

Overview

Budget documentation

The National Treasury produces a set of complementary publications providing comprehensive information on Government's revenue raising and spending plans.

The *Estimates of National Expenditure* accompanies the *Appropriation Bill*, tabled in Parliament by the Minister of Finance when the budget is presented. Through the *Appropriation Bill*, the executive seeks Parliament's approval and adoption of its spending plans for the forthcoming year.

The *Estimates of National Expenditure* focuses on these plans, the objectives of national departments, three-year spending estimates, programme developments, outputs and service delivery indicators. The Minister of Finance's *Budget Speech* and the *Budget Review* put these plans in context by providing an overview of the economic outlook, fiscal policy, tax proposals, expenditure plans and developments in inter-governmental financial relations.

The *Estimates of Revenue* sets out revenue projections before and after tax proposals; the *Division of Revenue Bill* divides nationally raised revenue between the national, provincial and local spheres of government, and provides details of transfers to provincial and local governments; the *People's Guide* is an accessible summary of budget highlights, published in five official languages.

Provincial budget statements, tabled in provincial legislatures in the week after the national budget, outline spending plans in some of the key social service and infrastructure sectors and other provincial competencies. Provincial spending and service delivery, and more detailed aspects of local government financing and expenditure, are reviewed in the annual *Intergovernmental Fiscal Review*, published towards the middle of the financial year.

The specific aims of the *Estimates of Expenditure* are to provide a tool to enhance the accountability of the executive to Parliament and civil society, and to allow for review and monitoring of Government's service delivery and spending plans.

Budget reform

The 2002 *Estimates of National Expenditure* keeps the broad format of last year, but provides more information in a number of areas:

- Departments now provide targets for service delivery in main output areas. This is an important step towards fulfilling the requirement in terms of the Public Finance Management Act (1 of 1999) (PFMA) that measurable objectives for main spending programmes be submitted to Parliament. This requirement will become effective with the 2003 Budget.
- There are more detailed financial histories and forward estimates for a number of public entities delivering services on behalf of Government. This year sees more detailed information on some of the larger entities, primarily funded from tax revenue. A wider range of entities will be covered in the coming years.
- Budget details of government trading accounts are included.
- There is more detailed and consistent coverage of departmental revenues.

- Estimates for expenditure on information and communication technology are set out separately, due to the importance of this spending for effective and sustainable delivery of services.

Through these innovations, budget reform is taken forward. Significant progress to date includes:

- The establishing and stabilising of the inter-governmental fiscal system after 1997 has given effect to the constitutional provisions relating to the three spheres of government, each with its own functions and spending responsibilities.
- Medium-term budgeting introduced in 1998 has tightened the links between Government's policy choices, its budget and the delivery of services. This will be enhanced with the further integration of strategic planning into the budget process.
- The PFMA provides public sector managers with more autonomy and flexibility for delivering services as effectively as possible, within a regulatory framework that strengthens accountability and oversight.
- The increasing focus on outputs alongside spending plans provides a basis for assessing the value for money of spending and its alignment with government objectives.

It is with service delivery information, specifically in communicating targets for spending programmes, and the direct links to budgets, that the *2002 Estimates of National Expenditure* advances on previous years. It is an evolving process, but each year more refined output information will be available. The success of this exercise will depend on strengthening the crucial links between strategic planning, budgeting and monitoring, and reporting on service delivery.

Medium-term expenditure framework

Medium-term expenditure estimates

The *Estimates of National Expenditure* detail the spending outcomes and plans of national departments. To these must be added provincial and local government expenditure to get an overall perspective on government spending.

Table 1 shows the expenditure from the National Revenue Fund for the period 1998/99 to 2004/05. Statutory appropriations comprise mainly debt costs, the provincial equitable share and skills development funds, and are appropriations in terms of an Act of Parliament, other than an annual Appropriation Act. Salaries of Members of Parliament and of judges, and standing appropriations are also included. Vote appropriations include allocations to national departments, conditional grants to provincial and local government, and the local government equitable share.

Skills development funding is financed by a levy on payroll, which flows directly to the various Sector Education and Training Authorities, and the National Skills Fund. The latter finances special training needs and training for the unemployed. The levy is payable by private sector employers and is expected to yield R3,0 billion in 2002/03, rising to R3,4 billion in 2004/05.

The estimates include a contingency reserve to deal with unforeseen circumstances. This provides for allocations that may be voted in the Adjustments Budgets later in the financial year to provide for expenditure that is currently unforeseen but which may be unavoidable. The contingency reserve is R3,3 billion in 2002/03, R5,0 billion in 2003/04, and R9,0 billion in 2004/05. 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 1998/99–2004/05

R million	Audited 1998/99	Outcome Audited 1999/00	Preliminary 2000/01	Revised estimate 2001/02	Medium-term estimates		
					2002/03	2003/04	2004/05
Revenue (National Revenue Fund)							
Tax revenue (gross)	184 664	200 641	220 273	252 205	268 506	291 863	316 392
Other receipts and repayments	4 462	4 719	3 715	4 447	4 970	5 600	6 100
RDP Fund grants ¹	456	–	–	–	–	–	–
Less: SACU transfers	-5 577	-7 197	-8 396	-8 205	-8 259	-8 755	-9 280
Total revenue	184 005	198 162	215 592	248 447	265 217	288 708	313 211
<i>Percentage of GDP</i>	<i>24.4%</i>	<i>24.1%</i>	<i>23.7%</i>	<i>25.1%</i>	<i>24.5%</i>	<i>24.5%</i>	<i>24.5%</i>
<i>Percentage increase</i>	<i>12.6%</i>	<i>7.7%</i>	<i>8.8%</i>	<i>15.2%</i>	<i>6.7%</i>	<i>8.9%</i>	<i>8.5%</i>
Statutory appropriations							
State debt cost	42 669	44 290	46 321	47 515	47 503	49 845	52 434
Provincial equitable share	84 342	89 095	98 398	107 460	119 452	128 466	137 089
Skills development funds	–	–	1 184	2 750	2 950	3 150	3 370
Other ^{2,3}	286	324	347	603	382	489	412
Appropriated by vote							
Current expenditure ⁴	64 169	72 328	77 607	90 652	97 308	104 678	110 684
Capital expenditure	9 951	8 713	10 085	13 609	17 014	19 603	21 573
Contingency reserve	–	–	–	–	3 300	5 000	9 000
Total expenditure⁵	201 416	214 750	233 942	262 590	287 909	311 231	334 561
<i>Percentage of GDP</i>	<i>26.7%</i>	<i>26.2%</i>	<i>25.7%</i>	<i>26.5%</i>	<i>26.6%</i>	<i>26.4%</i>	<i>26.2%</i>
<i>Percentage increase</i>	<i>6.0%</i>	<i>6.6%</i>	<i>8.9%</i>	<i>12.2%</i>	<i>9.6%</i>	<i>8.1%</i>	<i>7.5%</i>
Deficit (-)	-17 411	-16 588	-18 350	-14 143	-22 692	-22 523	-21 350
<i>Percentage of GDP</i>	<i>-2.3%</i>	<i>-2.0%</i>	<i>-2.0%</i>	<i>-1.4%</i>	<i>-2.1%</i>	<i>-1.9%</i>	<i>-1.7%</i>
<i>Gross domestic product</i>	<i>753 829</i>	<i>821 144</i>	<i>910 500</i>	<i>990 000</i>	<i>1 082 800</i>	<i>1 178 900</i>	<i>1 277 500</i>

¹ From 1999/00, foreign grants received in the RDP 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.

Total spending

The main budget provides for expenditure of R287,9 billion in 2002/03, increasing to R334,6 billion in 2004/05, at an average annual growth rate of 8,4 per cent a year. Compared with the 2001 Budget, total expenditure is increased by R10,6 billion in 2002/03 and R13,7 billion in 2003/04.

Changes in national votes and statutory amounts since the 2001 Budget

The 2002 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 the depreciation of the currency. The Budget provides for adjustments to the following votes:

- The Presidency receives additional funds to support foreign travel and its increasing involvement in the New Partnership for Africa's Development (NEPAD).
- Further allocations to Parliament are for the improved administration of the institution and the upgrading of essential infrastructure.

- The additional funds allocated to Foreign Affairs cater for the effects of the more rapid than expected depreciation of the Rand, and provide for the expansion in South Africa's foreign representation.
- Home Affairs receives additional funds to support critical systems development and to enhance service delivery capacity. These amounts also include allocations for the Independent Electoral Commission for preparations for the 2004 election.
- Provincial and Local Government receives additional allocations to raise the local government equitable share and increase municipal infrastructure investment.
- The budget of the Government Communication and Information System rises to accommodate increased capacity and for an increase in the number, and expansion of the reach, of information projects implemented through new multi-purpose community centres.
- Excluding the phasing out of the supplementary grant to provinces, the budget of the National Treasury increases to support the implementation of the South African Revenue Service's business re-engineering programme. Provision for Secret Services also rises and there is an allocation for establishing a Financial Intelligence Centre to assist in efforts to counter money laundering.
- Further allocations for the Department of Public Service and Administration contribute towards upgrading Government's computer network and sustaining projects aimed at improving service delivery across Government.
- Arts, Culture, Science and Technology receives additional funds for the construction of Freedom Park at the Salvokop site in Pretoria, supporting cultural industries and institutions, and to support the Bio-technology Strategy.
- Education expenditure is projected to increase to support the higher education sector and the National Student Financial Aid Scheme.
- Health receives amounts to expand its HIV/Aids programmes at the national level as well to increase transfers through conditional grants. Additional funds are also intended to improve medical specialist deployment and training in under-serviced provinces.
- The Housing allocation increases to facilitate the reduction of the housing backlog and for a possible increase in the housing subsidy.
- The Department of Correctional Services receives further amounts to finance the construction of additional prison space and to accommodate the costs of the increased number of prisoners in South Africa's prisons.
- Additional amounts on the Defence Vote make provision for the shortfall on the strategic defence package due to the rapid depreciation of the Rand, as well as funds to cover the cost of the Burundi protection detachment.
- Justice and Constitutional Development receives funds for service delivery re-engineering and to employ additional staff, especially prosecutors. There are also allocations aimed at rolling out the new model for the delivery of legal aid services to the poor.
- The capacity of the Independent Complaints Directorate is being increased to accommodate the expansion of its mandate.
- Projected expenditure by Safety and Security increases, enabling it to recruit and train more police officers, upgrade critical information technology systems and the modernise of the vehicle fleet.
- The medium term allocations to the Department of Agriculture rise to fund flood relief to farmers.

- The allocation to the Communications Vote is increased to support the restructuring of the Post Office in the medium term.
- Further allocations to the Department of Environmental Affairs and Tourism Vote help to finance the hosting of the World Summit on Sustainable Development, for the maintenance and of national park infrastructure and harbour walls. It also receives additional funds to promote tourism.
- Additional funds are allocated to Labour. These are mainly for restructuring the Unemployment Insurance Fund.
- The allocation of the Department of Land Affairs rises to support the Land Redistribution for Agricultural Development programme.
- The allocation to the Minerals and Energy Vote is increased to fund the roll-out of the national electrification programme, in order to provide access to electricity in communities in previously neglected areas.
- Additional amounts to Transport will raise provision for rehabilitating the national roads and rail networks, refurbishing the South African Rail Commuter Corporation rolling stock, and for improved law enforcement to ensure adequate levels of road safety.
- Water Affairs and Forestry receives additional allocations for investment in rural water and sanitation infrastructure, increasing access to clean water, and improving access to sanitation facilities.

Table 2 sets out the main budget medium-term expenditure estimates by department for the seven-year period from 1998/99 to 2004/05. Tables 3 and 4 detail expenditure estimates by economic classification and standard items respectively.

Conditional grants information is summarised in tables 5a and 5b. Table 6 provides a summary classification of the amounts to be appropriated in 2002/03 from the National Revenue Fund and statutory amounts. Table 7 indicates training expenditure by Vote and Table 8, information and communications technology expenditure by Vote.

Explanatory notes

Each Vote follows the same format. Votes are grouped together to facilitate analysis of inter-departmental initiatives and service delivery. The functional groupings are informal and not consistent with the more rigorous functional classification of expenditure reported in the *Budget Review*.

Amount to be appropriated

The amount to be appropriated to a vote reflects the Rand amount to be voted for 2002/03, 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 objectives that the department wishes to achieve, or the administrative functions it fulfils.

Key objectives and programmes

The identification of key departmental medium-term objectives and the purpose of spending programmes provide a link between the Department's strategic planning and its budget.

Strategic overview and key policy developments: 1998/99 – 2004/05

A strategic overview describes the policy development and legislative changes that frame departmental spending over the seven-year period, and puts the Department's objectives into context.

Expenditure estimates

The first table sets out total expenditure by programme, economic classification and standard item. The table shows audited outcomes for 1998/99 and 1999/00 and the preliminary outcome for 2000/01, the adjusted appropriation and revised estimate for 2001/02, and the medium-term expenditure estimates for 2002/03 to 2004/05. The revised estimate for 2001/02 is the National Treasury's estimate of how much will be spent by a Department by the end of the financial year, and is prepared in consultation with Departments. This does not imply a change in the amount voted to the Department.

The spending figures for 2002/03 are those to be voted by Parliament. The medium-term expenditure estimates for 2003/04 and 2004/05 will form the basis for planning the 2003 Budget. Changes to the 2001 Budget are also reflected.

To ensure comparability, where programme structures have changed, expenditure has, where possible, been re-apportioned 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 the international Government Financial Statistics (GFS) standard 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 GFS classifications. More detail on this classification of government accounts can be found in Annexure D of the *Budget Review*.

In the economic classification tables, spending is classified as either capital or current expenditure. Capital spending reflects expenditure on assets that will be productive for more than one year, including rehabilitation or major maintenance works that will extend the useful life of an asset. Current expenditure, on the other hand, is all other expenditure, with the exception of spending on most defence assets, which is also conventionally classified as current expenditure.

Within current expenditure, spending is broken down into:

- Personnel, consisting of spending on remuneration, including salaries, wages and other benefits
- Transfer payments, which are incurred when a Department passes funds that are not tied to acquiring capital assets to another institution or individual for final spending
- Other current expenditure includes spending on non-personnel goods and consumable supplies, which do not qualify as capital assets.

Capital expenditure is disaggregated into:

- Transfer payments specifically for capital spending, such as the conditional grant to provinces to rehabilitate hospital buildings
- Acquisition of capital assets, which refers to capital expenditure where a Department acquires an asset for itself, for instance when it purchases or constructs a building.

Expenditure trends

Important trends in spending are identified, as are the policy and cost issues which may underpin them. Reprioritisation, reflected in changes in the division of expenditure between programmes is sometimes highlighted, as are the reasons for any changes to the expenditure estimates for 2002/03 and 2003/04 relative to those announced in the 2001 Budget.

Three-year expenditure trends are calculated with reference to the adjusted appropriation for 2001/02, except where specified differently.

Departmental receipts

Most Departments receive income of some kind that is deposited into the National Revenue Fund. A brief summary of these is provided in which receipts are classified as non-tax revenue or as financial transactions.

Non-tax revenue is divided into:

- Receipts from property income including interest dividends and rent derived from the ownership of assets
- Sales of goods and services such as administrative fees and incidental sales
- Compulsory transfers such as fines and penalties
- Voluntary transfers received from other organisations or individuals.

Transactions in financial assets such as the capital redemption on loans and advances to employees, accounts receivable and liabilities such as stale state warrant vouchers are classified as financial transactions.

In seeking to implement the GFS, Treasury has sought to reclassify departmental receipts. Although there are limitations in existing systems which make it impossible to accurately classify all receipts, progress is being made. This has meant, however, that there are some differences between the numbers reported in the *2002 Estimates of National Expenditure* relative to those in last year's tables.

Programme number and name

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

The allocation of funds to programmes has legal implications because the PFMA defines as unauthorised expenditure any spending in excess of a programme appropriation or spending that does not comply with the objectives of a programme.

Programme expenditure estimates

Programme-specific tables set out expenditure by subprogramme, economic classification and standard items. The table shows audited outcomes for 1998/99 and 1999/00, the preliminary outcome for 2000/01, the adjusted appropriation for 2001/02 and the medium-term expenditure estimates for 2002/03 to 2004/05. Changes to the 2001 Budget are reflected.

Policy developments

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

Expenditure trends

The main programme structure changes and expenditure trends in the Vote over the seven-year period are discussed in relation to the objectives of the programme, as well as pressures which it may have faced.

Average annual growth rates are calculated over the three-year period. Unless indicated otherwise, these reflect nominal growth rates rather than real growth.

Key outputs, indicators and targets

Key outputs, output performance measures or service delivery indicators, and targets are listed for each subprogramme. For each output, Departments were requested to select one to two output performance measures appropriate to the output being measured, as well as a target to be achieved. These might include aspects of the quantity, quality, timeliness or cost of their outputs.

Public entities reporting to the Minister

Information on public entities reporting to the Minister responsible for the Vote is also provided. Examples 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 and will report their financial performance separately and independently from the *Estimates of National Expenditure*. The intention, however, is to provide key financial and service delivery information to account for the spending of public money.

The 2002 *Estimates of National Expenditure* publishes summarised tables on central government extra-budgetary agencies as part of the accounts of Government. During this first round the following national entities are included: the Social Security Funds (i.e. Road Accident Fund, Unemployment Insurance Fund, Mines and Works Compensation Fund, and Compensation Fund), the National Roads Agency, the Post Office, the South African Housing Fund and some smaller related entities. Summary details of the revenue and expenditure of the trading accounts of Government are included as part of the data tables published for applicable Departments.

The information presented on such bodies varies along with the nature, and 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 Independent Electoral Commission) or transferred directly to the body itself (the Unemployment Insurance Fund).

Annexure to each Vote

Standard detailed tables are included in the annexure to each Vote. In some cases, the estimates for 2002/03 are broken down further. The tables include:

- Summary of expenditure trends and estimates per programme (expenditure estimates for 2002/03 are broken into current and capital expenditure, and information provided on the 2001/02 adjusted estimates)
- Summary of expenditure trends and estimates per economic classification
- Summary of expenditure trends and estimates per standard item
- Summary of transfers and subsidies per programme
- Summary of personnel numbers and costs 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 2002/03,

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
- Summary of expenditure on information and communications technology

Additional tables

Provision is made for Vote-specific tables, including summaries of conditional grants to provinces and local authorities and trading accounts.

Annexure: Overview

Table 2: Summary of expenditure outcomes and Medium Term Expenditure Estimates from 1998/99 to 2004/05

Table 3: Summary of expenditure outcomes and Medium Term Expenditure Estimates from 1998/99 to 2004/05 per economic classification

Table 4: Summary of expenditure outcomes and Medium Term Expenditure Estimates from 1998/99 to 2004/05 per standard item classification

Table 5a: Summary of conditional grants to provinces

Table 5b: Summary of conditional grants to local government (municipalities)

Table 6: Summary of amounts to be appropriated from the National Revenue Fund for 2002/03

Table 7: Summary of training expenditure per vote

Table 8: Summary of information and communications technology expenditure per Vote

Table 2: Summary of expenditure outcomes and medium term expenditure estimates from 1998/99 to 2004/05

Vote number and title	Expenditure outcome					Medium-term expenditure estimate			
	Audited	Audited	Preliminary outcome	Adjusted appropriation	Revised estimate				
	1998/99	1999/00	2000/01	2001/02		2002/03	2003/04	2004/05	
R thousand									
CENTRAL GOVERNMENT ADMINISTRATION									
1. Presidency	66 645	78 790	92 709	117 939	117 939	127 449	136 845	149 961	
2. Parliament	350 543	345 472	416 452	423 669	423 669	469 323	502 294	538 124	
3. Foreign Affairs	1 307 180	1 374 880	1 435 222	2 117 929	2 077 468	2 079 298	2 140 676	2 258 672	
4. Home Affairs	1 189 662	1 316 442	1 645 730	1 160 631	1 146 631	1 251 188	1 739 288	1 681 941	
5. Provincial and Local Government	3 084 222	3 301 521	3 655 552	4 737 343	4 708 730	6 384 976	7 817 793	8 449 137	
6. Public Works	2 869 277	3 159 209	3 569 856	3 671 207	3 669 403	3 730 679	4 017 047	3 967 439	
FINANCIAL AND ADMINISTRATIVE SERVICES									
7. Government Communication and Information System	48 700	60 274	65 592	124 213	114 213	144 864	152 645	161 993	
8. National Treasury	132 501 092	139 996 308	151 416 428	164 131 267	163 293 678	176 948 233	189 399 345	201 632 378	
9. Public Enterprises	26 630	36 249	34 312	293 622	233 480	55 277	58 604	62 134	
10. Public Service and Administration	152 314	156 448	84 747	99 736	90 736	137 285	153 801	112 641	
11. Public Service Commission	19 403	34 374	42 856	54 013	52 914	55 695	58 352	61 868	
12. SA Management Development Institute	24 587	14 477	18 624	23 292	22 852	20 644	21 629	22 931	
13. Statistics South Africa	94 607	100 528	205 315	776 000	776 000	272 154	246 339	237 931	
SOCIAL SERVICES									
14. Arts, Culture, Science and Technology	799 090	858 050	978 434	1 141 602	1 136 855	1 363 674	1 625 938	1 741 144	
15. Education	6 469 535	7 111 602	7 557 954	8 222 060	8 117 060	8 803 639	9 343 917	9 676 821	
16. Health	5 119 226	5 858 821	6 667 426	6 760 281	6 706 368	7 185 130	7 656 508	8 186 022	
17. Housing	3 747 566	3 494 376	3 329 495	3 785 013	3 711 275	4 244 800	4 663 741	4 898 591	
18. Social Development	146 795	499 697	472 046	2 334 847	2 334 847	409 261	406 202	357 746	
19. Sport and Recreation South Africa	85 816	128 143	70 474	103 581	101 061	160 327	205 175	82 278	
JUSTICE AND PROTECTION SERVICES									
20. Correctional Services	5 036 096	5 145 367	5 474 924	6 581 454	6 534 048	6 884 911	7 424 241	8 115 922	
21. Defence	10 561 364	10 717 267	13 932 091	16 052 950	16 052 950	18 414 380	19 338 538	19 883 045	
22. Independent Complaints Directorate	21 170	23 660	25 512	26 715	26 715	31 374	33 903	36 705	
23. Justice and Constitutional Development	2 439 121	2 792 468	2 887 275	3 981 094	3 638 215	4 247 265	4 235 758	4 538 994	
24. Safety and Security	13 934 698	14 572 459	15 597 445	17 680 372	17 620 372	19 203 719	20 994 252	22 934 057	
ECONOMIC SERVICES AND INFRASTRUCTURE									
25. Agriculture	737 012	675 697	723 328	899 362	869 152	916 719	1 010 795	936 132	
26. Communications	842 251	766 939	455 837	1 149 310	1 114 310	823 451	791 243	819 295	
27. Environmental Affairs and Tourism	413 951	505 977	750 603	1 078 454	878 454	1 150 620	1 287 466	917 722	
28. Labour	730 288	865 548	1 633 403	4 213 043	4 183 043	4 166 884	4 382 068	4 587 901	
29. Land Affairs	722 518	684 905	770 074	1 039 671	972 668	964 207	1 059 190	1 140 535	
30. Minerals and Energy	672 132	611 456	592 080	1 250 896	1 244 529	1 825 898	1 592 329	1 671 168	
31. Trade and Industry	1 913 872	1 827 025	2 159 812	2 280 062	2 080 062	2 468 573	2 626 996	2 787 505	
32. Transport	3 553 085	4 061 621	4 099 475	5 045 287	4 964 621	5 343 675	5 623 565	5 896 230	
33. Water Affairs and Forestry	2 864 666	2 676 297	3 041 617	3 518 441	3 275 441	3 558 509	3 827 552	3 294 558	
Sub-total	202 545 114	213 852 347	233 902 700	264 875 356	262 289 759	283 844 081	304 574 035	321 839 521	
Umsobomvu Fund	-	855 000	-	-	-	-	-	-	
Standing appropriations	29 100	42 600	39 210	300 000	300 000	65 000	156 800	60 208	
Recoveries from pension funds	(1 158 000)	-	-	-	-	-	-	-	
Unallocated	-	-	-	-	-	700 000	1 500 000	3 661 550	

Contingency reserve	-	-	-	(1 950 000)	-	3 300 000	5 000 000	9 000 000
Total	201 416 214	214 749 947	233 941 910	263 225 356	262 589 759	287 909 081	311 230 835	334 561 279

Table 3: Summary of expenditure outcomes and medium term expenditure estimates from 1998/99 to 2004/05 per economic classification

Vote number and title	Expenditure outcome					Medium-term expenditure estimate		
	Audited 1998/99	Audited 1999/00	Preliminary outcome 2000/01	Adjusted appropriation 2001/02	Revised estimate	2002/03	2003/04	2004/05
R thousand								
Current	64 460 372	70 133 165	76 611 653	90 622 994	89 581 862	95 638 972	102 882 985	108 420 269
Personnel	25 217 715	25 974 341	27 544 209	30 856 293	30 655 019	33 145 346	35 167 909	37 733 907
Salaries and wages	16 027 410	16 595 748	17 860 821	20 510 827	20 348 760	21 868 975	22 558 934	23 931 245
Other	9 190 305	9 378 593	9 683 388	10 345 466	10 306 259	11 276 371	12 608 975	13 802 662
Transfer payments	27 550 608	31 399 250	34 768 952	41 396 546	41 209 688	43 586 466	47 643 031	49 377 099
Subsidies to business enterprises	3 418 602	3 509 447	3 363 382	3 574 884	3 524 784	3 197 609	3 486 837	3 760 440
Social security funds	7 000	7 000	7 000	619 068	630 068	327 000	257 000	157 420
Universities and technikons	5 479 497	5 998 095	6 424 444	6 881 701	6 846 701	7 295 000	7 786 122	8 255 004
Extra-budgetary institutions	9 998 405	11 436 230	14 450 774	16 765 290	16 735 055	19 946 189	21 822 924	22 271 600
Provincial government	5 891 993	7 045 032	6 606 944	8 366 756	8 335 952	6 583 808	6 984 107	7 383 323
Local government	1 962 950	2 162 800	2 689 997	3 682 584	3 671 720	4 601 498	5 598 811	6 084 938
Households and non-profit institutions	572 341	981 241	889 180	1 199 597	1 160 742	1 331 714	1 393 407	1 142 043
Foreign countries and international credit institutions	219 820	259 405	337 231	306 666	304 666	303 648	313 823	322 331
Other	11 692 049	12 759 574	14 298 492	18 370 155	17 717 155	18 907 160	20 072 045	21 309 263
Capital	10 822 416	10 053 528	11 369 906	15 590 787	14 661 981	17 976 007	19 886 866	20 160 818
Transfer payments	7 172 817	7 055 450	8 104 738	10 799 462	10 524 113	13 276 606	14 625 082	14 866 358
Other levels of government	3 959 303	4 210 122	5 231 093	6 828 509	6 778 509	8 746 890	10 241 998	10 518 868
Other capital transfers	3 213 514	2 845 328	2 873 645	3 970 953	3 745 604	4 529 716	4 383 084	4 347 490
Movable capital	1 014 165	1 044 492	1 324 748	1 719 693	1 602 455	1 539 172	1 697 957	1 755 334
Motor vehicles (transport)	287 041	321 328	422 664	556 937	549 320	532 434	587 716	640 290
Equipment - Computers	364 839	334 706	528 078	586 914	541 590	439 516	510 579	523 852
Equipment - Other office equipment	86 562	90 309	81 552	213 428	193 226	164 913	182 094	188 438
Other	275 723	298 149	292 454	362 414	318 319	402 309	417 568	402 754
Fixed capital	2 635 434	1 953 586	1 940 420	3 071 632	2 535 413	3 160 229	3 563 827	3 539 126
Land	24 531	13 070	8 440	40 885	36 049	846	873	686
Buildings	1 182 012	877 043	810 910	1 657 214	1 508 552	1 735 326	1 921 767	2 009 709
Infrastructure	1 259 242	906 056	936 767	1 031 888	675 128	1 121 633	1 308 940	1 162 545
Other	169 649	157 417	184 303	341 645	315 684	302 424	332 247	366 186
Sub-total (1)	75 282 788	80 186 693	87 981 559	106 213 781	104 243 843	113 614 979	122 769 851	128 581 087
Direct charge against the National Revenue Fund	127 262 326	133 665 654	145 921 141	158 661 575	158 045 916	170 229 102	181 804 184	193 258 434
Sub-total (2)	202 545 114	213 852 347	233 902 700	264 875 356	262 289 759	283 844 081	304 574 035	321 839 521
Umsobomvu Fund	-	855 000	-	-	-	-	-	-
Standing appropriations	29 100	42 600	39 210	300 000	300 000	65 000	156 800	60 208
Recoveries from pension funds	(1 158 000)	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	700 000	1 500 000	3 661 550
Contingency reserve	-	-	-	(1 950 000)	-	3 300 000	5 000 000	9 000 000
Total	201 416 214	214 749 947	233 941 910	263 225 356	262 589 759	287 909 081	311 230 835	334 561 279

Table 4: Summary of expenditure outcomes and medium term expenditure estimates from 1998/99 to 2004/05 per standard item classification

Vote number and title	Expenditure outcome			Adjusted appropriation		Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome	Adjusted appropriation	Revised estimate			
	1998/99	1999/00	2000/01	2001/02		2002/03	2003/04	2004/05
R thousand								
Personnel expenditure	25 303 480	26 065 872	27 637 714	30 974 590	30 773 837	33 245 073	35 255 827	37 810 861
Administrative expenditure	2 028 004	2 218 078	2 641 150	3 334 316	3 272 767	3 574 665	3 625 433	3 804 637
Inventories	2 082 675	2 260 277	2 657 090	3 094 460	3 032 588	3 304 035	3 425 907	3 598 387
Equipment	1 194 349	1 258 950	1 633 930	2 254 275	2 155 503	2 060 338	2 347 533	2 519 340
Land and buildings	1 630 960	1 664 593	1 518 449	3 023 947	2 726 010	2 994 420	2 728 965	3 008 119
Professional and special services	6 956 156	6 480 168	7 368 569	9 586 971	8 911 469	9 591 392	11 002 844	11 334 355
Transfer payments	34 723 425	38 454 700	42 873 690	52 196 008	51 747 803	56 863 072	62 268 113	64 243 457
Miscellaneous expenditure	1 363 739	1 784 055	1 650 967	1 749 214	1 623 866	1 981 984	2 115 229	2 261 931
Sub-total (1)	75 282 788	80 186 693	87 981 559	106 213 781	104 243 843	113 614 979	122 769 851	128 581 087
Direct charge against the National Revenue Fund	127 262 326	133 665 654	145 921 141	158 661 575	158 045 916	170 229 102	181 804 184	193 258 434
Sub-total (2)	202 545 114	213 852 347	233 902 700	264 875 356	262 289 759	283 844 081	304 574 035	321 839 521
Umsobomvu Fund	-	855 000	-	-	-	-	-	-
Standing appropriations	29 100	42 600	39 210	300 000	300 000	65 000	156 800	60 208
Recoveries from pension funds	(1 158 000)	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	700 000	1 500 000	3 661 550
Contingency reserve	-	-	-	(1 950 000)	-	3 300 000	5 000 000	9 000 000
Total	201 416 214	214 749 947	233 941 910	263 225 356	262 589 759	287 909 081	311 230 835	334 561 279

Table 5a: Summary of conditional grants to provinces

Vote number and title	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2002/03	2003/04	2004/05
R thousand	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05
CENTRAL GOVERNMENT ADMINISTRATION							
2. Parliament	15 300	-	-	-	-	-	-
5. Provincial and Local Government	181 000	217 000	150 000	261 414	274 478	270 747	261 192
FINANCIAL AND ADMINISTRATIVE SERVICES							
8. National Treasury	1 200 000	1 520 030	970 000	1 824 000	1 950 000	2 514 000	2 852 840
SOCIAL SERVICES							
15. Education	26 035	192 000	230 979	297 500	418 320	439 814	373 403
16. Health	4 578 367	5 342 150	6 030 462	5 984 293	6 399 710	6 804 711	7 256 548
17. Housing	3 011 932	2 731 609	3 046 530	3 325 958	3 843 674	4 246 898	4 461 972
18. Social Development	20 165	72 204	54 793	2 024 073	57 300	64 235	68 185
ECONOMIC SERVICES AND INFRASTRUCTURE							
25. Agriculture	24 799	18 799	23 901	28 376	24 000	38 000	-
28. Labour	51 733	56 021	-	-	-	-	-
Total	9 109 331	10 149 813	10 506 665	13 745 614	12 967 482	14 378 405	15 274 140

Table 5b: Summary of conditional grants to local government (municipalities)

Vote number and title	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2002/03	2003/04	2004/05
	1998/99	1999/00	2000/01				
R thousand							
CENTRAL GOVERNMENT ADMINISTRATION							
5. Provincial and Local Government	702 307	706 011	1 029 009	1 682 522	2 078 292	2 313 671	2 506 271
6. Public Works	-	356 147	374 000	348 868	259 820	259 820	-
FINANCIAL AND ADMINISTRATIVE SERVICES							
8. National Treasury	-	-	275 000	410 000	454 230	476 915	492 149
SOCIAL SERVICES							
19. Sport and Recreation South Africa	-	-	-	36 111	84 117	123 095	-
ECONOMIC SERVICES AND INFRASTRUCTURE							
29. Land Affairs	2 594	13 050	6 254	-	-	-	-
30. Minerals and Energy	-	-	-	-	228 013	210 000	210 000
32. Transport	37 064	30 133	22 109	38 211	39 744	41 532	44 024
33. Water Affairs and Forestry	1 672 484	1 358 765	1 554 301	1 418 635	1 583 786	1 788 248	1 585 888
Total	2 414 449	2 464 106	3 260 673	3 934 347	4 728 002	5 213 281	4 838 332

Table 6: Summary of amounts to be appropriated from the National Revenue Fund for 2002/03

Vote number and title	Appropriated (incl. statutory amounts)	Current	Capital	Transfers		To be appropriated	Statutory amounts	Total estimated expenditure	Increase/ (Decrease)
				Current	Capital				
R thousand	2001/02	2002/03							
CENTRAL GOVERNMENT ADMINISTRATION									
1. Presidency	91 234	110 077	4 071	11 166	500	125 814	1 635	127 449	36 215
2. Parliament	422 669	233 708	7 343	60 142	-	301 193	168 130	469 323	46 654
3. Foreign Affairs	1 660 840	1 824 555	135 435	119 307	-	2 079 297	1	2 079 298	418 458
4. Home Affairs	1 053 029	873 491	164 737	212 958	2	1 251 188	-	1 251 188	198 159
5. Provincial and Local Government	4 279 165	126 720	3 066	4 503 069	1 752 121	6 384 976	-	6 384 976	2 105 811
6. Public Works	3 521 587	2 718 948	725 479	26 432	259 820	3 730 679	-	3 730 679	209 092
FINANCIAL AND ADMINISTRATIVE SERVICES									
7. Government Communication and Information System	120 213	137 439	7 425	-	-	144 864	-	144 864	24 651
8. National Treasury	161 450 957	2 384 964	11 362	4 938 973	2 657 916	9 993 215	166 955 018	176 948 233	15 497 276
9. Public Enterprises	129 622	54 203	1 074	-	-	55 277	-	55 277	(74 345)
10. Public Service and Administration	91 062	89 116	3 167	1	45 001	137 285	-	137 285	46 223
11. Public Service Commission	53 013	54 915	780	-	-	55 695	-	55 695	2 682
12. SA Management Development Institute	19 413	16 949	425	3 270	-	20 644	-	20 644	1 231
13. Statistics South Africa	493 710	255 910	16 243	1	-	272 154	-	272 154	(221 556)
SOCIAL SERVICES									
14. Arts, Culture, Science and Technology	1 120 155	148 604	3 797	1 114 297	96 976	1 363 674	-	1 363 674	243 519
15. Education	8 208 861	356 215	38 769	8 223 880	184 775	8 803 639	-	8 803 639	594 778
16. Health	6 611 369	460 628	19 419	6 115 083	590 000	7 185 130	-	7 185 130	573 761
17. Housing	3 718 333	139 517	1 273	260 334	3 843 676	4 244 800	-	4 244 800	526 467
18. Social Development	190 938	132 772	1 958	274 531	-	409 261	-	409 261	218 323
19. Sport and Recreation South Africa	102 458	28 689	302	47 219	84 117	160 327	-	160 327	57 869
JUSTICE AND PROTECTION SERVICES									
20. Correctional Services	6 172 246	5 973 320	895 203	16 388	-	6 884 911	-	6 884 911	712 665
21. Defence	15 803 090	10 517 638	53 616	7 843 126	-	18 414 380	-	18 414 380	2 611 290
22. Independent Complaints Directorate	26 715	29 908	1 251	215	-	31 374	-	31 374	4 659
23. Justice and Constitutional Development	3 693 685	2 909 479	368 908	814 560	-	4 092 947	154 318	4 247 265	553 580
24. Safety and Security	17 131 642	18 410 553	793 166	-	-	19 203 719	-	19 203 719	2 072 077
ECONOMIC SERVICES AND INFRASTRUCTURE									
25. Agriculture	775 177	451 744	73 211	289 764	102 000	916 719	-	916 719	141 542
26. Communications	487 523	153 237	3 501	646 713	20 000	823 451	-	823 451	335 928
27. Environmental Affairs and Tourism	981 718	245 829	7 652	706 638	190 501	1 150 620	-	1 150 620	168 902
28. Labour	3 601 653	552 534	86 456	577 894	-	1 216 884	2 950 000	4 166 884	565 231
29. Land Affairs	851 487	446 708	21 126	1 958	494 415	964 207	-	964 207	112 720
30. Minerals and Energy	1 205 782	261 758	6 075	376 056	1 182 009	1 825 898	-	1 825 898	620 116
31. Trade and Industry	2 214 649	432 565	21 577	2 014 430	1	2 468 573	-	2 468 573	253 924
32. Transport	4 649 711	311 560	2 270	3 284 037	1 745 808	5 343 675	-	5 343 675	693 964
33. Water Affairs and Forestry	3 279 030	1 208 253	1 219 264	1 104 024	26 968	3 558 509	-	3 558 509	279 479
Total	254 212 736	52 052 506	4 699 401	43 586 466	13 276 606	113 614 979	170 229 102	283 844 081	29 631 345

Table 7: Summary of training expenditure per vote

Vote number and title	Expenditure outcome		Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Preliminary outcome		2002/03	2003/04	2004/05
	1999/00	2000/01				
R thousand						
CENTRAL GOVERNMENT ADMINISTRATION						
1. Presidency	86	478	457	532	591	644
2. Parliament	100	262	477	500	535	574
3. Foreign Affairs	-	7 802	9 710	14 920	14 336	14 691
4. Home Affairs	2 446	3 904	4 667	8 539	10 067	10 798
5. Provincial and Local Government	442	359	841	853	878	931
6. Public Works	-	-	-	11 727	12 688	13 356
FINANCIAL AND ADMINISTRATIVE SERVICES						
7. Government Communication and Information System	410	377	685	1 504	1 584	1 681
8. National Treasury	1 828	2 547	4 458	5 851	6 223	6 528
9. Public Enterprises	381	1 150	2 120	30	40	45
10. Public Service and Administration	271	681	741	810	831	859
11. Public Service Commission	306	626	600	615	650	722
12. SA Management Development Institute	136	132	265	141	150	161
13. Statistics South Africa	-	1 423	10 908	4 755	4 797	5 198
SOCIAL SERVICES						
14. Arts, Culture, Science and Technology	432	400	682	758	776	825
15. Education	-	-	-	-	-	-
16. Health	404	718	1 813	3 551	3 764	3 960
17. Housing	424	517	1 460	1 792	1 666	2 762
18. Social Development	307	403	434	536	580	615
19. Sport and Recreation South Africa	134	184	306	189	221	184
JUSTICE AND PROTECTION SERVICES						
20. Correctional Services	57 323	41 999	53 467	52 066	59 886	67 954
21. Defence	31 856	41 064	55 082	56 132	58 528	63 547
22. Independent Complaints Directorate	190	93	403	350	370	390
23. Justice and Constitutional Development	16 815	27 823	26 901	40 064	40 661	40 718
24. Safety and Security	249 541	273 798	316 653	350 757	369 101	390 398
ECONOMIC SERVICES AND INFRASTRUCTURE						
25. Agriculture	2 264	2 301	4 024	4 463	4 694	4 940
26. Communications	1 487	3 515	4 356	4 560	4 770	4 985
27. Environmental Affairs and Tourism	1 375	1 177	1 211	1 030	1 083	1 165
28. Labour	3 868	5 627	7 357	6 899	7 180	10 034
29. Land Affairs	851	3 627	4 718	5 466	6 520	6 864
30. Minerals and Energy	1 897	2 467	3 105	3 783	3 982	4 328
31. Trade and Industry	3 306	5 089	8 310	3 078	3 032	3 201
32. Transport	1 095	754	809	3 451	3 011	2 864
33. Water Affairs and Forestry	14 809	19 300	19 701	35 583	38 272	32 942
Total	394 784	450 597	546 721	625 285	661 467	698 864

Table 8: Summary of information and communications technology expenditure per vote

Vote number and title	Adjusted appropriation	Medium-term expenditure estimate		
	2001/02	2002/03	2003/04	2004/05
R thousand				
CENTRAL GOVERNMENT ADMINISTRATION				
1. Presidency	1 900	5 140	6 200	7 900
2. Parliament	1 192	1 456	3 558	3 818
3. Foreign Affairs	22 855	40 171	37 214	28 871
4. Home Affairs	316 920	385 447	502 159	436 593
5. Provincial and Local Government	3 315	2 642	3 485	3 652
6. Public Works	-	8 933	9 555	8 700
FINANCIAL AND ADMINISTRATIVE SERVICES				
7. Government Communication and Information System	4 455	10 224	6 598	6 748
8. National Treasury	293 260	308 145	314 762	318 041
9. Public Enterprises	1 949	1 971	1 227	1 346
10. Public Service and Administration	1 143	15 287	15 351	15 434
11. Public Service Commission	498	225	238	264
12. SA Management Development Institute	1 852	1 791	1 928	1 959
13. Statistics South Africa	25 179	21 826	20 107	19 031
SOCIAL SERVICES				
14. Arts, Culture, Science and Technology	4 264	2 901	3 236	3 766
15. Education	-	-	-	-
16. Health	2 070	2 103	2 248	2 628
17. Housing	41 025	39 139	21 827	36 736
18. Social Development	16 940	18 343	18 475	18 539
19. Sport and Recreation South Africa	791	735	685	746
JUSTICE AND PROTECTION SERVICES				
20. Correctional Services	106 050	89 725	102 796	104 255
21. Defence	-	503 391	519 010	526 299
22. Independent Complaints Directorate	571	795	1 251	1 515
23. Justice and Constitutional Development	248 316	483 038	810 420	810 025
24. Safety and Security	452 004	537 248	553 331	584 538
ECONOMIC SERVICES AND INFRASTRUCTURE				
25. Agriculture	31 515	36 406	36 809	40 375
26. Communications	6 497	3 029	3 039	3 185
27. Environmental Affairs and Tourism	4 391	9 761	9 575	9 520
28. Labour	52 422	54 702	57 755	60 306
29. Land Affairs	45 303	14 337	40 710	38 710
30. Minerals and Energy	8 482	8 438	7 793	8 506
31. Trade and Industry	22 760	19 550	21 080	20 402
32. Transport	1 194	1 307	1 053	925
33. Water Affairs and Forestry	83 468	107 073	113 204	115 130
Total	1 802 581	2 735 279	3 246 679	3 238 463

