

Overview

The 2001 national Budget is the first to be published in the revised budget format – the *Estimates of National Expenditure*. The introduction of a new format integrates the previous *Estimate of Expenditure* – the “White Book” – and the *National Expenditure Survey*. The publication of the *Estimates of National Expenditure* significantly extends the scope and quality of information on Government’s spending plans that is tabled in Parliament and made available to the public. The new format aims to improve the transparency of the Budget and allow Parliament and the public to hold Government accountable.

Medium-Term Expenditure Framework

Steps in budget reform

Since 1996, the reform of the budget process has taken several steps forward. Institutional and legislative changes in 1997 gave effect to the constitutional provision of three spheres of government: national, provincial and local. Each has its own functions and spending responsibilities, as well as the responsibility for its own financial management and expenditure planning.

In the 1998 Budget, Government set out three-year rolling spending plans for national and provincial departments under the Medium-Term Expenditure Framework – the MTEF. Medium-term budgeting is the basis of the budget reform initiatives. It reinforces the link between Government’s policy choices, its budget and the delivery of services, which serves to strengthen political decision-making and accountability. Policy choices and trade-offs are made explicit, spending decisions are kept affordable in the medium term, and there is better management of public finances over time.

Medium-term budgeting is broader than numbers – it concerns prioritisation, planning and budgeting for service delivery. The 1999 Budget took a further step forward. The *1999 National Expenditure Survey* set out the policies and aims of national departments; budgeting and spending trends over a seven-year period, including medium-term expenditure estimates; and indicators of services delivered by national departments. Such service delivery information shows how public money is being spent, enabling political decision-makers to make informed decisions on budget allocations in line with policy priorities and service delivery.

These principles are strengthened by the Public Finance Management Act, which sets out a framework for modernising the financial management of national and provincial departments, government agencies and public enterprises. The Act eliminates micro-control, giving managers greater flexibility but holding them accountable for the use of resources to deliver services to communities.

The *Estimates of National Expenditure* enhance accountability. Policy developments, legislation and other factors affecting expenditure are outlined alongside departmental spending plans. Details of departmental outputs and service delivery indicators are provided as another step towards setting “measurable objectives” for each expenditure programme, in line with the Public Finance Management Act. Such measurable objectives will be a formal requirement of the 2004 Budget. In the meantime, the new format allows departments to build the necessary capacity to develop and implement service delivery indicators.

Medium-term expenditure trends

The *Estimates of National Expenditure* detail the spending outcomes and plans of national departments. These are reflected alongside provincial and local government expenditure in the Medium-Term Expenditure Framework.

Table 1 shows the expenditure from the National Revenue Fund for the period 1997/98 to 2003/04. Statutory appropriations comprise mainly debt costs, the provincial equitable share, and skills development funds. Salaries of Members of Parliament and of judges, and standing appropriations are also included. Voted appropriations include allocations to national departments, conditional grants to provincial and local government, the local government equitable share and the contingency reserve. The national equitable share comprises both statutory and voted appropriations.

Skills development funding is financed by a new levy on payroll, which flows directly to the sector training and education authorities, and the National Skills Fund. The Fund finances special training needs and training for the unemployed. The levy is payable by private sector employers and increases from 0,5 per cent of payroll in 2000/01 to 1,0 per cent in 2001/02. It is expected to yield R2,8 billion in 2001/02, rising to R3,2 billion in 2003/04.

The forward estimates include a contingency reserve to deal with unforeseen circumstances. This provides for allocations that may be made in the Adjustments Estimate later in the financial year to provide for expenditure that is unforeseen and unavoidable. The contingency reserve is R2,0 billion in 2001/02, R4,0 billion in 2002/03, and R8,0 billion in 2003/04. In subsequent budgets, the contingency reserve may be drawn down to accommodate adverse macroeconomic developments, make funds available following natural or other disasters, or respond to any new government priorities.

Table 1: Main budget framework, 1997/98 – 2003/04

R million	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
	Outcome	Outcome	Outcome	Revised estimate	Medium-term estimates		
Revenue (National Revenue Fund)	163 491	184 328	198 578	213 386	233 438	252 851	273 122
<i>Percentage of GDP</i>	23,4%	24,6%	24,5%	23,8%	23,6%	23,6%	23,6%
<i>Percentage increase</i>	11,6%	12,7%	7,7%	7,5%	9,4%	8,3%	8,0%
Statutory appropriations							
State debt cost	38 820	42 669	44 290	46 186	48 138	49 651	51 022
Provincial equitable share	–	81 542	86 595	96 186	104 136	112 560	120 215
Skills development funds	–	–	–	970	2 800	3 000	3 200
Other ^{2,3}	274	286	1 179	347	603	382	389
Appropriated by vote							
Current expenditure ⁴	140 125	67 768	73 526	78 655	84 867	88 911	93 459
Capital expenditure	10 729	10 309	9 160	12 704	15 774	18 820	21 240
Contingency reserve	–	–	–	–	2 000	4 000	8 000
Total expenditure⁵	189 947	201 416	214 750	235 048	258 318	277 323	297 524
<i>Percentage of GDP</i>	27,2%	26,9%	26,5%	26,2%	26,2%	25,9%	25,8%
<i>Percentage increase</i>	8,2%	6,0%	6,6%	9,5%	9,9%	7,4%	7,3%
<i>Gross domestic product</i>	698 128	748 988	811 884	897 900	987 200	1 069 300	1 154 900

1. From 1999/00, foreign grants received in the Reconstruction and Development Programme Fund do not flow through the National Revenue Fund.

2. Salaries of Members of Parliament, salaries of judges and standing appropriations (claims on guarantees and subscriptions to funds of the World Bank, African Development Bank and International Monetary Fund).

3. Includes a transfer to the Umsobomvu Fund of R855 million in 1999/00.

4. Includes conditional grants to provinces and local government. (Prior to the introduction of the provincial equitable share in 1998/99, voted amounts included the full transfers to provinces).

5. A recovery from pension funds of R1 158 million in 1998/99 in lieu of the negotiated reduction in the employer's contribution is deducted from total expenditure.

Changes in total spending

The main budget provides for expenditure of R258,3 billion in 2001/02, increasing to R277,3 billion in 2002/03 and R297,5 billion in 2003/04, with an average annual growth rate of 8,2 per cent a year. Compared with the 2000 Budget, allocated non-interest expenditure is projected to increase by R10,2 billion in 2001/02 and R16,0 billion in 2002/03.

Changes in national votes and statutory amounts since the 2000 Budget

The 2001 Budget provides for additional allocations to national votes in order to effect policy changes, increase expenditure on existing programmes or implement new spending programmes. These are supported by further adjustments to compensate for higher than expected inflation and foreign exchange rate depreciation. The main policy-related adjustments include:

- An additional R189 million in 2001/02 and R183 million in 2002/03 is allocated to *Foreign Affairs* in line with South Africa's regional and broader international interactions and for the hosting of international events.
- *Home Affairs* receives a further R70 million in 2001/02 and R80 million in 2002/03 to strengthen service provision and upgrade border post services.
- Spending on the *Government Communication and Information System Vote* rises by R55 million in 2001/02 and R56 million in 2002/03, providing initial funding for the international marketing and mobilisation campaign.
- A further R293 million in 2001/02 and R385 million is allocated to the *National Treasury*, largely to improve the tax administrative capacity of the South African Revenue Services. These amounts also include increases to the Secret Services on the National Treasury Vote, to maintain national security by dealing with crimes against the state and its people.
- The *Department of Public Enterprises* receives R76 million in 2001/02 to finance the initial public offering of Telkom.
- Provision of a further R38 million in 2001/02 and R64 million in 2002/03 on the *Arts, Culture, Science and Technology Vote* takes into account the implications of the Constitution for language policy and associated services.
- *Education* expenditure is projected to increase by R30 million in 2001/02 and R95 million in 2002/03 for continued piloting of the early childhood development programme and for higher education.
- A further R50 million in 2001/02 and R55 million in 2002/03 for the *Department of Social Development* strengthens the delivery of social grants through upgrading and replacing the Socpen system, designing a new Welfare Payment and Information Service, and supporting provincial grant delivery.
- The *Department of Correctional Services* receives a further R80 million in 2001/02 and R218 million in 2002/03 to finance operational costs associated with increased prisoner numbers and for the construction of additional prison accommodation.
- Additional amounts of R200 million in 2001/02 and R100 million in 2001/02 on the *Defence Vote* are to purchase a long-range aircraft that will be used mainly by the President.
- *Justice and Constitutional Development* receives a further R342 million in 2001/02 and R525 million in 2002/03 for the Truth and Reconciliation Commission reparations and operating costs, the Legal Aid Board, the Directors of Public Prosecutions (for additional prosecutors) and the Directorate of Special Operations (or Scorpions).

- *Safety and Security* expenditure is projected to increase by R531 million in 2001/02 and R836 million in 2002/03, enabling increased employment and a special salary dispensation for the police, as well as increased capital expenditure.
- *Agriculture* allocations rise by R20 million in 2001/02 and R40 million in 2002/03 to enable the Department to build capacity and expertise in agricultural risk management, including border control and monitoring, disaster management and veterinary services.
- A further R47 million and R40 million in 2001/02 and 2002/03 contribute towards the initiatives of the *Department of Environmental Affairs* to make the Weather Bureau a service agent, to link environmental management and conservation to tourism growth, and to host the Earth Summit 2002.
- R600 million a year on the *Minerals and Energy* Vote provides for the national electrification programme. These amounts will be partially offset by tax revenues and dividends paid by Eskom from January 2000.
- The allocation to *Trade and Industry* is reduced by R100 million in 2001/02 and increased by R50 million in 2002/03 to accommodate the phasing in of the new investment incentive scheme.
- *Transport* spending is projected to increase by R30 million in 2001/02 and R130 million in 2002/03 to support the public transport system.
- *Water Affairs and Forestry* receives a further R141 million in 2001/02 and R64 million in 2002/03 to support the restructuring of Government's forestry assets and for loan repayments on the Maguga Dam on the Komati River.

Infrastructure allocations

Supplementary amounts totalling R7,8 billion are set aside over the next three years for infrastructure investment and maintenance, and rehabilitation of flood-damaged facilities. These allocations will mainly benefit provinces and raise spending on social and economic infrastructure in rural and historically neglected areas in particular. Provinces will receive R1,5 billion for repairs to flood-damaged roads, bridges and other facilities; the amount is included as a conditional grant on the Treasury Vote. A total of R300 million is available for flood-related expenditure by national departments, of which R115 million is included in the Water Affairs and Forestry Vote in 2001/02 for the repair of bulk water systems. Amounts of R85 million in 2001/02 and R100 million in 2002/03 have yet to be allocated.

Preliminary infrastructure allocations to national departments over the medium term include:

- R580 million for rural water supply and sanitation projects
- R100 million for the refurbishment of the South African Rail Commuter Corporation's rolling stock
- R50 million to facilitate completion of the Lubombo road by the National Roads Agency
- R80 million for the development of emergency call centres by the Communications Department
- A further R390 million invested in infrastructure in support of industrial development
- An additional R863 million for construction, rehabilitation and maintenance of police stations, courts and prisons

The supplementary infrastructure allocations are not included in the Appropriation Bill or *Estimates of National Expenditure* at this stage. It is anticipated that expenditure over the first year of the programme will include about R500 million on provincial projects and R500 million by national departments. Allocations for 2001/02 will be included in the Adjustments Estimate later this year.

2001 Budget Estimates of National Expenditure

Table 2 sets out the main budget medium-term expenditure estimates for 2001/02 to 2003/04. Expenditure estimates include R1,5 billion in 2001/02 and 2002/03 for poverty relief and Job Summit initiatives, rising to R1,6 billion in 2003/04. R120 million remains to be allocated in 2001/02. This includes R65 million for the Integrated Sustainable Rural Development Strategy, R25 million for HIV/Aids youth awareness programmes, and R30 million for compensation for and prevention of foot-and-mouth disease. Provision is also made for a special allocation of R125 million, R300 million and R304,5 million over the next three years for an integrated response to HIV/Aids, focused on awareness and prevention campaigns targeted towards women, children and the youth.

Tables 3 and 4 detail the summary expenditure estimates by economic classification and standard items respectively. Conditional grants and agency payment information is summarised in tables 5a, 5b and 5c below. Table 6 indicates training expenditure by department and finally, table 7 summarises amounts to be appropriated from the National Revenue Fund for 2001/02.

Explanatory notes

Each Vote follows the same format.

Vote name and number

Votes are sequenced according to the functional groupings:

- Central government administration
- Financial and administrative services
- Social services
- Justice and protection services
- Economic services and infrastructure development

This facilitates analysis of interdepartmental initiatives and service delivery. Vote numbers have been amended and are not comparable with the *2000 Estimate of Expenditure* (the “White Book”). It is important to note that the functional groupings are informal and not consistent with the more rigorous functional classification of expenditure reported in the *Budget Review*.

To be appropriated by Vote

The amount to be appropriated by a Vote reflects the rand amount to be voted for the first year of the medium-term expenditure period. Statutory appropriations by Vote are also indicated.

Accountability information

Information on the responsible minister, accounting officer and administering department is detailed here to enhance accountability.

Aim

The aim of the Vote reflects the social and economic outcomes or results that the department wishes to achieve.

Key objectives and programmes

The identification of key departmental medium-term objectives and their association to spending programmes strengthens the link between strategic planning and budgeting.

Strategic overview and key policy developments: 1997/98 – 2003/04

This section describes the policy development and legislative changes that frame departmental spending plans over the seven-year period.

Expenditure estimates

The first table sets out expenditure by programme, economic classification and standard item. The table shows audited outcomes for 1997/98 and 1998/99, the preliminary outcome for 1999/00, the adjustments appropriation for 2000/01, the revised estimate for 2000/01 and the medium-term expenditure estimates for 2001/02 to 2003/04. The revised estimate for 2000/01 represents National Treasury's estimate of actual spending on each programme, in consultation with departments. This does not imply a change in the amount voted to the department from figures previously published in the final print "Blue Book" *Estimate of Expenditure for the year ending 31 March 2001* and the subsequent Adjustments Estimate for 2000/01.

The spending figures for 2001/02 are those to be voted by Parliament. The medium-term expenditure estimates for 2002/03 and 2003/04 will form the basis for planning the 2002 Budget. Changes to the 2000 Budget are reflected.

To ensure comparability, where programme structures have been changed in recent years, expenditure has, where possible, been reallocated according to the new programme structure for all years.

The second part of the table sets out departmental expenditure according to economic classification. This is based on international standards for classification of Government Financial Statistics developed by the International Monetary Fund. While government expenditure in South Africa is more commonly classified according to a system of "standard items", progress has been made in converting standard item information into broad Government Financial Statistics classifications. More detail on government accounts and the Government Financial Statistics can be found in Annexure D of the *2001 Budget Review*.

In the economic classification tables, spending is classified as either of the following:

- Capital: spending on assets that will be productive for more than one year; this includes maintenance, which will extend the useful life of an asset
- Current: expenditure that is not on capital (spending on defence assets, except those that are residential in nature, is also conventionally classified as current)

Within current expenditure, spending is broken down into:

- Personnel – spending on remuneration of employees, including salaries, wages and other benefits
- Transfer payments, which include transactions in which a department passes money to another institution or to an individual for final spending. Examples include transfers to research institutions. A current transfer must not be tied to use for acquiring a capital asset.
- Other current expenditure includes departmental spending not on personnel and not in terms of transfers. Spending on goods and services is included here.

Capital expenditure is disaggregated into:

- Transfer payments include transactions in which a department passes on money to another institution or to an individual for them to use specifically for capital spending on assets, to

compensate for damage or destruction of capital assets, or to increase their financial capital. An example is the conditional grant to provinces to build hospitals.

- Acquisition of capital assets refers to capital expenditure where a department acquires an asset for itself, for instance when a department purchases a building for office accommodation.

Departmental receipts

Attention is paid to departmental revenue collection. Where available, departmental receipts are estimated for 2000/01 and for the medium-term period.

Expenditure trends

The main programme structure changes and expenditure trends in the vote over the seven-year period are tabled, giving effect to policy development and departmental priorities. Average annual growth rates are calculated over the three-year period. Unless indicated otherwise, these reflect nominal growth rates rather than real growth.

Programme number and name

Each programme is reviewed in turn. The programme number and name are followed by its aim and description. The description is carefully defined in terms of relevant legislation to ensure that all spending may be accommodated within the approved programme structure.

The Public Finance Management Act stipulates that expenditure may be considered to be unauthorised if it comprises:

- Overspending of a vote or main division (programme) of a vote
- Expenditure that is not in accordance with the main purpose of a vote or, in the case of a main division (programme), not in accordance with the main division (programme)

Programme 1 is always *Administration*, which includes spending on the Ministry and senior management of the department, and central corporate services.

Programme expenditure estimates

Programme-specific tables set out expenditure by subprogramme, economic classification and standard items. The table shows audited outcomes for 1997/98 and 1998/99, the preliminary outcome for 1999/00, the adjustments appropriation for 2000/01 and the medium-term expenditure estimates for 2001/02 to 2003/04. Changes to the 2000 Budget are reflected.

Programme policy developments

Policy developments that are specific to each programme are discussed in this section.

Outputs and service delivery trends

Key outputs and measurable service delivery indicators are listed for each subprogramme. This section will be expanded in subsequent Budgets as further progress is made in developing service delivery indicators and targets. For the 2001 Budget, departments were asked to specify outputs and develop output and quantity indicators for each of these outputs. In certain instances, particularly for more policy-orientated departments, quality and timeliness indicators proved more applicable. Treasury developed a brief guide on output and output specification, and worked closely with departments during the exercise.

Essentially, outputs are defined as the final goods and services produced or delivered by departments to customers who are external to the department. Service delivery indicators are important as they measure:

- What goods and services budgeted monies buy
- What progress Government makes in terms of its policy priorities and objectives
- Whether Government is getting value for its money

Tracking service delivery indicators in terms of targets informs department heads, policy-makers and the public about the progress that departments are making towards their objectives. This facilitates better planning, budgeting and programme management by departments. It improves accountability and control, informs policy- and decision-making, and provides information to the public.

Public entities reporting to the responsible Minister

Information on public entities reporting to the responsible Minister for the Vote is provided here. Examples of these entities include the National Roads Agency, Telkom, the science councils, and the Unemployment Insurance Fund. Often these entities, rather than the department itself, are the front-line deliverers of services to communities.

The information presented on such bodies varies along with the nature, financial and service significance of the body. In general, more emphasis is given to entities that are primarily funded by taxation, whether transferred from the National Revenue Fund (for example, the Electoral Commission) or transferred directly to the body itself (the Unemployment Insurance Fund). The aim is to provide key financial and service delivery information, accounting for the spending of public money.

Annexure to each Vote

Standard detailed tables are included in the annexure to each Vote. These include:

- Summary of expenditure trends and estimates per programme (expenditure estimates for 2001/02 are broken into current and capital expenditure)
- Summary of expenditure trends and estimates per economic classification (expenditure estimates for 2001/02 are broken into current and capital expenditure)
- Summary of expenditure trends and estimates per standard item (expenditure estimates for 2001/02 are broken into current and capital expenditure)
- Summary of transfers and subsidies per programme
- Summary of personnel numbers and costs – this table replaces the detailed salary and personnel tables in the previous Estimate of Expenditure (the “White Book”). Personnel numbers for the three previous financial years and the current financial year, as well as estimated figures for 2001/02 are provided together with total personnel cost and an indication of unit cost to the department for each full-time equivalent.
- Summary of expenditure on training

Additional tables

Provision is made for vote-specific tables, including summaries of conditional grants to provinces and local authorities and agency payments, trading accounts, to name but a few.

Table 2: Summary of expenditure outcomes and Medium Term Expenditure Estimates from 1997/98 to 2003/04

Vote number and title	Expenditure outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome			2001/02	2002/03	2003/04
	1997/98	1998/99	1999/00	2000/01				
CENTRAL GOVERNMENT ADMINISTRATION								
1. Presidency	52 613	66 645	76 524	89 100	81 100	91 234	99 184	104 601
2. Parliament	331 946	350 543	345 472	422 117	422 117	422 669	446 360	469 773
3. Foreign Affairs	1 148 322	1 307 180	1 377 146	1 594 584	1 495 502	1 660 840	1 572 170	1 617 370
4. Home Affairs	534 102	1 189 662	1 316 442	1 753 938	1 702 230	1 053 029	1 022 362	1 373 099
5. Provincial and Local Government	1 110 442	3 084 222	3 301 521	3 754 811	3 742 811	4 279 165	4 868 934	5 526 770
FINANCIAL AND ADMINISTRATIVE SERVICES								
6. Government Communication and Information System	36 430	48 700	60 274	61 438	61 438	120 213	126 987	132 341
7. National Treasury	128 852 695	132 647 408	140 096 308	151 771 038	151 468 800	161 450 957	172 050 506	181 598 273
8. Public Enterprises	43 864	26 630	35 756	47 079	37 132	129 622	55 020	58 286
9. Public Service and Administration	52 796	55 998	156 448	88 073	88 073	91 062	72 050	77 918
10. Public Service Commission	23 824	19 403	34 374	51 588	44 607	53 013	55 371	57 955
11. SA Management Development Institute	11 974	24 587	14 477	19 691	19 095	19 413	20 348	21 297
12. Statistics South Africa	175 313	94 607	100 528	282 982	197 229	493 710	255 903	223 088
SOCIAL SERVICES								
13. Arts Culture Science and Technology	671 504	799 090	858 050	985 101	985 101	1 120 155	1 218 505	1 313 415
14. Education	5 974 861	6 469 535	7 111 602	7 678 394	7 635 394	8 208 861	8 556 038	9 043 119
15. Health	513 062	5 119 226	5 858 821	6 776 460	6 550 635	6 611 369	6 767 936	7 087 834
16. Housing	4 520 028	3 747 566	3 494 376	3 439 355	3 432 629	3 718 333	3 943 671	4 078 402
17. Social Development	145 013	96 795	399 697	383 265	379 192	190 938	233 788	198 320
18. Sport and Recreation South Africa	118 352	85 816	128 143	71 767	71 767	102 458	155 129	197 438
JUSTICE AND PROTECTION SERVICES								
19. Correctional Services	3 942 340	5 036 096	5 145 367	5 671 612	5 671 612	6 172 246	6 846 884	7 277 431
20. Defence	11 180 194	10 561 364	10 717 267	13 942 101	13 802 869	15 803 090	16 834 816	17 897 708
21. Independent Complaints Directorate	13 505	21 170	23 660	25 512	25 512	26 715	28 216	29 708
22. Justice and Constitutional Development	2 209 722	2 439 121	2 792 468	3 085 864	3 011 864	3 693 685	4 026 771	3 965 797
23. Safety and Security	12 843 954	13 934 698	14 572 459	15 727 425	15 727 425	17 131 642	18 311 120	19 252 886
ECONOMIC SERVICES AND INFRASTRUCTURE DEVELOPMENT								
24. Agriculture	978 271	737 012	675 697	775 082	775 082	775 177	818 693	917 950
25. Communications	464 000	842 251	766 939	485 591	482 494	487 523	443 220	464 736
26. Environmental Affairs and Tourism	396 505	413 951	505 977	791 567	756 567	981 718	1 048 582	1 159 760
27. Labour	634 358	730 288	865 548	2 181 336	1 676 636	3 601 653	3 868 435	4 122 850
28. Land Affairs	417 250	722 518	684 905	921 094	894 523	851 487	932 480	1 016 826
29. Minerals and Energy	825 171	672 132	611 456	603 711	603 711	1 205 782	1 462 595	1 224 024
30. Public Works	2 796 501	2 869 277	3 159 209	4 093 105	3 707 182	3 521 587	3 716 388	4 000 041
31. Trade and Industry	2 469 958	1 913 872	1 827 025	2 245 427	2 116 427	2 214 649	2 465 110	2 625 989
32. Transport	3 606 731	3 553 085	4 061 621	4 179 617	4 152 242	4 649 711	4 995 062	5 289 668
33. Water Affairs and Forestry	2 820 337	2 864 666	2 676 297	3 177 330	3 168 200	3 279 030	3 106 216	3 308 953
Subtotal	189 912 938	202 545 114	213 851 854	237 177 155	234 984 498	254 212 736	270 424 850	285 733 626
Umsobomvu Fund	-	-	855 00	-	-	-	-	-
Standing appropriations	34 500	29 100	42 600	63 859	63 859	300 000	65 000	56 800
Recoveries from pension funds	-	(1 158 000)	-	-	-	-	-	-
Unallocated	-	-	-	-	-	1 805 000	2 833 000	3 733 500
Contingency Reserve	-	-	-	-	-	2 000 000	4 000 000	8 000 000
Total	189 947 438	201 416 214	214 749 454	237 241 014	235 048 357	258 317 736	277 322 850	297 523 926

Table 3: Summary of amounts appropriated from the National Revenue Fund per Economic Classification

Economic classification	Expenditure outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome			2001/02	2002/03	2003/04
	1997/98	1998/99	1999/00	2000/01				
Current	53 452 677	67 303 238	72 760 542	79 900 137	78 664 575	85 858 216	90 543 454	95 862 088
Personnel	23 469 411	25 205 554	25 980 480	28 013 414	27 907 943	30 137 612	31 602 288	32 996 659
– Salaries and wages	14 541 145	16 024 611	16 598 476	18 549 098	18 444 190	20 131 008	21 105 535	21 998 329
– Other	8 928 266	9 180 943	9 382 004	9 464 316	9 463 753	10 006 604	10 496 753	10 998 330
Transfer payments	18 675 546	30 284 613	33 446 532	36 133 022	35 865 654	38 630 921	41 146 586	43 994 884
– Subsidies to business enterprises	4 984 787	3 594 221	3 676 850	3 409 924	3 374 923	3 113 601	3 451 572	3 801 932
– Other levels of government social security funds	7 000	7 000	7 000	7 000	7 000	14 068	7 000	7 000
Universities and technikons	4 631 454	5 477 873	5 998 094	6 450 182	6 450 182	6 881 701	7 251 495	7 629 423
Extra-budgetary institutions	7 630 262	7 974 640	9 397 636	12 748 846	12 596 614	14 272 569	15 183 581	16 422 863
Provincial government	891 662	11 418 864	11 680 062	10 250 438	10 197 182	9 832 725	10 069 542	10 445 586
Local government	10 964	1 012 036	1 678 747	2 366 823	2 365 692	3 478 894	4 034 073	4 411 471
– Households and non-profit institutions	419 708	710 009	886 795	749 797	713 169	909 930	1 021 882	1 144 165
– Foreign countries and international credit institutions	99 709	89 970	121 348	150 012	160 892	127 433	127 441	132 444
Other	11 307 720	11 813 071	13 333 530	15 753 701	14 890 978	17 089 683	17 794 580	18 870 545
Capital	11 473 303	10 779 550	9 925 658	13 060 691	12 695 227	12 975 730	14 353 636	15 102 113
Transfer payments	8 385 023	7 117 351	6 919 939	8 767 161	8 645 776	8 914 451	9 811 081	10 194 147
Movable capital	860 050	1 004 204	1 028 010	1 564 298	1 470 405	1 475 885	1 408 684	1 494 872
– Motor vehicles (transport)	287 699	288 954	321 914	359 093	361 400	411 374	409 584	416 747
– Equipment – Computers	209 612	373 526	340 870	551 136	497 921	540 565	482 783	524 388
– Equipment – Other office equipment	110 982	86 947	93 171	142 644	121 245	164 991	154 866	169 588
– Other	251 757	254 777	272 055	511 425	489 839	358 955	361 451	384 149
Fixed capital	2 228 230	2 657 995	1 977 709	2 729 232	2 579 046	2 585 394	3 133 871	3 413 094
– Land	814	24 531	13 070	14 063	14 063	28 884	17 963	37 684
– Buildings	897 359	1 181 790	876 863	1 348 923	1 198 923	1 189 179	1 710 766	1 915 214
– Infrastructure	1 210 576	1 259 242	906 056	1 029 259	1 029 259	1 118 103	1 105 044	1 141 692
– Other	119 481	192 432	181 720	336 987	336 801	249 228	300 098	318 504
Subtotal (1)	64 925 980	78 082 788	82 686 200	92 960 828	91 359 802	98 833 946	104 897 090	110 964 201
Direct charge to the National Revenue Fund	124 986 958	124 462 326	131 165 654	144 216 327	143 624 696	155 378 790	165 527 760	174 769 425
Subtotal (2)	189 912 938	202 545 114	213 851 854	237 177 155	234 984 498	254 212 736	270 424 850	285 733 626
Umsobomvu Fund	–	–	855 000					
Standing appropriations	34 500	29 100	42 600	63 859	63 859	300 000	65 000	56800
Recoveries from pension funds	–	(1 158 000)						
Unallocated						1 805 000	2 833 000	3 733 500
Contingency reserve						2 000 000	4 000 000	8 000 000
Total	189 947 438	201 416 214	214 749 454	237 241 014	235 048 357	258 317 736	277 322 850	297 523 926

Table 4: Summary of amounts appropriated from the National Revenue Fund per Standard Items

Standard items	Expenditure outcome					Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome	Adjusted appropriation	Revised estimate			
	1997/98	1998/99	1999/00	2000/01		2001/02	2002/03	2003/04
Personnel expenditure	23 575 951	25 305 778	26 069 930	28 143 783	28 053 991	30 256 079	31 726 130	33 125 348
Administrative expenditure	2 299 922	2 026 124	2 209 439	2 481 530	2 604 348	3 093 465	3 038 274	3 147 965
Inventories	2 138 564	2 082 675	2 258 118	2 610 722	2 603 260	2 989 361	3 112 286	3 266 816
Equipment	1 101 458	1 194 348	1 257 023	1 787 423	1 640 692	1 954 120	1 985 186	2 271 893
Land and buildings	1 264 210	1 630 959	1 664 594	1 910 195	1 756 643	2 256 284	2 591 054	2 812 709
Professional and special services	6 460 592	7 079 172	7 083 078	9 259 918	8 457 542	8 995 383	9 582 776	10 149 799
Transfer payments	27 060 569	37 401 964	40 366 471	44 900 183	44 541 839	47 545 372	50 957 667	54 189 031
Miscellaneous expenditure	1 024 714	1 361 768	1 777 547	1 867 074	1 701 487	1 743 882	1 903 717	2 000 640
Subtotal	64 925 980	78 082 788	82 686 200	92 960 828	91 359 802	98 833 946	104 897 090	110 964 201
Direct charge to the National Revenue Fund	124 986 958	124 462 326	131 165 654	144 216 327	143 624 696	155 378 790	165 527 760	174 769 425
Total	189 912 938	202 545 114	213 851 854	237 177 155	234 984 498	254 212 736	270 424 850	285 733 626
Umsobomvu Fund	-	-	855 000	-	-	-	-	-
Standing appropriations	34 500	29 100	42 600	63 859	63 859	300 000	65 000	56800
Recoveries from pension funds	-	(1 158 000)	-	-	-	-	-	-
Unallocated	-	-	-	-	-	1 805 000	2 833 000	3 733 500
Contingency Reserve	-	-	-	-	-	2 000 000	4 000 000	8 000 000
Total	189 947 438	201 416 214	214 749 454	237 241 014	235 048 357	258 317 736	277 322 850	297 523 926

Table 5a: Summary of grants to provinces

Vote	Expenditure outcome					Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome	Adjusted appropriation	Revised estimate			
	1997/98	1998/99	1999/00	2000/01		2001/02	2002/03	2003/04
Parliament	-	15 300	-	-	-	-	-	-
National Treasury	-	4 041 000	4 020 030	4 959 500	4 959 500	2 547 877	2 452 000	2 472 000
Education	-	26 035	192 000	228 930	228 930	297 500	276 320	322 414
Health	-	4 579 742	5 346 561	6 036 976	6 036 976	5 957 481	6 070 862	6 343 372
Housing	3 223 701	3 011 932	2 746 526	3 049 680	3 049 680	3 325 958	3 543 674	3 667 898
Social Development	-	20 165	72 204	54 793	54 793	22 736	10 800	-
Labour	-	51 733	56 021	-	-	-	-	-
Total	3 223 701	11 704 907	12 433 342	14 329 879	14 329 879	12 151 552	12 353 656	12 805 684

Table 5b: Summary of grants to local government

Vote	Expenditure outcome					Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome	Adjusted appropriation	Revised estimate			
	1997/98	1998/99	1999/00	2000/01		2001/02	2002/03	2003/04
Provincial and Local Government	–	883 307	925 561	1 237 036	1 237 036	1 510 041	1 707 840	1 794 418
National Treasury	–	–	–	350 000	350 000	410 000	570 000	590 000
Land Affairs	–	2 774	13 051	43 525	43 525	–	–	–
Public Works	–	–	356 147	374 000	374 000	374 000	374 000	374 000
Transport	202 442	37 064	30 133	22 109	22 109	81 000	40 000	42 000
Water Affairs and Forestry	1 763 446	1 671 433	1 353 192	1 355 702	1 355 702	1 513 602	1 462 063	1 497 287
Total	1 965 888	2 594 578	2 678 084	3 382 372	3 382 372	3 888 643	4 153 903	4 297 705

Table 5c: Summary of agency payments

Vote	Expenditure outcome					Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome	Adjusted appropriation	Revised estimate			
	1997/98	1998/99	1999/00	2000/01		2001/02	2002/03	2003/04
Arts, Culture, Science and Technology	–	350	–	–	–	1 991	2 118	2 214
Education	–	263 276	111 413	54 497	54 497	9 243	–	–
Agriculture	–	24 799	18 799	23 901	23 901	25 000	25 000	40 000
Transport	–	1 153 514	1 247 563	1 409 269	1 409 269	1 522 010	1 638 850	1 701 835
Total	–	1 441 940	1 377 775	1 487 667	1 487 667	1 558 224	1 665 968	1 744 049

Table 6: Summary of training expenditure by Vote

Vote number and title	Preliminary outcome	Adjusted appropriation	Medium-term expenditure estimate		
	1999/00	2000/01	2001/02	2002/03	2003/04
CENTRAL GOVERNMENT ADMINISTRATION					
1. Presidency	94	402	457	483	502
2. Parliament	101	855	1 479	1 568	1 656
3. Foreign Affairs	7 600	7 802	9 710	10 520	10 591
4. Home Affairs	2 446	3 904	5 101	5 409	5 744
5. Provincial and Local Government	442	513	600	600	640
FINANCIAL AND ADMINISTRATIVE SERVICES					
6. Government Communication and Information System	410	377	407	449	493
7. National Treasury	1 828	2 547	2 069	2 166	2 393
8. Public Enterprises	381	1 150	2 120	2 173	2 630
9. Public Service and Administration	271	674	471	570	564
10. Public Service Commission	306	897	472	408	427
11. SA Management Development Institute	136	120	130	141	150
12. Statistics South Africa	1 616	3 922	6 541	2 519	2 331
SOCIAL SERVICES					
13. Arts Culture Science and Technology	564	1 700	593	623	655
14. Education	155	1 096	1 513	1 620	2 031
15. Health	404	1 754	1 813	1 926	2 020
16. Housing	424	517	1 685	1 803	1 679
17. Social Development	307	403	433	450	475
18. Sport and Recreation South Africa	408	184	306	319	334
JUSTICE AND PROTECTION SERVICES					
19. Correctional Services	46 066	65 183	79 868	82 615	86 888
20. Defence	38 348	29 604	28 863	29 721	30 325
21. Independent Complaints Directorate	164	335	350	370	390
22. Justice and Constitutional Development	16 815	27 823	24 683	25 937	27 154
23. Safety and Security	242 269	262 045	336 279	357 050	373 700
ECONOMIC SERVICES AND INFRASTRUCTURE DEVELOPMENT					
24. Agriculture	2 264	2 301	4 024	4 235	4 694
25. Communications	1 487	3 260	3 535	3 745	3 895
26. Environmental Affairs and Tourism	1 375	1 693	1 190	1 225	1 290
27. Labour	3 868	5 627	7 356	6 499	7 769
28. Land Affairs	8 263	5 926	6 254	6 572	6 922
29. Minerals and Energy	1 736	1 978	1 559	1 594	1 616
30. Public Works	612	5 835	4 490	4 674	5 160
31. Trade and Industry	2 798	3 386	4 507	6 597	9 999
32. Transport	1 095	754	809	841	880
33. Water Affairs and Forestry	10 207	12 401	13 652	13 652	13 652
Total	395 260	456 968	553 319	579 074	609 648

Table 7: Summary of amounts to be appropriated from the National Revenue Fund for 2001/02

Vote number and title	2000/01		2001/02						Increase/ (Decrease)
	Appropriated (including statutory amounts)	Current	Capital	Transfers		To be appropriated (2 to 5)	Statutory amounts	Total estimated expenditure (6 + 7)	
				Current	Capital				
CENTRAL GOVERNMENT ADMINISTRATION									
1. Presidency	83 876	77 176	1 667	10 475	500	89 818	1 416	91 234	7 358
2. Parliament	416 000	205 903	6 634	56 019	-	268 556	154 113	422 669	6 669
3. Foreign Affairs	1 325 214	1 430 789	115 043	115 007	-	1 660 839	1	1 660 840	335 626
4. Home Affairs	1 330 641	718 551	229 489	104 987	2	1 053 029	-	1 053 029	(277 612)
5. Provincial and Local Government	3 575 693	109 322	1 979	3 098 764	1 069 100	4 279 165	-	4 279 165	703 472
FINANCIAL AND ADMINISTRATIVE SERVICES									
6. Government Communication and Information System	60 687	120 213	-	-	-	120 213	-	120 213	59 526
7. National Treasury	149 269 998	2 074 087	10 020	6 435 492	656 898	9 176 497	152 274 460	161 450 957	12 180 959
8. Public Enterprises	45 022	127 441	2 081	100	-	129 622	-	129 622	84 600
9. Public Service and Administration	85 247	63 693	776	1	26 592	91 062	-	91 062	5 815
10. Public Service Commission	50 896	52 281	732	-	-	53 013	-	53 013	2 117
11. SA Management Development Institute	18 381	17 737	1 676	-	-	19 413	-	19 413	1 032
12. Statistics South Africa	239 155	458 898	34 810	2	-	493 710	-	493 710	254 555
SOCIAL SERVICES									
13. Arts Culture Science and Technology	971 085	105 196	2 645	980 263	32 051	1 120 155	-	1 120 155	149 070
14. Education	7 513 708	317 782	41 049	7 649 125	200 905	8 208 861	-	8 208 861	695 153
15. Health	6 329 651	405 618	29 015	5 522 936	653 800	6 611 369	-	6 611 369	281 718
16. Housing	3 333 371	129 333	3 189	259 851	3 325 960	3 718 333	-	3 718 333	384 962
17. Social Development	348 706	112 961	1 458	76 519	-	190 938	-	190 938	(157 768)
18. Sport and Recreation South Africa	57 707	22 088	439	43 820	36 111	102 458	-	102 458	44 751
JUSTICE AND PROTECTION SERVICES									
19. Correctional Services	5 540 066	5 484 965	671 912	15 369	-	6 172 246	-	6 172 246	632 180
20. Defence	13 744 935	9 738 851	51 554	6 012 685	-	15 803 090	-	15 803 090	2 058 155
21. Independent Complaints Directorate	25 098	25 380	1 095	240	-	26 715	-	26 715	1 617
22. Justice and Constitutional Development	2 995 575	2 518 595	362 357	663 933	-	3 544 885	148 800	3 693 685	698 110
23. Safety and Security	15 446 670	16 539 443	592 199	-	-	17 131 642	-	17 131 642	1 684 972
ECONOMIC SERVICES AND INFRASTRUCTURE DEVELOPMENT									
24. Agriculture	719 860	407 876	62 620	287 681	17 000	775 177	-	775 177	55 317
25. Communications	466 948	135 074	5 931	346 518	-	487 523	-	487 523	20 575
26. Environmental Affairs and Tourism	732 275	327 455	12 038	470 224	172 001	981 718	-	981 718	249 443
27. Labour	2 152 208	494 042	66 316	241 295	-	801 653	2 800 000	3 601 653	1 449 445
28. Land Affairs	837 875	393 343	15 135	1 947	441 062	851 487	-	851 487	13 612
29. Minerals and Energy	577 719	227 149	4 415	343 069	631 149	1 205 782	-	1 205 782	628 063
30. Public Works	3 813 709	3 046 603	449 198	25 786	-	3 521 587	-	3 521 587	(292 122)
31. Trade and Industry	2 198 557	385 083	46 405	1 773 160	10 001	2 214 649	-	2 214 649	16 092
32. Transport	4 093 609	240 262	36 236	2 856 668	1 516 545	4 649 711	-	4 649 711	556 102
33. Water Affairs and Forestry	2 873 429	714 105	1 201 166	1 238 985	124 774	3 279 030	-	3 279 030	405 601
Total	231 273 571	47 227 295	4 061 279	38 630 921	8 914 451	98 833 946	155 378 790	254 212 736	22 939 165