1. Administration								
2. Active Nation								
3. Winning Nation								
4. Sport Support								
5. Sport Infrastructure Support								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
Programme 1	127.4	3.3%	11.5%	145.7	155.6	165.1	9.0%	12.5%
Programme 2	715.6	4.4%	66.6%	744.1	784.9	828.8	5.0%	64.6%
Programme 3	71.1	-2.0%	6.1%	83.7	88.4	93.7	9.6%	7.1%
Programme 4	164.7	2.3%	14.9%	164.9	174.3	186.9	4.3%	14.5%
Programme 5	11.7	19.8%	0.9%	15.2	16.2	17.2	13.7%	1.3%
<b>Total</b>	<b>1 090.5</b>	<b>3.6%</b>	<b>100.0%</b>	<b>1 153.7</b>	<b>1 219.3</b>	<b>1 291.7</b>	<b>5.8%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(0.2)	(0.2)	(0.2)		
Economic classification								
<b>Current payments</b>	<b>281.3</b>	<b>2.4%</b>	<b>25.8%</b>	<b>296.4</b>	<b>315.2</b>	<b>337.5</b>	<b>6.3%</b>	<b>25.9%</b>
Compensation of employees	111.2	5.1%	9.8%	120.1	129.1	137.5	7.3%	10.5%
Goods and services	170.0	0.7%	16.0%	176.4	186.1	200.1	5.6%	15.4%
<b>Transfers and subsidies</b>	<b>806.8</b>	<b>4.0%</b>	<b>73.8%</b>	<b>854.7</b>	<b>901.5</b>	<b>951.3</b>	<b>5.6%</b>	<b>73.9%</b>
Provinces and municipalities	587.4	3.3%	54.4%	620.0	653.9	689.9	5.5%	53.7%
Departmental agencies and accounts	36.7	6.5%	3.2%	38.6	40.7	42.9	5.4%	3.3%
Non-profit institutions	179.0	5.4%	15.8%	189.0	199.4	210.6	5.6%	16.4%
Households	3.7	–	0.3%	7.1	7.5	7.9	28.4%	0.6%
<b>Payments for capital assets</b>	<b>2.4</b>	<b>3.2%</b>	<b>0.3%</b>	<b>2.5</b>	<b>2.6</b>	<b>2.8</b>	<b>5.5%</b>	<b>0.2%</b>
Machinery and equipment	2.4	3.2%	0.3%	2.5	2.6	2.8	5.5%	0.2%
<b>Total</b>	<b>1 090.5</b>	<b>3.6%</b>	<b>100.0%</b>	<b>1 153.7</b>	<b>1 219.3</b>	<b>1 291.7</b>	<b>5.8%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 40.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total vote (%)
Mass Participation and Sport Development grant	533 225	555 378	585 828	587 386	3.3%	54.4%	620 016	653 932	689 898	5.5%	53.7%
The Sports Trust	27 521	20 500	21 408	22 649	-6.3%	2.2%	23 918	25 233	26 621	5.5%	2.1%
loveLife	36 612	38 508	40 433	42 778	5.3%	3.8%	45 174	47 659	50 280	5.5%	3.9%
<b>Total</b>	<b>597 358</b>	<b>614 386</b>	<b>647 669</b>	<b>652 813</b>	<b>3.0%</b>	<b>60.5%</b>	<b>689 108</b>	<b>726 824</b>	<b>766 799</b>	<b>5.5%</b>	<b>59.6%</b>

## Goods and services expenditure trends and estimates

**Table 40.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total Vote (%)
Administrative fees	44	43	48	167	56.0%	-	1 003	1 059	1 117	88.4%	0.5%
Advertising	13 493	19 895	21 890	10 635	-7.6%	9.9%	11 582	11 244	11 461	2.5%	6.1%
Minor assets	109	357	86	1 539	141.7%	0.3%	1 557	1 642	1 731	4.0%	0.9%
Audit costs: External	3 757	5 129	5 169	3 861	0.9%	2.7%	4 356	4 605	4 974	8.8%	2.4%
Bursaries: Employees	-	454	695	895	-	0.3%	945	997	1 052	5.5%	0.5%
Catering: Departmental activities	2 464	3 276	2 635	1 559	-14.2%	1.5%	1 926	2 031	2 141	11.2%	1.0%
Communication	3 813	4 862	3 075	5 183	10.8%	2.5%	6 516	6 858	7 222	11.7%	3.5%
Computer services	957	647	3 199	544	-17.2%	0.8%	943	995	1 050	24.5%	0.5%
Consultants: Business and advisory services	-	93	231	185	-	0.1%	143	151	159	-4.9%	0.1%
Laboratory services	-	-	-	88	-	-	28	30	32	-28.6%	-
Legal services	4 710	4 714	-	1 610	-30.1%	1.7%	1 200	1 294	1 393	-4.7%	0.8%
Contractors	29 470	62 027	65 446	60 843	27.3%	32.7%	58 403	62 335	68 574	4.1%	34.1%
Agency and support/outsourced services	961	1 022	280	-	-100.0%	0.3%	-	-	-	-	-
Entertainment	48	50	69	3	-60.3%	-	-	-	-	-100.0%	-
Fleet services (including government motor transport)	375	2 559	3 501	325	-4.7%	1.0%	3 370	3 680	3 791	126.8%	1.5%
Inventory: Fuel, oil and gas	-	-	-	39	-	-	43	45	47	6.4%	-
Inventory: Materials and supplies	11	6	3	8	-10.1%	-	8	8	8	-	-
Inventory: Medicine	-	-	-	36	-	-	383	404	434	129.3%	0.2%
Inventory: Other supplies	29 600	11 005	11 521	7 012	-38.1%	8.9%	8 136	8 476	8 921	8.4%	4.4%
Consumable supplies	3 749	4 821	991	961	-36.5%	1.6%	72	76	86	-55.3%	0.2%
Consumables: Stationery, printing and office supplies	580	4 655	1 359	1 948	49.8%	1.3%	2 631	2 826	3 029	15.9%	1.4%
Operating leases	5 717	8 748	9 258	10 767	23.5%	5.2%	17 179	18 123	19 119	21.1%	8.9%
Rental and hiring	2	1	-	-	-100.0%	-	-	-	-	-	-
Property payments	811	2 793	4 935	2 758	50.4%	1.7%	2 912	3 072	3 241	5.5%	1.6%
Transport provided:	6 367	1 035	364	4 309	-12.2%	1.8%	1 633	1 723	1 818	-25.0%	1.3%
Departmental activity											
Travel and subsistence	26 144	23 804	21 486	37 576	12.9%	16.4%	36 837	38 976	41 328	3.2%	21.1%
Training and development	441	1 455	218	2 171	70.1%	0.6%	2 326	2 454	2 589	6.0%	1.3%
Operating payments	4 047	4 707	5 376	2 771	-11.9%	2.5%	2 756	2 908	3 069	3.5%	1.6%
Venues and facilities	24 681	655	2 428	12 251	-20.8%	6.0%	9 497	10 075	11 700	-1.5%	5.9%
<b>Total</b>	<b>162 351</b>	<b>168 813</b>	<b>164 263</b>	<b>170 044</b>	<b>1.6%</b>	<b>100.0%</b>	<b>176 385</b>	<b>186 087</b>	<b>200 086</b>	<b>5.6%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 40.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>198</b>	<b>265</b>	<b>951</b>	–	<b>-100.0%</b>	–	–	–	–	–	–
Leave gratuity	–	–	278	–	–	–	–	–	–	–	–
Employee social benefits	140	86	537	–	-100.0%	–	–	–	–	–	–
Households	58	179	136	–	-100.0%	–	–	–	–	–	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>30 344</b>	<b>32 997</b>	<b>34 659</b>	<b>36 684</b>	<b>6.5%</b>	<b>4.4%</b>	<b>38 551</b>	<b>40 672</b>	<b>42 909</b>	<b>5.4%</b>	<b>4.5%</b>
Culture, Arts, Tourism, Hospitality and Sport	60	68	73	92	15.3%	–	97	102	108	5.5%	–
Sector Education and Training Authority	19 816	21 896	22 991	24 324	7.1%	2.9%	25 644	27 055	28 543	5.5%	3.0%
Boxing South Africa	10 468	11 033	11 595	12 268	5.4%	1.5%	12 810	13 515	14 258	5.1%	1.5%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>1 811</b>	<b>3 802</b>	<b>2 349</b>	<b>3 748</b>	<b>27.4%</b>	<b>0.4%</b>	<b>7 126</b>	<b>7 518</b>	<b>7 931</b>	<b>28.4%</b>	<b>0.7%</b>
Bursaries for non-employees	756	3 802	2 349	3 748	70.5%	0.3%	7 126	7 518	7 931	28.4%	0.7%
Households	1 055	–	–	–	-100.0%	–	–	–	–	–	–
<b>Provinces and municipalities</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>533 225</b>	<b>555 378</b>	<b>585 828</b>	<b>587 386</b>	<b>3.3%</b>	<b>73.7%</b>	<b>620 016</b>	<b>653 932</b>	<b>689 898</b>	<b>5.5%</b>	<b>72.6%</b>
Mass Participation and Sport Development grant	533 225	555 378	585 828	587 386	3.3%	73.7%	620 016	653 932	689 898	5.5%	72.6%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>153 013</b>	<b>156 923</b>	<b>169 178</b>	<b>178 990</b>	<b>5.4%</b>	<b>21.5%</b>	<b>189 013</b>	<b>199 409</b>	<b>210 608</b>	<b>5.6%</b>	<b>22.1%</b>
Various sport federations	80 065	88 569	97 524	103 181	8.8%	12.0%	108 958	114 951	121 274	5.5%	12.8%
loveLife	36 612	38 508	40 433	42 778	5.3%	5.2%	45 174	47 659	50 280	5.5%	5.3%
South African Sports Confederation and Olympic Committee	8 815	9 346	9 813	10 382	5.6%	1.3%	10 963	11 566	12 433	6.2%	1.3%
The Sports Trust	27 521	20 500	21 408	22 649	-6.3%	3.0%	23 918	25 233	26 621	5.5%	2.8%
<b>Total</b>	<b>718 591</b>	<b>749 365</b>	<b>792 965</b>	<b>806 808</b>	<b>3.9%</b>	<b>100.0%</b>	<b>854 706</b>	<b>901 531</b>	<b>951 346</b>	<b>5.6%</b>	<b>100.0%</b>

## Personnel information

Table 40.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment															Number		
1. Administration																	Average growth rate (%)		
2. Active Nation																	Average: Salary level/Total (%)		
3. Winning Nation																			
4. Sport Support																			
5. Sport Infrastructure Support																			
Number of posts estimated for 31 March 2019	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						2018/19 - 2021/22					
		2017/18		2018/19		2019/20		2020/21		2021/22									
		Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost				
<b>Sport and Recreation South Africa</b>																			
<b>Salary level</b>	<b>222</b>	<b>12</b>	<b>156</b>	<b>99.9</b>	<b>0.6</b>	<b>196</b>	<b>111.2</b>	<b>0.6</b>	<b>198</b>	<b>119.9</b>	<b>0.6</b>	<b>199</b>	<b>129.0</b>	<b>0.6</b>	<b>197</b>	<b>137.8</b>	<b>0.7</b>	<b>0.2%</b>	<b>100.0%</b>
1 – 6	51	5	34	8.7	0.3	50	9.5	0.2	50	10.2	0.2	51	11.2	0.2	49	11.7	0.2	-0.7%	25.3%
7 – 10	98	4	66	32.3	0.5	81	31.0	0.4	83	34.1	0.4	83	36.7	0.4	83	39.5	0.5	0.8%	41.8%
11 – 12	40	–	29	23.3	0.8	35	29.9	0.9	35	32.0	0.9	35	34.2	1.0	35	36.6	1.0	–	17.7%
13 – 16	31	3	25	31.3	1.3	28	36.1	1.3	28	38.6	1.4	28	41.4	1.5	28	44.3	1.6	–	14.2%
Other	2	–	2	4.3	2.1	2	4.7	2.4	2	5.0	2.5	2	5.4	2.7	2	5.8	2.9	–	1.0%
<b>Programme</b>	<b>222</b>	<b>12</b>	<b>156</b>	<b>99.9</b>	<b>0.6</b>	<b>196</b>	<b>111.2</b>	<b>0.6</b>	<b>198</b>	<b>119.9</b>	<b>0.6</b>	<b>199</b>	<b>129.0</b>	<b>0.6</b>	<b>197</b>	<b>137.8</b>	<b>0.7</b>	<b>0.2%</b>	<b>100.0%</b>
Programme 1	156	7	107	71.3	0.7	138	79.7	0.6	138	85.4	0.6	139	92.0	0.7	137	98.1	0.7	-0.2%	69.9%
Programme 2	21	4	18	9.6	0.5	19	9.6	0.5	19	10.3	0.5	19	11.0	0.6	19	11.8	0.6	–	9.6%
Programme 3	10	1	9	2.7	0.3	10	5.0	0.5	10	5.4	0.5	10	5.8	0.6	10	6.2	0.6	–	5.1%
Programme 4	18	–	17	13.1	0.8	19	11.7	0.6	19	12.6	0.7	19	13.5	0.7	19	14.5	0.8	–	9.6%
Programme 5	17	–	5	3.2	0.6	10	5.2	0.5	12	6.2	0.5	12	6.7	0.6	12	7.1	0.6	6.3%	5.8%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Departmental receipts

**Table 40.8 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate 2018/19	Revised estimate	Average growth rate (%) 2015/16 - 2018/19	Average: Receipt item/ Total (%) 2015/16 - 2018/19	Medium-term receipts estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Receipt item/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18					2019/20	2020/21	2021/22		
<b>Departmental receipts</b>	<b>406</b>	<b>97</b>	<b>153</b>	<b>152</b>	<b>152</b>	<b>-27.9%</b>	<b>100.0%</b>	<b>242</b>	<b>161</b>	<b>159</b>	<b>1.5%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>60</b>	<b>63</b>	<b>67</b>	<b>63</b>	<b>63</b>	<b>1.6%</b>	<b>31.3%</b>	<b>69</b>	<b>70</b>	<b>69</b>	<b>3.1%</b>	<b>38.0%</b>
Other sales	60	63	67	63	63	1.6%	31.3%	69	70	69	3.1%	38.0%
<i>of which:</i>												
Rental parking covered and open	39	40	39	36	36	-2.6%	19.1%	42	42	42	5.3%	22.7%
Commission on insurance and garnishee	21	23	28	27	27	8.7%	12.3%	26	26	26	-1.3%	14.7%
Replacement of lost office property	-	-	-	-	-	-	-	1	2	1	-	0.6%
Interest, dividends and rent on land	2	1	2	2	2	-	0.9%	2	3	2	-	1.3%
Interest	2	1	2	2	2	-	0.9%	2	3	2	-	1.3%
Transactions in financial assets and liabilities	344	33	84	87	87	-36.8%	67.8%	171	88	88	0.4%	60.8%
<b>Total</b>	<b>406</b>	<b>97</b>	<b>153</b>	<b>152</b>	<b>152</b>	<b>-27.9%</b>	<b>100.0%</b>	<b>242</b>	<b>161</b>	<b>159</b>	<b>1.5%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

**Table 40.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Ministry	30.0	27.9	26.6	26.5	-4.0%	23.3%	30.3	32.2	34.2	8.8%	20.8%
Management	12.9	13.4	12.9	15.8	6.9%	11.6%	19.2	21.5	22.6	12.8%	13.4%
Strategic Support	7.3	7.6	6.2	6.4	-4.3%	5.8%	8.5	9.5	10.1	16.7%	5.8%
Corporate Services	41.8	38.1	42.2	43.3	1.2%	34.7%	44.5	46.9	49.9	4.8%	31.2%
Office of the Chief Financial Officer	16.9	19.8	18.5	20.4	6.5%	15.9%	23.7	24.9	26.6	9.2%	16.2%
Office Accommodation	5.5	10.5	12.3	12.9	32.8%	8.7%	19.5	20.5	21.7	18.8%	12.6%
<b>Total</b>	<b>114.4</b>	<b>117.3</b>	<b>118.7</b>	<b>125.3</b>	<b>3.1%</b>	<b>100.0%</b>	<b>145.7</b>	<b>155.6</b>	<b>165.1</b>	<b>9.6%</b>	<b>100.0%</b>
Change to 2018				(17.0)			(4.4)	(2.8)	(2.9)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>112.2</b>	<b>115.4</b>	<b>114.6</b>	<b>122.9</b>	<b>3.1%</b>	<b>97.7%</b>	<b>143.1</b>	<b>152.8</b>	<b>162.2</b>	<b>9.7%</b>	<b>98.2%</b>
Compensation of employees	69.3	74.3	71.3	77.6	3.8%	61.5%	85.6	92.0	97.8	8.0%	59.6%
Goods and services <sup>1</sup>	42.9	41.0	43.3	45.3	1.8%	36.3%	57.6	60.8	64.4	12.5%	38.5%
<i>of which:</i>											
Audit costs: External	3.8	5.1	5.2	3.9	0.9%	3.8%	4.4	4.6	5.0	8.8%	3.0%
Communication	3.1	4.0	2.4	3.1	-0.2%	2.7%	4.3	4.5	4.8	15.1%	2.8%
Fleet services (including government motor transport)	0.3	1.8	2.5	-	-100.0%	1.0%	2.3	2.5	2.6	-	1.3%
Operating leases	5.7	8.7	9.3	10.8	23.5%	7.2%	17.2	18.1	19.1	21.1%	11.0%
Property payments	0.8	2.8	4.9	2.8	50.6%	2.4%	2.9	3.1	3.2	5.5%	2.0%
Travel and subsistence	14.8	9.5	7.8	10.1	-11.9%	8.9%	12.8	13.5	14.2	12.1%	8.6%
Transfers and subsidies <sup>1</sup>	0.2	0.3	0.9	0.1	-23.7%	0.3%	0.1	0.1	0.1	5.5%	0.1%
Departmental agencies and accounts	0.1	0.1	0.1	0.1	15.3%	0.1%	0.1	0.1	0.1	5.5%	0.1%
Households	0.1	0.3	0.9	-	-100.0%	0.3%	-	-	-	-	-



**Table 40.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Payments for capital assets	2.0	1.6	3.1	2.4	5.8%	1.9%	2.5	2.6	2.8	5.5%	1.7%
Machinery and equipment	2.0	1.6	3.1	2.4	5.8%	1.9%	2.5	2.6	2.8	5.5%	1.7%
Payments for financial assets	–	0.0	0.1	–	–	–	–	–	–	–	–
<b>Total</b>	<b>114.4</b>	<b>117.3</b>	<b>118.7</b>	<b>125.3</b>	<b>3.1%</b>	<b>100.0%</b>	<b>145.7</b>	<b>155.6</b>	<b>165.1</b>	<b>9.6%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	11.7%	11.5%	11.2%	11.5%	–	–	12.6%	12.8%	12.8%	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 2: Active Nation

### Programme purpose

Support the provision of mass participation opportunities in sport and recreation.

### Objectives

- Encourage an active nation and contribute to improving the overall wellbeing of South Africans by implementing lifelong participation in active recreation through facilitating the delivery of at least 5 active recreation programmes, reaching at least 42 100 participants by March 2020.
- Inspire lifelong physical activity by providing mass sport participation opportunities to at least 4 864 community members in 3 sport promotion events by March 2020.
- Increase learners' access to sport at schools by supporting the national school sport championships for 5 000 learners by March 2020.
- Support the provision of opportunities for mass participation in sport and recreation in all provinces by providing management and financial support through the *mass participation and sport development grant* annually.

### Subprogrammes

- *Programme Management: Active Nation* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions.
- *Active Recreation* delivers programmes to improve the health and wellbeing of the nation by providing mass participation opportunities in various formats to cater for a broad spectrum of participants.
- *Community Sport* delivers sport promotion programmes by increasing the number of participants in sport and recreation, with an emphasis on disadvantaged communities. The transfer to loveLife is also made through this subprogramme.
- *School Sport* supports the delivery of sport programmes to learners in conjunction with the Department of Basic Education.
- *Provincial Sport Support and Coordination* transfers the *mass participation and sport development grant* allocation to provinces and oversees the implementation thereof.

## Expenditure trends and estimates

Table 40.10 Active Nation expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2019/20	2020/21	2021/22			
R million											
Programme Management: Active Nation	4.8	2.3	0.8	4.2	-4.7%	0.4%	5.8	4.6	4.9	5.7%	0.6%
Active Recreation	–	–	–	1.2	–	–	1.3	1.4	1.4	5.5%	0.2%
Community Sport	100.8	99.0	108.9	92.6	-2.8%	14.5%	83.3	89.1	94.6	0.7%	11.7%
School Sport	13.3	27.3	20.7	31.9	33.8%	3.4%	33.7	36.0	38.0	6.0%	4.5%
Provincial Sport Support and Coordination	533.2	555.4	585.8	587.4	3.3%	81.7%	620.0	653.9	689.9	5.5%	83.0%
<b>Total</b>	<b>652.2</b>	<b>684.0</b>	<b>716.3</b>	<b>717.3</b>	<b>3.2%</b>	<b>100.0%</b>	<b>744.1</b>	<b>784.9</b>	<b>828.8</b>	<b>4.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				20.5			8.3	7.1	7.2		
<b>Economic classification</b>											
<b>Current payments</b>	<b>78.3</b>	<b>88.1</b>	<b>90.0</b>	<b>87.1</b>	<b>3.6%</b>	<b>12.4%</b>	<b>78.9</b>	<b>83.3</b>	<b>88.6</b>	<b>0.6%</b>	<b>11.0%</b>
Compensation of employees	7.6	8.3	9.6	11.3	14.3%	1.3%	10.3	11.0	11.8	1.5%	1.4%
Goods and services <sup>1</sup>	70.7	79.9	80.4	75.8	2.3%	11.1%	68.6	72.3	76.8	0.4%	9.5%
of which:											
Advertising	6.2	14.1	16.9	6.3	0.4%	1.6%	8.4	8.8	8.8	11.9%	1.1%
Contractors	22.7	32.1	45.5	31.6	11.6%	4.8%	25.5	26.9	29.3	-2.5%	3.7%
Inventory: Other supplies	29.0	6.6	5.8	5.4	-42.9%	1.7%	7.4	7.7	8.1	14.3%	0.9%
Transport provided:											
Departmental activity	0.1	0.5	–	3.1	210.6%	0.1%	1.6	1.7	1.8	-16.7%	0.3%
Travel and subsistence	6.0	11.7	7.0	18.1	44.3%	1.5%	17.3	18.4	19.5	2.4%	2.4%
Venues and facilities	3.2	–	–	7.0	30.3%	0.4%	3.1	3.3	3.5	-20.8%	0.6%
<b>Transfers and subsidies<sup>1</sup></b>	<b>570.7</b>	<b>593.9</b>	<b>626.3</b>	<b>630.2</b>	<b>3.4%</b>	<b>87.4%</b>	<b>665.2</b>	<b>701.6</b>	<b>740.2</b>	<b>5.5%</b>	<b>89.0%</b>
Provinces and municipalities	533.2	555.4	585.8	587.4	3.3%	81.7%	620.0	653.9	689.9	5.5%	83.0%
Non-profit institutions	36.6	38.5	40.4	42.8	5.3%	5.7%	45.2	47.7	50.3	5.5%	6.0%
Households	0.9	–	–	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	3.1	1.9	–	–	-100.0%	0.2%	–	–	–	–	–
Machinery and equipment	3.1	1.9	–	–	-100.0%	0.2%	–	–	–	–	–
Payments for financial assets	–	0.0	0.0	–	–	–	–	–	–	–	–
<b>Total</b>	<b>652.2</b>	<b>684.0</b>	<b>716.3</b>	<b>717.3</b>	<b>3.2%</b>	<b>100.0%</b>	<b>744.1</b>	<b>784.9</b>	<b>828.8</b>	<b>4.9%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	66.6%	66.8%	67.5%	65.8%	–	–	64.5%	64.4%	64.2%	–	–
<b>Details of selected transfers and subsidies</b>											
<b>Non-profit institutions</b>											
Current	36.6	38.5	40.4	42.8	-100.0%	5.7%	45.2	47.7	50.3	–	6.0%
loveLife	36.6	38.5	40.4	42.8	–	5.7%	45.2	47.7	50.3	–	6.0%
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
Current	533.2	555.4	585.8	587.4	–	81.7%	620.0	653.9	689.9	–	83.0%
Mass Participation and Sport Development grant	533.2	555.4	585.8	587.4	–	81.7%	620.0	653.9	689.9	–	83.0%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 3: Winning Nation

## Programme purpose

Support the development of elite athletes.

## Objectives

- Contribute towards a winning nation by coordinating scientific support services for 80 athletes per year through the *Scientific support* programme over the medium term.
- Develop an ethical sporting sector by financially supporting the South African Institute for Drug-Free Sport and fulfilling government's responsibility towards anti-doping annually.
- Contribute to sport tourism by facilitating intra-governmental support for hosting 4 major international events by March 2020.

- Inspire a winning nation and produce role models by hosting 4 events (the South African Sports Awards, the Ministerial Outstanding Sports Performance Accolades, the Andrew Mlangeni Green Jacket Awards and the Honouring Women in Sport Awards) that acknowledge achievements in the sport and recreation sector by March 2020.

### Subprogrammes

- *Programme Management: Winning Nation* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions.
- *Scientific Support* coordinates and monitors the provision of scientific support services to athletes and makes transfers to the South African Institute for Drug-Free Sport, and the South African Sports Confederation and Olympic Committee.
- *Major Events Support* coordinates and manages government's support services for hosting identified major events in South Africa, and uses these events to showcase South Africa as a sport tourism destination of choice.
- *Recognition Systems* provides opportunities to acknowledge past and present sporting achievements.

### Expenditure trends and estimates

**Table 40.11 Winning Nation expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Programme Management: Winning Nation	–	–	–	2.4	–	1.0%	3.8	4.1	4.3	21.4%	4.4%
Scientific Support	33.9	39.1	43.6	41.7	7.2%	62.5%	47.3	49.9	53.0	8.3%	57.2%
Major Events Support	8.7	0.2	2.1	5.8	-12.7%	6.6%	11.6	12.3	13.1	31.2%	12.7%
Recognition Systems	13.9	23.3	18.5	19.9	12.6%	29.9%	21.0	22.1	23.3	5.5%	25.7%
<b>Total</b>	<b>56.5</b>	<b>62.7</b>	<b>64.2</b>	<b>69.8</b>	<b>7.3%</b>	<b>100.0%</b>	<b>83.7</b>	<b>88.4</b>	<b>93.7</b>	<b>10.3%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(10.0)			(0.8)	(0.8)	(0.7)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>27.1</b>	<b>27.6</b>	<b>29.0</b>	<b>31.3</b>	<b>4.9%</b>	<b>45.5%</b>	<b>40.0</b>	<b>42.3</b>	<b>44.8</b>	<b>12.6%</b>	<b>47.2%</b>
Compensation of employees	2.5	2.8	2.7	3.7	14.3%	4.6%	5.4	5.8	6.2	19.0%	6.3%
Goods and services <sup>1</sup>	24.7	24.8	26.3	27.7	3.9%	40.9%	34.6	36.5	38.6	11.7%	40.9%
<i>of which:</i>											
Administrative fees	–	–	–	–	–	–	0.8	0.9	0.9	–	0.8%
Advertising	0.1	0.7	3.2	0.0	-13.7%	1.6%	1.1	1.1	1.2	199.4%	1.0%
Catering: Departmental activities	0.0	0.1	0.1	0.1	66.5%	0.1%	0.4	0.5	0.5	49.6%	0.4%
Contractors	1.8	22.2	14.9	22.4	131.8%	24.2%	24.4	25.8	27.2	6.6%	29.7%
Travel and subsistence	3.3	0.9	4.0	2.6	-7.5%	4.3%	1.6	1.7	1.9	-9.8%	2.3%
Venues and facilities	16.5	0.4	2.3	1.7	-52.9%	8.3%	5.0	5.3	5.6	47.8%	5.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>29.4</b>	<b>35.1</b>	<b>35.2</b>	<b>38.5</b>	<b>9.4%</b>	<b>54.5%</b>	<b>43.7</b>	<b>46.1</b>	<b>48.9</b>	<b>8.3%</b>	<b>52.8%</b>
Departmental agencies and accounts	19.8	21.9	23.0	24.3	7.1%	35.2%	25.6	27.1	28.5	5.5%	31.5%
Non-profit institutions	8.8	9.3	9.8	10.4	5.6%	15.2%	11.0	11.6	12.4	6.2%	13.5%
Households	0.8	3.8	2.3	3.7	70.5%	4.2%	7.1	7.5	7.9	28.4%	7.8%
<b>Total</b>	<b>56.5</b>	<b>62.7</b>	<b>64.2</b>	<b>69.8</b>	<b>7.3%</b>	<b>100.0%</b>	<b>83.7</b>	<b>88.4</b>	<b>93.7</b>	<b>10.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>5.8%</b>	<b>6.1%</b>	<b>6.1%</b>	<b>6.4%</b>	–	–	<b>7.3%</b>	<b>7.2%</b>	<b>7.3%</b>	–	–
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>19.8</b>	<b>21.9</b>	<b>23.0</b>	<b>24.3</b>	–	<b>35.2%</b>	<b>25.6</b>	<b>27.1</b>	<b>28.5</b>	–	<b>31.5%</b>
South African Institute for Drug-Free Sport	19.8	21.9	23.0	24.3	7.1%	35.2%	25.6	27.1	28.5	5.5%	31.5%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>8.8</b>	<b>9.3</b>	<b>9.8</b>	<b>10.4</b>	–	<b>15.2%</b>	<b>11.0</b>	<b>11.6</b>	<b>12.4</b>	–	<b>13.5%</b>
South African Sports Confederation and Olympic Committee	8.8	9.3	9.8	10.4	–	15.2%	11.0	11.6	12.4	–	13.5%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 4: Sport Support

### Programme purpose

Develop and support an integrated system to enhance the delivery of sport and recreation.

### Objectives

- Support the delivery of sport and recreation by providing financial and non-financial support to 60 sport and recreation bodies annually.
- Foster transformation within the sport and recreation sector by monitoring the transformation statuses of 19 sport federations and assisting them to reach their respective transformation targets by March 2022.
- Empower the sport and recreation sector by managing and strengthening strategic bilateral and multilateral relations through actively participating and influencing decision-making in identified multilateral organisations, such as the African Union Sports Council, the United Nations, the Commonwealth and the World Anti-Doping Agency, over the medium term.

### Subprogrammes

- *Programme Management: Sport Support* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions.
- *International Relations* coordinates and strengthens bilateral and multilateral sport and recreation relations with international partners to support sport and recreation development in South Africa.
- *Sport and Recreation Service Providers* transfers funds to sport and recreation organisations, predominantly national federations; monitors the use of the funds in line with service level agreements signed between national federations and the department; and administers transfers made to Boxing South Africa, sport federations and the Sports Trust. This subprogramme also monitors governance and sport development, and oversees the implementation of transformation programmes in line with the transformation charter and scorecard for South African Sport.

### Expenditure trends and estimates

**Table 40.12 Sport Support expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Programme Management: Sport Support	3.3	3.5	4.3	4.9	15.0%	2.6%	4.1	4.3	4.6	-2.5%	2.6%
International Relations	5.3	6.5	6.1	11.9	31.0%	4.8%	5.0	5.4	5.7	-21.7%	4.0%
Sport and Recreation Service Providers	145.4	137.1	141.6	149.8	1.0%	92.6%	155.9	164.6	176.6	5.6%	93.4%
<b>Total</b>	<b>153.9</b>	<b>147.1</b>	<b>152.0</b>	<b>166.6</b>	<b>2.7%</b>	<b>100.0%</b>	<b>164.9</b>	<b>174.3</b>	<b>186.9</b>	<b>3.9%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				8.5			(3.1)	(3.3)	(3.5)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>35.6</b>	<b>27.0</b>	<b>21.4</b>	<b>28.5</b>	<b>-7.1%</b>	<b>18.2%</b>	<b>19.3</b>	<b>20.6</b>	<b>24.7</b>	<b>-4.7%</b>	<b>13.4%</b>
Compensation of employees	12.4	13.9	13.1	13.7	3.3%	8.6%	12.6	13.5	14.5	1.9%	7.8%
Goods and services <sup>1</sup>	23.2	13.2	8.2	14.8	-13.8%	9.6%	6.7	7.0	10.2	-11.6%	5.6%
of which:											
Communication	0.3	0.3	0.2	0.4	16.5%	0.2%	0.5	0.5	0.5	5.5%	0.3%
Contractors	2.4	2.1	1.8	2.5	1.2%	1.4%	2.0	2.0	3.9	16.0%	1.5%
Fleet services (including government motor transport)	0.0	0.1	0.3	0.3	243.8%	0.1%	0.3	0.3	0.3	-2.6%	0.2%
Travel and subsistence	1.7	1.1	1.9	4.3	35.4%	1.5%	2.5	2.6	2.8	-13.3%	1.8%
Operating payments	0.6	0.9	1.7	0.6	-0.2%	0.6%	0.6	0.6	0.7	2.8%	0.4%
Venues and facilities	4.5	-	0.0	2.2	-20.9%	1.1%	0.5	0.6	1.7	-9.3%	0.7%

**Table 40.12 Sport Support expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million											
<b>Transfers and subsidies<sup>1</sup></b>	<b>118.3</b>	<b>120.1</b>	<b>130.6</b>	<b>138.1</b>	<b>5.3%</b>	<b>81.8%</b>	<b>145.7</b>	<b>153.7</b>	<b>162.2</b>	<b>5.5%</b>	<b>86.6%</b>
Departmental agencies and accounts	10.5	11.0	11.6	12.3	5.4%	7.3%	12.8	13.5	14.3	5.1%	7.6%
Non-profit institutions	107.6	109.1	118.9	125.8	5.4%	74.5%	132.9	140.2	147.9	5.5%	78.9%
Households	0.3	–	0.1	–	-100.0%	0.1%	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.0</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Machinery and equipment	0.0	–	–	–	-100.0%	–	–	–	–	–	–
<b>Total</b>	<b>153.9</b>	<b>147.1</b>	<b>152.0</b>	<b>166.6</b>	<b>2.7%</b>	<b>100.0%</b>	<b>164.9</b>	<b>174.3</b>	<b>186.9</b>	<b>3.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>15.7%</b>	<b>14.4%</b>	<b>14.3%</b>	<b>15.3%</b>	<b>–</b>	<b>–</b>	<b>14.3%</b>	<b>14.3%</b>	<b>14.5%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>10.5</b>	<b>11.0</b>	<b>11.6</b>	<b>12.3</b>			<b>12.8</b>	<b>13.5</b>	<b>14.3</b>		
Boxing South Africa	10.5	11.0	11.6	12.3	–	7.3%	12.8	13.5	14.3	–	7.6%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>107.6</b>	<b>109.1</b>	<b>118.9</b>	<b>125.8</b>	<b>–</b>	<b>74.5%</b>	<b>132.9</b>	<b>140.2</b>	<b>147.9</b>	<b>–</b>	<b>78.9%</b>
Various sport federations	80.1	88.6	97.5	103.2	–	59.6%	109.0	115.0	121.3	–	64.7%
The Sports Trust	27.5	20.5	21.4	22.6	–	14.9%	23.9	25.2	26.6	–	14.2%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Programme 5: Sport Infrastructure Support

### Programme purpose

Regulate and manage the provision of sport and recreation facilities.

### Objectives

- Improve decision-making and maximise the use of available resources by assisting all provinces in compiling accurate facility audits and using these audits to lobby municipalities to supply facilities where needed over the medium term.
- Assist municipalities in complying with facility norms and standards by providing technical and management support during the construction phase of sport and recreation facilities on an ongoing basis.

### Subprogrammes

- *Programme Management: Infrastructure Support* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions.
- *Sport and Recreation Facility Management* provides technical assistance to local authorities and other relevant stakeholders for constructing and managing sport facilities to ensure compliance with national standards.
- *Sport and Recreation Facility Planning* lobbies for, facilitates and coordinates the provision of sport and recreation facilities by municipalities and other relevant institutions. This subprogramme also works closely with the Department of Cooperative Governance and Traditional Affairs to use a portion of the *municipal infrastructure grant* ringfenced for sport and recreation facilities.

## Expenditure trends and estimates

Table 40.13 Sport Infrastructure Support expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Programme Management: Infrastructure Support	–	0.0	0.3	0.4	–	2.2%	2.6	2.7	2.9	88.5%	14.2%
Sport and Recreation Facility Management	0.7	8.5	3.1	3.4	68.2%	43.1%	9.3	9.9	10.5	45.2%	55.0%
Sport and Recreation Facility Planning	2.1	4.0	5.8	7.9	54.9%	54.7%	3.3	3.5	3.8	-21.6%	30.8%
<b>Total</b>	<b>2.8</b>	<b>12.5</b>	<b>9.2</b>	<b>11.8</b>	<b>60.4%</b>	<b>100.0%</b>	<b>15.2</b>	<b>16.2</b>	<b>17.2</b>	<b>13.5%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				(2.0)			(0.3)	(0.4)	(0.4)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>2.8</b>	<b>12.0</b>	<b>9.2</b>	<b>11.8</b>	<b>60.4%</b>	<b>98.4%</b>	<b>15.2</b>	<b>16.2</b>	<b>17.2</b>	<b>13.5%</b>	<b>100.0%</b>
Compensation of employees	2.0	2.1	3.2	5.2	38.1%	34.2%	6.2	6.7	7.1	11.0%	41.9%
Goods and services <sup>1</sup>	0.9	9.9	6.0	6.5	96.3%	64.2%	9.0	9.5	10.0	15.4%	58.1%
<i>of which:</i>											
Communication	0.0	0.1	0.1	0.2	244.8%	0.1%	0.2	0.3	0.3	6.1%	0.3%
Contractors	0.5	4.8	–	2.8	91.8%	1.2%	5.1	5.4	5.7	5.6%	1.7%
Travel and subsistence	0.3	0.7	0.8	2.5	77.5%	22.3%	2.6	2.8	2.9	26.1%	31.5%
Training and development	–	–	–	0.8	100.2%	11.7%	0.8	0.9	0.9	5.5%	17.9%
Operating payments	0.0	0.0	–	0.1	–	2.2%	0.1	0.1	0.1	5.5%	5.8%
Payments for financial assets	–	0.6	–	–	356.3%	0.3%	–	–	–	5.6%	0.7%
<b>Total</b>	<b>2.8</b>	<b>12.5</b>	<b>9.2</b>	<b>11.8</b>	<b>–</b>	<b>1.6%</b>	<b>15.2</b>	<b>16.2</b>	<b>17.2</b>	<b>–</b>	<b>–</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.3%</b>	<b>1.2%</b>	<b>0.9%</b>	<b>1.1%</b>	<b>60.4%</b>	<b>100.0%</b>	<b>1.3%</b>	<b>1.3%</b>	<b>1.3%</b>	<b>13.5%</b>	<b>100.0%</b>

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Entities

Comprehensive coverage of the following entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- **Boxing South Africa** administers professional boxing, recognises amateur boxing, creates synergy between professional and amateur boxing, and promotes interaction between associations of boxers, managers, promoters and trainers. The organisation's total budget for 2019/20 is R15.7 million.
- The **South African Institute for Drug-Free Sport** promotes participation in sport without the use of prohibited performance enhancing substances and methods, and educates sportspersons on fair play and the harmful effects of the use of prohibited performance enhancing substances and methods. The institute's total budget for 2019/20 is R32.2 million.