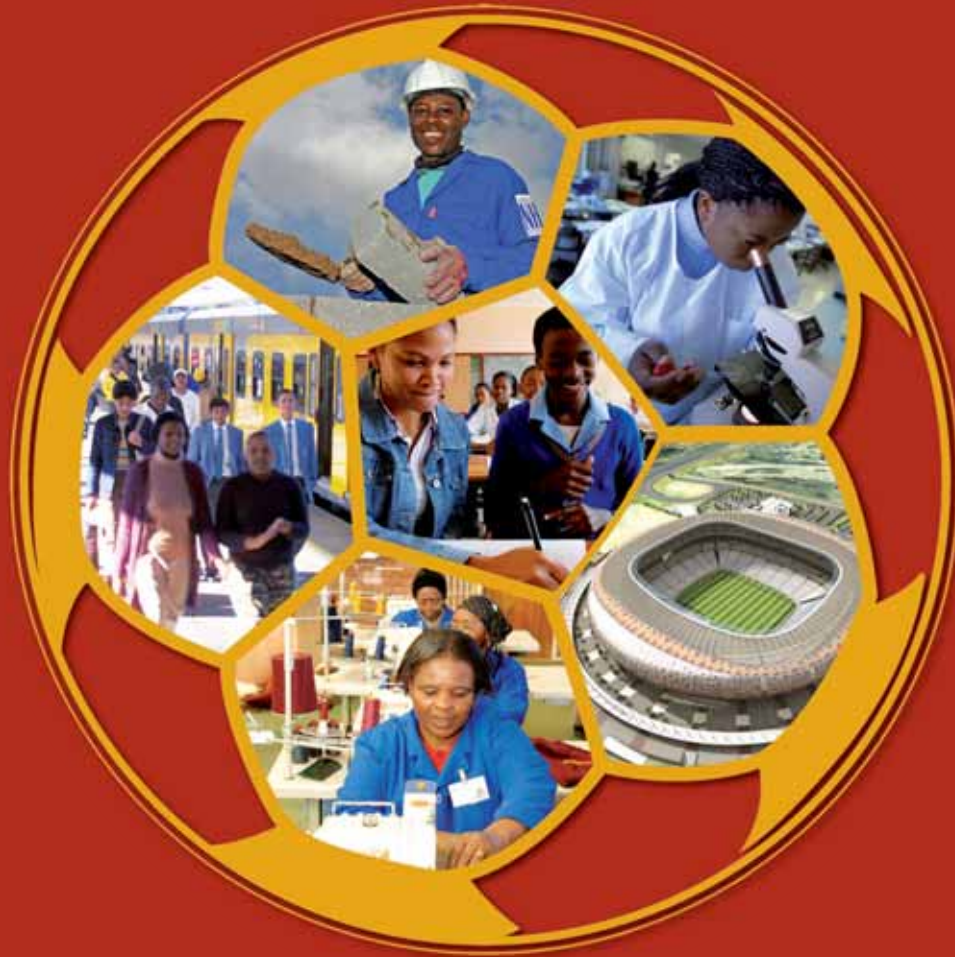


# Vote 1 The Presidency



# Estimates of National Expenditure 2010



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA





# **Estimates of National Expenditure**

## **2010**

**National Treasury**

**Republic of South Africa**

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The *Estimates of National Expenditure 2010* booklet for each vote is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision. In this booklet, more comprehensive coverage of goods and services, transfers, public entities and lower level institutional information is provided where applicable.

The *Estimates of National Expenditure 2010* as well as the *Estimates of National Expenditure 2010* booklets are also available on [www.treasury.gov.za](http://www.treasury.gov.za)

# Foreword

The Estimates of National Expenditure publication provides Parliament, departments and public entities, ministers, the media, civil society and the public with information about how tax payers' money is being spent: what it buys and for what purpose. Do not be concerned regarding the magnitude of this publication. Instead, let us use this unique reference tool to keep departments and agencies accountable and ensure that the expenditure of public funds achieves its intended policy outcomes, ultimately improving the welfare of our people.

Budgets link the policy choices that government makes with the services that are delivered to people – better budgeting plays an important role in improving service delivery. In line with the 2009 Medium Term Strategic Framework, government has adopted 12 desirable outcomes. At the output level, departments and agencies continue to set targets; for the first time these are in support of the attainment of officially stated outcomes. Budgeted spending on outputs and activities will increasingly reflect this.

Following the 2009 elections, a re-organisation of departments was proclaimed to give effect to the required government policy shifts and to accommodate the necessary changes in the programmes and activities of departments and entities. Several new national departments were created; some functions were transferred between departments. This also resulted in certain national departments being re-named to better capture the content of their new responsibilities. In terms of the new structure of government there are now 37 votes in the Estimates of National Expenditure publication, whereas in 2009 there were 34 votes.

This consolidated publication provides extensive vote level information on strategies and objectives. Legislation, policy developments and other factors affecting these are also noted. Information is presented in a format that aligns government's performance commitments with resource allocations. As with the 2009 Budget, we will publish booklets for individual votes that will provide full coverage of public entities and more detail on transfers and lower level institutional information.

Given the current economic climate, there are greater trade-offs in choosing between spending priorities or in the sequencing of programme implementation. Outputs and activities are constantly being re-evaluated to determine if more effective and cost efficient options are available. As a result, some programmes have to be delayed. Alongside the additions to spending, this publication also indicates details per national vote of savings amounting to R23 billion over the period ahead. These savings have been reallocated to other departments in order to augment funding for government's priorities.

All the figures, targets and outputs result from a wide ranging intergovernmental consultative process, leading to executive approval of additional spending allocations and savings. Many people have contributed to making this publication possible, especially my colleagues in national departments and agencies. Their collaboration and understanding during the allocation and publication processes has been invaluable. Thanks are also due to the dedicated National Treasury team for the publication of this useful resource.



**Lesetja Kganyago**

**Director-General: National Treasury**



# Introduction

Transparent and accountable governance is strengthened when comprehensive budget documents are tabled for public scrutiny and legislative oversight. The Estimates of National Expenditure provides relevant public sector financial information in a timely and systematic manner, linking performance targets to budgeted expenditure. Specifically, it serves to:

- provide members of Parliament with detailed information on how departments and public entities plan to spend the money that is to be authorised by the legislature
- enable Parliament and society to keep departments and agencies accountable for service delivery commitments that are set out in each chapter
- provide parliamentary committees with a valuable source of information that can assist them in performing their oversight functions.

Although it contains a large volume of information, the 2010 Estimates of National Expenditure presents a summarised account of the spending plans of all national departments and agencies for the next three financial years (2010/11 to 2012/13), expenditure outcomes for the past three years (2006/07 to 2008/09) and revised estimates for the current year (2009/10). Newly formed departments are covered in the same way. Information is also provided on legislation and mandates, policy, strategies, objectives and performance targets over the seven-year period – as well as any changes in these, particularly as they relate to trends in planned expenditure. This provides a platform for review that could result in new policy options or operational alternatives in the achievement of government's objectives.

In keeping with ongoing improvements in the way that public finances are managed and reported, both the quality of information and presentation of the 2010 Estimates of National Expenditure have been enhanced. Information on new departments is mostly covered by way of a separate chapter, although in some cases departments are accommodated within a shared vote and discussed together in the same chapter. Information on savings and cost effective service delivery is included under a separate heading following the strategic overview section. Spending on selected key mega infrastructure projects is discussed in text boxes in the expenditure trends sections of relevant votes. For some votes a new personnel table has been included, showing personnel numbers in relation to the different salary levels and other information, such as the number and type of posts on funded establishment and posts filled. The 2010 Estimates of National Expenditure booklets, which are published separately for each vote, provide more extensive coverage on transfers, public entities, goods and services and lower level institutional information.

## Value for money

Budget accountability has historically focused mainly on targeting the performance of government departments and agencies at the output level. Government has now adopted an approach which provides a new methodology that is focused on the attainment of 12 desirable outcomes, using measurable outputs and well defined activities to achieve better value, as well as better value for money. The medium term expenditure framework (MTEF) for the next three years targets spending on government's official outcomes and simultaneously seeks to change the culture in the public service towards greater prudence and efficiency in order to obtain better value for money.

The Ministry for the National Planning Commission and the Ministry for Performance Evaluation and Monitoring are to ensure that planning and implementation in government institutions are focused on the achievement of outcomes and the improvement of performance. In line with this service delivery orientation, new functions and a reconfiguration of existing functions have led to a new national government structure. Taking account of the creation of new departments, 37 votes are now contained in the 2010 Estimates of National Expenditure. The table below provides a list of the new votes and alongside each, the department/s from which functions have been shifted in order to form the basis of the new department.

<b>Newly created vote</b>	<b>Department/s from which all or some functions have been shifted</b>
Agriculture, Forestry and Fisheries	Agriculture Water Affairs and Forestry Environmental Affairs and Tourism
Water Affairs	Water Affairs and Forestry
Human Settlements	Housing Water Affairs and Forestry
Environmental Affairs	Environmental Affairs and Tourism
Tourism	Environmental Affairs and Tourism
Basic Education	Education
Higher Education and Training	Education Labour (still exists)
Cooperative Governance and Traditional Affairs	Provincial and Local Government
Defence and Military Veterans	Defence
Economic Development	Trade and Industry (still exists)
Energy	Minerals and Energy
Mineral Resources	Minerals and Energy
International Relations and Cooperation	Foreign Affairs
Police	Safety and Security
Rural Development and Land Reform	Land Affairs Provincial and Local Government
Women, Children and People with Disabilities	The Presidency (still exists) Justice and Constitutional Development (still exists)

## Savings

Given the shortfall in government revenue collection and the pressure on the available resources of the fiscus, this year's budget preparation has focused extensively on finding savings within departmental and agency baselines and on redirecting expenditure towards key priorities within these institutions. Savings arise from effecting changes in public sector spending habits and instituting cost-cutting measures. Over the period ahead, government is to reform procurement systems, rationalise public entities and review a range of programmes – in order to accommodate increased spending on government's priorities in the attainment of its desired outcomes.

During the Budget process, judgements on value for money in achieving outcomes are made by examining funding requests in relation to the implementation plans and costings presented, among other considerations. There is extensive consultation with departments, agencies and intergovernmental forums before proposals are presented to the ministers' committee on the budget<sup>1</sup>, approved by Cabinet and then tabled in Parliament.

National departments undertook a rigorous budget baseline savings exercise, and identified R23 billion in savings over the medium term: R6.5 billion in 2010/11, R8.6 billion in 2011/12 and R7.9 billion in 2012/13.

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1. A committee of cabinet ministers tasked with considering budgetary issues before they are presented to Cabinet.

About R2.6 billion in savings has been identified over the three years at local government level. Every endeavour was made to decrease spending on non-core goods and services, reschedule expenditure over time in the case of delays, effect exchange rate savings in respect of payments to foreigners, reduce transfers to certain public entities, improve financial management, reduce expenditure on administration in favour of frontline services and find alternative sources of financing.

Major savings amounts over the medium term expenditure framework period are:

- Defence and Military Veterans: R4.5 billion (cancellation of the A400M military aircraft contract)
- Social Development: R1.2 billion (slower uptake of social grants than anticipated and rationalisation of the South African Social Security Agency payments system)
- International Relations and Cooperation: R1.5 billion (revision of foreign costs and deferral of the building of the Pan African Parliament)
- Correctional Services: R4.8 billion (rescheduling of prison building plans)
- Transport: R3.4 billion (deferral of public transport infrastructure projects where planning and design have been delayed).

## Additional allocations

The revised national Budget framework provides for additional expenditure by departments of R20.7 billion in 2010/11, R26 billion in 2011/12 and R39.9 billion in 2012/13. Including the government savings of R25.6 billion identified across all spheres, in total an additional R112.2 billion is allocated to government institutions to fund government's key priorities over the next three years. Of the R112.2 billion, national departments receive R56.2 billion (50.1 per cent): R13.1 billion in 2010/11, R18.2 billion in 2011/12 and R24.8 billion in 2012/13. Provinces and municipalities receive the remainder. Conditional grants to provinces and municipalities are reflected in both national budgets and the budgets of provinces or municipalities.

A summary of additional funding by national vote is provided below. Information on direct charges against the National Revenue Fund and the amounts for the provincial and local equitable shares are excluded. Adjustments to provincial and local conditional grants have been included. Details are only noted for national votes receiving relatively large additional allocations for implementing new programmes or extending existing programmes. The total amounts per vote in the discussion below represent the gross additional allocations, before the deduction of savings. This means that these total amounts are all bigger than the overall net change in the budget of a particular vote and therefore they do not balance to the amounts reflected in table 2. In the discussion that follows, these vote totals will be referred to as the *gross total allocation*, received over the MTEF period. In some instances, the savings on a specific vote exceed the *gross total allocation* to that vote and the overall net change in the budget is actually negative.

### Central government and financial and administrative services

An amount of R448 million is the gross total allocation to **Parliament's** vote. This is mainly to enhance the capacity of the Office of the Speaker, including provision for the establishment of a budget office in terms of the Money Bills Amendment Procedure and Related Matters Act (2009). Also included is provision for increasing the capacity of the Parliamentary oversight committees.

**National Treasury** receives an addition of R1.1 billion for the neighbourhood development partnership grant for the regeneration of townships through the development of social and economic infrastructure. An amount of R1.5 billion is allocated in the first two years of the MTEF period for the recapitalisation of the Land Bank.

### Social services

The gross total allocation to **Health** amounts to R8.8 billion, most of which is for transfers to the provinces. R8.4 billion is provided for the broadening of HIV and AIDS treatment programmes, in support of the rapid expansion of the antiretroviral treatment rollout. R50 million has been set aside for a mass immunisation campaign to combat measles and polio.

**Social Development's** gross total allocation is R12.5 billion, mainly this is for the extension of the child support grant up to 18 years of age, as a major intervention against child poverty.

Most of the gross total allocation of R3.1 billion to **Basic Education** is for transfers to provinces. An amount of R2.7 billion is allocated for the provision of workbooks in all official languages for grades R to 9, and R28 million is provided for national numeracy and literacy assessments for grades 3, 6 and 9. An additional R120 million is allocated for the national school nutrition programme.

A gross total allocation of R2.4 billion is set aside for **Higher Education and Training**, of which R1 billion is for subsidies for higher education institutions and R1.3 billion is a provincial conditional grant for further education and training colleges.

### **Justice, crime prevention and security**

**Police** is allocated additional funding of R1.5 billion for an increase in police officers, the establishment of the Directorate for Priority Crime Investigation (the Hawks) and police station property management.

Gross total allocations to **Defence and Military Veterans** amount to R4.7 billion. R2.2 billion is for improving the South African National Defence Force remuneration system. R220 million is provided for expanding the military skills development system intake and R600 million for upgrading the *Landward Defence* programme.

**Correctional Services** is to receive gross total additional funding amounting to R2.8 billion. This covers the cost of the occupation specific salary dispensation for correctional officials and the impact of the general government employee wage increase.

### **Economic services and infrastructure**

**Human Settlements** is to receive a R1 billion allocation for upgrading informal settlements and establishing community settlements. The rural household infrastructure grant is allocated R1.2 billion, specifically to support rural communities.

Funds for **Rural Development and Land Reform** are mostly for the rural development programme. An additional allocation of R860 million is for improving the quality of life within rural communities and broadening the base of agricultural production.

**Energy** receives a gross total allocation of R4.6 billion. R4.5 billion is to provide for part of the capital costs of building a pipeline for fuel from Durban to the Highveld. This allocation will be financed through the fuel levy imposed for this purpose.

**Cooperative Governance and Traditional Affairs** has a gross total allocation of R10.7 billion. The biggest vote allocation provides for an increase of R2.5 billion for the municipal infrastructure grant, to enable the further expansion of basic services infrastructure delivery aligned to government's 2014 universal access goals. R1.5 billion is allocated for the community work programme, within the expanded public works programme, which enables the non-governmental sector to assist government in providing guaranteed employment on a project basis.

A gross total allocation of R3.8 billion is set aside for **Trade and Industry**. Of this, R3.5 billion is shared equally by the clothing and textile sector and the automotive industry. A further R274 million is allocated for critical infrastructure and regulatory institutions such as the Competition Commission, the Companies and Intellectual Property Commission and other consumer orientated institutions.

**Transport's** R2.9 billion gross total addition includes funding for the secondary strategic road network, the Passenger Rail Agency of South Africa and the procurement of buses for the 2010 FIFA World Cup.

The main allocation of R500 million for the **Water Affairs** vote is for regional bulk infrastructure to roll out the basic services and water supply in support of human settlement development, in line with government's commitment to universal access by 2014. R498 million is also allocated for the working for water and working on fire programmes, within the expanded public works programme.

## **Overview of expenditure**

The main Budget provides for total expenditure of R818.1 billion in 2010/11, increasing to R888.3 billion in 2011/12 and R964.3 billion in 2012/13. Non-interest expenditure comprises on average 90.1 per cent of total main Budget expenditure, and grows at an average annual rate of 7.6 per cent over the MTEF period. These budgeted estimates provide for a contingency reserve set aside to deal with unanticipated events, amounting to R6 billion in 2010/11, R12 billion in 2011/12 and R24 billion in 2012/13.

The allocations in the main Budget are detailed in the pages of this publication, with a consolidated account provided in the summary tables below.



## Summary tables

Table 1: Main budget framework

Table 2: Additional allocation to national votes

Table 3: Expenditure by national vote

Table 4: Expenditure by economic classification

Table 5: Amounts to be appropriated from the National Revenue Fund

Table 6a: Conditional grants to provinces

Table 6b: Conditional grants to municipalities

Table 7: Training expenditure per vote

Table 8: Infrastructure expenditure per vote

Table 9: Personnel expenditure per vote

Table 10: Departmental receipts per vote

**Table 1. Main budget framework 2006/07 to 2012/13**

R million	Audited outcome			Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
<b>Revenue (National Revenue Fund)</b>							
Tax revenue (gross)	495 548.6	572 814.6	625 100.2	590 425.0	647 850.0	721 477.0	818 298.0
Departmental and other receipts, and repayments	10 843.3	11 671.7	12 616.2	8 982.6	10 380.3	11 483.2	12 379.4
Less: Southern Africa Customs Union payments	-25 194.9	-24 712.6	-28 920.6	-27 915.4	-14 991.3	-11 211.0	-22 781.0
<b>Total revenue</b>	<b>481 197.0</b>	<b>559 773.8</b>	<b>608 795.7</b>	<b>571 492.1</b>	<b>643 239.0</b>	<b>721 749.2</b>	<b>807 896.4</b>
<i>Percentage of GDP</i>	<i>26.2%</i>	<i>26.9%</i>	<i>26.2%</i>	<i>23.3%</i>	<i>23.8%</i>	<i>24.3%</i>	<i>24.5%</i>
<b>Expenditure</b>							
State debt cost	52 192.2	52 877.1	54 393.7	57 599.8	71 357.6	88 462.7	104 022.0
<i>Percentage of GDP</i>	<i>2.8%</i>	<i>2.5%</i>	<i>2.3%</i>	<i>2.4%</i>	<i>2.6%</i>	<i>3.0%</i>	<i>3.2%</i>
Current payments <sup>1</sup>	77 911.5	88 599.8	103 563.2	119 215.8	130 938.5	141 636.6	148 890.9
Transfers and subsidies	332 685.1	391 023.5	458 352.8	530 553.1	579 667.8	634 811.7	674 058.0
Payments for capital assets <sup>1</sup>	6 067.8	7 182.9	8 780.8	8 687.9	9 290.5	10 676.6	13 342.9
Payments for financial assets	1 335.8	1 812.5	10 972.9	32 760.0	20 888.6	750.0	-
Contingency reserve	-	-	-	-	6 000.0	12 000.0	24 000.0
<b>Total expenditure</b>	<b>470 192.5</b>	<b>541 495.7</b>	<b>636 063.5</b>	<b>748 816.5</b>	<b>818 142.9</b>	<b>888 337.6</b>	<b>964 313.8</b>
<i>Percentage of GDP</i>	<i>25.6%</i>	<i>26.0%</i>	<i>27.4%</i>	<i>30.6%</i>	<i>30.3%</i>	<i>29.9%</i>	<i>29.3%</i>
<b>Budget deficit<sup>2</sup></b>	<b>11 004.5</b>	<b>18 278.1</b>	<b>-27 267.7</b>	<b>-177 324.3</b>	<b>-174 904.0</b>	<b>-166 588.4</b>	<b>-156 417.4</b>
<i>Percentage of GDP</i>	<i>0.6%</i>	<i>0.9%</i>	<i>-1.2%</i>	<i>-7.2%</i>	<i>-6.5%</i>	<i>-5.6%</i>	<i>-4.7%</i>
<i>GDP</i>	<i>1 833 191.0</i>	<i>2 081 626.0</i>	<i>2 320 117.0</i>	<i>2 449 857.9</i>	<i>2 699 888.0</i>	<i>2 967 560.3</i>	<i>3 295 748.7</i>

1. Excludes conditional grants to provinces and local government, which are included in transfers and subsidies.

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

**Table 2. Additional allocation to national votes 2010/11 to 2012/13<sup>1</sup>**

R million	Medium term expenditure estimates			Total
	2010/11	2011/12	2012/13	
<b>Central Government Administration</b>	<b>1 882.8</b>	<b>3 072.3</b>	<b>7 510.5</b>	<b>12 465.6</b>
1 The Presidency	85.6	106.5	117.1	309.1
2 Parliament	145.9	150.0	152.5	448.4
3 Cooperative Governance and Traditional Affairs	1 206.7	2 557.8	6 958.5	10 723.1
4 Home Affairs	224.0	80.7	87.3	392.1
5 International Relations and Cooperation	92.6	105.6	115.4	313.5
6 Public Works	97.1	35.5	38.5	171.1
7 Women, Children and People with Disabilities	31.0	36.1	41.2	108.3
<b>Financial and Administrative Services</b>	<b>1 826.9</b>	<b>1 837.5</b>	<b>1 381.0</b>	<b>5 045.4</b>
8 Government Communication and Information System	24.5	25.3	25.7	75.4
9 National Treasury	1 721.7	1 660.0	1 298.6	4 680.3
10 Public Enterprises	38.7	3.2	3.5	45.4
11 Public Service and Administration	10.2	11.9	12.9	35.0
12 Statistics South Africa	31.9	137.2	40.3	209.4
<b>Social Services</b>	<b>5 143.8</b>	<b>8 479.1</b>	<b>13 507.1</b>	<b>27 130.0</b>
13 Arts and Culture	15.3	18.1	19.4	52.8
14 Basic Education	800.8	1 052.5	1 278.0	3 131.3
15 Health	1 930.7	2 896.1	3 998.8	8 825.6
16 Higher Education and Training	421.1	761.3	1 249.0	2 431.4
17 Labour	59.2	49.1	51.9	160.3
18 Social Development	1 910.3	3 694.0	6 900.6	12 505.0
19 Sport and Recreation South Africa	6.3	7.9	9.3	23.6
<b>Justice, Crime Prevention and Security</b>	<b>3 899.4</b>	<b>4 730.2</b>	<b>6 437.0</b>	<b>15 066.6</b>
20 Correctional Services	883.1	919.4	952.8	2 755.3
21 Defence and Military Veterans	1 092.7	1 400.3	2 190.1	4 683.2
22 Independent Complaints Directorate	2.2	4.6	5.8	12.7
23 Justice and Constitutional Development	358.9	529.2	686.1	1 574.1
24 Police	1 562.5	1 876.7	2 602.1	6 041.3
<b>Economic Services and Infrastructure</b>	<b>4 296.7</b>	<b>5 684.4</b>	<b>8 184.8</b>	<b>18 166.0</b>
25 Agriculture, Forestry and Fisheries	57.2	195.8	310.8	563.8
26 Communications	5.1	5.9	6.4	17.4
27 Economic Development	115.0	160.0	175.0	450.0
28 Energy	1 528.8	1 544.4	1 546.8	4 620.0
29 Environmental Affairs	88.8	111.3	216.6	416.7
30 Human Settlements	242.9	360.5	1 761.3	2 364.7
31 Mineral Resources	20.3	33.2	43.0	96.5
32 Rural Development and Land Reform	301.2	348.1	352.1	1 001.4
33 Science and Technology	34.7	40.8	93.7	169.2
34 Tourism	47.7	63.3	74.9	185.9
35 Trade and Industry	905.6	1 294.0	1 638.8	3 838.3
36 Transport	495.8	1 081.6	1 359.3	2 936.7
37 Water Affairs	453.7	445.6	606.1	1 505.4
<b>Total</b>	<b>17 049.6</b>	<b>23 803.6</b>	<b>37 020.3</b>	<b>77 873.6</b>

*1. Excludes additional allocations on provincial equitable share and other direct charges against the National Revenue Fund.*

**Table 3. Expenditure by national vote 2006/07 to 2012/13**

R million	Audited Outcome			Adjusted appropriation
	2006/07	2007/08	2008/09	2009/10
<b>Central Government Administration</b>				
1 The Presidency	224.4	651.4	312.4	694.8
2 Parliament	755.1	902.1	1 135.1	1 108.0
3 Cooperative Governance and Traditional Affairs	24 571.6	30 026.2	35 343.2	36 683.5
4 Home Affairs	2 546.9	3 241.7	4 666.6	5 263.8
5 International Relations and Cooperation	2 944.7	4 069.7	5 472.3	5 553.0
6 Public Works	3 025.8	3 402.3	4 197.0	5 890.1
7 Women, Children and People with Disabilities	49.6	52.5	61.9	68.2
<b>Financial and Administrative Services</b>				
8 Government Communication and Information System	293.1	380.9	427.5	496.8
9 National Treasury	16 171.0	18 966.2	31 312.1	62 845.6
10 Public Enterprises	2 589.8	4 604.0	3 265.1	3 991.2
11 Public Service and Administration	583.7	609.6	630.6	682.8
12 Statistics South Africa	1 096.6	1 054.3	1 323.1	1 715.2
<b>Social Services</b>				
13 Arts and Culture	1 329.9	1 585.8	2 114.5	2 632.1
14 Basic Education	1 571.6	2 165.3	3 284.4	4 474.4
15 Health	11 338.0	12 762.7	15 464.5	18 423.5
16 Higher Education and Training	14 292.2	15 997.3	18 765.9	20 696.6
17 Labour	1 343.3	1 431.5	1 507.2	1 709.2
18 Social Development	61 676.1	67 191.4	76 096.7	86 508.2
19 Sport and Recreation South Africa	886.5	5 048.0	4 871.4	2 883.9
<b>Justice, Crime Prevention and Security</b>				
20 Correctional Services	9 251.2	11 122.4	12 822.6	13 834.5
21 Defence and Military Veterans	23 817.6	25 180.1	27 801.3	31 325.3
22 Independent Complaints Directorate	65.3	80.9	99.3	116.5
23 Justice and Constitutional Development	5 853.8	7 194.0	8 244.4	9 721.0
24 Police	32 634.9	36 525.9	41 635.2	47 622.0
<b>Economic Services and Infrastructure</b>				
25 Agriculture, Forestry and Fisheries	2 711.0	3 858.6	3 465.0	3 874.5
26 Communications	1 319.6	1 911.8	2 328.6	2 470.5
27 Economic Development	238.7	245.1	220.4	316.2
28 Energy	1 930.8	2 189.1	2 918.4	3 756.9
29 Environmental Affairs	1 164.2	1 654.1	1 882.7	2 244.2
30 Human Settlements	7 178.2	8 716.1	11 147.4	14 036.2
31 Mineral Resources	676.8	758.2	811.6	925.1
32 Rural Development and Land Reform	3 724.6	5 896.6	6 663.7	6 401.4
33 Science and Technology	2 613.0	3 127.3	3 703.5	4 261.7
34 Tourism	853.5	1 065.1	1 211.8	1 155.7
35 Trade and Industry	3 566.1	5 050.2	4 836.6	6 085.9
36 Transport	13 360.4	16 331.6	24 838.6	24 238.5
37 Water Affairs	3 851.9	4 802.9	5 795.3	7 342.6
<b>Total appropriation by vote</b>	<b>262 101.6</b>	<b>309 853.1</b>	<b>370 678.0</b>	<b>442 049.4</b>
Plus:				
<b>Direct charges against the National Revenue Fund</b>				
President and Deputy President salary (The Presidency)	2.2	2.3	4.0	4.3
Members remuneration (Parliament)	223.3	240.7	356.9	376.7
State debt costs (National Treasury)	52 192.2	52 877.1	54 393.7	59 995.0
Provincial equitable share (National Treasury)	149 245.6	171 053.7	201 795.6	236 877.8
General fuel levy sharing with metros (National Treasury)	-	-	-	6 800.1
Skills levy and Setas (Higher Education and Training)	5 328.4	6 284.3	7 234.1	7 750.0
Judges and magistrates salaries (Justice and Constitutional Development)	1 099.3	1 184.5	1 601.1	1 669.7
<b>Total direct charges against the National Revenue Fund</b>	<b>208 090.9</b>	<b>231 642.6</b>	<b>265 385.4</b>	<b>313 473.5</b>
Contingency reserve	-	-	-	-
Projected underspending	-	-	-	-3 000.0
<b>Total</b>	<b>470 192.5</b>	<b>541 495.7</b>	<b>636 063.5</b>	<b>752 522.9</b>

Table 3. Expenditure by national vote 2006/07 to 2012/13

Revised estimate	Medium-term expenditure estimates			R million
	2009/10	2010/11	2011/12	
				<b>Central Government Administration</b>
691.8	722.6	772.2	810.5	The Presidency
1 108.0	1 179.2	1 238.6	1 288.4	Parliament
36 629.6	43 921.5	50 449.1	57 238.3	Cooperative Governance and Traditional Affairs
5 159.4	5 719.6	5 003.5	5 144.8	Home Affairs
5 508.0	4 824.4	5 087.0	5 393.0	International Relations and Cooperation
5 740.1	6 446.3	7 984.1	8 246.2	Public Works
68.2	97.8	108.3	114.9	Women, Children and People with Disabilities
				<b>Financial and Administrative Services</b>
496.8	546.2	507.1	515.4	Government Communication and Information System
62 512.7	50 219.9	33 127.9	34 265.6	National Treasury
3 991.2	350.6	186.8	196.2	Public Enterprises
681.0	651.5	657.1	684.1	Public Service and Administration
1 715.2	1 973.4	2 845.9	1 769.6	Statistics South Africa
				<b>Social Services</b>
2 440.1	2 406.7	2 417.4	2 562.7	Arts and Culture
4 197.9	6 166.2	7 549.8	8 099.3	Basic Education
18 025.5	21 497.0	23 707.9	25 844.7	Health
20 681.8	23 720.7	26 104.6	27 856.1	Higher Education and Training
1 674.4	1 783.9	1 866.6	1 942.5	Labour
86 108.2	95 929.1	105 715.4	114 023.7	Social Development
2 872.4	1 245.6	760.5	793.7	Sport and Recreation South Africa
				<b>Justice, Crime Prevention and Security</b>
13 834.5	15 129.0	16 027.4	18 277.2	Correctional Services
30 325.3	30 715.3	33 931.4	36 386.5	Defence and Military Veterans
116.5	129.3	144.1	152.4	Independent Complaints Directorate
9 673.3	10 250.5	11 083.7	11 730.6	Justice and Constitutional Development
47 622.0	52 556.4	56 916.6	60 390.8	Police
				<b>Economic Services and Infrastructure</b>
3 305.5	3 658.0	4 361.4	4 740.5	Agriculture, Forestry and Fisheries
2 354.5	2 114.0	1 814.1	1 630.4	Communications
316.2	418.6	494.4	520.3	Economic Development
3 740.2	5 535.4	5 739.6	5 538.7	Energy
2 244.2	2 607.8	2 817.5	3 058.7	Environmental Affairs
14 036.2	16 201.5	18 483.0	19 603.8	Human Settlements
924.0	1 030.0	1 112.1	1 168.0	Mineral Resources
6 401.4	6 769.6	7 972.9	8 360.1	Rural Development and Land Reform
4 261.7	4 615.5	4 968.8	4 560.2	Science and Technology
1 155.7	1 151.8	1 223.2	1 291.2	Tourism
5 988.8	6 150.1	6 757.4	7 264.0	Trade and Industry
24 164.1	25 086.3	27 960.1	29 169.5	Transport
6 969.8	7 996.6	9 090.2	9 628.2	Water Affairs
<b>437 736.1</b>	<b>461 517.9</b>	<b>486 987.8</b>	<b>520 261.0</b>	<b>Total appropriation by vote</b>
				Plus:
				<b>Direct charges against the National Revenue Fund</b>
4.3	4.6	4.8	5.1	President and Deputy President salary (The Presidency)
376.7	392.7	409.6	430.1	Members remuneration (Parliament)
57 599.8	71 357.6	88 462.7	104 022.0	State debt costs (National Treasury)
236 877.8	260 973.7	280 688.7	294 780.0	Provincial equitable share (National Treasury)
6 800.1	7 542.4	8 531.1	8 957.7	General fuel levy sharing with metros (National Treasury)
7 750.0	8 424.2	9 148.7	9 606.1	Skills levy and Setas (Higher Education and Training)
1 671.7	1 929.9	2 104.2	2 251.9	Judges and magistrates salaries (Justice and Constitutional Development)
<b>311 080.3</b>	<b>350 625.0</b>	<b>389 349.8</b>	<b>420 052.9</b>	<b>Total direct charges against the National Revenue Fund</b>
-	6 000.0	12 000.0	24 000.0	Contingency reserve
-	-	-	-	Projected underspending
<b>748 816.5</b>	<b>818 142.9</b>	<b>888 337.6</b>	<b>964 313.8</b>	<b>Total</b>

**Table 4. Expenditure by economic classification 2006/07 to 2012/13**

R million	Audited outcome			Adjusted appropriation
	2006/07	2007/08	2008/09	2009/10
<b>Current payments</b>				
<b>Compensation of employees</b>	<b>49 574.2</b>	<b>56 243.2</b>	<b>64 973.4</b>	<b>76 392.8</b>
Salaries and wages	41 022.9	46 738.9	53 788.3	63 755.1
Social contributions	8 551.3	9 504.3	11 185.1	12 637.7
<b>Goods and services</b>	<b>28 335.8</b>	<b>32 354.3</b>	<b>38 587.4</b>	<b>44 065.4</b>
<b>Interest and rent on land</b>	<b>52 193.7</b>	<b>52 879.3</b>	<b>54 396.1</b>	<b>59 995.8</b>
Interest (including interest on finance leases)	52 193.0	52 878.6	54 395.9	59 995.0
Rent on land	0.7	0.7	0.2	0.8
<b>Total current payments</b>	<b>130 103.7</b>	<b>141 476.8</b>	<b>157 956.9</b>	<b>180 454.0</b>
<b>Transfers and subsidies to:</b>				
<b>Provinces and municipalities</b>	<b>205 438.3</b>	<b>243 233.9</b>	<b>289 397.3</b>	<b>345 879.0</b>
<b>Provinces</b>	<b>178 867.2</b>	<b>205 829.6</b>	<b>245 302.3</b>	<b>295 353.2</b>
Provincial revenue funds	178 867.2	205 829.6	245 302.3	295 353.2
<b>Municipalities</b>	<b>26 571.1</b>	<b>37 404.3</b>	<b>44 095.1</b>	<b>50 525.8</b>
Municipal bank accounts	26 571.1	37 404.3	44 095.1	50 525.8
<b>Departmental agencies and accounts</b>	<b>38 102.1</b>	<b>44 531.2</b>	<b>53 572.4</b>	<b>58 512.9</b>
Social security funds	7.0	8.5	2 508.7	12.7
Departmental agencies (non-business entities)	38 095.0	44 522.7	51 063.6	58 500.3
<b>Universities and technikons</b>	<b>11 056.0</b>	<b>12 003.8</b>	<b>13 897.7</b>	<b>15 437.4</b>
<b>Foreign governments and international organisations</b>	<b>919.3</b>	<b>936.0</b>	<b>1 010.6</b>	<b>1 266.8</b>
<b>Public corporations and private enterprises</b>	<b>13 424.4</b>	<b>18 764.3</b>	<b>20 170.1</b>	<b>20 061.4</b>
<b>Public corporations</b>	<b>9 872.3</b>	<b>14 155.2</b>	<b>14 694.3</b>	<b>17 851.2</b>
Subsidies on products or production	4 101.1	3 691.7	4 676.1	5 188.9
Other transfers to public corporations	5 771.2	10 463.5	10 018.2	12 662.3
<b>Private enterprises</b>	<b>3 552.1</b>	<b>4 609.0</b>	<b>5 475.8</b>	<b>2 210.2</b>
Subsidies on products or production	3 339.6	4 111.4	5 193.5	1 855.1
Other transfers to private enterprises	212.5	497.6	282.3	355.1
<b>Non-profit institutions</b>	<b>882.1</b>	<b>1 002.8</b>	<b>1 220.2</b>	<b>1 225.3</b>
<b>Households</b>	<b>62 862.9</b>	<b>70 551.4</b>	<b>79 084.5</b>	<b>91 029.5</b>
Social benefits	59 569.1	65 170.5	73 611.2	85 989.9
Other transfers to households	3 293.8	5 381.0	5 473.3	5 039.6
<b>Total transfers and subsidies</b>	<b>332 685.1</b>	<b>391 023.5</b>	<b>458 352.8</b>	<b>533 412.3</b>
<b>Payments for capital assets</b>				
<b>Buildings and other fixed structures</b>	<b>2 481.5</b>	<b>3 838.2</b>	<b>5 566.8</b>	<b>5 961.3</b>
Buildings	2 376.9	3 325.7	4 893.8	4 843.3
Other fixed structures	104.6	512.5	673.0	1 118.0
<b>Machinery and equipment</b>	<b>3 322.8</b>	<b>3 210.7</b>	<b>2 965.0</b>	<b>2 741.0</b>
Transport equipment	1 522.3	1 528.0	1 419.6	1 467.8
Other machinery and equipment	1 800.5	1 682.7	1 545.4	1 273.1
Specialised military assets	-	-	-	27.6
Biological assets	0.7	11.2	2.7	1.1
Land and subsoil assets	31.5	27.4	49.0	-
Software and other intangible assets	231.4	95.5	197.4	167.4
<b>Total payments for capital assets</b>	<b>6 067.8</b>	<b>7 182.9</b>	<b>8 780.8</b>	<b>8 898.3</b>
<b>Payments for financial assets</b>	<b>1 335.8</b>	<b>1 812.5</b>	<b>10 972.9</b>	<b>32 758.3</b>
<b>Total</b>	<b>470 192.5</b>	<b>541 495.7</b>	<b>636 063.5</b>	<b>755 522.9</b>
Contingency reserve	-	-	-	-
Projected underspending	-	-	-	-3 000.0
<b>Total</b>	<b>470 192.5</b>	<b>541 495.7</b>	<b>636 063.5</b>	<b>752 522.9</b>

Table 4. Expenditure by economic classification 2006/07 to 2012/13

Revised estimate	Medium-term expenditure estimates			R million
	2009/10	2010/11	2011/12	
<b>76 008.7</b>	<b>84 093.2</b>	<b>90 167.3</b>	<b>95 232.5</b>	<b>Current payments</b>
				<b>Compensation of employees</b>
63 383.4	69 171.6	74 337.1	78 539.2	Salaries and wages
12 625.3	14 921.6	15 830.2	16 693.2	Social contributions
<b>43 205.8</b>	<b>46 843.3</b>	<b>51 466.9</b>	<b>53 656.0</b>	<b>Goods and services</b>
<b>57 601.0</b>	<b>71 359.6</b>	<b>88 465.0</b>	<b>104 024.5</b>	<b>Interest and rent on land</b>
57 600.2	71 358.7	88 464.1	104 023.5	Interest (including interest on finance leases)
0.8	0.8	0.9	1.0	Rent on land
<b>176 815.6</b>	<b>202 296.0</b>	<b>230 099.3</b>	<b>252 913.0</b>	<b>Total current payments</b>
				<b>Transfers and subsidies to:</b>
				Provinces and municipalities
<b>345 167.9</b>	<b>381 726.9</b>	<b>417 237.3</b>	<b>442 587.4</b>	<b>Provinces</b>
<b>294 968.2</b>	<b>322 858.2</b>	<b>350 547.1</b>	<b>369 348.4</b>	<b>Provincial revenue funds</b>
294 968.2	322 858.2	350 547.1	369 348.4	
<b>50 199.7</b>	<b>58 868.7</b>	<b>66 690.2</b>	<b>73 239.0</b>	<b>Municipalities</b>
50 199.7	58 868.7	66 690.2	73 239.0	Municipal bank accounts
<b>57 114.3</b>	<b>58 456.5</b>	<b>65 123.0</b>	<b>68 388.7</b>	<b>Departmental agencies and accounts</b>
12.7	11.6	12.4	13.0	Social security funds
57 101.6	58 445.0	65 110.6	68 375.7	Departmental agencies (non-business entities)
<b>15 437.4</b>	<b>17 532.0</b>	<b>19 318.5</b>	<b>20 669.2</b>	<b>Universities and technikons</b>
<b>1 260.9</b>	<b>1 313.9</b>	<b>1 288.8</b>	<b>1 380.3</b>	<b>Foreign governments and international organisations</b>
<b>19 725.2</b>	<b>20 129.1</b>	<b>20 700.1</b>	<b>21 489.8</b>	<b>Public corporations and private enterprises</b>
<b>17 555.0</b>	<b>16 988.4</b>	<b>17 034.7</b>	<b>17 355.7</b>	<b>Public corporations</b>
5 198.9	5 180.8	5 262.0	5 499.9	Subsidies on products or production
12 356.1	11 807.6	11 772.7	11 855.7	Other transfers to public corporations
<b>2 170.1</b>	<b>3 140.7</b>	<b>3 665.4</b>	<b>4 134.1</b>	<b>Private enterprises</b>
1 795.1	2 778.8	3 255.0	3 629.1	Subsidies on products or production
375.1	362.0	410.3	505.0	Other transfers to private enterprises
<b>1 225.1</b>	<b>2 275.2</b>	<b>2 339.0</b>	<b>1 894.0</b>	<b>Non-profit institutions</b>
<b>90 622.4</b>	<b>98 234.2</b>	<b>108 805.0</b>	<b>117 648.6</b>	<b>Households</b>
85 620.3	92 792.8	102 213.6	110 636.4	Social benefits
5 002.1	5 441.4	6 591.5	7 012.1	Other transfers to households
<b>530 553.1</b>	<b>579 667.8</b>	<b>634 811.7</b>	<b>674 058.0</b>	<b>Total transfers and subsidies</b>
				<b>Payments for capital assets</b>
<b>5 862.9</b>	<b>5 994.9</b>	<b>7 237.3</b>	<b>9 660.6</b>	<b>Buildings and other fixed structures</b>
4 743.8	4 537.4	4 836.4	6 935.7	Buildings
1 119.2	1 457.5	2 400.9	2 725.0	Other fixed structures
<b>2 735.2</b>	<b>3 236.9</b>	<b>3 381.4</b>	<b>3 525.6</b>	<b>Machinery and equipment</b>
1 467.8	1 352.7	1 474.3	1 690.0	Transport equipment
1 267.4	1 884.2	1 907.2	1 835.6	Other machinery and equipment
27.6	19.6	24.5	122.0	Specialised military assets
1.1	1.6	0.7	0.7	Biological assets
–	–	–	–	Land and subsoil assets
61.0	37.5	32.7	33.8	Software and other intangible assets
<b>8 687.9</b>	<b>9 290.5</b>	<b>10 676.6</b>	<b>13 342.9</b>	<b>Total payments for capital assets</b>
<b>32 760.0</b>	<b>20 888.6</b>	<b>750.0</b>	<b>0.0</b>	<b>Payments for financial assets</b>
<b>748 816.5</b>	<b>812 142.9</b>	<b>876 337.6</b>	<b>940 313.8</b>	<b>Total</b>
–	6 000.0	12 000.0	24 000.0	Contingency reserve
–	–	–	–	Projected underspending
<b>748 816.5</b>	<b>818 142.9</b>	<b>888 337.6</b>	<b>964 313.8</b>	<b>Total</b>

**Table 5. Amounts to be appropriated from the National Revenue Fund for 2010/11**

	Appropriated (including direct charges)	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	To be appropriated	Increase/ Decrease <sup>1</sup>	
R million	2009/10	2010/11						
<b>Central Government Administration</b>								
1	The Presidency	609.6	343.0	371.9	12.2	-	727.2	117.6
2	Parliament	1 350.7	1 275.4	284.8	11.7	-	1 571.9	221.2
3	Cooperative Governance and Traditional Affairs	35 604.4	619.7	43 288.5	13.3	-	43 921.5	8 317.0
4	Home Affairs	5 050.6	3 992.4	1 587.8	139.3	-	5 719.6	669.0
5	International Relations and Cooperation	5 337.0	3 688.6	820.2	315.7	-	4 824.4	-512.6
6	Public Works	5 298.0	2 042.8	3 029.6	1 373.9	-	6 446.3	1 148.3
7	Women, Children and People with Disabilities	64.0	39.3	51.9	6.6	-	97.8	33.8
<b>Financial and Administrative Services</b>								
8	Government Communication and Information System	482.0	355.5	187.4	3.4	-	546.2	64.2
9	National Treasury	354 795.2	72 806.9	296 522.2	14.5	20 750.0	390 093.6	35 298.4
10	Public Enterprises	3 797.3	174.7	36.7	0.6	138.6	350.6	-3 446.8
11	Public Service and Administration	596.3	376.9	271.6	2.9	-	651.5	55.2
12	Statistics South Africa	1 608.6	1 871.5	3.8	98.1	-	1 973.4	364.8
<b>Social Services</b>								
13	Arts and Culture	2 623.5	311.1	2 089.1	6.6	-	2 406.7	-216.7
14	Basic Education	3 929.9	1 777.1	4 385.1	4.1	-	6 166.2	2 236.3
15	Health	17 058.1	1 063.0	20 403.3	30.7	-	21 497.0	4 438.9
16	Higher Education and Training	25 259.6	382.4	31 752.7	9.8	-	32 144.9	6 885.3
17	Labour	1 671.0	1 259.9	515.2	8.8	-	1 783.9	112.9
18	Social Development	86 408.3	543.0	95 376.0	10.1	-	95 929.1	9 520.7
19	Sport and Recreation South Africa	2 859.9	192.9	1 047.6	5.1	-	1 245.6	-1 614.3
<b>Justice, Crime Prevention and Security</b>								
20	Correctional Services	13 238.6	14 007.7	13.1	1 108.3	-	15 129.0	1 890.5
21	Defence and Military Veterans	32 024.4	23 099.0	6 830.1	786.2	-	30 715.3	-1 309.1
22	Independent Complaints Directorate	114.9	126.0	0.1	3.3	-	129.3	14.5
23	Justice and Constitutional Development	11 278.6	9 984.8	1 567.9	627.7	-	12 180.4	901.8
24	Police	46 409.7	49 336.4	438.4	2 781.7	-	52 556.4	6 146.7
<b>Economic Services and Infrastructure</b>								
25	Agriculture, Forestry and Fisheries	2 903.5	1 773.5	1 836.5	47.9	-	3 658.0	754.5
26	Communications	2 266.9	483.2	1 626.7	4.1	-	2 114.0	-152.9
27	Economic Development	292.5	95.2	318.6	4.8	-	418.6	126.1
28	Energy	3 742.3	202.1	5 328.7	4.6	-	5 535.4	1 793.1
29	Environmental Affairs	2 261.0	910.2	1 224.3	473.3	-	2 607.8	346.8
30	Human Settlements	14 020.0	599.5	15 442.8	159.3	-	16 201.5	2 181.5
31	Mineral Resources	904.9	607.3	408.7	14.1	-	1 030.0	125.1
32	Rural Development and Land Reform	6 109.4	1 878.1	4 871.6	19.8	-	6 769.6	660.2
33	Science and Technology	4 234.1	362.0	4 249.5	4.1	-	4 615.5	381.4
34	Tourism	1 109.1	196.1	953.3	2.4	-	1 151.8	42.8
35	Trade and Industry	6 051.7	1 142.9	4 992.6	14.7	-	6 150.1	98.4
36	Transport	23 734.8	743.4	24 301.3	41.6	-	25 086.3	1 351.4
37	Water Affairs	7 462.4	3 632.8	3 238.5	1 125.3	-	7 996.6	534.2
<b>Total</b>	<b>732 562.8</b>	<b>202 296.0</b>	<b>579 667.8</b>	<b>9 290.5</b>	<b>20 888.6</b>	<b>812 142.9</b>	<b>79 580.2</b>	

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

**Table 6a. Conditional grants to provinces 2006/07 to 2012/13 <sup>1</sup>**

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13	
<b>Central Government Administration</b>									
3	Cooperative Governance and Traditional Affairs	–	–	29.7	–	–	–	–	
6	Public Works	710.1	836.6	889.3	1 501.2	1 401.2	1 483.8	1 962.0	2 060.1
<b>Financial and Administrative Services</b>									
9	National Treasury	4 983.5	6 276.2	7 384.5	13 449.2	13 449.2	11 314.9	13 091.2	14 007.6
<b>Social Services</b>									
13	Arts and Culture	–	163.2	344.6	440.6	440.6	512.7	543.4	570.8
14	Basic Education	1 242.5	1 376.9	2 114.1	2 575.4	2 575.4	3 931.4	5 048.1	5 447.4
15	Health	10 206.5	11 552.7	14 028.7	16 702.5	16 417.5	19 852.8	21 971.8	24 030.4
16	Higher Education and Training	1 973.7	2 435.3	3 005.8	3 168.3	3 168.3	3 772.7	3 972.0	4 169.1
19	Sport and Recreation South Africa	119.0	194.0	293.7	402.3	402.3	426.4	452.0	474.6
<b>Economic Services and Infrastructure</b>									
25	Agriculture, Forestry and Fisheries	401.1	761.7	898.0	973.7	973.7	1 116.9	1 437.1	1 508.9
30	Human Settlements	6 677.8	8 149.9	10 177.9	12 592.3	12 592.3	15 160.6	17 222.4	17 938.7
32	Rural Development and Land Reform	8.0	–	–	–	–	–	–	–
35	Trade and Industry	58.2	–	–	–	–	–	–	–
36	Transport	3 241.0	3 029.4	4 340.3	6 669.9	6 669.9	4 312.4	4 158.5	4 360.9
<b>Total</b>		<b>29 621.6</b>	<b>34 775.9</b>	<b>43 506.6</b>	<b>58 475.4</b>	<b>58 090.4</b>	<b>61 884.5</b>	<b>69 858.4</b>	<b>74 568.4</b>

1. Detail provided in the Division of Revenue Act (2010).

**Table 6b. Conditional grants to municipalities 2006/07 to 2012/13 <sup>1</sup>**

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13	
<b>Central Government Administration</b>									
3	Cooperative Governance and Traditional Affairs	6 138.4	8 954.1	9 308.4	11 633.5	11 633.5	12 740.9	15 293.3	18 557.9
6	Public Works	–	–	–	201.7	201.7	623.0	1 108.0	1 163.4
<b>Financial and Administrative Services</b>									
9	National Treasury	410.3	716.5	361.5	851.4	611.4	1 394.6	1 575.1	1 586.3
<b>Social Services</b>									
19	Sport and Recreation South Africa	600.0	4 605.0	4 295.0	2 168.7	2 168.7	512.6	–	–
<b>Economic Services and Infrastructure</b>									
28	Energy	390.7	462.5	589.1	1 108.0	1 092.2	1 240.1	1 376.6	1 151.4
36	Transport	518.0	1 174.0	2 928.7	2 428.0	2 428.0	3 709.9	4 436.1	4 136.7
37	Water Affairs	385.7	732.9	994.6	925.0	854.6	890.1	380.0	399.0
<b>Total</b>		<b>8 443.1</b>	<b>16 645.0</b>	<b>18 477.3</b>	<b>19 316.2</b>	<b>18 990.1</b>	<b>21 111.1</b>	<b>24 169.1</b>	<b>26 994.8</b>

1. Detail provided in the Division of Revenue Act (2010).

Table 7. Training expenditure per vote 2006/07 to 2012/13

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
<b>Central Government Administration</b>							
1	1.5	2.3	1.4	1.9	2.2	2.4	2.6
2	10.7	10.6	11.9	10.1	10.4	14.2	15.0
3	1.7	2.3	1.7	1.8	2.4	2.6	2.7
4	35.6	32.4	34.0	35.1	30.9	28.2	28.5
5	4.0	13.1	8.1	12.4	14.4	14.1	14.1
6	12.8	15.2	22.0	26.1	27.5	28.5	29.9
<b>Financial and Administrative Services</b>							
8	2.4	4.7	4.2	3.7	4.4	4.2	4.4
9	9.3	16.1	16.9	33.6	19.8	20.4	21.2
10	0.8	1.6	1.7	2.2	1.9	2.0	2.0
11	2.0	2.2	3.7	2.6	3.6	3.5	3.7
12	7.7	11.9	14.0	21.2	45.1	42.1	40.0
<b>Social Services</b>							
13	2.4	3.1	4.5	2.1	2.3	2.4	2.5
14	1.6	2.8	6.5	1.7	2.5	2.4	2.5
15	5.5	9.5	1.8	4.5	5.5	6.1	6.6
16	1.8	2.5	2.9	1.9	2.6	2.8	2.9
17	8.9	6.5	8.9	8.3	8.9	9.3	9.8
18	2.2	1.7	1.8	2.3	2.5	2.6	2.8
19	0.5	0.9	0.9	1.1	1.1	1.1	1.1
<b>Justice, Crime Prevention and Security</b>							
20	111.4	125.6	76.0	89.5	64.0	100.5	105.6
21	85.6	87.4	117.7	113.6	145.6	151.0	167.0
22	0.5	0.6	0.6	0.7	0.7	0.8	0.8
23	12.4	18.3	37.5	86.4	78.9	83.6	89.4
24	807.5	966.0	1 124.0	1 006.5	1 386.6	1 449.0	1 514.2
<b>Economic Services and Infrastructure</b>							
25	27.3	20.3	24.2	16.4	20.0	21.8	23.3
26	3.1	3.7	6.0	9.0	9.4	9.9	10.4
27	-	-	-	-	0.1	0.2	0.2
28	0.6	0.7	1.6	2.1	3.5	3.9	4.1
29	2.3	2.1	2.2	2.3	2.5	2.7	2.9
30	2.0	1.2	2.9	12.9	14.1	15.2	16.1
31	1.5	1.7	3.8	9.1	3.5	3.9	4.1
32	11.6	9.0	9.4	11.9	12.6	13.3	13.9
33	1.0	3.6	5.2	6.5	5.1	5.4	5.6
34	1.5	1.4	1.5	1.0	1.0	1.0	1.1
35	3.2	1.0	2.5	9.3	11.0	11.5	12.0
36	3.0	3.2	1.8	3.9	4.0	4.0	4.1
37	37.0	38.9	40.8	63.1	65.7	67.3	70.7
<b>Total</b>	<b>1 223.1</b>	<b>1 424.2</b>	<b>1 604.9</b>	<b>1 616.8</b>	<b>2 016.3</b>	<b>2 133.7</b>	<b>2 237.8</b>

**Table 8. Infrastructure expenditure per vote 2006/07 to 2012/13 <sup>1</sup>**

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
<b>Central Government Administration</b>							
2 Parliament	–	5.1	40.5	–	–	–	–
3 Cooperative Governance and Traditional Affairs	6 138.4	8 754.1	9 138.1	11 433.5	12 528.9	15 068.6	18 322.0
4 Home Affairs	45.1	61.4	68.0	56.1	67.2	132.5	129.8
5 International Relations and Cooperation	119.4	649.9	926.7	423.2	231.5	249.8	317.0
6 Public Works	414.1	488.0	988.4	1 220.6	1 303.9	1 603.9	1 634.7
<b>Financial and Administrative Services</b>							
9 National Treasury	5 035.7	6 327.3	7 768.0	9 910.6	12 569.9	14 486.6	15 405.0
<b>Social Services</b>							
13 Arts and Culture	312.1	281.2	448.6	801.4	557.8	455.6	483.0
14 Basic Education	–	–	–	–	80.0	200.0	210.0
15 Health	1 498.7	2 118.5	1 884.8	3 495.2	3 939.6	3 789.7	3 805.0
16 Higher Education and Training	90.5	77.5	54.8	37.0	32.0	26.0	22.0
17 Labour	78.5	64.4	37.6	56.8	25.9	34.6	0.0
19 Sport and Recreation South Africa	600.0	4 605.0	4 295.0	1 661.1	302.3	–	–
<b>Justice, Crime Prevention and Security</b>							
20 Correctional Services	794.8	1 087.0	1 035.5	1 012.5	1 108.3	1 163.1	2 675.6
21 Defence and Military Veterans	49.2	93.4	476.5	452.0	1 120.7	841.1	1 218.3
23 Justice and Constitutional Development	323.7	361.1	479.5	515.5	631.5	759.4	865.0
24 Police	510.5	727.0	843.3	1 049.7	1 118.2	1 235.3	1 544.6
<b>Economic Services and Infrastructure</b>							
25 Agriculture, Forestry and Fisheries	120.0	112.0	108.6	115.0	172.9	270.8	253.5
26 Communications	100.0	646.0	950.0	810.0	420.9	279.0	167.0
28 Energy	1 328.9	1 525.6	1 888.8	2 400.3	4 271.9	4 366.4	4 565.5
29 Environmental Affairs	199.8	405.7	437.4	512.3	656.7	664.8	693.0
30 Human Settlements	–	3 829.9	1 885.1	1 674.3	2 014.8	2 248.4	2 341.9
32 Rural Development and Land Reform	14.4	5.6	6.3	11.8	17.4	18.3	44.7
33 Science and Technology	175.0	272.0	408.0	699.3	745.7	801.0	254.4
35 Trade and Industry	468.0	911.0	967.5	1 283.3	769.9	721.4	758.6
36 Transport	5 801.6	7 934.8	10 601.2	12 799.8	14 131.7	16 038.7	16 542.4
37 Water Affairs	85.9	644.4	1 467.1	1 976.8	2 279.9	3 358.1	3 805.1
<b>Total</b>	<b>24 304.4</b>	<b>41 988.0</b>	<b>47 205.2</b>	<b>54 408.3</b>	<b>61 099.7</b>	<b>68 813.1</b>	<b>76 057.9</b>

1. Amounts include mega infrastructure projects and programmes (over R300 million per year for a minimum of three years, or R900 million total project cost), large projects and programmes (between R300 million and R50 million per year within a given MTEF period), small projects and programmes (less than R50 million per year). Infrastructure transfers to other spheres, agencies and entities, fixed installations transferred to households and maintenance and repair projects are also included. Details are provided in the additional tables in each vote.

**Table 9. Personnel expenditure per vote 2006/07 to 2012/13**

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13	
<b>Central Government Administration</b>									
1	The Presidency	100.5	118.7	144.3	187.4	184.4	218.1	242.4	258.2
2	Parliament	446.6	521.0	708.6	780.1	780.1	856.1	905.7	951.2
3	Cooperative Governance and Traditional Affairs	116.2	128.1	153.8	172.3	164.8	241.9	255.3	268.1
4	Home Affairs	844.7	1 087.0	1 296.0	1 659.1	1 659.1	1 896.2	2 134.8	2 243.7
5	International Relations and Cooperation	1 136.5	1 293.2	1 683.4	2 062.6	2 062.6	2 017.1	2 101.4	2 203.1
6	Public Works	613.6	746.4	916.6	1 012.2	1 012.2	1 121.4	1 201.7	1 249.6
7	Women, Children and People with Disabilities	3.8	4.8	5.9	10.0	10.0	15.7	27.5	29.9
<b>Financial and Administrative Services</b>									
8	Government Communication and Information System	84.1	116.2	114.0	137.1	136.9	147.0	157.5	166.3
9	National Treasury	230.9	272.7	321.0	438.5	408.5	538.5	573.0	598.6
10	Public Enterprises	47.2	56.0	70.4	81.4	81.4	88.0	93.5	98.3
11	Public Service and Administration	92.5	115.8	129.1	153.4	153.4	174.4	183.4	193.4
12	Statistics South Africa	414.9	472.0	700.7	1 015.8	1 015.8	891.0	1 065.1	992.5
<b>Social Services</b>									
13	Arts and Culture	95.1	107.2	126.8	146.3	141.3	149.0	159.4	168.7
14	Basic Education	117.0	150.4	186.3	229.9	251.4	255.4	273.8	288.1
15	Health	231.7	258.6	292.5	329.1	329.1	369.7	403.4	442.4
16	Higher Education and Training	131.7	146.2	174.8	203.3	203.6	228.9	245.8	261.1
17	Labour	435.4	497.9	491.3	632.6	611.2	738.4	760.6	811.4
18	Social Development	111.1	133.6	184.1	225.4	225.4	245.1	260.6	277.7
19	Sport and Recreation South Africa	30.1	43.4	54.5	67.6	59.6	75.3	73.7	77.4
<b>Justice, Crime Prevention and Security</b>									
20	Correctional Services	5 606.6	6 799.2	8 077.8	9 313.0	9 313.0	10 483.8	11 058.5	11 611.2
21	Defence and Military Veterans	9 037.6	9 735.9	10 620.0	12 223.2	12 223.2	13 450.4	14 630.1	15 686.9
22	Independent Complaints Directorate	36.8	45.7	58.0	66.5	66.5	74.1	85.5	90.4
23	Justice and Constitutional Development	3 619.7	4 250.9	5 326.2	6 277.1	6 233.7	6 834.7	7 375.3	7 846.8
24	Police	22 730.2	25 610.6	29 147.4	33 770.2	33 770.2	37 148.8	39 660.3	41 777.4
<b>Economic Services and Infrastructure</b>									
25	Agriculture, Forestry and Fisheries	717.4	778.8	908.8	1 138.5	938.5	1 144.2	1 244.2	1 380.2
26	Communications	99.0	97.7	108.0	147.4	147.4	160.4	169.2	177.9
27	Economic Development	-	-	-	12.6	12.6	59.5	78.0	89.8
28	Energy	49.7	68.2	84.6	113.1	112.1	133.0	140.4	142.8
29	Environmental Affairs	156.7	196.3	212.3	260.3	260.3	324.9	351.5	368.9
30	Human Settlements	81.4	107.3	136.9	217.4	217.4	290.2	313.4	328.9
31	Mineral Resources	196.4	222.3	245.5	287.6	287.0	352.3	392.1	414.7
32	Rural Development and Land Reform	406.0	476.4	614.2	954.8	954.8	1 072.2	1 141.5	1 199.8
33	Science and Technology	83.7	104.1	144.9	200.2	200.2	215.0	227.3	239.1
34	Tourism	102.8	130.8	106.4	89.6	89.6	98.5	112.1	160.6
35	Trade and Industry	283.6	327.5	383.1	513.0	469.0	557.8	590.4	628.5
36	Transport	111.2	131.3	182.6	221.0	221.0	259.4	282.2	296.6
37	Water Affairs	972.0	890.7	862.5	1 043.1	1 001.4	1 166.5	1 196.7	1 212.4
<b>Total</b>		<b>49 574.2</b>	<b>56 243.2</b>	<b>64 973.4</b>	<b>76 392.8</b>	<b>76 008.7</b>	<b>84 093.2</b>	<b>90 167.3</b>	<b>95 232.5</b>

Table 10. Departmental receipts per vote 2006/07 to 2012/13 <sup>1</sup>

R million	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimates			
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13	
<b>Central Government Administration</b>									
1	The Presidency	1.7	0.3	0.2	0.5	0.5	0.3	0.3	0.3
2	Parliament	41.9	51.7	55.2	16.3	17.8	15.5	11.9	11.5
3	Cooperative Governance and Traditional Affairs	6.8	0.7	0.8	0.6	0.6	0.6	0.6	0.6
4	Home Affairs	468.2	421.1	355.7	429.5	429.5	455.3	482.6	506.7
5	International Relations and Cooperation	46.3	65.1	43.6	39.2	18.4	31.2	33.3	33.2
6	Public Works	79.9	95.8	28.5	25.6	31.5	26.6	27.7	29.4
<b>Financial and Administrative Services</b>									
8	Government Communication and Information System	3.1	3.1	3.3	2.9	2.9	3.0	3.0	3.0
9	National Treasury	4 355.1	6 116.7	5 270.4	4 148.5	3 839.0	2 354.2	2 544.8	2 602.9
10	Public Enterprises	0.1	0.1	0.8	0.1	0.1	0.1	0.1	0.1
11	Public Service and Administration	1.8	2.7	1.0	0.9	0.9	0.7	0.7	0.7
12	Statistics South Africa	1.5	17.7	2.8	6.9	6.9	2.2	2.5	2.6
<b>Social Services</b>									
13	Arts and Culture	3.2	0.4	3.6	1.0	1.0	0.6	0.6	0.7
14	Basic Education	0.6	1.9	1.5	0.9	0.9	1.1	1.2	1.2
15	Health	33.3	41.2	31.2	33.7	33.7	31.5	32.8	32.9
16	Higher Education and Training	6.2	6.9	6.7	6.5	6.6	6.9	7.0	7.0
17	Labour	6.1	8.4	28.9	12.9	12.9	16.1	22.4	24.3
18	Social Development	865.3	237.0	16.5	0.2	20.2	510.2	10.2	10.2
19	Sport and Recreation South Africa	5.6	0.0	0.3	0.6	5.7	0.3	0.4	0.4
<b>Justice, Crime Prevention and Security</b>									
20	Correctional Services	100.0	136.3	80.5	131.2	136.7	143.4	152.0	161.0
21	Defence and Military Veterans	492.8	551.9	629.4	676.7	676.7	702.5	729.2	756.9
22	Independent Complaints Directorate	0.0	0.4	0.1	0.1	0.1	0.1	0.1	0.1
23	Justice and Constitutional Development	319.5	317.0	356.8	358.9	358.9	377.6	399.8	422.5
24	Police	251.9	345.1	376.5	332.6	332.6	341.7	321.3	324.5
<b>Economic Services and Infrastructure</b>									
25	Agriculture, Forestry and Fisheries	141.1	121.1	254.0	219.7	216.7	119.3	121.5	118.2
26	Communications	2 613.8	3 007.4	3 520.1	933.0	1 160.8	925.0	959.4	993.4
27	Economic Development	177.5	229.3	244.4	484.8	420.0	230.0	243.8	250.0
28	Energy	0.1	1.2	3.3	3.5	3.5	3.7	3.9	4.1
29	Environmental Affairs	4.9	4.7	8.5	2.7	2.7	0.8	0.8	0.8
30	Human Settlements	1.9	0.7	2.4	0.5	2.8	0.5	0.5	0.6
31	Mineral Resources	191.0	267.1	261.3	161.8	161.8	205.6	211.8	213.9
32	Rural Development and Land Reform	158.8	176.4	64.2	231.2	61.1	68.4	69.0	64.5
33	Science and Technology	1.0	0.2	0.3	1.0	1.0	0.1	0.1	0.1
35	Trade and Industry	66.6	94.2	64.9	66.7	67.0	108.3	114.9	120.2
36	Transport	330.4	362.5	215.8	231.7	116.6	127.8	137.4	144.3
37	Water Affairs	137.2	0.1	26.6	72.6	39.8	41.2	44.0	44.0
Total departmental receipts as per Estimates of National Expenditure		10 915.2	12 686.3	11 960.0	8 635.5	8 188.0	6 852.2	6 691.4	6 887.0
Less: Parliament (retained departmental receipts)		41.9	51.7	55.2	16.3	17.8	15.5	11.9	11.5
Plus: South African Revenue Service departmental receipts collection		-30.0	58.0	711.4	1 205.8	812.4	3 543.6	4 803.7	5 503.9
<b>Total departmental receipts as per Budget Review</b>		<b>10 843.3</b>	<b>12 692.6</b>	<b>12 616.2</b>	<b>9 825.0</b>	<b>8 982.6</b>	<b>10 380.3</b>	<b>11 483.2</b>	<b>12 379.4</b>

1. Departmental receipts exclude extraordinary receipts which are deposited into the National Revenue Fund. Extraordinary receipts are included in the Budget Review.



## Information contained in each chapter

The Estimates of National Expenditure publication describes in detail the planned spending of all national government departments for three years going forward: that is, the years of the medium term expenditure framework (MTEF). The Estimates of National Expenditure is tabled in Parliament by the Minister of Finance on the day the main Budget is tabled. It provides details about the allocation of expenditure to all national departments set out in the appropriation bill, which is tabled on the same day.

The appropriation bill is divided into votes. A vote generally specifies the total amount appropriated per department. Each chapter in the Estimates of National Expenditure relates to a vote. By appropriating funds from the National Revenue Fund through the approval of the appropriation bill, Parliament authorises expenditure.

Votes are arranged into the following functional groupings to facilitate analysis of interdepartmental initiatives and service delivery.

- central government administration
- financial and administrative services
- social services
- justice, crime prevention and security
- economic services and infrastructure.

These functional groupings are informal and are not the same as either the government's cluster system groupings or the standard chart of accounts' more rigorous classification of government functions.

The Estimates of National Expenditure booklets for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). They provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers, public entities and lower level institutional information.

The chapter for each vote contains the following information:

## Budget summary

This table shows the budgeted expenditure for the vote for the MTEF period.

R million	2010/11					2011/12	2012/13
	Total to be Appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
<b>MTEF allocation</b>							
Programme name							
Programme name							
Programme name							
<b>Subtotal</b>							
<b>Direct charge against the National Revenue Fund</b>							
Item							
Item							
<b>Total expenditure estimates</b>							
Executive authority	Minister						
Accounting officer	Director-General / Chief Operating Officer						
Website address							

*Due to rounding off, the figures do not necessarily add up to the total. Figures are mostly denoted in rand million unless otherwise indicated.*

The **2010/11 total to be appropriated** shows the expenditure allocation for 2010/11 and corresponds with the information in the 2010 Appropriation Bill.

The totals to be appropriated by Parliament are 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 the department for its operational requirements.

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

**Payments for capital assets** are payments made by a department 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** mainly consist of payments made by departments as loans to public corporations or as equity investments in public corporations. The reason for expensing the payments rather than treating them as financing is that, unlike other financial transactions, the purpose of the transaction is not profit oriented. This column is only shown in departments where such payments have been budgeted for. Payments for theft and losses are included in this category; however, these payments are not budgeted for and will thus only appear in the historical information, which can be seen in the expenditure estimates table.

Estimates for the two outer years of the expenditure framework, **2011/12** and **2012/13**, are also shown. These estimates are not included in the 2010 Appropriation Bill as they are still only indicative of actual expenditure levels in the outer years of the MTEF period. Parliament typically only appropriates or authorises expenditure for one financial year at a time. These forward estimates or indicative allocations do, however, form the basis for the planning of the 2011 Budget.

**Direct charges against the National Revenue Fund** are amounts appropriated in terms of statutes and do not require parliamentary approval. They are not budgeted for in terms of a programme on a particular vote and include, for example, state debt costs.

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

## Aim

*The aim of the vote captures the department's mandate, strategic objectives or its administrative functions, and corresponds with the aim stated in the appropriation bill.*

## Programme purposes

Each vote is comprised of several programmes. The activities and functions performed by a department are typically divided into these programmes. Programme 1 is the *Administration* programme, which houses the administrative activities and functions required to keep the department operating. Each vote programme is listed individually with its purpose, as stated in the appropriation bill. The programme purpose outlines the activities and functions of the particular programme as per the approved budget programme structure, in terms of the Public Finance Management Act (1999).

## Strategic overview: 2006/07 – 2012/13

This section describes the department's strategic direction over the period under review. It includes policy and mandate developments and legislative changes as well as a table of selected quantitative and trendable performance indicators.

## Savings and cost effective service delivery

In this section, departments discuss details of the cost savings measures and reprioritisation of budgets effected in the 2009/10 financial year and to be effected over the MTEF period ahead.

Savings typically emanate from reduced expenditure on non-core goods and services, the rescheduling of expenditure over time in the case of delays, reduced transfers to certain public entities, improved financial management, reduced expenditure on administration in favour of frontline services and through seeking alternative sources of financing.

## Selected performance indicators

Indicator	Programme	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13

The table presents only a selected set of a department or entity's performance information and is not intended to provide a comprehensive view of performance.

An **indicator** is a numerical measure that tracks a department's or entity's progress towards its goal. An indicator may measure inputs, activities, outputs, outcomes or in certain instances explanatory information relating to the internal or external environment.

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

## Expenditure estimates

This table shows expenditure outcomes and estimates over a seven-year period, by vote programme and by economic classification item.

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
R million								
1. Programme name								
2. Programme name								
3. Programme name								
<b>Subtotal</b>								
Direct charge against the National Revenue Fund								
Item								
Item								
<b>Total</b>								
Change to 2009 Budget estimate								

### Economic classification

<b>Current payments</b>			
Economic classification item			
Economic classification item			
<b>Transfers and subsidies</b>			
Economic classification item			
Economic classification item			
<b>Payments for capital assets</b>			
Economic classification item			
Economic classification item			
<b>Payments for financial assets</b>			
<b>Total</b>			

Expenditure is set out first by **programme** and then by **economic classification** over a seven-year period.

For comparability, where programme structures have been changed in recent years, expenditure has, where possible, been reallocated to the new approved programme structure for all seven years. The president's appointment of ministers and deputy ministers after the 2009 general elections has necessitated a reorganisation of national departments, including renaming departments and establishing new departments. As a result, functions may have shifted between departments as a whole or in part, and new functions may have been defined.

**Audited outcomes** are presented as they appear in the department or entity's annual financial statements, with amounts reallocated for any subsequent approved budget programme structure changes.

**Adjusted appropriation** includes the changes made to the appropriation voted in the 2009 main Budget for the financial year, with amounts reallocated for any subsequent approved programme structure changes. Changes are generally made mid-year at the time of the adjustments budget. These adjustments can only be made in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999). Adjustments are included in the adjustments appropriation bill, which Parliament approves before expenditure can take place, and the details are published in the Adjusted Estimates of National Expenditure publication.

The **revised estimate** for 2009/10 represents National Treasury's current estimate, in consultation with the department, of expenditure outcomes. This does not imply a change in the amounts voted to departments in the 2009/10 adjusted appropriation; it is merely a more recent estimate of what the department will indeed spend.

The **medium-term expenditure estimates** are shown for 2010/11, 2011/12 and 2012/13. The spending figures for 2010/11 constitute the proposed appropriation to be funded from the National Revenue Fund that is contained in the main appropriation bill, which has to be considered by Parliament after it has been tabled. The medium-term expenditure estimates for 2011/12 and 2012/13 are indicative allocations, and will form the basis for planning the 2011 Budget.

**Direct charges against the National Revenue Fund** are amounts appropriated in terms of statutes and do not require parliamentary approval. They are not budgeted for in terms of a programme on a particular vote and include, for example, state debt costs.

The **totals**, which are the sum of the expenditure on programmes and direct charges, are also classified into current payments, transfers and subsidies, payments for capital assets and payments for financial assets.

## Expenditure trends

The main expenditure trends and vote programme structure changes from 2006/07 to 2012/13 are described. Trends are generally represented over the MTEF period between 2009/10 and 2012/13, or over the entire period between 2006/07 and 2012/13.

An explanation of the spending focus over the MTEF period in relation to the strategic objectives and the performance targets that will be achieved over the period is given. Expenditure growth in the historical period is also typically compared to expenditure anticipated over the MTEF period. Reasons are given for trends that are identified, and the significant increases or decreases in expenditure are explained in terms of the underlying policies and service delivery objectives that inform the trends. A summary of the new (additional) allocations to the vote programme's baseline budget is given. The baseline is derived from the previous year's forward estimates. Expenditure on existing and new infrastructure is discussed.

Generally, unless otherwise indicated, average annual growth rates are reflected in nominal, not real, terms. Where inflationary growth has been excluded from the calculation and real growth estimates are provided, the consumer price index has been used to deflate the growth rate.

## Departmental receipts

Departmental (non-tax) receipts for 2009/10 are described, as well as the anticipated receipts for the MTEF period.

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
Departmental receipts								
Economic classification item								
Economic classification item								
<b>Total</b>								

## Information on each programme

Each programme section (with the exception of the *Administration* programme) opens with the purposes of the subprogrammes that form that programme. The details of functions performed within subprogrammes and the principle for distributing funds across spending areas within subprogrammes are also described.

Programme 1 is always *Administration*, which includes spending on the ministry, the director-general's office and central corporate services.

## Objectives and measures

Objectives and measures are indicated for each programme. Objectives should include an explanation of strategic intent as well as specific interventions and progress measures. (Programme 1 (*Administration*) is generally exempt from providing objectives and measures.)

For example: Improve service to eligible citizens and residents (objective) by reducing the time taken to issue passports and travel documents (specific intervention) from 10 days in 2008/09 to 5 days in 2011/12 (progress measure).

## Service delivery focus

Information is provided on recent achievements for each programme, including service delivery and operational achievements for the previous year and for the current financial year to date. Reports are given relative to the targets that were presented in previous Estimates of National Expenditure and Adjusted Estimates of National Expenditure publications.

## Expenditure estimates (per programme)

Tables for each programme set out expenditure by subprogramme and economic classification over a seven-year period.

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Subprogramme name							
Subprogramme name							
Subprogramme name							
<b>Total</b>							
Change to 2009 Budget estimate							

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
<b>Economic classification</b>							
<b>Current payments</b>							
Economic classification item							
Economic classification item							
<b>Transfers and subsidies</b>							
Economic classification item							
Economic classification item							
<b>Payments for capital assets</b>							
Economic classification item							
Economic classification item							
<b>Payments for financial assets</b>							
<b>Total</b>							

## Expenditure trends (per programme)

Important expenditure trends for each programme are explained. The scope of the information provided in this section is similar to what is provided for the entire vote.

## Public entities and other agencies

Where appropriate, the discussion of an entity is linked to a specific vote programme and is shown directly after the discussion of that programme.

The scope of information contained in the write-up on public entities is similar to what is reported for the department.

Information on each of the public entities generally consists of the following:

- key legislative mandates in terms of which the entity was established and within which it operates
- selected performance indicators relating to the entity's mandate
- planned deliverables for the next MTEF period
- key objectives achieved during the previous reporting periods
- financial data tables for the entity, focusing on the sources of funding for the entity, key spending areas and expenditure trends, and if applicable an analysis of some of the more important items on the entity's balance sheet
- reprioritisation and savings measures implemented.

## Additional tables

Additional tables appear at the end of the vote. These include:

### Summary of expenditure trends and estimates per programme and economic classification

This table shows the budgeted expenditure as well as the audited outcome and revised estimate for 2008/09 and 2009/10 respectively.

### Summary of personnel numbers and compensation of employees

Employment information is provided in respect of the department. The amount spent by a department on compensation of employees is shown.

Information is provided on different categories of employees.

The **unit cost** refers to the average cost per person employed by the department. It is calculated by dividing the compensation figure by the personnel numbers.

**Personnel numbers** refers to the physical number (head count) of people employed by the department.

### Details of establishment and personnel numbers per salary level

Employment information is provided in respect of the department. The amount spent by a department on compensation of employees is shown.

Information is provided on the number of posts in the department at different salary levels **per programme** as at 30 September 2009.

**Number of posts on approved establishment** refers to the number of departmental employment positions approved by the Department of Public Service and Administration.

**Number of funded posts** refers to the number of departmental employment positions which are provided within the budget.

**Number of posts additional to the establishment** typically refers to additional employment positions that have been allocated on an ad hoc basis and that do not form part of the approved departmental establishment.

### Summary of expenditure on training

Information is provided on the funds spent on training, and the number of people trained by the department.

### Summary of conditional grants to provinces and municipalities

A conditional grant refers to an allocation made by the national government, from its nationally raised revenue, to a province, local government or municipality, on condition that certain requirements or services are met.

### Summary of departmental public private partnerships projects

Disclosure notes with additional details are provided for the 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 according to predefined performance criteria. A public private partnership may also be a project in which a private party uses state assets for its own commercial purposes, and government benefits from the profits generated by the enterprise.

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

A **signed** project is a public private partnership project which has reached financial close and is being implemented.

**Projects in preparation** are in some stage of inception, feasibility or procurement, but have not yet reached financial close.

**Project monitoring costs** are associated with the ongoing evaluation and monitoring of public private partnerships in operation.

**Advisory fees** are costs related to the hiring of transaction advisors who assist government with feasibility studies and procurement in the public private partnership project process.

**Revenue generated** is shown in cases where public private partnership projects have revenue generating potential such as tourism projects or toll roads.

### Summary of donor funding

Donor funding is funding received by departments over and above the allocations provided in the South African 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, technical cooperation and financial cooperation.

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

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

### Summary of expenditure on infrastructure

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

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

**Fixed installations transferred to households** shows the transfer of funds to individual South Africans to be used for the construction of fixed 'on-site' structures that enhance the welfare of households.

**Maintenance on infrastructure** refers to all maintenance, repairs and refurbishment expenditure on infrastructure that prolongs the life and retains the value of the infrastructure asset. This item does not include day-to-day maintenance.

**In all tables a dash ( - ) indicates that information is unavailable or zero.**

# The Presidency

**National Treasury  
Republic of South Africa**



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# Vote 1

## The Presidency

### Budget summary

R thousand	2010/11				2011/12	2012/13
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	227 506	213 649	1 970	11 887	249 892	276 260
Communications	30 036	29 976	-	60	32 863	37 619
Executive Coordination	465 071	94 830	369 973	268	489 401	496 628
<b>Subtotal</b>	<b>722 613</b>	<b>338 455</b>	<b>371 943</b>	<b>12 215</b>	<b>772 156</b>	<b>810 507</b>
<b>Direct charge against the National Revenue Fund</b>						
Salary of the president	2 394	2 394	-	-	2 531	2 658
Salary of the deputy president	2 156	2 156	-	-	2 279	2 393
<b>Total expenditure estimates</b>	<b>727 163</b>	<b>343 005</b>	<b>371 943</b>	<b>12 215</b>	<b>776 966</b>	<b>815 558</b>

Executive authority	Minister in the Presidency: Performance 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 booklets for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). They provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers, public entities and lower level institutional information.*

### Aim

*The aim of the Presidency is to lead, manage and develop the strategic agenda of government and oversee and ensure its realisation by government as a whole.*

### Programme purposes

#### Programme 1: Administration

**Purpose:** Effective leadership, management and administrative support services to the principals and branches of the Presidency.

#### Programme 2: Communications

**Purpose:** Comprehensive communications, research, knowledge and information management service to enable the Presidency to communicate effectively with all its stakeholders, including the public and government.

#### Programme 3: Executive Coordination

**Purpose:** Strengthen the strategic management and leadership capability of government by aligning the strategies of all spheres of government and state owned enterprises.

### Strategic overview: 2006/07 – 2012/13

The main focus of the Presidency over the medium term is to ensure that government is efficient and geared to attaining its strategic priorities.

## Two new ministries

Government has recognised the lack of integrated and aligned national planning and programmes across the three spheres. In response, the Presidency has established two new ministries, the National Planning Commission and the Ministry of Performance Management and Evaluation.

### National planning

The National Planning Commission will be instituted in 2010 and will be responsible for developing a long term strategic plan and ensuring a common perspective on government's policy agenda, and for facilitating discussions on reaching South Africa's development goals in the medium to long term. The commission's work will be driven by South Africa's long term national strategic plan, commonly known as Vision 2025, which sets the national agenda and specifies how to achieve national goals and aspirations.

### Monitoring and evaluation

Monitoring and evaluation activities enable government to reflect on the impact and effectiveness of policy choices and programme targets. In 2005, Cabinet approved an implementation plan to develop a monitoring and evaluation system across all national government departments, with the Presidency responsible for facilitating the implementation of the government wide monitoring and evaluation system and promoting the use of appropriate performance indicators to measure delivery. This function has been boosted by the new ministry, which will be responsible for monitoring the implementation of government strategy and programmes, and evaluating government performance, reporting, and facilitating the president's interaction with political principals. The Presidency will build a government wide monitoring and evaluation system and provide leadership on coordination and monitoring and evaluation policies. This function is designed to improve the quality of government services and help to remove obstacles to implementation.

### Evolved and improved planning instruments

South Africa's planning system has evolved and improved since 1994 and now embodies a variety of planning instruments. The medium term strategic framework sets government's medium term strategic objectives. Government's electoral mandate constitutes the fundamental core of the framework and is reviewed annually to respond to local and international change. The medium term strategic framework and the annual reviews inform the three-year medium term expenditure framework and provide the basis for government's annual programme of action, as well as the planning and budgeting decisions made throughout government. The strategic framework also ensures that budgetary allocations reflect government's strategic priorities. The ministers' committee on the budget plays an important role in ensuring that allocations are aligned with government's priorities.

### Current priorities

The Presidency will take a leadership role in accelerating economic growth, ensuring that planned infrastructure projects are implemented, and developing and implementing an integrated approach to rural development. Other priorities include: positioning South Africa globally; strengthening South Africa's skills and education base; improving the health profile of all South Africans, including through a national health insurance scheme and improving health care services; improving the capacity and efficiency of the criminal justice system; promoting nation building and social cohesion; promoting regional integration and peace and security; ensuring that government's 2010 FIFA World Cup commitments are implemented and that South Africa is well marketed beyond the event; and encouraging sustainable development and the use of alternative energy.

### Improved communication channels

The Presidency is improving communication channels with its stakeholders and the media, and with the public through the new presidential hotline.

### New structures

The functions of the *Gender, Disability and Children* subprogramme in *Executive Coordination* were shifted to the new Ministry for Women, Children and People with Disabilities, established after the 2009 elections. This new ministry will consolidate, institutionalise and drive government's equity, equality and empowerment agenda on women, children and persons with disabilities, especially in rural and poor communities.

The National Youth Commission in the Presidency and the Umsobomvu Youth Fund in the Department of Labour have been dissolved and amalgamated into the new National Youth Development Agency.

## Savings and cost effective service delivery

The Presidency's expenditure review has resulted in projected cost reductions of R19.9 million in 2010/11, R22.4 million in 2011/12 and R10.1 million in 2012/13. Projected expenditure on goods and services is reduced by 14.2 per cent, 15.7 per cent and 7.5 per cent and transfers and subsidies are reduced by R1 million in each year over the MTEF period. Savings in goods and services have been advertising in advertising, bursaries, catering, communication, contractors, legal costs, stationery and printing, travel and subsistence, and venues and facilities across all programmes.

## Selected performance indicators

Table 1.1 The Presidency

Indicator	Programme	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Number of new districts' integrated development plans aligned with the national spatial development perspective and provincial growth and development plans	Executive Coordination	13	10	15	14	-	-	-
Number of households surveyed on income, consumption and expenditure in the national income dynamic survey per year	Executive Coordination	-	8000	7305	8000	9600	0	12000
Number of research reports per year	Executive Coordination	-	-	-	-	-	1	1

## Expenditure estimates

Table 1.2 The Presidency

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
R thousand								
1. Administration	157 962	162 186	213 013	240 728	240 728	227 506	249 892	276 260
2. Communications	14 106	16 195	20 522	35 630	32 630	30 036	32 863	37 619
3. Executive Coordination	52 314	473 024	78 857	418 438	418 438	465 071	489 401	496 628
<b>Subtotal</b>	<b>224 382</b>	<b>651 405</b>	<b>312 392</b>	<b>694 796</b>	<b>691 796</b>	<b>722 613</b>	<b>772 156</b>	<b>810 507</b>
<b>Direct charge against the National Revenue Fund</b>	<b>2 154</b>	<b>2 316</b>	<b>3 999</b>	<b>4 284</b>	<b>4 284</b>	<b>4 550</b>	<b>4 810</b>	<b>5 051</b>
Salary of the president	1 181	1 270	2 107	2 254	2 254	2 394	2 531	2 658
Salary of the deputy president	973	1 046	1 892	2 030	2 030	2 156	2 279	2 393
<b>Total</b>	<b>226 536</b>	<b>653 721</b>	<b>316 391</b>	<b>699 080</b>	<b>696 080</b>	<b>727 163</b>	<b>776 966</b>	<b>815 558</b>
Change to 2009 Budget estimate				377 644	374 644	392 180	422 409	464 272

Table 1.2 The Presidency (continued)

R thousand	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
<b>Economic classification</b>								
<b>Current payments</b>	<b>191 448</b>	<b>223 986</b>	<b>273 942</b>	<b>353 975</b>	<b>350 975</b>	<b>343 005</b>	<b>380 389</b>	<b>399 101</b>
Compensation of employees	100 504	118 688	144 345	187 448	184 448	218 135	242 394	258 221
Goods and services	90 944	105 298	129 597	166 527	166 527	124 870	137 995	140 880
<i>of which:</i>								
<i>Administrative fees</i>	64	128	93	2 213	2 213	281	329	356
<i>Advertising</i>	1 455	1 224	1 380	4 496	4 496	1 556	1 822	1 977
<i>Assets less than the capitalisation threshold</i>	2 237	2 619	4 069	3 993	3 993	5 085	3 014	3 268
<i>Audit cost: External</i>	1 115	777	1 616	1 332	1 332	969	1 135	1 232
<i>Bursaries: Employees</i>	1 459	2 251	1 334	1 525	1 525	1 693	2 001	2 170
<i>Catering: Departmental activities</i>	2 778	3 576	3 176	5 518	5 518	3 757	4 336	4 586
<i>Communication</i>	9 423	10 599	11 799	13 427	13 427	9 681	11 443	12 304
<i>Computer services</i>	2 000	2 015	4 891	8 885	8 885	7 791	11 758	13 469
<i>Consultants and professional services: Business and advisory services</i>	7 047	1 426	9 504	45 543	45 543	25 640	22 762	15 003
<i>Consultants and professional services: Legal costs</i>	471	445	10 131	12 612	12 612	6 956	9 139	9 397
<i>Contractors</i>	1 481	3 064	1 988	3 977	3 977	3 814	3 506	3 753
<i>Agency and support / outsourced services</i>	6 281	26 868	13 896	1 306	1 306	6 076	9 185	9 837
<i>Entertainment</i>	-	-	51	97	97	366	433	468
<i>Inventory: Food and food supplies</i>	842	1 006	1 060	1 307	1 307	998	1 167	1 434
<i>Inventory: Other consumables</i>	372	394	1 417	1 420	1 420	430	504	714
<i>Inventory: Stationery and printing</i>	3 500	3 104	3 549	2 561	2 561	2 693	3 119	3 586
<i>Lease payments</i>	2 597	3 038	3 883	3 427	3 427	3 669	4 275	4 633
<i>Transport provided: Departmental activity</i>	-	-	-	197	197	158	183	199
<i>Travel and subsistence</i>	36 415	36 958	46 645	44 259	44 259	36 280	41 070	43 836
<i>Training and development</i>	-	-	-	52	52	669	764	997
<i>Operating expenditure</i>	4 335	3 462	2 828	4 906	4 906	5 051	4 478	5 954
<i>Venues and facilities</i>	7 072	2 344	6 287	3 474	3 474	1 257	1 572	1 707
<b>Transfers and subsidies</b>	<b>27 790</b>	<b>425 057</b>	<b>35 634</b>	<b>334 377</b>	<b>334 377</b>	<b>371 943</b>	<b>387 823</b>	<b>407 265</b>
Provinces and municipalities	78	2	2	-	-	-	-	-
Departmental agencies and accounts	23 228	424 614	33 413	331 904	331 904	371 943	387 823	407 265
Public corporations and private enterprises	3 101	-	-	-	-	-	-	-
Non-profit institutions	440	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>7 163</b>	<b>4 678</b>	<b>6 815</b>	<b>10 728</b>	<b>10 728</b>	<b>12 215</b>	<b>8 754</b>	<b>9 192</b>
Machinery and equipment	7 163	4 678	6 815	10 728	10 728	12 215	8 754	9 192
Payments for financial assets	135	-	-	-	-	-	-	-
<b>Total</b>	<b>226 536</b>	<b>653 721</b>	<b>316 391</b>	<b>699 080</b>	<b>696 080</b>	<b>727 163</b>	<b>776 966</b>	<b>815 558</b>

## Expenditure trends

Between 2006/07 and 2009/10, total expenditure increased from R226.5 million to R699.1 million at an average annual rate of 45.6 per cent. This accommodates the increase in compensation of employees and goods and services, mainly due to changes to the departmental structure and the increase in the number of ministers and support staff. Between 2006/07 and 2009/10, spending on transfers and subsidies increased at an average annual rate of 129.1 per cent due to the merger of the Umsobomvu Youth Fund and the National Youth Commission to form the National Youth Development Agency. Over the MTEF period, expenditure is projected to increase to R815.6 million in 2012/13 at an average annual rate of 5.4 per cent.

The 2010 Budget provides additional funds of R105.6 million in 2010/11, R131.5 million in 2011/12 and R147.1 million in 2012/13 for: administration capacity, advisers to political principals and office equipment for the Presidency (R30 million); the National Planning Commission (R20 million); the Ministry of Performance Management and Evaluation (R30 million); and salary adjustments (R5.6 million).

Spending over the MTEF period focuses on the integration and implementation of the programmes of the National Planning Commission and the Ministry of Performance Management and Evaluation.

## Departmental receipts

Departmental receipts consist mainly of recovered advances and debts, and from renting out state property. The increase in revenue in 2006/07 is due to the sale of official vehicles.

Table 1.3 Departmental receipts

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
<b>Departmental receipts</b>	<b>1 738</b>	<b>289</b>	<b>233</b>	<b>502</b>	<b>502</b>	<b>311</b>	<b>331</b>	<b>337</b>
Sales of goods and services produced by department	76	99	131	102	102	252	266	279
Sales of scrap, waste, arms and other used current goods	4	5	1	-	-	-	-	-
Interest, dividends and rent on land	4	19	4	10	10	16	19	13
Sales of capital assets	1 076	32	-	240	240	-	-	-
Transactions in financial assets and liabilities	578	134	97	150	150	43	46	45
<b>Total</b>	<b>1 738</b>	<b>289</b>	<b>233</b>	<b>502</b>	<b>502</b>	<b>311</b>	<b>331</b>	<b>337</b>

## Programme 1: Administration

### Expenditure estimates

Table 1.4 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Minister <sup>1</sup>	885	951	2 764	3 321	3 423	3 612	3 792
Management	105 463	114 031	145 875	164 270	159 975	172 027	184 079
Support Services to President	38 591	31 875	44 825	51 190	49 572	57 884	69 700
Support Services to Deputy President	13 023	15 329	19 549	21 947	14 536	16 369	18 689
<b>Total</b>	<b>157 962</b>	<b>162 186</b>	<b>213 013</b>	<b>240 728</b>	<b>227 506</b>	<b>249 892</b>	<b>276 260</b>
Change to 2009 Budget estimate				50 242	26 123	38 549	54 350

1. From 2008/09, the current payments relating to the total remuneration package of political office bearers are shown, before this, only salary and car allowance are included. Administrative and other subprogramme expenditure may in addition include payments for capital assets as well as transfers and subsidies.

#### Economic classification

<b>Current payments</b>	<b>142 457</b>	<b>153 394</b>	<b>200 390</b>	<b>225 128</b>	<b>213 649</b>	<b>239 431</b>	<b>265 225</b>
Compensation of employees	71 473	81 650	98 280	123 073	136 037	150 878	159 977
Goods and services	70 984	71 744	102 110	102 055	77 612	88 553	105 248
<i>of which:</i>							
<i>Administrative fees</i>	<i>64</i>	<i>128</i>	<i>82</i>	<i>2 213</i>	<i>281</i>	<i>329</i>	<i>356</i>
<i>Advertising</i>	<i>1 455</i>	<i>954</i>	<i>1 165</i>	<i>4 036</i>	<i>1 494</i>	<i>1 751</i>	<i>1 900</i>
<i>Assets less than the capitalisation threshold</i>	<i>2 121</i>	<i>2 500</i>	<i>3 738</i>	<i>3 502</i>	<i>4 885</i>	<i>2 796</i>	<i>3 031</i>
<i>Audit cost: External</i>	<i>1 115</i>	<i>777</i>	<i>1 616</i>	<i>1 320</i>	<i>969</i>	<i>1 135</i>	<i>1 232</i>

Table 1.4 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
<b>Economic classification</b>							
<b>Current payments</b>	<b>142 457</b>	<b>153 394</b>	<b>200 390</b>	<b>225 128</b>	<b>213 649</b>	<b>239 431</b>	<b>265 225</b>
<i>Bursaries: Employees</i>	1 296	1 808	1 454	1 176	1 374	1 612	1 749
<i>Catering: Departmental activities</i>	1 826	2 501	1 319	3 833	2 459	2 833	3 000
<i>Communication</i>	8 502	9 684	10 437	11 146	8 290	9 796	10 466
<i>Computer services</i>	1 981	2 015	4 627	4 760	6 096	9 501	11 009
<i>Consultants and professional services: Business and advisory services</i>	2 046	1 291	2 034	6 538	3 666	1 401	10 750
<i>Consultants and professional services: Legal costs</i>	471	445	10 131	12 591	6 956	9 139	9 397
<i>Contractors</i>	1 346	2 997	1 943	3 655	3 389	2 976	3 167
<i>Agency and support / outsourced services</i>	5 349	9 164	11 632	1 185	5 176	8 105	8 574
<i>Entertainment</i>	-	-	51	-	195	230	248
<i>Inventory: Food and food supplies</i>	842	1 006	1 059	1 267	960	1 125	1 388
<i>Inventory: Other consumables</i>	368	393	1 408	1 414	424	497	706
<i>Inventory: Stationery and printing</i>	2 601	2 151	2 470	1 444	1 867	2 189	2 525
<i>Lease payments</i>	1 921	1 689	2 253	1 713	2 346	2 736	2 964
<i>Transport provided: Departmental activity</i>	-	-	-	189	158	183	199
<i>Travel and subsistence</i>	28 351	28 609	38 234	34 674	23 310	26 324	28 193
<i>Training and development</i>	-	-	-	37	490	572	790
<i>Operating expenditure</i>	2 844	2 025	1 529	2 784	1 700	1 991	2 160
<i>Venues and facilities</i>	6 481	1 607	4 928	2 574	1 127	1 332	1 444
<b>Transfers and subsidies</b>	<b>8 543</b>	<b>4 443</b>	<b>6 221</b>	<b>5 306</b>	<b>1 970</b>	<b>1 970</b>	<b>2 119</b>
Provinces and municipalities	59	2	2	-	-	-	-
Departmental agencies and accounts	4 000	4 000	4 000	2 979	1 970	1 970	2 119
Public corporations and private enterprises	3 101	-	-	-	-	-	-
Non-profit institutions	440	-	-	-	-	-	-
Households	943	441	2 219	2 327	-	-	-
<b>Payments for capital assets</b>	<b>6 884</b>	<b>4 349</b>	<b>6 402</b>	<b>10 294</b>	<b>11 887</b>	<b>8 491</b>	<b>8 916</b>
Machinery and equipment	6 884	4 349	6 402	10 294	11 887	8 491	8 916
<b>Payments for financial assets</b>	<b>78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>157 962</b>	<b>162 186</b>	<b>213 013</b>	<b>240 728</b>	<b>227 506</b>	<b>249 892</b>	<b>276 260</b>

## Details of transfers and subsidies

<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	<b>59</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Regional Service Council levies	59	2	2	-	-	-	-
<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	<b>4 000</b>	<b>4 000</b>	<b>4 000</b>	<b>2 979</b>	<b>1 970</b>	<b>1 970</b>	<b>2 119</b>
South African Chapter of the African Renaissance	1 000	1 000	1 000	-	-	-	-
Isigodlo Trust	3 000	3 000	3 000	2 979	1 970	1 970	2 119

Table 1.4 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	3 101	-	-	-	-	-	-
Development Bank of Southern Africa	3 101	-	-	-	-	-	-
Public corporations and private enterprises							
Non-profit institutions							
Current	440	-	-	-	-	-	-
Centre for African Renaissance Studies	440	-	-	-	-	-	-
Households							
Social benefits							
Current	943	441	2 219	2 327	-	-	-
Leave gratuity	943	441	2 219	2 327	-	-	-

## Expenditure trends

Expenditure in the *Administration* programme increased from R158 million in 2006/07 to R240.7 million in 2009/10 at an average annual rate of 15.1 per cent. Growth over the medium term slows to an average annual rate of 4.7 per cent. Strong growth between 2006/07 and 2009/10 was mainly due to funds allocated in 2009/10 for additional capacity to support the new ministries and principals. The *Support Services to the President* subprogramme grew at an average annual rate of 9.9 per cent between 2006/07 and 2009/10. The strong growth of 40.6 per cent in 2009/10 is mainly due to the additional minister and the increase in capacity to support the minister. Spending by the *Management* subprogramme over the medium term is expected to grow at an average annual rate of 3.9 per cent, mainly due to the increase in operational costs to support the new principals and ministries.

## Programme 2: Communications

- *Communications* provides communication services to the Presidency by assisting the president and the other principals to communicate effectively with the public and within government. This is done through research, speech writing, media liaison and the imbizo programmes.
- The programme is structured around the following functions:
  - research, drafting, speech writing, monitoring external communication, and writing services
  - media liaison: communication support to the principals and external stakeholders on behalf of the Presidency
  - public participation and public relations: management of public participation programmes such as imbizos; public relations services; and support for outreach events, including coordinating visits by the public to the Presidency; and events management
  - internal communication services: branding the Presidency and providing information services to the Presidency staff and the public, including: the Presidency newsletter, the annual report, the intranet, the Presidency website, and library, and information management services
  - public liaison (presidential hotline): providing an appeal mechanism for citizens whose complaints have not been attended to satisfactorily by other spheres of government or departments.

Funding in all subprogrammes is mainly used for compensation of employees, and related expenditure in goods and services.

## Objectives and measures

- Ensure full compliance with the Promotion of Access to Information Act (2000) and its amendments by publishing it on the Presidency website by the end of February 2010.
- Improve the effectiveness of the presidential hotline by:
  - making hotline reports available to all directors-general and following up on backlogs on a monthly basis in accordance with targets agreed by Cabinet
  - publishing monthly reports for Cabinet.
- Increase the reach of the Presidency beyond traditional target audiences by establishing a presence in new media platforms, specifically Facebook, Twitter and mobile technology.
- Improve relations with the media through regular media briefings at the Union Buildings with 1 principal addressing at least 1 briefing per month on an ongoing basis.
- Improve the outreach of the principals by identifying and facilitating more platforms, with each principal addressing at least 2 per year.
- Improve national identity by improving the media profile and visibility of the national orders each year by at least 10 per cent of the coverage received in the preceding year.
- Highlight the role of the principals in international affairs by improving their annual media coverage each year by at least 15 per cent of the coverage received in the preceding year.

## Service delivery focus

In 2009/10, the Presidency continued to facilitate direct communication between political principals and the public through imbizos. Several sectoral meetings were held with school principals, religious leaders, mayors and municipal managers, and members of the police force. These meetings, apart from those with religious leaders, have emphasised the new administration's service delivery expectations. In addition to drafting and writing principals' speeches, the *Communications* programme has compiled reports of all public and sectoral meetings that principals have engaged in since they came into office. An important project was compiling profiles of the recipients of national orders.

Media relations have improved since the president met executives and editors of the three major media houses. Other principals within the Presidency have also been more open with the media; for example the deputy president addressed the Cape Town Press Club in September 2009 and the Minister of the National Planning Commission invited the media to a briefing on the commission.

Launched in 2009/10, the presidential hotline is an appeal mechanism for citizens whose complaints have not been attended to satisfactorily by other spheres of government or departments. The hotline is housed in a public liaison unit and staffed by 21 full time personnel and 40 call centre agents employed by the State Information Technology Agency. This service has enabled hundreds of people to have problems attended to and resolved, and has set a new trend in citizen care.

## Expenditure estimates

Table 1.5 Communications

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09		2010/11	2011/12	2012/13
R thousand				2009/10			
Communications	14 106	16 195	20 522	35 630	30 036	32 863	37 619
<b>Total</b>	<b>14 106</b>	<b>16 195</b>	<b>20 522</b>	<b>35 630</b>	<b>30 036</b>	<b>32 863</b>	<b>37 619</b>
Change to 2009 Budget estimate				11 332	4 430	5 732	9 131

Table 1.5 Communications (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
<b>Economic classification</b>							
<b>Current payments</b>	<b>14 037</b>	<b>16 100</b>	<b>20 422</b>	<b>35 560</b>	<b>29 976</b>	<b>32 799</b>	<b>37 552</b>
Compensation of employees	7 323	10 025	11 944	22 708	21 527	23 509	24 664
Goods and services	6 714	6 075	8 478	12 852	8 449	9 290	12 888
<i>of which:</i>							
<i>Administrative fees</i>	–	–	11	–	–	–	–
<i>Advertising</i>	–	236	205	430	40	43	47
<i>Assets less than the capitalisation threshold</i>	24	81	54	142	149	158	172
<i>Audit cost: External</i>	–	–	–	12	–	–	–
<i>Bursaries: Employees</i>	38	27	40	–	–	–	–
<i>Catering: Departmental activities</i>	70	161	547	495	271	284	298
<i>Communication</i>	437	267	674	1 341	351	353	383
<i>Computer services</i>	19	–	264	4 055	1 622	2 172	2 367
<i>Consultants and professional services: Business and advisory services</i>	–	95	–	474	406	430	3 327
<i>Consultants and professional services: Legal costs</i>	–	–	–	21	–	–	–
<i>Contractors</i>	128	5	2	122	78	83	90
<i>Agency and support / outsourced services</i>	699	930	1 597	21	–	–	–
<i>Entertainment</i>	–	–	–	–	67	71	77
<i>Inventory: Food and food supplies</i>	–	–	–	31	29	31	34
<i>Inventory: Other consumables</i>	2	–	4	–	–	–	–
<i>Inventory: Stationery and printing</i>	431	512	385	116	31	32	35
<i>Lease payments</i>	76	95	139	144	197	209	226
<i>Transport provided: Departmental activity</i>	–	–	–	8	–	–	–
<i>Travel and subsistence</i>	3 517	2 541	3 311	3 740	3 598	3 717	3 982
<i>Training and development</i>	–	–	–	–	163	174	187
<i>Operating expenditure</i>	1 152	883	831	1 470	1 393	1 476	1 601
<i>Venues and facilities</i>	121	242	414	230	54	57	62
<b>Transfers and subsidies</b>	<b>5</b>	<b>–</b>	<b>–</b>	<b>13</b>	<b>–</b>	<b>–</b>	<b>–</b>
Provinces and municipalities	5	–	–	–	–	–	–
Households	–	–	–	13	–	–	–
<b>Payments for capital assets</b>	<b>31</b>	<b>95</b>	<b>100</b>	<b>57</b>	<b>60</b>	<b>64</b>	<b>67</b>
Machinery and equipment	31	95	100	57	60	64	67
<b>Payments for financial assets</b>	<b>33</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>14 106</b>	<b>16 195</b>	<b>20 522</b>	<b>35 630</b>	<b>30 036</b>	<b>32 863</b>	<b>37 619</b>

## Details of transfers and subsidies

<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
Current	5	–	–	–	–	–	–
Regional Service Council levies	5	–	–	–	–	–	–
<b>Households</b>							
<b>Social benefits</b>							
Current	–	–	–	13	–	–	–
Leave gratuities	–	–	–	13	–	–	–

## Expenditure trends

Expenditure increased at an average annual rate of 36.2 per cent from R14.1 million in 2006/07 to R35.6 million in 2009/10, due to the expansion of the *Communications* subprogramme with a 2009 adjustment allocation for the presidential hotline.

Spending over the medium term focuses on responding to growing communication responsibilities.

## Programme 3: Executive Coordination

- *Policy Coordination* is responsible for: overseeing the development and implementation of policy in government through engaging with clusters of directors-general and other top officials; providing strategic support and advice to principals in the Presidency; and overseeing the government wide monitoring and evaluation system and the national spatial development perspective. *Policy Coordination* is in the process of expanding its responsibilities with the creation of the new *National Planning Commission* and *Performance, Monitoring and Evaluation* subprogrammes.
- *Cabinet Office* facilitates Cabinet processes and ensures that Cabinet can operate effectively. This includes managing documentation and meetings, providing quality control services, and monitoring the implementation of cabinet decisions
- *National Youth Development Agency* transfers funds to the National Youth Development Agency which initiates, implements, facilitates and monitors youth development interventions aimed at reducing youth unemployment and promoting social cohesion. This new subprogramme was established due to the merging of the National Youth Commission and the Umsobomvu Youth Fund to create the National Youth Development Agency.

Funding in all subprogrammes is mainly used for compensation of employees, and related expenditure in goods and services.

## Objectives and measures

- Provide clear and consistent policies in pursuit of government's developmental objectives of reducing poverty and inequality and creating a non-racial society by:
  - developing a long term national strategic plan and ensuring a common perspective on government's policy agenda for the future, taking into account major long term and spatial trends and dynamics
  - developing spatial guidelines for spatial planning and territorial development as a common reference point for interpreting spatial realities and the implications for government intervention and private sector activity
  - producing a medium term strategic framework and annual programmes of action consistent with the department's long term vision and electoral mandate
  - aligning policy development horizontally and vertically while specifying activities, inputs, outputs and outcomes.
- Operationalise planning capacity at the centre of government by developing a long term development vision and a roadmap within 18 months.
- Improve government planning and policy making by reviewing and updating the medium term strategic framework every year to include outcomes, interventions and progress.
- Introduce and support government wide outcomes based performance management systems and translate these measures into a performance letter from the president to the relevant minister, groups of ministers, and ministers and members of the executive council for each sector.
- Report on government's programme of action by leading a coordinated government wide monitoring and evaluation system and publishing a standardised set of development indicators every year.
- Strengthen the leading role of the Presidency in global governance, bilateral and multilateral relations, South-South cooperation, and the implementation of the African Agenda by engaging in international forums.

- Ensure the sustainable absorption of the unemployed into economic activity by supporting the development of a policy document on a new growth path over the MTEF period.

## Service delivery focus

The lack of a national long term strategic plan has weakened government's ability to provide clear and consistent policies, limited its capacity to mobilise society in pursuit of developmental objectives, and hampered efforts to prioritise resource allocations and drive the implementation of government's objectives and priorities. In addition, weaknesses in the coordination of government have led to policy inconsistencies and, in several cases, poor service delivery. Government will rectify these weaknesses by working with all social partners to mobilise society in pursuit of objectives that are broadly accepted and enshrined in the Constitution. There will be more focus on planning and more attention to coordination, and related interventions aimed at remedying what has not worked. The Presidency has proposed a series of special reports on key issues that influence planning in light of concerns about the effectiveness of current policies and programmes. The annual programme of action will remain an important planning tool, but will focus more on measurable objectives. The medium term strategic framework will also give more attention to measurable objectives and timetables.

Progress with implementing the government wide monitoring and evaluation system includes re-establishing the monitoring and evaluation task team and creating a coordinated policy platform for monitoring and evaluation across government on an ongoing basis. The Presidency publishes annual development indicators aimed at providing an assessment of the progress made by South African society.

## Expenditure estimates

Table 1.6 Executive Coordination

Subprogramme	Audited outcome			Adjusted appropriation 2009/10	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09		2010/11	2011/12	2012/13
R thousand							
Policy Coordination	23 045	40 339	36 286	76 628	82 803	90 537	77 006
Cabinet Office	10 041	12 071	13 158	12 885	12 295	13 011	14 476
National Youth Development Agency	19 228	420 614	29 413	328 925	369 973	385 853	405 146
<b>Total</b>	<b>52 314</b>	<b>473 024</b>	<b>78 857</b>	<b>418 438</b>	<b>465 071</b>	<b>489 401</b>	<b>496 628</b>
Change to 2009 Budget estimate				316 070	361 627	378 128	400 791

### Economic classification

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
<b>Current payments</b>	<b>32 800</b>	<b>52 176</b>	<b>49 131</b>	<b>89 003</b>	<b>94 830</b>	<b>103 349</b>	<b>91 273</b>
Compensation of employees	19 554	24 697	30 122	37 383	56 021	63 197	68 529
Goods and services	13 246	27 479	19 009	51 620	38 809	40 152	22 744
<i>of which:</i>							
Advertising	–	34	10	30	22	28	30
Assets less than the capitalisation threshold	92	38	277	349	51	60	65
Bursaries: Employees	123	416	(160)	347	319	389	421
Catering: Departmental activities	882	914	1 310	1 190	1 027	1 219	1 288
Communication	484	648	688	938	1 040	1 294	1 455
Computer services	–	–	–	70	73	85	93
Consultants and professional services: Business and advisory services	5 001	40	7 470	38 531	21 568	20 931	926
Contractors	5	62	43	200	347	447	496
Agency and support / outsourced services	233	16 774	667	100	900	1 080	1 263
Entertainment	–	–	–	97	104	132	143
Inventory: Food and food supplies	–	–	1	9	9	11	12
Inventory: Other consumables	2	1	5	6	6	7	8
Inventory: Stationery and printing	468	441	694	1 001	795	898	1 026
Lease payments	600	1 254	1 491	1 570	1 126	1 330	1 443

Table 1.6 Executive Coordination (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
<b>Economic classification</b>							
<i>Travel and subsistence</i>	4 547	5 808	5 100	5 845	9 372	11 029	11 661
<i>Training and development</i>	–	–	–	15	16	18	20
<i>Operating expenditure</i>	339	554	466	652	1 958	1 011	2 193
<i>Venues and facilities</i>	470	495	945	670	76	183	201
<b>Transfers and subsidies</b>	<b>19 242</b>	<b>420 614</b>	<b>29 413</b>	<b>329 058</b>	<b>369 973</b>	<b>385 853</b>	<b>405 146</b>
Provinces and municipalities	14	–	–	–	–	–	–
Departmental agencies and accounts	19 228	420 614	29 413	328 925	369 973	385 853	405 146
Households	–	–	–	133	–	–	–
<b>Payments for capital assets</b>	<b>248</b>	<b>234</b>	<b>313</b>	<b>377</b>	<b>268</b>	<b>199</b>	<b>209</b>
Machinery and equipment	248	234	313	377	268	199	209
<b>Payments for financial assets</b>	<b>24</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>52 314</b>	<b>473 024</b>	<b>78 857</b>	<b>418 438</b>	<b>465 071</b>	<b>489 401</b>	<b>496 628</b>
<b>Details of transfers and subsidies</b>							
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
Current	14	–	–	–	–	–	–
Regional Service Council levies	14	–	–	–	–	–	–
<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
Current	19 228	420 614	29 413	328 925	369 973	385 853	405 146
National Youth Development Agency	19 228	420 614	29 413	328 925	369 973	385 853	405 146
<b>Households</b>							
<b>Social benefits</b>							
Current	–	–	–	133	–	–	–
Leave Gratuity	–	–	–	133	–	–	–

## Expenditure trends

Expenditure in the Executive Coordination programme increased at an average annual rate of 100 per cent from R52.3 million in 2006/07 to R418.4 million in 2009/10, with projected growth over the MTEF period at an average annual rate of 5.9 per cent to reach R496.6 million in 2012/13. The growth between 2006/07 and 2009/10 provided funding for policy coordination and the national income dynamics survey. The National Planning Commission and the Ministry of Performance Management and Evaluation are new and have impacted on the growth of expenditure in this programme. Expenditure for the Ministry of Performance Monitoring and Evaluation will be frontloaded and additional funding was made available through the 2009 adjustments budget. Funding for this ministry over the MTEF period has been set at R30 million, R35 million and R40 million.

Between 2006/07 and 2009/10, spending on transfers and subsidies grew at an average annual rate of 157.7 per cent due to the merger of the Umsobomvu Youth Fund and the National Youth Commission to form the National Youth Development Agency.

Spending over the medium term focuses on the operationalisation of the new ministries.

## Public entity

### National Youth Development Agency

Strategic overview: 2006/07 – 2012/13

The National Youth Development Agency was established in terms of the National Youth Development Agency Act (2008) through the merger of the National Youth Commission and the Umsobomvu Youth Fund. All activities, assets and liabilities, and staff of both organisations have been absorbed into the agency. Launched in June 2009, the agency will facilitate the mainstreaming of youth development activities at national, provincial and local levels, and the regulation of all youth development activities in South Africa. Apart from the National Youth Development Agency Act (2008), the agency derives its mandate from the national youth policy for 2009–2014 and the 2006 draft integrated youth development strategy.

The agency involves young people in the national youth service programme, where they contribute to community development through community service and volunteer programmes. The agency also intends to enrol 30 000 youth in a matric rewrite programme. The agency is focusing on expanding support for entrepreneurial activity to promote employment and self employment. Rural development, with the focus on agrarian reform and food security, is a key national imperative, to which the agency is responding through its cooperatives portfolio. In 2009/10, the agency provided business and development support to 60 cooperatives. Through its policy lobby and advocacy programme, the agency is in a position to foreground the youth development agenda and oversee the mainstreaming and integration of youth development within and outside of government.

#### Savings and cost effective service delivery

A budget review process was conducted as the agency's response to the current global and domestic economic downturn, and areas of cost savings were identified. These included efficient human resource management and the involvement of the private and public sectors in delivering youth development programmes. The budget review exercise resulted in savings of R77.9 million for 2010/11 from the 2009/10 baseline. These are made up of R4.8 million from human resource management, R63.1 million from good and services, and R10.1 million from support costs.

#### Selected performance indicators

Table 1.7 National Youth Development Agency

Indicator	Past			Current 2009/10	Projections		
	2006/07	2007/08	2008/09		2010/11	2011/12	2012/13
Total number of young people accessing information through youth advisory centres	566 000	486 000	546 508	1 000 000	1 100 000	1 210 000	1 331 000
Number of learners attending basic, intermediate and advanced school modules per year	29 886	44 272	55 934	35 000	38 500	42 350	46 585
Number of young people acquiring skills through national youth service projects per year	15 139	66 130	69 512	50 000	166 660	166 660	166 660
Number of unemployed graduates enrolled in training programmes to improve their skills to access employment opportunities per year	1 250	800	1 750	5 000	5 500	6 050	6 655
Number of loans issued per year	21 779	19 682	21 809	30 160	33 176	36 493	40 142
Number of jobs created or sustained through entrepreneurship programme interventions per year	19 309	41 002	27 846	56 300	61 930	68 123	74 935
Total number of youth directorates established in government departments	–	–	–	–	15	20	24

#### Service delivery focus

The National Youth Development Agency aims to improve the participation of young people in the economy through targeted and integrated programmes such as business support services, enterprise development and finance, microfinance, cooperatives and group lending. Through its education and skills development interventions, the agency aims to promote access to quality education and skills to youth who are both in and out of school. The national youth service programme will assist young people to engage in meaningful activities that benefit their communities while developing their abilities through learning and service. These include

campaigns on education, entrepreneurship, the 2010 FIFA World Cup, social dialogues, and interventions in the area of arts and culture. The agency will provide information about these activities.

The National Youth Development Agency will also contribute to the development of supportive youth policy by engaging the state, civil society and other social partners. Research and evaluation programmes will allow the agency to conduct and disseminate research that will inform youth interventions in the agency itself, and nationally.

## Expenditure estimates

Table 1.8 National Youth Development Agency: Financial information

Statement of financial performance	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
Revenue							
<b>Non-tax revenue</b>	<b>274 268</b>	<b>345 988</b>	<b>265 940</b>	<b>85 559</b>	<b>53 799</b>	<b>57 565</b>	<b>62 170</b>
Sale of goods and services other than capital assets	5 089	3 559	5 624	4 000	–	–	–
<i>of which:</i>							
<i>Admin fees</i>	5 089	3 559	5 624	4 000	–	–	–
<i>Other non-tax revenue</i>	269 179	342 429	260 316	81 559	53 799	57 565	62 170
<b>Transfers received</b>	<b>20 936</b>	<b>22 952</b>	<b>31 060</b>	<b>333 250</b>	<b>375 327</b>	<b>391 925</b>	<b>409 471</b>
<b>Total revenue</b>	<b>295 204</b>	<b>368 940</b>	<b>297 000</b>	<b>418 809</b>	<b>429 126</b>	<b>449 490</b>	<b>471 641</b>
Expenses							
<b>Current expense</b>	<b>301 732</b>	<b>386 777</b>	<b>491 735</b>	<b>506 427</b>	<b>428 242</b>	<b>448 614</b>	<b>469 900</b>
Compensation of employees	27 340	30 172	43 411	49 929	45 174	47 789	50 179
Goods and services	268 549	348 633	436 010	431 511	367 402	385 116	404 002
Depreciation	5 646	7 450	12 246	24 966	14 812	14 813	14 814
Interest, dividends and rent on land	197	522	68	20	854	897	906
<b>Transfers and subsidies</b>	<b>184</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>231</b>	<b>243</b>	<b>–</b>
<b>Total expenses</b>	<b>301 916</b>	<b>386 777</b>	<b>491 735</b>	<b>506 427</b>	<b>428 473</b>	<b>448 857</b>	<b>469 900</b>
<b>Surplus / (Deficit)</b>	<b>(6 712)</b>	<b>(17 837)</b>	<b>(194 735)</b>	<b>(87 617)</b>	<b>653</b>	<b>633</b>	<b>1 741</b>
Statement of financial position							
Carrying value of assets	20 625	33 797	46 820	52 064	59 646	44 835	30 023
<i>of which: Acquisition of assets</i>	7 918	20 561	25 349	31 377	22 394	–	–
Investments	116 007	121 781	40 079	1 797	1 797	1 797	1 797
Inventory	161	179	154	154	154	154	154
Loans	82 198	148 816	177 893	161 783	158 338	172 501	186 470
Receivables and prepayments	2 851	7 111	35 009	3 093	3 093	3 093	3 093
Cash and cash equivalents	358 168	396 315	28 890	3 978	493	1 776	4 362
<b>Total assets</b>	<b>580 010</b>	<b>707 999</b>	<b>328 845</b>	<b>222 869</b>	<b>223 522</b>	<b>224 156</b>	<b>225 898</b>
Capital and reserves	475 947	624 914	243 561	155 944	156 597	157 231	158 973
Borrowings	834	771	397	397	397	397	397
Trade and other payables	36 627	63 072	62 713	62 713	62 713	62 713	62 713
Provisions	12 703	16 202	21 840	3 481	3 481	3 481	3 481
Liabilities not classified elsewhere	53 899	3 040	334	334	334	334	334
<b>Total equity and liabilities</b>	<b>580 010</b>	<b>707 999</b>	<b>328 845</b>	<b>222 869</b>	<b>223 522</b>	<b>224 156</b>	<b>225 898</b>

## Expenditure trends

The National Youth Development Agency's main source of revenue is a transfer from the Presidency. Additional revenue is sourced from international donors. The transfer grew at an average annual rate of 45 per cent, from R19.3 million in 2006/07 to R75.8 million in 2009/10. This was mainly to fund the coordination of the national youth service programme and the dissolving and merger of the Umsobomvu Youth Fund and the National Youth Commission.

Expenditure increased from R301 million in 2006/07 to R506 million in 2009/10, due to 2008/09 project commitments that were disbursed in 2009/10 and the merger process.

The deficits from 2006/07 to 2008/09 and the projected deficit for 2009/10 resulted from higher expenditure to meet the increased demand for youth services and products. The National Youth Development Agency has adequate cash and accumulated reserves to fund these deficits.

## Additional tables

Table 1.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited	Appropriation			Revised
	Main	Adjusted	outcome	Main	Additional	Adjusted	estimate
	2008/09		2008/09	2009/10			2009/10
R thousand							
1. Administration	183 980	200 179	213 013	190 486	50 242	240 728	240 728
2. Communications	22 812	23 132	20 522	24 298	11 332	35 630	32 630
3. Executive Coordination	79 053	88 424	78 857	390 486	27 952	418 438	418 438
<b>Subtotal</b>	<b>285 845</b>	<b>311 735</b>	<b>312 392</b>	<b>605 270</b>	<b>89 526</b>	<b>694 796</b>	<b>691 796</b>
Direct charge against the National Revenue Fund	2 455	5 000	3 999	4 284	–	4 284	4 284
Salary of the president	1 346	5 000	2 107	2 254	–	2 254	2 254
Salary of the deputy president	1 109	–	1 892	2 030	–	2 030	2 030
<b>Total</b>	<b>288 300</b>	<b>316 735</b>	<b>316 391</b>	<b>609 554</b>	<b>89 526</b>	<b>699 080</b>	<b>696 080</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>252 779</b>	<b>278 693</b>	<b>273 942</b>	<b>270 227</b>	<b>83 748</b>	<b>353 975</b>	<b>350 975</b>
Compensation of employees	143 851	152 244	144 345	154 501	32 947	187 448	184 448
Goods and services	108 928	126 449	129 597	115 726	50 801	166 527	166 527
<b>Transfers and subsidies</b>	<b>28 440</b>	<b>29 465</b>	<b>35 634</b>	<b>331 904</b>	<b>2 473</b>	<b>334 377</b>	<b>334 377</b>
Provinces and municipalities	–	–	2	–	–	–	–
Departmental agencies and accounts	28 333	28 333	33 413	331 904	–	331 904	331 904
Public corporations and private enterprises	107	107	–	–	–	–	–
Households	–	1 025	2 219	–	2 473	2 473	2 473
<b>Payments for capital assets</b>	<b>7 081</b>	<b>8 577</b>	<b>6 815</b>	<b>7 423</b>	<b>3 305</b>	<b>10 728</b>	<b>10 728</b>
Machinery and equipment	6 577	8 577	6 815	7 423	3 305	10 728	10 728
Software and other intangible assets	504	–	–	–	–	–	–
<b>Total</b>	<b>288 300</b>	<b>316 735</b>	<b>316 391</b>	<b>609 554</b>	<b>89 526</b>	<b>699 080</b>	<b>696 080</b>

Table 1.B Summary of personnel numbers and compensation of employees

	Audited outcome			Adjusted	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	appropriation	2010/11	2011/12	2012/13
				2009/10			
<b>Permanent and full time contract employees</b>							
Compensation (R thousand)	98 143	113 338	140 925	186 720	217 055	241 255	257 025
Unit cost (R thousand)	222	237	275	376	341	379	404
<i>Administration</i>	194	204	246	321	256	284	301
<i>Communications</i>	305	323	254	710	384	420	440
<i>Executive Coordination</i>	268	294	331	445	644	726	–
Personnel numbers (head count)	443	479	512	497	636	636	636
<b>Part time and temporary contract employees</b>							
Compensation (R thousand)	1 971	4 840	3 060	728	–	–	–
Unit cost (R thousand)	219	242	255	243	–	–	–
Personnel numbers (head count)	9	20	12	3	–	–	–
<b>Total for department</b>							
Compensation (R thousand)	100 504	118 688	144 345	187 448	218 135	242 394	258 221
Unit cost (R thousand)	216	230	270	375	323	359	383
Personnel numbers (head count)	465	516	534	500	675	675	675

Table 1.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Compensation of employees (R thousand)	100 504	118 688	144 345	187 448	218 135	242 394	258 221
Training expenditure (R thousand)	1 477	2 296	1 414	1 874	2 181	2 424	2 582
Training as percentage of compensation	1.5%	1.9%	1.0%	1.0%	1.0%	1.0%	1.0%
Total number trained in department (head count)	197	97	93	-			
<i>of which:</i>							
<i>Employees receiving bursaries (head count)</i>	47	35	63	56			
<i>Learnerships trained (head count)</i>	11	12	11	-			
<i>Internships trained (head count)</i>	13	17	10	-			

Table 1.D Summary of departmental public private partnership (PPP) projects

Project description: National fleet project	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate			
			2009/10	2010/11	2011/12	2012/13
R thousand						
Projects signed in terms of Treasury Regulation 16	-	15 876	16 670	18 337	19 621	
PPP unitary charge <sup>1</sup>	-	15 876	16 670	18 337	19 621	
<b>Total</b>	-	<b>15 876</b>	<b>16 670</b>	<b>18 337</b>	<b>19 621</b>	

1. Phavis fleet services public private partnership. Disclosure notes for this project can be viewed in the public private partnership table of the Department of Transport's chapter.

#### Disclosure notes for projects signed in terms of Treasury Regulation 16

Project name	Phakisa World
Brief description	Phavis fleet services - Transport services
Duration of PPP agreement	5 years
Escalation index for unitary fee	n/a
Net Present Value of all payment obligations discounted at appropriate duration government bond yield	n/a
Variations / amendments to PPP agreement	n/a
Cost implications of variations/amendments	n/a
Significant contingent fiscal obligations including termination payments, guarantees, warranties and indemnities and maximum estimated value of such liabilities	n/a

Table 1.E Summary of donor funding

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
<b>Foreign In cash</b>												
European Union	Programme to support pro-poor policy development in South Africa	Executive Coordination	58 983	Goods and services	Calls for proposals finalised and grants allocated	-	132	1 838	42 692	7 160	7 161	-
Denmark	Strategy for economic development and empowerment	Executive Coordination	3 099	Goods and services	Database for unemployed persons with disabilities updated and maintained	387	978	1 004	345	-	-	-
Belgium	Office on the status of disabled persons in the economic assistance programme	Executive Coordination	553	Goods and services	Increased capacity created in terms of raising awareness of disability policies and frameworks	1 257	-	-	-	-	-	-
Sweden	Economic assistance programme in the gender, disability and children's research project	Executive Coordination	847	Goods and services	Report produced and used to assist with drafting of policies	-	-	-	-	-	-	-
Sweden	Status of disabled persons capacity building and mainstreaming	Executive Coordination	5 527	Goods and services	Implementation of white paper on the National Disability Strategy	-	-	-	-	-	-	-
<b>In kind</b>												
Belgium	Planning study	Executive Coordination	70	Goods and services	Report produced on planning systems in selected countries	-	-	-	-	-	-	-
Gesellschaft Technische Zusammenarbeit (GTZ)	National strategic development plan alignment	Executive Coordination	4 602	Goods and services	Pilot projects aimed at aligning provincial growth development strategies launched at district level	-	-	-	-	-	-	-
Gesellschaft Technische Zusammenarbeit (GTZ)	Scenarios	Executive Coordination	2 548	Goods and services	Scenarios 2005 published and presented to all relevant stakeholders	-	-	-	-	-	-	-
Gesellschaft Technische Zusammenarbeit (GTZ)	15 year review	Executive Coordination	3 641	Goods and services	Fifteen year review published and presented to all stakeholders	-	-	-	-	-	-	-
<b>Total</b>			<b>79 870</b>			<b>1 644</b>	<b>1 110</b>	<b>2 842</b>	<b>43 037</b>	<b>7 160</b>	<b>7 161</b>	<b>-</b>