

20 YEARS OF FREEDOM

EXPENDITURE

BUDGET 2014
ESTIMATES OF NATIONAL EXPENDITURE

OVERVIEW



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



Estimates of National Expenditure 2014

National Treasury

Republic of South Africa

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The Estimates of National Expenditure 2014 e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za.

Compared to the abridged version of the Estimates of National Expenditure, these publications contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included containing information on the main and adjusted appropriation, with revised spending estimates for the current financial year, on skills training, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of service delivery is also included, where appropriate.



"We know it well that none of us acting alone can achieve success. We must therefore act together as a united people, for national reconciliation, for nation building, for the birth of a new world. Let there be justice for all. Let there be peace for all. Let there be work, bread, water and salt for all. Let each know that for each the body, the mind and the soul have been freed to fulfil themselves."

UNION BUILDINGS, PRETORIA, 10 MAY 1994



national treasury

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Foreword

The national development plan, Vision 2030 of the government of South Africa, states that ‘Alongside hard work and effort, capabilities and the opportunities that flow from development enable individuals to live the lives to which they aspire.’ The 2014 Budget has been prepared in the spirit of this statement.

While the medium term expenditure framework (MTEF) contained in the 2014 Budget ushers in the new administration after the May elections, the country faces a markedly different situation from that of 2009. In 2006/07 and 2007/08, South Africa achieved budget surpluses. In 2008, however, the worldwide economic crisis meant budget deficit forecasts were inevitable. It is now clear that the recovery in real economic growth has been less robust than initially anticipated. Despite this, the economy is growing and government revenue collection is broadly on target. The 2009 Budget announced a ‘haircut’ and reprioritisation within budget baselines. At that stage, the reassignment of R19 billion comprised 12 per cent of the total monetary value of amendments to budgets made, of R160.6 billion. By contrast, the reassignment of the R19.6 billion in the 2014 Budget comprises 51 per cent of the total of R38.8 billion in amendments to budgets. The quantum of amendments to the total budget that can be made has clearly decreased substantially over time.

Despite the fiscal environment becoming increasingly constrained, National Treasury has been able to sustain the intensity of the pursuit for budget efficiencies, with most of the fiscal space for improvements to service delivery being made through reprioritisation. This will be reinforced by procurement reform and expenditure review initiatives. While the current fiscal position no longer automatically creates room by making additional funding available, progress towards our country objectives of inclusive economic growth and employment creation must be made in the face of a tough fiscal environment. Therefore the main budget non-interest aggregate expenditure ceiling established in the 2013 Budget remains intact. New priorities and the expansion of existing programmes must be achieved through reprioritisation within the existing resource envelope.

The current fiscal context is necessitating hard trade-offs: difficult choices will need to be made in choosing between spending priorities and in deciding on the sequencing of programme implementation. Given the constraints brought to bear by the expenditure ceiling, all government institutions need to manage any cost pressures that may be related to changes in the inflation rate, exchange rate or any other factors affecting input prices with great efficiency. This means that not everything that we believe must be done, can be done at once. In the reprioritisation of existing funds, certain outputs will have to be delayed, or discontinued.

The issue is what goods and services tax-payers’ monies ‘buy’. In keeping with the ongoing endeavour to improve transparency and reinforce accountability, the focus of the sections on budget programme expenditure trends within each vote in the 2014 Estimates of National Expenditure (ENE) publications has shifted, to an explanation of the interrelationship between the significant changes in spending, performance outputs and outcomes, and in personnel.

National Treasury teams have worked closely with policy and budget teams of national and provincial departments, as well as with public entities and local government, ensuring the alignment of policy developments with the national development plan and scrutinising spending trends and cost drivers, ever mindful of service delivery. Without this cooperation and commitment across government, it would not be possible to submit the credible and comprehensive institutional budgets contained in this publication. The political guidance of the Minister of Finance, his Deputy and the members of the ministers’ committee on the budget, has been indispensable to the medium term expenditure committee of accounting officers of departments at the centre of government, in its task of providing the strategic direction in formulating the budget. I thank you all for your assistance.



Lungisa Fuzile
Director-General: National Treasury

Estimates of National Expenditure Overview

**National Treasury
Republic of South Africa**



Introduction

In 1994, with the election of South Africa's first democratic government, the focus of public spending changed. There was a shift towards the development of an inclusive economy and the expansion of services to all members of society, particularly the most vulnerable and the many adversely affected by the legacy of Apartheid. The national development plan's Vision 2030 states that 'Citizens have the right to expect government to deliver certain basic services, and to hold leaders accountable for their actions'. The 2014 Budget gives credence to these imperatives.

Detailed information on budgets and their purpose presented in a transparent manner assists civil society and Parliament in enhancing their oversight roles. It is a fact that South Africa publishes budget documentation which is among the most detailed and transparent in the world. The budget publications for 2014 continue to provide comprehensive information in respect of how budget resources are generated and how institutions plan to spend these resources.

The effects of the global economic crisis that began in 2008 continue to place pressures on the South African economy, as the recovery has been less robust than initially anticipated. In order to manage these pressures and still deliver key government services, government remains committed to its counter-cyclical fiscal policy, while over time protecting its long term fiscal sustainability by consolidating spending and reducing the level of the fiscal deficit. These commitments mean that the main budget¹ non-interest² expenditure ceiling established in the 2013 Budget remains intact and that in the 2014 Budget it is mostly existing resources that are being re-allocated – to the areas where the largest developmental impact is to be achieved.

This allocation of resources in the 2014 Budget process continues to be determined by function of government. This approach to budgeting focuses on the outcome and purpose (function) for which funds will be utilised. It groups the vote programmes of different government institutions together in a way that facilitates planning, forecasting and budgeting in respect of each key government priority area. However, the Appropriation Bill tabled by the Minister of Finance, whereby approval is sought from Parliament for the executive's spending plans for the new financial year, is divided strictly according to each budget vote. As the Estimates of National Expenditure (ENE) publications constitute the explanatory memoranda to the Appropriation Bill, each chapter in the abridged ENE publication relates to a particular vote and a separate e-publication is made available for each vote. Generally, a vote specifies the total amount appropriated per national government department. In some cases a vote may contain more than one department.

The 2014 ENE publications largely retain the same layout of information as presented in previous years' publications. This allows information to be easily compared across publications and financial years. As in the past, information in the 2014 publications is presented for a seven-year period and contains details of all departmental programmes and subprogrammes. Information is presented in a similar way for the national public entities related to each department. For the first time in the ENE publications, in 2014, information on changes in finances, personnel and performance is brought together with the focus on the significant interrelationships between these changes. This discussion, in the expenditure trends sections of the budget programmes in each e-publication, allows the reader to assess the effectiveness of past, as well as of planned, spending.

¹ Main budget level expenditure refers to expenditure financed through revenue collected by national government, which is deposited in the National Revenue Fund. This differs from the consolidated government spending level, which is the basis for discussion in the Budget Review publication. Consolidated expenditure consists of main budget expenditure, as well as expenditure financed from own revenue raised by the government entities, provinces and social security funds themselves.

² Non-interest expenditure excludes expenditure incurred to pay state debt costs.

As in past publications of the ENE, when compared to the abridged version of the ENE, the ENE e-publications provide more information. E-publications include more detailed expenditure information on goods and services as well as transfers and subsidies. While the abridged version of the ENE contains one additional table at the end of each chapter showing expenditure on infrastructure, the ENE e-publications' additional tables also contain summaries of: the budgeted expenditure and revised estimate for 2013/14, and the audited outcome for 2012/13, by programme and economic classification; expenditure on training; conditional grants to provinces and municipalities; departmental public private partnerships; and donor funding. In selected cases more detailed information at the level of the site of service delivery is included. Budget information is also provided for the public entities that are simply listed in the abridged publication.

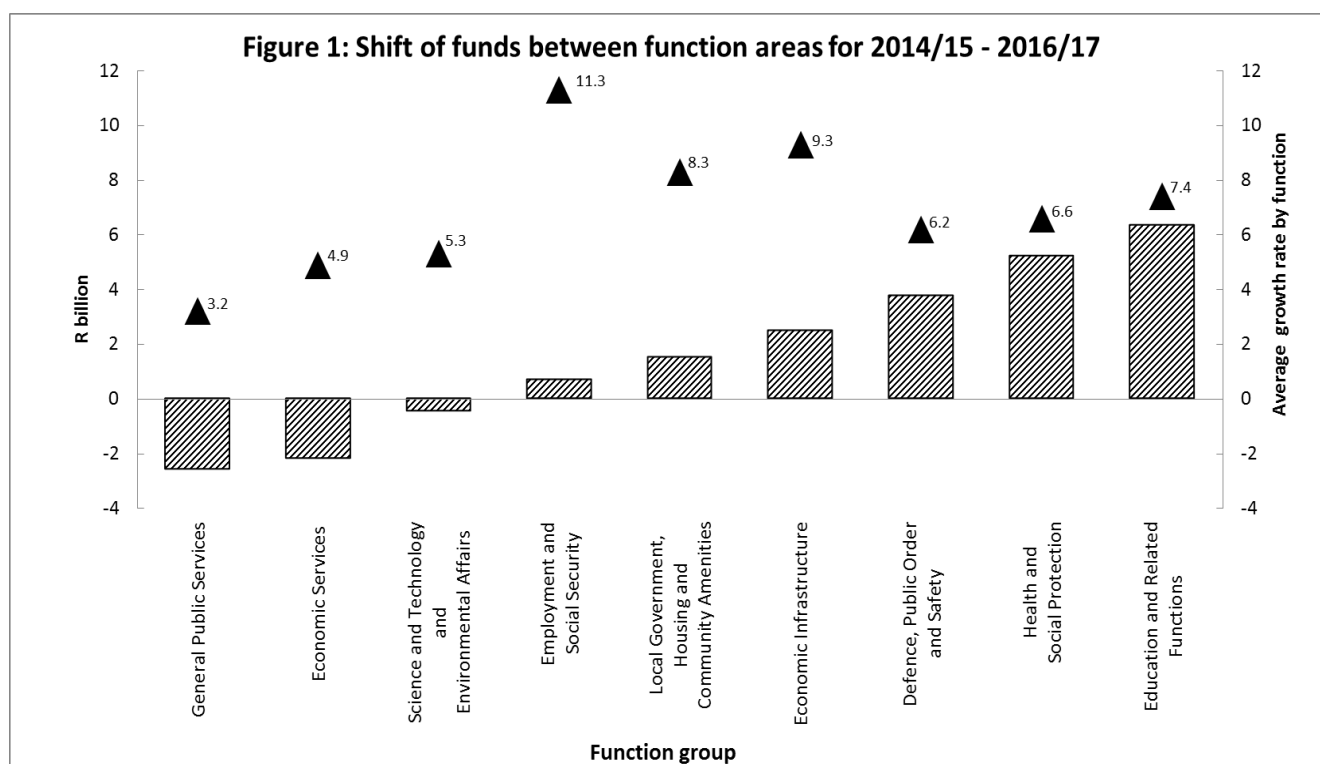
Allocating resources to key priorities within a constrained fiscal environment

Government's counter-cyclical fiscal policy stance has resulted in a widened budget deficit and increased debt level, as South Africa dealt with the 2008 recessionary pressures and deals with the ensuing period of sluggish economic growth. Going forward, South Africa will be in a period of fiscal consolidation with the aim of narrowing the deficit. This is necessary to protect our ability in the long run to spend in line with planned future government service delivery. Within this context and in order to grow expenditure in key areas such as infrastructure, health, and education in the medium term, the planned growth rate of spending in other areas needs to be reduced.

Over six medium term expenditure framework (MTEF) periods, funds made available for allocation to government institutions have gradually decreased as a proportion of the total budget, from 7.4 per cent in the 2009 Budget to 1.2 per cent in the 2014 Budget. This is due to the decreased quantum of additional funding made available in terms of the fiscal framework over the different MTEF periods. The funds that in the end have been made available for allocation have thus increasingly been comprised of existing funds released for re-allocation, through the identification of expenditure reductions. In this context, providing funds for key government priority areas has meant that budget processes are increasingly being focused on freeing these existing resources from areas of lower-priority and inefficiency, for allocation to areas that have a greater developmental impact. Details of these expenditure amendments are contained in the ENE publications.

As such, institutional spending pressures including those arising from inflationary prices, or the need to accelerate existing programmes, or to launch new programmes, must in the first instance be financed from within the aggregate spending baseline of the institution by decreasing its expenditure in other areas. More service delivery needs to be achieved with the current level of resources. In line with this, National Treasury's Instruction 1 of 2013/2014 prescribes cost containment measures that accounting officers of government institutions need to follow, like the maximum rates at which consultants can be remunerated. Accounting officers have also been urged to consider a range of suggested additional cost containment measures that will enhance fiscal prudence in their respective institutions. It is anticipated that initiatives such as these, together with the changes in procurement practices and the expenditure reviews National Treasury is undertaking, will lead to significant cost reductions in forthcoming MTEF periods.

However, the use of existing resources goes beyond the reprioritisation of spending within a single institution. As the national development plan's Vision 2030 states 'The plan supports government's intention to gradually shift resources towards investments that reshape the economy, broaden opportunities and enhance capabilities. As a result, other parts of the national budget will need to grow more slowly.' The following graph depicts the main budget net aggregate shifts of funds between government function areas for the period 2014/15 to 2016/17, including direct charges such as the provincial equitable share.



After considering government priorities and their status relative to the 2013 Budget, resources have been shifted to increase the MTEF baselines of the following function areas: Education (R6.3 billion); Health and Social Protection (R5.2 billion); Defence, Public Order and Safety (R3.8 billion) Economic Infrastructure (R2.5 billion); Local Government, Housing and Community Amenities (R1.5 billion) and Employment and Social Security (R700 million). The MTEF baselines of three function areas decreased: General Public Services (R2.6 billion), Economic Services (R2.2 billion), and Science and Technology and Environmental Affairs (R463 million).

Budget reductions over the medium term are not expected to have an adverse impact on service delivery, as they largely reflect a reduction in goods and services spending plans, a correction for projected underspending, and the rescheduling of expenditure into the future to bring it in line with institutional capacity for service delivery. While future planned expenditure has been reduced for certain functions, service delivery is protected as all functions still record positive expenditure growth rates over the 2014 MTEF period; and all are contained within the aggregate expenditure ceiling.

Resources made available for allocation

In summary, budget amendments over the 2014 MTEF period include R14.7 billion in additional financing provided by the fiscal framework. This is based on the macroeconomic forecasts for South Africa, and mainly provides for an increase in aggregate spending that accommodates allocations to institutions in the outer year of the period. Main budget level non-interest expenditure changes tabled for the 2014 MTEF, however, amount to R38.8 billion in total. This also includes a R4.5 billion drawdown on the contingency reserve, and R19.6 billion emanating from reductions in existing expenditure plans, that were identified through the budget process.

Of the R38.8 billion, R21.9 billion was allocated to accommodate spending pressures on compensation of employees budgets, R5.9 billion for goods and services that enhance service delivery, R5.5 billion for infrastructure projects, and R5.5 billion for transfers to institutions, including public entities, and households to provide beneficiaries with social grant support and HIV and AIDS antiretroviral

treatment, among others. These allocation details are contained in the relevant sections of the ENE publications.

Funding allocations to function areas by vote

The allocation of resources over the medium term is informed by government's strategic priorities, in particular by the national development plan, which sets out the approach for achieving a more inclusive and dynamic economy, in which inequality and poverty are reduced over the next two decades. In the tables that follow, main budget non-interest expenditure additions and reductions are presented by vote, as per the Appropriation Bill, together with the net effect on each government function.

While direct charges against the National Revenue Fund are not detailed in the tables, as these amounts are appropriated in terms of statutes and thus do not require parliamentary appropriation by vote, the estimated³ split by function of the provincial equitable share addition is shown. It should be noted that provinces have key service delivery mandates in relation to concurrent functions.

Economic Infrastructure

The baseline of the Economic Infrastructure function increases by R2.5 billion over the MTEF period, from R244.4 billion to R246.9 billion. Spending for this function comprises 7.5 per cent of total main budget non-interest expenditure and focuses on improving economic growth and delivery of public services through the provision of sustainable infrastructure.

Table 1.1 Economic Infrastructure

Function / Vote	2014/15	2015/16	2016/17	MTEF total
R million				
2013 MTEF function baseline¹	75 171	82 437	86 834	244 442
2014 MTEF function baseline¹	75 871	83 186	87 884	246 940
Net change (percentage)	0.9%	0.9%	1.2%	1.0%
Communications	-5	295	395	685
Provision of set top boxes, antennae and installation in 5 million households to enable migration from analogue to digital television broadcast by the International Telecommunications Union deadline of 2015/16	-	300	400	700
112 emergency call centre project: Expenditure reduction	-5	-5	-5	-15
Energy	201	18	25	244
Transfer payment to the South African Nuclear Energy Corporation: Upgrading and refurbishment of the Safari-1 nuclear reactor and Pelindaba facilities, as well as research and development	190	-	-	190
Human resource capacity for undertaking specialised energy policy research, planning and oversight work	20	22	24	66
Goods and services required to resource additional specialist personnel	6	6	6	18
Energy efficiency demand side management grant (municipalities): Aligned to delivery capacity	-15	-10	-5	-30
Transport	503	436	630	1 570
Taxi recapitalisation programme rescheduling, allowing for the department to review the impact of the programme	-130	-130	170	-90
Rehabilitation of road infrastructure destroyed by disasters	235	178	-	414
Passenger Rail Agency of South Africa: Metrorail: For the effect of the depreciation of the Rand on foreign currency denominated payments for procurement of railway rolling stock	348	338	410	1 096
Public transport operations grant: Inflationary adjustments to fuel and labour costs	50	50	50	150
Tug boat services feasibility study	7	7	7	21
Transfer payment to the South African Maritime Safety Authority: Adequacy of accumulated surplus	-7	-7	-7	-21
Net change to function baseline	699	749	1 050	2 499

1. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

³ An aggregate monetary amount is allocated from the National Revenue Fund for the provincial equitable share. These funds are then allocated to specific function areas through separate provincial budgetary processes. The details of these function allocations by each of the provinces are not known with certainty at present.

Education and Related Functions

The baseline of Education and Related Functions increases by R6.3 billion over the MTEF period, from R789.1 billion to R795.5 billion. Spending for this function comprises 24.2 per cent of total main budget non-interest expenditure and seeks to improve the quality of education at all levels, with a specific focus on skills development in key areas of the labour market.

Table 1.2 Education and Related Functions

Function / Vote	2014/15	2015/16	2016/17	MTEF total
R million				
2013 MTEF function baseline¹	244 932	264 301	279 882	789 115
2014 MTEF function baseline¹	246 380	266 164	282 920	795 464
Net change (percentage)	0.6%	0.7%	1.1%	0.8%
Arts and Culture	-3	-4	-4	-11
Mzansi golden economy strategy projects and transfer payment to the National Arts Council of South Africa: Cost efficiencies	-3	-4	-4	-11
Basic Education	-261	-1 133	-1 152	-2 546
Occupation specific dispensation for education sector therapists conditional grant	213	67	-	280
Repair of school infrastructure damaged by disasters	53	40	-	92
School infrastructure backlogs grant: Aligning its growth to institutional capacity	-231	-479	-456	-1 166
Education infrastructure grant: Aligning its growth to institutional capacity	-284	-630	-555	-1 469
Kha Ri Gude (mass literacy programme): Targeted number of learners attained earlier than initially anticipated	-10	-130	-140	-280
Goods and services across all programmes: Cost efficiencies	-1	-1	-1	-4
Higher Education and Training	-53	-19	678	606
FET colleges conditional grant: Salary adjustments in respect of conditions of service	31	60	69	160
Transfer payment to the South African Qualifications Authority: Expanded mandate to provide on-going government employee qualification verification services	3	5	6	13
Transfer payment to the National Student Financial Aid Scheme: Student-centred model: Pilot and rollout of new student loans administration system	22	50	73	145
Goods and services and transfer payment to the Council for Higher Education: Cost efficiencies	-5	-6	-8	-19
Sector education and training authorities and National Skills Fund: Re-estimation of direct charges payable	-104	-127	538	307
Sport and Recreation	2	3	4	10
Transfer payment to the South African Institute for Drug-free Sport: Compliance with the expanded World Anti-Doping Agency code	4	4	5	13
Goods and services: Cost efficiencies	-1	-1	-1	-3
Provincial Equitable Share	1 763	3 016	3 512	8 290
Mainly for occupation specific compensation dispensation for therapists (in 2016/17), salary adjustments in respect of conditions of service and the upgrading of clerical posts	1 763	3 016	3 512	8 290
Net change to function baseline	1 449	1 863	3 038	6 349

1. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

Health and Social Protection

The baseline of the Health and Social Protection function increases by R5.2 billion over the MTEF period, from R910.8 billion to R916 billion. Spending for this function comprises 27.8 per cent of total main budget non-interest expenditure and seeks to improve health and life expectancy, as well as to reduce poverty by providing income support to the poor.

Table 1.3 Health and Social Protection

Function / Vote	2014/15	2015/16	2016/17	MTEF total
R million				
2013 MTEF function baseline¹	285 319	304 176	321 314	910 809
2014 MTEF function baseline¹	285 650	305 428	324 949	916 028
Net change (percentage)	0.1%	0.4%	1.1%	0.6%
Women, Children and People with Disabilities	-	-	-	-
Goods and services	1	-	-	1
Compensation of employees: Capping of personnel costs	-1	-	-	-1
Social Development	-480	51	1 251	822
Establishment of substance abuse treatment centres in Northern Cape, Eastern Cape, Free State, and North West	50	51	51	152
Social grants: Lower than projected beneficiary numbers following the process of re-registration of recipients (first year) and provision for an increase in the projected future number of beneficiaries	-530	-	1 200	-500

Table 1.3 Health and Social Protection

Function / Vote				
R million	2014/15	2015/16	2016/17	MTEF total
Health	31	-54	750	728
Introduction of human papillomavirus vaccine which reduces the incidence of cervical cancer, to 500 000 Grade 4 pupils in 2014/15 and 2015/16	200	200	–	400
HIV and AIDS: Antiretroviral treatment	–	–	1 000	1 000
Equipment for forensic chemistry laboratories as well as commissioning the new laboratory in Durban	30	20	20	70
National South African demographic health survey in 2014/15	30	–	–	30
Establishment of the Office of Standards Compliance	25	40	45	110
Repair of health infrastructure damaged by disasters: Health facilities revitalisation grant	1	1	–	2
Goods and services: Cost efficiencies	-30	-30	-30	-90
National health grant: Aligning its growth to institutional capacity	-225	-285	-285	-794
Provincial Equitable Share	781	1 255	1 634	3 669
Mainly for salary adjustments in respect of conditions of service, the upgrading of clerical posts, the provision of shelters to victims of gender-based violence and the provision of the human papillomavirus vaccine by provincial governments from 2016/17 onwards	781	1 255	1 634	3 669
Net change to function baseline	332	1 252	3 635	5 219

1. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

Defence, Public Order and Safety

The baseline of the Defence, Public Order and Safety function increases by R3.8 billion over the MTEF period, from R512.7 billion to R516.5 billion. Spending for this function comprises 15.7 per cent of total main budget non-interest expenditure and supports enhanced domestic and international public protection.

Table 1.4 Defence, Public Order and Safety

Function / Vote				
R million	2014/15	2015/16	2016/17	MTEF total
2013 MTEF function baseline¹	161 664	170 348	180 726	512 738
2014 MTEF function baseline¹	162 514	171 348	182 626	516 488
Net change (percentage)	0.5%	0.6%	1.1%	0.7%
National Treasury	20	30	40	90
Transfer payment to the Financial Intelligence Centre: Strengthening the Institution	20	30	40	90
Correctional Services	–	–	–	–
Electronic equipment for monitoring parolees	32	33	33	99
Equipment for production workshops and agricultural activities: To develop the vocational skills of offenders	40	40	45	125
Goods and services: Cost efficiencies	-73	-73	-78	-223
Defence and Military Veterans	136	180	201	516
Salary adjustments: Conditions of service	194	393	446	1 033
South African Air Force: Improvement in operational capability	342	387	555	1 284
Military Health Services: Medical equipment and supplies	100	100	100	300
Transfer payment to the Special Defence Account: Adequacy of accumulated surplus	-400	-600	-800	-1 800
Goods and services: Cost efficiencies	-100	-100	-100	-300
Independent Police Investigative Directorate	–	–	–	–
Employment and training of approximately 44 new Investigators	12	13	14	40
Goods and services: Cost efficiencies	-3	-4	-5	-12
Compensation of employees: Migration of staff from the Administration programme to the Investigation and Information Management programme	-9	-9	-10	-28
Justice and Constitutional Development	102	103	414	618
Upgrading of 7 200 clerical posts	100	110	120	330
Salary adjustments: Conditions of service	22	23	24	68
Cost increases for accommodation leases and municipal services	200	210	310	720
Appointment of permanent personnel: For the department and National Prosecuting Authority	237	250	265	751
Transfer payments to Legal Aid South Africa and the South African Human Rights Commission: Increased human resource capacity and criminal justice sector revamp projects	51	53	57	161
Goods and services: Cost efficiencies	-301	-323	-352	-975
Capital works budget: Aligning its growth to institutional capacity	-207	-220	-10	-438

Table 1.4 Defence, Public Order and Safety

Function / Vote				
R million	2014/15	2015/16	2016/17	MTEF total
Police	593	688	1 245	2 525
Salary adjustments: Conditions of service	243	432	459	1 134
Upgrading of approximately 14 022 clerical posts	698	725	786	2 209
Vehicles: Expenditure reductions	-348	-470	–	-818
Net change to function baseline	850	1 000	1 900	3 750

1. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

Local Government, Housing and Community Amenities

The baseline of the Local Government, Housing and Community Amenities function increases by R1.5 billion over the MTEF period, from R399.9 billion to R401.4 billion. Spending for this function comprises 12.2 per cent of total main budget non-interest expenditure and includes activities focused on the upliftment of communities and households.

Table 1.5 Local Government, Housing and Community Amenities

Function / Vote				
R million	2014/15	2015/16	2016/17	MTEF total
2013 MTEF function baseline¹	122 219	135 205	142 440	399 864
2014 MTEF function baseline¹	122 728	135 705	142 940	401 372
Net change (percentage)	0.4%	0.4%	0.4%	0.4%
Cooperative Governance and Traditional Affairs	57	-308	-480	-731
Transfer payment to the Municipal Infrastructure Support Agency: Expansion of the municipal capacity building programme to 80 municipalities	20	20	20	60
Personnel to monitor municipal infrastructure grant expenditure throughout the country	10	11	11	32
Repair of municipal infrastructure damaged by disasters	37	22	–	59
Goods and services: Cost efficiencies	-10	-11	-11	-32
Municipal infrastructure grant: Aligning its growth to institutional capacity	0	-350	-500	-850
National Treasury	105	116	135	356
Integrated city development grant: Incentivise the planning of more integrated, efficient and accessible cities	105	116	135	356
Provision of technical infrastructure programmes implementation support to cities	50	50	50	150
Infrastructure skills development grant: Aligning its growth to institutional capacity	-50	-50	-50	-150
Human Settlements	315	96	-35	180
Informal settlement upgrading in mining towns that are experiencing rapid growth	180	–	–	180
Municipal human settlements capacity grant: For Cape Town, Ekurhuleni, eThekweni, Johannesburg, Nelson Mandela Bay and Tshwane to perform the housing function once it is devolved to them from provincial governments	300	300	300	900
Repair of housing infrastructure damaged by disasters	185	141	0	326
Urban settlements development grant: Aligning its growth to institutional capacity	-50	-45	-35	-130
Human settlements development grant: Capacitate metropolitan municipalities in anticipation of the housing function shifting to local government	-300	-300	-300	-900
Water Affairs	31	596	880	1 507
Regional bulk infrastructure grant: Acceleration of the delivery of bulk water and sanitation infrastructure in various geographical areas	84	350	500	934
Construction of Umzimvubu Dam and bulk water scheme	0	264	430	694
Additional personnel capacity: Organisational restructuring	8	35	56	99
Assistance to resource poor farmers and in the outer year, for transfer payments to the Amatola and uMgeni water boards for infrastructure projects	5	4	66	75
Repair of water infrastructure measuring instruments and other structures damaged by flood disasters	2	2	–	4
Goods and services: Cost efficiencies	-35	-13	-121	-170
Capital assets: Aligning its growth to institutional capacity	-33	-46	-50	-129
Net change to function baseline	509	499	500	1 508

1. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

Employment and Social Security

The baseline of the Employment and Social Security function increases by R700 million over the MTEF period, from R58.8 billion to R59.5 billion. Spending for this function comprises 1.8 per cent of total main budget non-interest expenditure and supports a range of public employment initiatives.

Table 1.6 Employment and Social Security

Function / Vote	2014/15	2015/16	2016/17	MTEF total
R million				
2013 MTEF function baseline¹	18 756	19 474	20 528	58 758
2014 MTEF function baseline¹	18 273	19 091	22 094	59 458
Net change (percentage)	-2.6%	-2.0%	7.6%	1.2%
Cooperative Governance and Traditional Affairs	-132	-	1 072	940
Community work programme: Attaining a presence in every municipality by 2016/17	-	-	1 072	1 072
Community work programme: Aligning its growth to institutional capacity	-132	-	-	-132
Public Works	-125	-149	124	-149
Expanded public works programme integrated grant for provinces: Allowance for the strengthening of institutional delivery capacity	-22	-25	10	-37
Expanded public works programme integrated grant for municipalities: Allowance for the strengthening of institutional delivery capacity	-38	-42	10	-70
Social sector expanded public works programme integrated grant for provinces: Allowance for the strengthening of institutional delivery capacity	-15	-18	74	41
Non-state sector: Allowance for the strengthening of institutional capacity	-20	-24	65	22
Expanded public works programme: Rationalisation of management costs	-30	-40	-35	-105
National Treasury	-5	-5	-5	-15
Post-retirement medical benefits: Cost effective medical plans	-5	-5	-5	-15
Labour	-106	-107	100	-113
Human resource efficiencies	-106	-107	100	-113
Environmental Affairs	-86	-82	205	37
Environmental expanded public works programmes: Allowance for the strengthening of institutional delivery capacity	-32	-35	80	13
Working for water and Working on fire programmes: Allowance for the strengthening of institutional delivery capacity	-54	-47	125	24
Tourism	-29	-40	70	1
Domestic Tourism Programme: Allowance for the strengthening of institutional delivery capacity	-29	-40	70	1
Net change to function baseline	-483	-383	1 566	700

1. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

Science and Technology and Environmental Affairs

The baseline of the Science and Technology and Environmental Affairs function decreases by R463 million over the MTEF period, from R33.4 billion to R32.9 billion. Despite the decrease in planned future spending, the baseline does grow from the current spending level of R9.8 billion in 2013/14 to R11.4 billion in 2016/17. This function supports environmental protection and the advancement of the labour force and industry, and comprises 1 per cent of total main budget non-interest expenditure.

Table 1.7 Science and Technology and Environmental Affairs

Function / Vote	2014/15	2015/16	2016/17	MTEF total
R million				
2013 MTEF function baseline¹	10 344	11 435	11 606	33 385
2014 MTEF function baseline¹	10 309	11 197	11 416	32 922
Net change (percentage)	-0.3%	-2.1%	-1.6%	-1.4%
Agriculture, Forestry and Fisheries	-40	-40	-40	-120
Transfer payment to the Agricultural Research Council: Cost reductions	-40	-40	-40	-120
Environmental Affairs	155	-88	-100	-33
Repair of roads and bridges damaged by floods	16	12	-	28
Goods and services: Cost efficiencies	-60	-80	-	-140
Transfer payment to the South African Weather Service: Cost reductions	-20	-20	-	-40
Economic competitiveness and support package: Green Fund: Support the transition to a green economy	250	-	-100	150
Economic competitiveness and support package: Oceans and marine research and development: Cost efficiencies	-31	-	-	-31

Table 1.7 Science and Technology and Environmental Affairs

Function / Vote				
R million	2014/15	2015/16	2016/17	MTEF total
Mineral Resources	-20	-20	0	-40
Transfer payment to the Council for Geoscience: Cost reductions	-10	-10	–	-20
Transfer payment to the Council for Mineral Technology: Cost reductions	-10	-10	–	-20
Science and Technology	-130	-90	-50	-270
Transfer payment to the Council for Scientific and Industrial Research: Cost reductions	–	-40	–	-40
Transfer payment to the Technology Innovation Agency: Cost reductions	-30	-50	-50	-130
Economic competitiveness and support package: Industry partnerships: Cost efficiencies	-100	–	–	-100
Net change to function baseline	-35	-238	-190	-463

1. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

Economic Services

The baseline of the Economic Services function decreases by R2.2 billion over the MTEF period, from R143.1 billion to R140.9 billion. Despite the decrease in planned future spending, the baseline does grow from the current spending level of R43.1 billion in 2013/14 to R49.8 billion in 2016/17. This function focuses on stimulating socioeconomic development by means of a range interventions in various sectors of the economy, and comprises 4.3 per cent of total main budget non-interest expenditure.

Table 1.8 Economic Services

Function / Vote				
R million	2014/15	2015/16	2016/17	MTEF total
2013 MTEF function baseline¹	44 893	48 074	50 137	143 104
2014 MTEF function baseline¹	44 456	46 671	49 777	140 904
Net change (percentage)	-1.0%	-2.9%	-0.7%	-1.5%
Agriculture, Forestry and Fisheries	196	-116	-135	-56
Repair of farm infrastructure damaged by disasters	196	14	–	209
Transfer payment to the Land and Agricultural Development Bank of South Africa: Tailored financing solutions for emerging farmers	50	–	50	100
Compensation of employees: Capping of personnel costs	-20	-25	-25	-70
Goods and services: Cost efficiencies	-20	-20	-25	-65
Transfer payment to the Marine Living Resources Fund: Cost reductions	-10	-15	-20	-45
Comprehensive agricultural support programme grant and Land care programme grant: Aligning its growth to institutional capacity	–	-70	-80	-150
Economic competitiveness and support package: Agricultural colleges: Aligning its growth to institutional capacity	–	–	-35	-35
Economic Development	-56	-102	-8	-166
Goods and services: Cost efficiencies	-6	-6	-8	-20
Economic competitiveness and support package: Small Enterprise Finance Agency: Alternative source of funding through a shareholder loan	-50	-96	–	-146
Rural Development and Land Reform	-450	-700	-170	-1 320
Compensation of employees: Capping of personnel costs	-70	-70	-70	-210
Economic competitiveness and support package: National Rural Youth Service Corps: Aligning its growth to institutional capacity	-100	-200	-100	-400
Transfer payments for land restitution claims: Aligning its growth to institutional capacity	-280	-430	–	-710
Tourism	-3	-8	-9	-20
Goods and services: Cost efficiencies	-3	-8	-9	-20
Trade and Industry	-123	-477	-38	-638
Goods and services: Cost efficiencies	-23	-27	-35	-85
Economic competitiveness and support package: Special economic zones: Aligning its growth to institutional capacity	-100	-450	-3	-553
Net change to function baseline	-436	-1 403	-360	-2 200

1. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

General Public Services

The baseline of the General Public Services function decreases by R2.6 billion over the MTEF period, from R184 billion to R181.5 billion. Despite the decrease in planned future spending, the baseline does grow from the current spending level of R56.2 billion in 2013/14 to R61.8 billion in 2016/17. This function aims to deliver an efficient public service through the improvement of general government administrative services, and comprises 5.5 per cent of total main budget non-interest expenditure.

Table 1.9 General Public Services

Function / Vote	2014/15	2015/16	2016/17	MTEF total
R million				
2013 MTEF function baseline¹	59 466	62 114	62 444	184 023
2014 MTEF function baseline¹	58 481	61 155	61 820	181 456
Net change (percentage)	-1.7%	-1.5%	-1.0%	-1.4%
The Presidency	26	15	25	66
National income dynamics study: Fourth survey	30	20	30	80
Transfer payment to the National Youth Development Agency: Cost efficiencies	-3	-3	-3	-10
Goods and services: Cost efficiencies	-1	-1	-1	-4
Home Affairs	-270	-203	247	-225
Rollout of ID smart card: Issuing costs	–	–	80	80
Rescheduling of IT system modernisation projects	-100	-100	200	–
Rescheduling of upgrading, maintenance and repairs of infrastructure facilities and staff accommodation at border posts	-70	–	70	–
Goods and services: Cost efficiencies	-100	-103	-103	-305
International Relations and Cooperation	-110	-133	-113	-356
2014 presidential inauguration	80	–	–	80
Financial support to the Chairperson of the African Union	36	38	40	115
Transfer payment to the African Renaissance Fund: Adequacy of accumulated surplus	-224	-167	-149	-540
Transfer payment to the South African Development Partnership Agency: Capacity building	8	8	9	25
Goods and services: Cost efficiencies	-10	-13	-13	-36
Performance Monitoring and Evaluation	6	9	9	24
Establishment of a secretariat for the interdepartmental committee reviewing the revitalisation of distressed mining communities	3	3	3	9
Strategic and annual performance planning: Guidance and oversight to institutions	4	6	6	16
Public Works	-334	-286	-357	-976
Infrastructure projects in the Immoveable Assets Management programme: Aligning its growth to institutional capacity	-220	-180	-250	-650
Goods and services: Cost efficiencies	-50	-50	-50	-150
Transfer payment to the Property Management Trading Entity: Adequacy of accumulated surplus	-50	-50	-50	-150
Compensation of employees: Capping of personnel costs	-14	-6	-7	-26
National Treasury	-597	-490	-403	-1 490
Transfer payment to the South African Revenue Service: Adequacy of accumulated surplus	-543	-437	-375	-1 355
Goods and services: Cost efficiencies	-28	-28	-4	-61
Closing out of transfer payment for financial and technical support for African relief programmes, as well as lower levels of anticipated expenditure in respect of common monetary area compensation	-25	-25	-25	-75
Public Service and Administration	16	-3	-4	9
Goods and services: Cost efficiencies	-8	-9	-10	-27
Presidential Public Service Remuneration Review Commission: Review of the remuneration policy framework of the public service	10	–	–	10
Transfer payment to the Public Service Commission: Address capacity constraints in the commission's monitoring and evaluation programme	14	6	7	26
Statistics South Africa	278	131	-29	417
Upfront capital contribution in respect of the public private partnership agreement entered into for new head office accommodation	282	135	–	417
Goods and services: Cost efficiencies	-4	-4	-29	-36
Net change to function baseline	-984	-959	-624	-2 567

1. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

Overview of expenditure

Overall, the main budget provides for total spending of R3.29 trillion over the 2014 MTEF period, when excluding state debt costs as well as the contingency reserve over the same period. It is distributed as follows: R1.02 trillion in 2014/15, R1.10 trillion in 2015/16 and R1.17 trillion in 2016/17. The main budget MTEF accommodates the policy priorities of the three spheres of government, with R1.56 trillion allocated to the national level, R1.43 trillion to provinces and R296 billion to local government. The total main budget grows at an average annual rate of 8.1 per cent. Non-interest expenditure, which excludes state debt costs, comprises on average 89.7 per cent of total main budget expenditure and grows at a lower average annual rate of 7.7 per cent. This rate is also lower when compared to its average annual growth of 8 per cent over the 2013 MTEF period. However the 7.7 per cent growth still constitutes budget growth in real terms over the MTEF period. Included in the main budget allocations is a contingency reserve of R3 billion in 2014/15, R6 billion in 2015/16 and R18 billion in 2016/17, to allow for unforeseeable and unavoidable expenditure in future as well as emerging government policy priorities.

The details of the main budget are discussed in the pages of the ENE publications, with a summary provided in the tables below.

Summary tables

Table 1: Main budget framework 2010/11 to 2016/17

Table 2: Key additions to national votes 2014/15 to 2016/17

Table 3: Expenditure by national vote 2010/11 to 2016/17

Table 4: Expenditure by economic classification 2010/11 to 2016/17

Table 5: Amounts to be appropriated from the National Revenue Fund for 2014/15

Table 6a: Conditional grants to provinces 2010/11 to 2016/17

Table 6b: Conditional grants to municipalities 2010/11 to 2016/17

Table 7: Training expenditure per vote 2010/11 to 2016/17

Table 8a: Infrastructure expenditure per vote 2010/11 to 2016/17

Table 8b: Infrastructure nature of investment 2010/11 to 2016/17

Table 9: Personnel expenditure per vote 2010/11 to 2016/17

Table 10: Departmental receipts per vote 2010/11 to 2016/17

Table 1 Main budget framework: 2010/11 to 2016/17

R million	Audited outcome			Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue (National Revenue Fund)							
Tax revenue (gross)	674 183.1	742 649.7	813 825.8	899 000.0	993 650.0	1 095 100.0	1 208 720.0
Departmental and other receipts, and repayments	16 474.0	24 402.5	28 087.1	30 541.0	20 869.4	20 315.6	23 558.5
Less: Southern African Customs Union (SACU)							
Payments	-14 991.3	-21 760.0	-42 151.3	-43 374.4	-51 737.7	-57 298.2	-59 680.3
Other adjustments ¹	-2 914.4	–	–	–	–	–	–
Total revenue	672 751.5	745 292.2	799 761.7	886 166.6	962 781.8	1 058 117.4	1 172 598.3
<i>Percentage of GDP</i>	<i>24.5%</i>	<i>25.0%</i>	<i>25.0%</i>	<i>25.6%</i>	<i>25.4%</i>	<i>25.5%</i>	<i>25.8%</i>
Expenditure							
State debt cost	66 226.8	76 460.0	88 121.1	101 255.9	114 900.5	126 646.8	139 200.6
<i>Percentage of GDP</i>	<i>2.4%</i>	<i>2.6%</i>	<i>2.8%</i>	<i>2.9%</i>	<i>3.0%</i>	<i>3.1%</i>	<i>3.1%</i>
Current payments ²	131 158.8	145 096.1	156 411.7	175 787.6	184 071.2	193 498.4	207 387.6
Transfers and subsidies	575 110.1	653 509.3	702 342.2	755 770.9	819 331.0	884 523.8	939 416.6
Payments for capital assets ²	11 406.9	12 043.4	13 996.0	12 414.9	17 689.1	18 600.8	19 316.7
Payments for financial assets	22 076.5	2 802.6	4 624.6	3 879.6	3 570.5	3 320.4	302.8
Contingency reserve	–	–	–	–	3 000.0	6 000.0	18 000.0
Total expenditure	805 979.1	889 911.5	965 495.6	1 049 108.9	1 142 562.4	1 232 590.3	1 323 624.3
<i>Percentage of GDP</i>	<i>29.3%</i>	<i>29.8%</i>	<i>30.2%</i>	<i>30.3%</i>	<i>30.1%</i>	<i>29.7%</i>	<i>29.1%</i>
Budget deficit³	-133 227.7	-144 619.3	-165 733.9	-162 942.3	-179 780.6	-174 472.9	-151 026.1
<i>Percentage of GDP</i>	<i>-4.8%</i>	<i>-4.9%</i>	<i>-5.2%</i>	<i>-4.7%</i>	<i>-4.7%</i>	<i>-4.2%</i>	<i>-3.3%</i>
GDP	2 749 533.0	2 981 828.0	3 197 878.0	3 464 882.6	3 789 630.3	4 150 506.8	4 552 868.0

1. Payment to SACU partners in respect of a previous error in calculation of the 1969 agreement.

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

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

Table 2 Key additions to national votes: 2014/15 to 2016/17¹

R million	Medium-term expenditure estimates			Total
	2014/15	2015/16	2016/17	
1 The Presidency	30.0	20.0	30.0	80.0
3 Cooperative Governance and Traditional Affairs	67.3	52.3	1 103.1	1 222.7
4 Home Affairs	-	-	350.0	350.0
5 International Relations and Cooperation	124.4	46.7	49.2	220.3
6 Performance Monitoring and Evaluation	6.5	9.3	9.6	25.4
7 Public Works	-	-	159.0	159.0
8 Women, Children and People with Disabilities	0.9	-	-	0.9
10 National Treasury	175.0	196.0	225.0	596.0
12 Public Service and Administration	23.6	6.1	6.5	36.2
13 Statistics South Africa	282.2	134.9	-	417.0
15 Basic Education	213.0	67.0	-	280.0
16 Health	286.1	260.9	65.0	612.0
17 Higher Education and Training	76.3	153.3	730.2	959.8
18 Labour	-	-	100.0	100.0
19 Social Development	50.0	50.0	50.0	150.0
20 Sport and Recreation South Africa	3.6	4.2	5.5	13.3
21 Correctional Services	72.6	72.8	77.9	223.3
22 Defence and Military Veterans	635.8	879.8	1 100.9	2 616.5
23 Independent Police Investigative Directorate	12.0	13.2	14.5	39.6
24 Justice and Constitutional Development	559.6	594.7	721.9	1 876.2
25 Police	940.8	1 157.7	1 245.2	3 343.6
26 Agriculture, Forestry and Fisheries	245.5	-	50.0	295.5
27 Communications	-	300.0	400.0	700.0
29 Energy	216.0	28.0	30.0	274.0
30 Environmental Affairs	265.9	12.1	205.0	483.0
31 Human Settlements	365.2	300.0	300.0	965.2
35 Tourism	-	-	70.0	70.0
37 Transport	645.9	579.7	644.2	1 869.8
38 Water Affairs	144.4	674.9	1 051.3	1 870.7
Total	5 442.5	5 613.6	8 794.0	19 850.1

1. Excludes key additions to the provincial equitable share and other direct charges against the National Revenue Fund.

Table 3 Expenditure by national vote: 2010/11 to 2016/17

R million	Audited Outcome			Adjusted appropriation
	2010/11	2011/12	2012/13	2013/14
1 The Presidency	958.7	979.1	982.1	1 092.9
2 Parliament	1 198.9	1 214.8	1 297.9	1 419.4
3 Cooperative Governance and Traditional Affairs	41 821.4	46 221.6	53 434.4	58 458.9
4 Home Affairs	6 619.8	5 752.5	5 513.5	6 994.7
5 International Relations and Cooperation	4 417.2	5 021.8	5 185.1	5 754.6
6 Performance Monitoring and Evaluation	47.3	95.6	160.2	192.7
7 Public Works	6 615.1	7 061.4	7 203.9	6 175.3
8 Women, Children and People with Disabilities	109.9	165.9	179.9	198.3
9 Government Communication and Information System	352.2	343.6	397.2	437.2
10 National Treasury	38 226.2	21 362.0	21 019.0	25 232.3
11 Public Enterprises	540.0	346.1	1 367.0	294.1
12 Public Service and Administration	628.2	645.5	703.7	829.7
13 Statistics South Africa	1 694.9	3 674.4	1 761.7	1 741.6
14 Arts and Culture	2 248.8	2 405.8	2 656.5	2 914.8
15 Basic Education	8 677.9	12 900.9	14 885.9	17 619.3
16 Health	22 520.3	25 712.8	27 898.9	30 528.2
17 Higher Education and Training	23 752.4	28 281.7	31 582.4	34 333.9
18 Labour	1 826.3	2 007.1	2 034.6	2 445.2
19 Social Development	94 031.0	103 139.2	111 115.6	118 511.6
20 Sport and Recreation South Africa	1 252.0	810.6	1 054.1	1 073.5
21 Correctional Services	14 698.8	16 276.8	17 313.6	18 748.5
22 Defence and Military Veterans	30 442.4	34 331.4	37 702.2	40 658.2
23 Independent Police Investigative Directorate	128.4	153.5	171.4	217.0
24 Justice and Constitutional Development	10 586.8	11 470.4	12 911.2	14 206.5
25 Police	53 529.7	57 933.1	63 156.6	68 791.4
26 Agriculture, Forestry and Fisheries	3 830.0	4 905.3	5 813.2	6 182.3
27 Communications	1 426.5	1 792.0	1 651.2	2 372.1
28 Economic Development	400.7	577.6	673.5	771.5
29 Energy	5 505.4	6 174.3	6 659.0	6 503.2
30 Environmental Affairs	3 300.1	4 131.5	4 942.7	5 206.8
31 Human Settlements	18 916.5	22 598.9	24 463.3	28 255.5
32 Mineral Resources	994.7	1 029.4	1 173.6	1 393.8
33 Rural Development and Land Reform	7 122.9	7 997.7	8 919.6	9 459.7
34 Science and Technology	4 051.9	4 403.5	4 973.3	6 198.2
35 Tourism	1 143.5	1 250.2	1 372.0	1 520.6
36 Trade and Industry	5 796.7	6 801.0	8 286.4	9 515.6
37 Transport	29 155.1	41 196.5	39 328.2	42 401.7
38 Water Affairs	7 023.7	8 164.9	8 641.5	10 375.6
Total appropriation by vote	455 592.4	499 330.6	538 586.0	589 026.4
Plus:				
Direct charges against the National Revenue Fund				
President's salary (The Presidency)	4.0	4.0	2.6	2.8
Members' remuneration (Parliament)	346.0	357.6	389.1	453.8
State debt costs (National Treasury)	66 226.8	76 460.0	88 121.1	100 484.5
Provincial equitable share (National Treasury)	265 139.4	291 735.5	313 015.8	338 936.8
General fuel levy sharing with metropolitan municipalities (National Treasury)	7 542.4	8 573.1	9 039.7	9 613.4
National Revenue Fund payments (National Treasury) ¹	838.6	1 388.3	2 587.2	200.0
Skills levy and sector education and training authorities (Higher Education and Training)	8 379.3	10 025.3	11 694.5	12 300.0
Judges' and magistrates' salaries (Justice and Constitutional Development)	1 910.2	2 037.1	2 059.6	2 575.7
Total direct charges against the National Revenue Fund	350 386.7	390 580.9	426 909.6	464 567.0
Contingency reserve	—	—	—	—
Projected underspending	—	—	—	-3 500.0
Local government repayment to the National Revenue Fund	—	—	—	-500.0
Total	805 979.1	889 911.5	965 495.6	1 049 593.4

1. National Revenue Fund payments previously classified as extraordinary payments.

Table 3 Expenditure by national vote: 2010/11 to 2016/17

Revised estimate	Medium-term expenditure estimates				
2013/14	2014/15	2015/16	2016/17		R million
1 092.9	1 177.8	1 228.8	1 307.1	1	The Presidency
1 419.4	1 508.2	1 594.3	1 688.2	2	Parliament
57 402.9	63 212.7	69 640.7	74 252.3	3	Cooperative Governance and Traditional Affairs
6 994.7	6 623.7	6 560.8	7 406.5	4	Home Affairs
5 754.6	5 754.3	6 033.9	6 410.7	5	International Relations and Cooperation
192.7	208.2	219.7	232.7	6	Performance Monitoring and Evaluation
6 025.3	6 121.3	6 545.3	7 139.2	7	Public Works
198.3	218.5	230.2	243.6	8	Women, Children and People with Disabilities
437.2	413.1	430.8	456.4	9	Government Communication and Information System
25 191.8	27 265.0	27 520.5	25 939.8	10	National Treasury
294.1	259.8	279.3	285.6	11	Public Enterprises
829.7	875.1	876.8	929.3	12	Public Service and Administration
1 741.6	2 242.5	2 183.9	2 149.6	13	Statistics South Africa
2 775.3	3 524.7	3 971.8	4 185.2	14	Arts and Culture
16 117.9	19 680.1	21 890.2	23 097.5	15	Basic Education
30 128.2	33 955.5	36 631.3	39 387.7	16	Health
34 328.0	36 866.7	39 650.0	41 783.2	17	Higher Education and Training
2 445.2	2 527.3	2 678.4	3 048.1	18	Labour
117 811.6	128 799.4	137 660.1	146 158.4	19	Social Development
1 047.0	970.4	1 015.8	1 072.2	20	Sport and Recreation South Africa
18 748.5	19 721.1	20 795.3	22 080.9	21	Correctional Services
40 658.2	42 831.2	45 301.3	48 180.5	22	Defence and Military Veterans
217.0	234.7	247.2	262.3	23	Independent Police Investigative Directorate
13 856.5	15 161.9	15 914.8	17 163.8	24	Justice and Constitutional Development
68 791.4	72 507.2	76 541.3	81 682.9	25	Police
6 182.3	6 692.4	6 621.2	6 674.2	26	Agriculture, Forestry and Fisheries
2 369.1	1 593.4	1 887.5	2 074.8	27	Communications
771.5	696.9	885.4	717.3	28	Economic Development
6 487.2	7 415.6	7 988.6	8 384.9	29	Energy
5 206.8	5 668.4	5 980.3	6 559.5	30	Environmental Affairs
28 205.5	30 521.4	32 842.4	34 452.6	31	Human Settlements
1 369.4	1 471.3	1 599.2	1 664.1	32	Mineral Resources
9 459.7	9 455.3	9 574.5	10 673.3	33	Rural Development and Land Reform
6 198.2	6 470.2	7 554.3	7 634.8	34	Science and Technology
1 520.6	1 662.1	1 863.2	2 076.4	35	Tourism
9 442.8	9 835.0	10 927.7	11 983.5	36	Trade and Industry
41 879.9	48 726.5	53 814.0	56 842.0	37	Transport
9 895.6	12 480.3	16 084.2	17 199.9	38	Water Affairs
583 488.6	635 349.4	683 265.0	723 480.8	Total appropriation by vote	
				Plus:	
				Direct charges against the National Revenue Fund	
2.8	3.0	3.1	3.3	President's salary (The Presidency)	
453.8	481.0	503.1	529.8	Members' remuneration (Parliament)	
101 255.9	114 900.5	126 646.8	139 200.6	State debt costs (National Treasury)	
338 936.8	362 468.1	387 967.5	412 038.8	Provincial equitable share (National Treasury)	
9 613.4	10 190.2	10 658.9	11 223.8	General fuel levy sharing with metropolitan municipalities (National Treasury)	
482.0	—	—	—	National Revenue Fund payments (National Treasury) ¹	
12 300.0	13 440.0	14 690.0	16 140.0	Skills levy and sector education and training authorities (Higher Education and Training)	
2 575.7	2 730.3	2 855.9	3 007.2	Judges' and magistrates' salaries (Justice and Constitutional Development)	
465 620.3	504 213.0	543 325.3	582 143.6	Total direct charges against the National Revenue Fund	
—	3 000.0	6 000.0	18 000.0	Contingency reserve	
—	—	—	—	Projected underspending	
—	—	—	—	Local government repayment to the National Revenue Fund	
1 049 108.9	1 142 562.4	1 232 590.3	1 323 624.3	Total	

Table 4 Expenditure by economic classification: 2010/11 to 2016/17

R million	Audited outcome			Adjusted appropriation
	2010/11	2011/12	2012/13	2013/14
Current payments				
Compensation of employees	86 894.0	95 755.3	105 245.9	116 184.6
Salaries and wages	72 460.1	79 769.2	87 723.5	97 791.4
Social contributions	14 433.9	15 986.1	17 522.5	18 393.2
Goods and services	43 934.5	49 248.0	51 073.0	60 037.4
Interest and rent on land	66 557.2	76 552.8	88 214.0	100 582.4
Interest (including interest on finance leases)	66 554.9	76 551.5	88 211.7	100 581.1
Rent on land	2.3	1.3	2.3	1.2
Total current payments	197 385.7	221 556.1	244 532.9	276 804.3
Transfers and subsidies to:				
Provinces and municipalities	383 780.0	430 799.1	464 706.8	500 641.0
Provinces	322 846.6	362 489.2	388 238.9	415 817.5
Provincial revenue funds	322 821.8	362 488.2	388 238.0	415 816.4
Provincial agencies and funds	24.8	1.0	0.9	1.1
Municipalities	60 933.4	68 309.9	76 468.0	84 823.6
Municipal bank accounts	60 933.4	68 309.8	76 468.0	84 823.6
Municipal agencies and funds	0.0	0.0	0.0	-
Departmental agencies and accounts	55 612.5	73 205.9	74 201.0	80 602.3
Social security funds	11.5	38.9	17.0	18.7
Departmental agencies (non-business entities)	55 601.0	73 167.0	74 184.0	80 583.6
Higher education institutions	17 726.2	19 555.6	21 164.1	22 474.3
Foreign governments and international organisations	1 233.7	1 312.4	1 400.1	1 928.5
Public corporations and private enterprises	20 058.2	22 432.5	25 213.6	27 061.9
Public corporations	18 254.6	19 640.6	21 515.9	21 456.7
Subsidies on products or production	8 073.4	8 292.4	9 402.6	8 811.9
Other transfers to public corporations	10 181.3	11 348.2	12 113.3	12 644.9
Private enterprises	1 803.6	2 791.9	3 697.7	5 605.2
Subsidies on products or production	1 383.9	2 295.8	3 175.8	4 848.3
Other transfers to private enterprises	419.6	496.1	521.8	756.9
Non-profit institutions	1 128.5	1 149.7	1 431.6	5 145.6
Households	95 571.0	105 054.2	114 225.0	121 055.5
Social benefits	90 740.8	99 831.6	107 778.0	115 116.2
Other transfers to households	4 830.1	5 222.6	6 447.0	5 939.3
Total transfers and subsidies	575 110.1	653 509.3	702 342.2	758 909.2
Payments for capital assets				
Buildings and other fixed structures	5 943.1	7 033.4	8 591.6	10 133.7
Buildings	4 490.6	4 482.5	4 921.4	6 349.5
Other fixed structures	1 452.4	2 550.9	3 670.2	3 784.2
Machinery and equipment	4 265.0	4 327.1	5 069.1	3 846.4
Transport equipment	2 007.0	2 016.7	2 245.7	1 911.0
Other machinery and equipment	2 258.0	2 310.4	2 823.4	1 935.4
Heritage assets	0.0	0.2	0.0	-
Specialised military assets	7.6	-	22.6	40.5
Biological assets	2.1	3.4	6.2	2.1
Land and subsoil assets	772.4	132.0	91.8	-
Software and other intangible assets	416.6	547.3	214.6	263.7
Total payments for capital assets	11 406.9	12 043.4	13 996.0	14 286.4
Payments for financial assets	22 076.5	2 802.6	4 624.6	3 593.5
Total	805 979.1	889 911.5	965 495.6	1 053 593.4
Contingency reserve	-	-	-	-
Projected underspending	-	-	-	-3 500.0
Local government repayment to the National Revenue Fund	-	-	-	-500.0
Total	805 979.1	889 911.5	965 495.6	1 049 593.4

Table 4 Expenditure by economic classification: 2010/11 to 2016/17

Revised estimate	Medium-term expenditure estimates			
2013/14	2014/15	2015/16	2016/17	R million
116 076.9	123 536.8	130 600.9	139 376.1	Current payments
97 721.9	103 528.5	109 858.6	117 398.6	Compensation of employees
18 355.0	20 008.3	20 742.2	21 977.5	Salaries and wages
				Social contributions
59 612.8	60 484.1	62 848.7	67 963.9	Goods and services
101 353.7	114 950.8	126 695.7	139 248.3	Interest and rent on land
101 352.5	114 949.6	126 694.5	139 247.0	Interest (including interest on finance leases)
1.2	1.2	1.2	1.3	Rent on land
277 043.5	298 971.7	320 145.3	346 588.3	Total current payments
498 640.9	535 281.8	577 731.1	613 487.2	Transfers and subsidies to:
414 933.3	444 424.6	477 640.9	508 255.4	Provinces and municipalities
414 932.2	444 423.1	477 639.3	508 253.8	Provinces
1.1	1.5	1.5	1.6	Provincial revenue funds
83 707.6	90 857.3	100 090.3	105 231.8	Provincial agencies and funds
83 707.6	90 857.3	100 090.3	105 231.8	Municipalities
-	-	-	-	Municipal bank accounts
80 441.2	86 893.4	93 868.9	99 550.7	Municipal agencies and funds
18.7	20.5	21.4	22.6	Departmental agencies and accounts
80 422.5	86 872.9	93 847.4	99 528.1	Social security funds
22 474.3	24 241.8	26 330.4	27 718.4	Departmental agencies (non-business entities)
1 951.9	1 670.4	1 765.0	1 858.1	Higher education institutions
26 997.4	33 390.8	37 449.6	39 204.3	Foreign governments and international organisations
21 442.2	27 924.1	31 292.0	32 247.9	Public corporations and private enterprises
8 804.4	10 545.2	10 417.8	10 870.4	Public corporations
12 637.9	17 378.9	20 874.2	21 377.4	Subsidies on products or production
5 555.2	5 466.7	6 157.6	6 956.5	Other transfers to public corporations
4 798.3	4 625.9	5 315.9	6 104.2	Private enterprises
756.9	840.8	841.6	852.3	Subsidies on products or production
5 129.8	5 435.8	5 675.9	6 025.9	Other transfers to private enterprises
120 135.4	132 417.0	141 703.0	151 571.9	Non-profit institutions
114 420.2	125 264.1	134 080.6	142 381.1	Households
5 715.2	7 152.9	7 622.3	9 190.8	Social benefits
				Other transfers to households
755 770.9	819 331.0	884 523.8	939 416.6	Total transfers and subsidies
8 270.6	14 044.0	14 875.9	14 950.8	Payments for capital assets
4 687.1	8 116.9	7 863.2	8 428.0	Buildings and other fixed structures
3 583.5	5 927.0	7 012.7	6 522.8	Buildings
3 840.8	3 382.2	3 457.9	4 053.6	Other fixed structures
1 905.8	1 406.6	1 338.1	1 856.6	Machinery and equipment
1 934.9	1 975.6	2 119.8	2 196.9	Transport equipment
-	-	-	-	Other machinery and equipment
40.5	45.3	56.0	61.5	Heritage assets
2.1	2.6	2.8	3.1	Specialised military assets
-	-	-	-	Biological assets
261.0	215.0	208.3	247.7	Land and subsoil assets
				Software and other intangible assets
12 414.9	17 689.1	18 600.8	19 316.7	Total payments for capital assets
3 879.6	3 570.5	3 320.4	302.8	Payments for financial assets
1 049 108.9	1 139 562.4	1 226 590.3	1 305 624.3	Total
-	3 000.0	6 000.0	18 000.0	Contingency reserve
-	-	-	-	Projected underspending
-	-	-	-	Local government repayment to the National Revenue Fund
1 049 108.9	1 142 562.4	1 232 590.3	1 323 624.3	Total

Table 5 Amounts to be appropriated from the National Revenue Fund for 2014/15

	Appropriated (including direct charges)	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	To be appropriated	Increase/ Decrease ¹
R million	2013/14			2014/15			
1 The Presidency	1 095.7	588.7	576.0	16.2	–	1 180.8	85.1
2 Parliament	1 873.1	1 637.3	348.5	3.4	–	1 989.2	116.0
3 Cooperative Governance and Traditional Affairs	58 252.7	2 690.7	60 513.3	8.7	–	63 212.7	4 960.0
4 Home Affairs	6 567.8	4 853.8	1 759.0	10.9	–	6 623.7	55.9
5 International Relations and Cooperation	5 548.4	4 582.6	745.7	426.0	–	5 754.3	205.9
6 Performance Monitoring and Evaluation	192.7	202.4	–	5.8	–	208.2	15.4
7 Public Works	6 170.0	2 962.0	2 563.4	595.9	–	6 121.3	-48.7
8 Women, Children and People with Disabilities	198.3	147.3	67.2	4.0	–	218.5	20.2
9 Government Communication and Information System	396.7	388.0	21.8	3.3	–	413.1	16.3
10 National Treasury	473 413.2	116 471.4	394 596.3	185.5	3 570.5	514 823.8	41 410.6
11 Public Enterprises	236.9	255.6	0.1	4.1	–	259.8	22.9
12 Public Service and Administration	816.4	478.6	390.2	6.3	–	875.1	58.7
13 Statistics South Africa	1 737.7	1 767.7	15.1	459.7	–	2 242.5	504.8
14 Arts and Culture	2 914.8	690.3	2 827.1	7.4	–	3 524.7	610.0
15 Basic Education	17 591.9	2 480.2	14 267.4	2 932.5	–	19 680.1	2 088.2
16 Health	30 706.7	2 014.1	30 916.4	1 025.0	–	33 955.5	3 248.8
17 Higher Education and Training	46 725.4	610.5	49 692.5	3.7	–	50 306.7	3 581.3
18 Labour	2 415.2	1 554.0	942.4	31.0	–	2 527.3	112.0
19 Social Development	120 491.6	679.4	128 113.3	6.7	–	128 799.4	8 307.8
20 Sport and Recreation South Africa	1 073.5	269.5	698.8	2.2	–	970.4	-103.1
21 Correctional Services	18 748.1	18 585.5	81.8	1 053.8	–	19 721.1	973.0
22 Defence and Military Veterans	40 243.3	34 471.1	7 838.2	521.9	–	42 831.2	2 587.9
23 Independent Police Investigative Directorate	217.0	231.3	0.5	2.9	–	234.7	17.7
24 Justice and Constitutional Development	16 709.9	14 289.2	2 273.3	1 329.6	–	17 892.1	1 182.2
25 Police	67 917.1	68 924.4	737.1	2 845.7	–	72 507.2	4 590.1
26 Agriculture, Forestry and Fisheries	6 178.0	2 555.3	4 035.4	101.6	–	6 692.4	514.4
27 Communications	2 043.9	503.4	1 084.5	5.5	–	1 593.4	-450.5
28 Economic Development	771.5	160.8	533.9	2.2	–	696.9	-74.6
29 Energy	6 598.2	518.3	6 892.1	5.2	–	7 415.6	817.5
30 Environmental Affairs	5 431.2	1 951.2	3 675.7	41.4	–	5 668.4	237.2
31 Human Settlements	28 110.5	823.9	28 728.3	969.3	–	30 521.4	2 410.9
32 Mineral Resources	1 393.8	742.3	717.9	11.0	–	1 471.3	77.4
33 Rural Development and Land Reform	9 459.7	3 549.6	5 881.7	24.0	–	9 455.3	-4.4
34 Science and Technology	6 198.2	486.7	5 981.2	2.3	–	6 470.2	272.0
35 Tourism	1 500.6	380.3	1 272.6	9.3	–	1 662.1	161.5
36 Trade and Industry	9 572.6	1 536.4	8 274.5	24.1	–	9 835.0	262.4
37 Transport	42 275.3	968.1	47 754.2	4.2	–	48 726.5	6 451.2
38 Water Affairs	10 187.0	2 969.7	4 513.9	4 996.8	–	12 480.3	2 293.4
Total	1 051 974.6	298 971.7	819 331.0	17 689.1	3 570.5	1 139 562.4	87 587.8

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

Table 6a Conditional grants to provinces: 2010/11 to 2016/17¹

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates		
	2010/11	2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
3 Cooperative Governance and Traditional Affairs	214.4	15.1	0.9	188.1	38.1	197.4	204.3	215.2
7 Public Works	2 104.3	2 229.0	2 308.4	614.5	614.5	606.9	624.1	786.5
10 National Treasury	–	1 089.7	–	–	–	–	–	–
14 Arts and Culture	462.4	569.9	564.6	597.8	597.8	1 016.2	1 340.6	1 411.6
15 Basic Education	7 078.6	10 357.7	11 205.9	12 370.6	11 836.5	13 169.5	15 827.0	16 662.0
16 Health	21 042.0	24 034.8	26 071.7	27 686.4	27 686.4	30 111.3	32 484.4	35 183.9
17 Higher Education and Training	3 804.0	4 375.3	4 844.6	2 454.2	2 454.2	2 631.3	2 818.6	2 974.0
19 Social Development	–	–	–	–	–	29.0	47.5	47.5
20 Sport and Recreation South Africa	426.4	452.0	469.6	497.6	497.6	525.6	549.8	579.0
26 Agriculture, Forestry and Fisheries	1 125.7	1 651.7	2 062.4	2 151.8	2 151.8	2 389.1	2 238.1	2 336.1
31 Human Settlements	13 032.1	15 121.5	15 395.0	17 028.3	17 028.3	17 084.4	18 532.6	20 409.6
37 Transport	8 392.5	10 855.9	12 299.1	13 290.3	13 090.3	14 194.2	15 005.0	15 609.8
Total	57 682.4	70 752.7	75 222.2	76 879.5	75 995.4	81 955.0	89 671.9	96 215.0

1. Details provided in the Division of Revenue Act (2014).

Table 6b Conditional grants to municipalities: 2010/11 to 2016/17¹

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates		
	2010/11	2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
3 Cooperative Governance and Traditional Affairs	9 916.3	11 695.8	14 182.4	15 059.7	14 959.7	15 336.9	15 757.4	16 438.1
7 Public Works	279.6	363.9	661.5	611.3	611.3	594.6	619.0	706.0
10 National Treasury	1 196.4	1 162.0	1 056.3	1 161.3	1 161.3	1 399.7	1 465.0	1 558.2
20 Sport and Recreation South Africa	512.6	–	123.1	120.0	120.0	–	–	–
29 Energy	1 253.4	1 376.6	1 351.4	1 815.5	1 815.5	1 241.6	2 244.4	2 368.9
31 Human Settlements	4 968.0	6 267.0	7 392.2	9 183.6	9 183.6	10 632.3	11 005.8	11 656.5
37 Transport	3 709.9	4 647.1	4 921.7	5 602.2	5 602.2	5 946.1	6 238.7	6 569.3
38 Water Affairs	984.6	992.3	562.4	1 023.9	813.9	983.7	1 850.4	1 797.2
Total	22 820.8	26 504.8	30 251.2	34 577.5	34 267.5	36 134.8	39 180.6	41 094.1

1. Details provided in the Division of Revenue Act (2014).

Table 7 Training expenditure per vote: 2010/11 to 2016/17

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
1 The Presidency	2.1	1.1	2.3	3.0	3.3	3.5	3.7
2 Parliament	6.7	4.5	5.9	9.3	11.4	12.0	12.4
3 Cooperative Governance and Traditional Affairs	1.4	1.4	1.7	3.1	2.6	2.7	2.9
4 Home Affairs	40.1	62.2	8.6	21.4	23.9	24.9	26.2
5 International Relations and Cooperation	12.5	11.6	12.0	30.0	24.6	24.9	26.7
6 Performance Monitoring and Evaluation	–	0.7	2.0	2.3	1.4	1.5	1.7
7 Public Works	10.2	13.5	13.3	14.7	15.8	16.8	18.7
8 Women, Children and People with Disabilities	–	0.1	0.1	0.8	0.8	0.9	1.0
9 Government Communication and Information System	5.3	4.7	3.2	3.1	5.6	5.8	6.1
10 National Treasury	8.4	8.9	10.5	9.4	9.3	9.4	9.8
11 Public Enterprises	2.6	3.0	2.0	3.2	3.3	3.5	3.7
12 Public Service and Administration	3.4	3.7	4.9	4.0	4.8	4.5	4.5
13 Statistics South Africa	9.9	7.9	17.6	7.7	9.9	10.4	11.0
14 Arts and Culture	2.8	3.5	2.0	2.0	2.1	2.2	2.4
15 Basic Education	1.2	0.8	1.1	1.2	1.3	1.4	1.5
16 Health	5.2	5.7	5.9	6.9	5.5	5.7	6.4
17 Higher Education and Training	0.9	1.6	1.8	1.4	2.5	2.6	2.7
18 Labour	6.5	7.6	11.9	14.3	15.0	14.9	15.7
19 Social Development	4.4	4.0	3.4	8.4	8.8	9.2	9.8
20 Sport and Recreation South Africa	0.6	0.9	1.6	1.1	1.3	1.4	1.5
21 Correctional Services	78.9	126.0	116.6	135.6	131.6	135.5	143.7
22 Defence and Military Veterans	119.0	154.8	107.5	194.2	175.4	185.8	181.0
23 Independent Police Investigative Directorate	0.8	1.8	1.8	2.2	3.4	4.7	4.7
24 Justice and Constitutional Development	18.8	6.6	16.8	92.3	101.0	106.0	111.3
25 Police	1 421.4	1 507.9	1 623.7	1 733.0	1 785.0	1 838.5	1 893.7
26 Agriculture, Forestry and Fisheries	37.7	29.1	32.1	49.2	55.3	55.8	58.8
27 Communications	5.1	10.8	3.9	3.3	3.4	3.6	3.8
28 Economic Development	–	1.4	0.4	1.0	1.1	1.1	1.1
29 Energy	2.1	2.5	2.1	1.2	5.2	5.5	5.8
30 Environmental Affairs	6.4	16.0	7.4	6.5	7.0	7.5	–
31 Human Settlements	3.0	3.2	4.2	5.2	5.4	5.6	5.9
32 Mineral Resources	7.8	3.1	2.3	8.3	6.9	7.2	7.6
33 Rural Development and Land Reform	28.9	25.4	1.9	232.1	131.2	135.7	142.7
34 Science and Technology	2.8	4.2	6.1	5.2	5.5	5.8	5.8
35 Tourism	1.1	2.1	3.0	3.1	3.3	3.4	3.9
36 Trade and Industry	9.4	16.3	16.4	14.2	15.0	13.9	14.5
37 Transport	5.4	4.4	5.2	4.1	4.4	4.6	4.9
38 Water Affairs	56.7	31.2	31.8	30.3	31.8	33.8	35.5
Total	1 929.5	2 094.1	2 095.3	2 668.4	2 625.2	2 712.3	2 792.9

Table 8a Infrastructure expenditure per vote: 2010/11 to 2016/17¹

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
3 Cooperative Governance and Traditional Affairs	9 704.3	11 443.5	13 879.2	14 354.4	14 683.8	15 098.1	15 766.8
4 Home Affairs	67.2	78.9	27.6	78.2	183.3	93.8	96.4
5 International Relations and Cooperation	134.5	205.2	113.0	202.9	214.0	223.8	235.7
7 Public Works	1 255.9	1 011.4	713.0	676.2	510.4	844.0	885.2
9 Government Communication and Information System	–	–	48.9	52.8	–	–	–
10 National Treasury	1 051.5	887.9	810.7	824.3	823.6	835.3	901.1
14 Arts and Culture	447.8	364.3	229.8	509.5	540.1	564.9	594.9
15 Basic Education	3 227.2	5 597.7	6 860.7	8 830.8	10 073.7	12 116.2	12 873.4
16 Health	4 257.1	5 683.4	5 524.4	5 471.0	6 097.0	6 324.4	6 695.6
17 Higher Education and Training	1 585.0	1 625.3	1 799.9	2 150.0	2 700.0	3 300.0	3 474.9
18 Labour	16.9	7.1	8.6	5.5	0.0	–	–
19 Social Development	–	–	–	–	50.0	50.0	50.0
20 Sport and Recreation South Africa	512.6	–	–	–	–	–	–
21 Correctional Services	950.9	592.4	744.5	803.1	813.0	819.9	863.4
22 Defence and Military Veterans	699.9	530.7	1 381.7	1 207.7	1 043.3	1 041.3	2 183.5
24 Justice and Constitutional Development	542.5	683.6	621.2	784.6	844.5	784.1	1 046.9
25 Police	1 182.1	671.1	691.6	1 036.9	1 099.9	1 149.5	1 210.5
26 Agriculture, Forestry and Fisheries	121.3	262.2	555.2	468.4	710.1	691.4	430.7
27 Communications	191.0	533.9	–	624.3	131.8	64.9	68.3
29 Energy	4 263.1	4 462.3	4 589.1	3 575.0	4 149.3	5 837.2	6 146.6
30 Environmental Affairs	601.7	642.8	337.5	405.7	546.4	608.2	540.2
31 Human Settlements	18 108.7	21 575.9	22 992.8	26 268.0	28 381.4	30 281.1	31 766.0
33 Rural Development and Land Reform	6.9	20.8	4.7	2.2	–	–	–
34 Science and Technology	236.9	417.7	483.7	579.1	992.4	1 056.7	1 061.6
36 Trade and Industry	1 224.3	837.3	949.5	1 144.0	840.0	1 390.0	1 924.5
37 Transport	18 701.4	28 101.4	25 016.6	26 712.7	33 727.3	37 980.4	39 859.6
38 Water Affairs	2 466.4	3 569.3	4 950.8	5 508.3	7 640.0	9 741.9	10 296.2
Total	71 557.1	89 806.2	93 334.7	102 275.7	116 795.1	130 897.1	138 971.8

Table 8b Infrastructure nature of investment: 2010/11 to 2016/17¹

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
New infrastructure assets	2 528.9	3 312.0	4 147.4	5 718.8	9 733.8	9 080.4	9 264.4
Existing infrastructure assets	4 368.0	3 405.9	4 839.4	5 876.8	5 430.6	6 370.8	7 625.2
Upgrading and additions	3 479.0	2 722.6	3 448.6	4 183.4	3 721.9	4 411.8	4 309.4
Rehabilitation, renovations and refurbishment	378.8	351.4	1 199.7	1 289.0	1 364.3	1 577.9	2 825.2
Maintenance and repair	510.2	331.9	191.1	404.5	344.3	381.2	490.6
Infrastructure transfers	64 660.2	83 088.3	84 348.0	90 680.1	101 630.8	115 445.9	122 082.1
Current	132.6	259.4	478.2	444.2	614.1	445.4	448.8
Capital	64 527.7	82 828.9	83 869.8	90 235.9	101 016.7	115 000.5	121 633.4
Total Infrastructure	71 557.1	89 806.2	93 334.7	102 275.7	116 795.1	130 897.1	138 971.8
<i>Current infrastructure²</i>	<i>642.8</i>	<i>591.3</i>	<i>669.3</i>	<i>848.6</i>	<i>958.4</i>	<i>826.6</i>	<i>939.4</i>
<i>Capital infrastructure³</i>	<i>70 914.4</i>	<i>89 215.0</i>	<i>92 665.5</i>	<i>101 427.1</i>	<i>115 836.7</i>	<i>130 070.5</i>	<i>138 032.4</i>

1. Amounts include: mega infrastructure projects and programmes for which the total cost is at least R1 billion over the project life cycle; large projects and programmes for which the total cost is at least R250 million but less than R1 billion over the project life cycle; and small projects and programmes for which the total cost is less than R250 million over the project life cycle. Amounts also include: infrastructure transfers to other spheres, agencies and entities; and maintenance and repair projects.

2. Current infrastructure refers to the maintenance and repairs of existing infrastructure assets and is aimed at maintaining the capacity and effectiveness of an asset at the designed level.

3. Capital infrastructure refers to the construction, replacement, upgrade, rehabilitation, renovation and refurbishment of infrastructure resulting in a new asset or an increase in the capacity, effectiveness and value of an existing one.

Table 9 Personnel expenditure per vote: 2010/11 to 2016/17

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates		
	2010/11	2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
1 The Presidency	210.2	235.6	263.0	300.0	300.0	334.6	352.4	371.9
2 Parliament	795.5	857.9	973.1	1 107.0	1 107.0	1 156.1	1 226.1	1 294.3
3 Cooperative Governance and Traditional Affairs	157.0	196.2	216.6	245.1	245.1	256.6	271.8	288.5
4 Home Affairs	2 051.9	1 944.9	2 179.6	2 496.5	2 496.5	2 670.0	2 832.1	3 021.1
5 International Relations and Cooperation	1 791.4	1 934.2	2 153.2	2 354.3	2 354.3	2 461.8	2 484.0	2 670.9
6 Performance Monitoring and Evaluation	26.1	54.4	83.0	108.5	108.5	131.5	142.3	151.7
7 Public Works	1 089.7	1 269.6	1 374.6	1 473.5	1 473.5	1 659.9	1 753.5	1 870.5
8 Women, Children and People with Disabilities	22.7	47.8	61.0	78.7	78.7	84.6	89.3	95.2
9 Government Communication and Information System	147.2	160.3	175.2	188.7	186.6	200.1	212.2	226.2
10 National Treasury	476.2	537.1	589.7	659.5	639.0	764.9	809.9	863.2
11 Public Enterprises	83.1	96.2	105.3	131.9	131.9	149.6	159.5	169.9
12 Public Service and Administration	175.4	181.9	203.3	267.2	267.2	265.8	296.5	316.6
13 Statistics South Africa	976.3	1 232.8	1 074.9	1 103.3	1 087.3	1 231.7	1 301.0	1 369.5
14 Arts and Culture	152.8	163.7	172.7	196.4	193.9	209.9	223.0	237.9
15 Basic Education	252.9	295.4	325.2	388.2	388.2	414.7	438.0	466.9
16 Health	353.7	409.7	482.3	538.4	540.5	597.2	637.3	674.7
17 Higher Education and Training	258.2	305.6	360.4	402.7	400.3	426.5	448.4	478.0
18 Labour	681.5	757.9	820.5	882.0	879.9	966.5	1 033.4	1 315.5
19 Social Development	247.0	273.6	291.3	329.2	329.2	355.8	381.4	406.2
20 Sport and Recreation South Africa	70.6	73.1	73.7	85.9	63.6	103.0	106.9	114.0
21 Correctional Services	9 506.7	10 851.8	11 337.8	12 357.1	12 357.1	13 315.6	14 113.3	15 044.8
22 Defence and Military Veterans	16 597.1	17 569.0	19 688.4	21 373.0	21 373.0	21 980.2	23 354.7	25 138.5
23 Independent Police Investigative Directorate	71.8	78.1	96.0	131.9	131.9	162.3	169.9	178.0
24 Justice and Constitutional Development	6 944.9	7 559.2	8 193.4	9 399.4	9 399.4	10 130.3	10 634.1	11 158.7
25 Police	38 399.5	42 407.5	46 796.3	51 231.6	51 231.6	54 210.0	57 532.0	61 176.8
26 Agriculture, Forestry and Fisheries	1 189.9	1 320.7	1 419.1	1 603.3	1 603.3	1 697.9	1 833.4	1 934.6
27 Communications	145.1	151.6	157.5	195.0	195.0	204.6	217.1	231.5
28 Economic Development	25.2	48.3	62.1	72.4	72.4	107.8	113.3	111.0
29 Energy	142.8	184.8	201.5	242.6	226.5	291.9	307.4	328.3
30 Environmental Affairs	400.1	469.1	560.8	668.0	668.0	752.2	808.7	866.3
31 Human Settlements	216.5	242.7	249.8	362.8	362.8	390.0	417.8	445.4
32 Mineral Resources	326.5	364.6	395.9	444.1	442.0	476.8	505.7	539.0
33 Rural Development and Land Reform	946.7	1 373.3	1 727.8	1 965.4	1 965.4	2 195.8	2 024.7	2 270.6
34 Science and Technology	190.6	207.2	221.8	251.4	251.4	283.8	300.5	303.7
35 Tourism	100.3	135.3	171.2	205.8	205.8	233.3	246.1	259.4
36 Trade and Industry	514.5	567.0	671.6	818.3	818.3	916.9	980.9	1 033.9
37 Transport	250.8	274.5	287.8	344.2	337.5	383.4	406.5	433.3
38 Water Affairs	906.0	922.8	1 028.5	1 181.5	1 164.6	1 362.9	1 435.9	1 519.5
Total	86 894.0	95 755.3	105 245.9	116 184.6	116 076.9	123 536.8	130 600.9	139 376.1

Table 10 Departmental receipts per vote: 2010/11 to 2016/17¹

R million	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimates		
	2010/11	2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
1 The Presidency	0.6	2.4	9.0	0.8	0.9	0.9	0.9	1.0
2 Parliament	32.7	34.2	38.0	33.6	33.6	34.0	32.2	30.5
3 Cooperative Governance and Traditional Affairs	0.2	1.1	1.0	0.9	0.9	0.9	1.0	1.0
4 Home Affairs	644.8	911.0	712.1	588.0	817.6	651.4	723.7	768.7
5 International Relations and Cooperation	38.8	82.9	46.7	25.4	25.4	26.5	27.8	29.1
6 Performance Monitoring and Evaluation	–	0.1	0.1	0.1	0.1	0.1	0.1	0.1
7 Public Works	40.0	75.2	53.8	12.4	12.4	13.2	13.9	14.6
8 Women, Children and People with Disabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9 Government Communication and Information System	1.6	0.9	1.0	0.9	0.8	0.8	0.9	1.0
10 National Treasury	5 988.0	8 610.0	15 735.3	14 407.3	15 174.4	6 722.5	5 015.5	6 982.0
11 Public Enterprises	0.3	0.1	0.5	0.2	0.3	0.1	0.1	0.1
12 Public Service and Administration	2.1	0.5	0.5	1.2	1.2	0.8	0.9	0.9
13 Statistics South Africa	2.6	3.0	2.7	2.4	2.4	2.6	2.9	3.0
14 Arts and Culture	2.1	1.0	1.9	1.8	2.4	2.6	2.7	2.7
15 Basic Education	1.7	12.7	8.0	11.3	10.8	8.6	6.1	6.3
16 Health	27.2	55.3	33.8	23.5	39.4	32.8	32.8	34.2
17 Higher Education and Training	8.9	10.3	10.9	10.9	9.3	9.4	9.6	10.1
18 Labour	9.0	7.6	15.7	15.2	15.2	10.1	10.5	10.9
19 Social Development	10.5	103.2	44.4	8.0	8.0	18.0	19.8	16.2
20 Sport and Recreation South Africa	0.3	0.3	8.7	0.2	0.3	0.3	0.4	0.4
21 Correctional Services	115.4	146.9	127.0	131.1	131.1	135.7	150.0	158.1
22 Defence and Military Veterans	689.7	4 269.0	1 044.5	798.9	798.9	814.9	818.2	859.1
23 Independent Police Investigative Directorate	0.2	0.1	0.2	0.3	0.3	0.2	0.2	0.2
24 Justice and Constitutional Development	414.2	387.3	457.3	408.7	408.7	472.7	498.7	525.6
25 Police	287.7	288.8	342.0	320.9	320.9	280.4	297.0	301.7
26 Agriculture, Forestry and Fisheries	157.0	177.4	198.0	383.8	392.3	159.9	167.9	176.3
27 Communications	1 894.9	2 329.4	2 612.2	3 435.0	3 306.3	2 993.9	3 042.6	3 072.8
28 Economic Development	547.2	592.9	668.7	1 978.4	1 978.4	826.8	867.3	911.4
29 Energy	3.9	3.4	390.1	2.9	40.6	2.6	2.8	2.9
30 Environmental Affairs	8.5	18.0	18.5	19.1	28.5	23.7	24.8	25.8
31 Human Settlements	2.8	0.6	1.0	6.6	6.6	0.6	0.7	0.7
32 Mineral Resources	30.3	93.2	93.4	41.6	51.1	54.7	57.2	60.2
33 Rural Development and Land Reform	48.8	46.2	79.6	78.2	78.2	42.1	40.2	41.4
34 Science and Technology	0.5	1.4	1.2	1.8	1.8	0.1	0.1	0.1
35 Tourism	1.5	1.9	1.5	4.1	3.8	1.7	1.8	1.9
36 Trade and Industry	35.6	78.7	135.3	89.0	89.2	96.6	102.8	108.3
37 Transport	408.8	312.5	178.3	327.2	253.2	268.8	280.8	295.7
38 Water Affairs	33.1	85.6	26.0	24.7	29.4	25.6	26.6	26.7
Total departmental receipts as per Estimates of National Expenditure	11 491.7	18 745.0	23 099.0	23 196.4	24 074.6	13 736.6	12 281.1	14 481.6
Less: Parliament (retained departmental receipts)	32.7	34.2	38.0	33.6	33.6	34.0	32.2	30.5
Plus: National Revenue Fund receipts ²	600.0	–	–	–	–	–	–	–
Plus: South African Revenue Service departmental receipts collection	4 415.0	5 691.6	5 026.1	6 188.6	6 500.0	7 166.8	8 066.7	9 107.5
Total departmental receipts as per Budget Review	16 474.0	24 402.5	28 087.1	29 351.4	30 541.0	20 869.4	20 315.6	23 558.5

1. Departmental receipts include National Revenue Fund receipts, previously classified as extraordinary receipts.

2. National Revenue Fund receipts in this instance refer to levy accounts/exchange control forfeits collected by the South African Reserve Bank.

Information contained in Estimates of National Expenditure publications

The Estimates of National Expenditure publications describe in detail the planned spending of all national government votes for three years going forward: that is, the years of the medium term expenditure framework (MTEF).

The abridged Estimates of National Expenditure publication is tabled in Parliament by the Minister of Finance on the day the main Budget is tabled. Through an accompanying Appropriation Bill, the executive seeks Parliament's approval and adoption of its spending plans for the new financial year. Amounts allocated for the first year of the new MTEF period are then appropriated from the National Revenue Fund in terms of the Appropriation Act, once approved by the president. The main budget also provides for a contingency reserve for expenditure related to unforeseeable circumstances.

Information in the Appropriation Bill is divided according to vote. Generally, a vote specifies the total amount appropriated per department. In some cases a vote may contain more than one department. Each chapter in the abridged Estimates of National Expenditure publication relates to a vote. A separate e-publication is also available for each vote.

The Estimates of National Expenditure e-publications for individual votes provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, public entities, donor funding, public private partnerships, conditional grants to provinces and municipalities, expenditure on training, a revised spending estimate for the current financial year, as well as expenditure information at the level of service delivery, where appropriate. These publications are available at www.treasury.gov.za.

In respect of each vote, the Estimates of National Expenditure publications follow the layout shown below:

Budget summary

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

	2014/15					2015/16	2016/17
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
R million							
MTEF allocation							
Programme name							
Subtotal							
Direct charge against the National Revenue Fund							
Item							
Total expenditure estimates							

Executive authority

Minister

Accounting officer

Director-General / Chief Operating Officer

Website address

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, public entities, donor funding, public private partnerships, conditional grants to provinces and municipalities, expenditure on skills training, a revised spending estimate for the current financial year, and expenditure information at the level of service delivery, where appropriate.

The **2014/15 total** shows the expenditure allocation per programme and the aggregated amount for 2014/15, and corresponds with the information in the 2014 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 a department for its operational requirements.

Transfers and subsidies are payments made by a 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 are mainly 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 the purpose of the transaction is not profit oriented. This column is only shown in votes 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, 2015/16 and 2016/17, are also shown. These estimates are not included in the 2014 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 of the planning of the 2015 Budget.

Direct charges against the National Revenue Fund are amounts spent in terms of statutes and do not require parliamentary approval and thus are not contained in the Appropriation Bill. They are not budgeted for under any programme on a particular vote and include, for example, state debt costs.

Total expenditure estimates are the sum of the expenditure on programmes and direct charges, classified into current payments, transfers and subsidies, payments for capital assets and payments for financial assets.

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

Aim

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

Mandate

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

Strategic goals

Departmental strategic goals identify areas of institutional performance that are critical to the achievement of the department's legislative mandate and responsibilities. These goals are generally aligned with departmental strategic plans.

Programme purposes

Each vote is comprised of several programmes. The functions and activities performed by an institution 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. In terms of the Public Finance Management Act (1999), the programme purpose outlines the activities and functions of the particular programme as per the approved budget programme structure.

Selected performance indicators

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

Indicator	Programme	Outcome	Past			Current	Projections		
			2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17

Managing, monitoring and measuring performance are integral to improving service delivery. 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. It should, however, contain key performance indicators that form part of government's performance management system, departmental annual performance plans and ministerial delivery agreements.

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

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

The **outcome** column links the indicator to one or more of the 12 government outcomes to which it contributes.

The **past** column shows what level of performance the department actually achieved in the 2010/11, 2011/12 and 2012/13 financial years.

The **current** column shows what the department projects it will achieve for the 2013/14 financial year.

The **projections** column shows what the department expects to achieve in the 2014/15, 2015/16 and 2016/17 financial years.

The national development plan

Information is presented on how the department's programmes and plans may link with the national development plan, including how the department expects to engage with the realisation of this plan going forward.

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

Expenditure estimates

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

Programme				Adjusted Appropriation	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
Audited outcome								2010/11	2011/12	2012/13		
R million	2010/11	2011/12	2012/13	2013/14	2010/11 - 2013/14		2014/15 - 2016/17			2013/14	2016/17	
Programme name												
Subtotal												
Direct charge against the National Revenue Fund Item												
Total												
Change to 2013 Budget estimate												
Economic classification												
Current payments												
Economic classification item												
Transfers and subsidies												
Economic classification item												
Payments for capital assets												
Economic classification item												
Payments for financial assets												
Total												

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.

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 any changes made to the appropriation voted in the 2013 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 were included in the Adjustments Appropriation Bill, which Parliament approved before expenditure could take place, and the details were published in the 2013 Adjusted Estimates of National Expenditure publication.

The **revised estimate** for 2013/14 represents expenditure outcomes in terms of National Treasury's current estimate, arrived at in consultation with the department. This does not imply a change in the amounts voted to departments in the 2013/14 adjusted appropriation; it is merely a more recent estimate of what the department is likely to spend in this financial year.

The **average growth rate** for the stated period is shown as a percentage.

The **expenditure/total: average** column shows on average what proportion an expenditure item comprises of total vote expenditure for the stated period as a percentage.

The **medium-term expenditure estimates** are shown for 2014/15, 2015/16 and 2016/17. The spending figures for 2014/15 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 2015/16 and 2016/17 are indicative allocations, and will form the basis of planning for the 2015 Budget.

Direct charges against the National Revenue Fund are amounts spent in terms of statutes and do not require parliamentary approval and thus are not contained in the Appropriation Bill. 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. The average growth rates are also shown for the totals for the stated periods.

Personnel information

This table provides details of the total department personnel numbers according to salary level¹.

Number of posts estimated for 31 March 2014		Number and cost ² of personnel posts filled / planned for on funded establishment												Number				
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total Average (%)			
		2012/13			2013/14			2014/15		2015/16		2016/17				2013/14 - 2016/17		
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost					
Vote name		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
Salary Level																		
1 – 6																		
7 – 10																		
11 – 12																		
13 – 16																		
Other																		

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

2. Rand million.

Number of funded posts refers to the number of departmental employment positions for which provision is made on the budget.

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

Information is provided on the **number and cost of personnel posts filled/planned for on funded establishment** in the department by salary level. **Unit cost** is calculated by dividing the cost per salary level by the number of posts.

The **average growth rate** for the stated period is shown as a percentage.

The **salary level/ total: average** column shows on average what proportion the salary level cost comprises of the total vote personnel expenditure for the stated period.

Personnel information by salary level over a five-year period is provided, and discussed in relation to compensation of employees. An explanation of changes to the size of the establishment is given in relation to the department's strategic plan and service delivery goals.

Expenditure trends

The main expenditure trends are described. Trends are generally represented over the MTEF period between 2013/14 and 2016/17, or over the entire period between 2010/11 and 2016/17.

An explanation of the spending trends over the MTEF period is given in relation to the strategic objectives and the performance targets that will be achieved over the period. Expenditure growth in the historical period is typically compared to expenditure anticipated over the MTEF period. Reasons are given for trends that are identified, and any significant increases or decreases in expenditure are explained in terms of the underlying performance information, policies, personnel profile and other factors that inform the trends. A summary of the key Cabinet approved changes to the vote baseline budget is given.

The average annual growth rates in tables are reflected in nominal, not real, terms. In particular instances where inflationary growth has been excluded in the calculation and real growth estimates are discussed, the consumer price index has been used to deflate the growth rate.

Infrastructure spending

Expenditure on existing and new infrastructure is discussed, together with any progress made on the implementation of key existing and new infrastructure.

Departmental receipts

This table provides details of the revenue collected on the vote.

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt/ total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt/ total: Average (%)
	2010/11	2011/12	2012/13					2014/15	2015/16	2016/17		
R thousand				2013/14		2010/11	2013/14				2013/14	2016/17
Departmental receipts												
Economic classification												
Item												
<i>Lower level classification item</i>												
Total												

Information on each programme

Objectives

Objectives are indicated for each programme. Objectives should include an explanation of strategic intent as well as specific interventions and progress measures. These are broadly aligned with strategic objectives captured in the strategic and annual performance plans. (Programme 1 (*Administration*) is generally exempt from providing objectives).

For example: Improve the provision of identity status services and products to eligible citizens and residents (strategic intention/objective) by reducing the time taken to issue passports and travel documents (specific intervention) from 7 days in 2013/14 to 3 days in 2016/17 (progress measure).

Subprogrammes (per programme)

The key activities carried out by each subprogramme are described. Programme 1 is always *Administration*, which includes spending on the ministry, the director general's office and central corporate services. The *Ministry* subprogramme includes spending on the ministerial and deputy ministerial offices. Where applicable, explanatory notes on transfers to public entities or partner organisations, and on subsidies, incentives or financial assistance programmes, are also provided.

Expenditure estimates (per programme)

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

Subprogramme				Adjusted Appropriation	Average growth rate (%)	Expenditure/ total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ total: Average (%)
Audited outcome											
R million	2010/11	2011/12	2012/13	2013/14	2010/11 - 2013/14		2014/15	2015/16	2016/17	2013/14 - 2016/17	
Subprogramme name											
Total											
Change to 2013 Budget estimate											
Economic classification											
Current payments											
Economic classification item											
Transfers and subsidies											
Economic classification item											
Payments for capital assets											
Economic classification item											
Payments for financial assets											
Total											
Proportion of total programme expenditure to vote expenditure											

Personnel information (per programme)

This table provides details of the total programme personnel numbers according to salary level¹.

Number of posts estimated for 31 March 2014			Number and cost ² of personnel posts filled / planned for on funded establishment													Number	
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)	
			2012/13			2013/14			2014/15		2015/16		2016/17				2013/14 - 2016/17
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Programme name			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Salary Level																	
1 – 6																	
7 – 10																	
11 – 12																	
13 – 16																	
Other																	

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

2. Rand million.

Expenditure trends (per programme)

The spending focus of the programme is explained. The largest spending items and personnel numbers are highlighted and explained together with the underlying performance information, policies and factors that inform these quantum. Significant spending trends and year-on-year fluctuations are explained. Expenditure efficiencies and other measures to be implemented by the programme over the medium term to effect cost reductions and reprioritisations are also explained. Personnel trends, including the use of consultants in relation to programme personnel, are discussed where appropriate.

Selected subprogrammes (per subprogramme)

Economic classification data and accompanying explanations are provided for selected subprogrammes as follows.

Expenditure estimates (per subprogramme)

This table sets out expenditure by economic classification.

Economic classification				Adjusted Appropriation	Average growth rate (%)	Expenditure/ total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ total: Average (%)
Audited outcome											
R million	2010/11	2011/12	2012/13	2013/14	2010/11 - 2013/14		2014/15	2015/16	2016/17	2013/14 - 2016/17	
Current payments											
Economic classification item											
Transfers and subsidies											
Economic classification item											
Payments for capital assets											
Economic classification item											
Payments for financial assets											
Total											
Proportion of total subprogramme expenditure to programme expenditure											

Personnel information (per subprogramme)

This table provides details of the total subprogramme personnel numbers according to salary level¹.

Number of posts estimated for 31 March 2014		Number and cost ² of personnel posts filled / planned for on funded establishment														Number		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
		2012/13			2013/14			2014/15		2015/16		2016/17				2013/14 - 2016/17		
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost					
Subprogramme name		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
Salary Level																		
1 – 6																		
7 – 10																		
11 – 12																		
13 – 16																		

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

2. Rand million.

Expenditure trends (per subprogramme)

The largest economic classification spending items and personnel numbers are highlighted and the underlying performance information, policies and factors are provided. Significant spending trends and year-on-year fluctuations are explained, where appropriate. Expenditure efficiencies and other measures to be implemented by the subprogramme over the medium term to effect cost reductions and reprioritisations are also explained.

Public entities and other agencies

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

However, it is important to note that the basis of accounting used by entities is different from that used by departments. As such, the statements of financial performance and financial position of entities are shown in this section of the publications.

Public entity accounts are prepared using an accrual basis of accounting, whereas departmental accounts are prepared using a modified cash basis of accounting.

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

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

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

- the entity's key legal mandate and goals
- selected performance indicators relating to the entity's mandate and goals
- planned deliverables for the next MTEF period
- key achievements in the previous reporting periods
- reprioritisation and baseline reduction measures implemented
- 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 that relate to the key activities being carried out
- personnel information by salary level.

Additional tables

Summary of expenditure trends and estimates per programme and economic classification

This table shows the budgeted expenditure and the revised estimate for 2013/14 as well as the audited outcome for 2012/13.

Summary of expenditure on training

Information is provided on the funds spent on training as a proportion of compensation of employees, and on 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.

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.

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

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.

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

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 and technical cooperation.

The departmental **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 donated funds.

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.

Departmental infrastructure refers to direct spending by a department on infrastructure assets which the department will own.

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



BUDGET 2014

ESTIMATES OF NATIONAL EXPENDITURE

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National Treasury
REPUBLIC OF SOUTH AFRICA