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BUDGET 2015

ESTIMATES OF NATIONAL EXPENDITURE

VOTE 28

LABOUR



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Estimates of National Expenditure

2015

National Treasury

Republic of South Africa

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The 2015 Estimates of National Expenditure 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 2015 ENE, the 2015 ENE e-publications provide more detailed information, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional allocations to provinces and municipalities; departmental public private partnerships; and donor funding. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. In some e-publications more detailed information at the level of site service delivery is included.

Foreword

Some of the tough economic conditions occasioned by the 2008 to 2009 global financial crisis continue to plague most parts of the world: Economic growth remains sluggish, unemployment and inequality levels are elevated, while financial markets tend to reposition themselves substantially at the slightest sign of unsettling news. As an open economy, South Africa is highly susceptible to global economic developments, often disproportionately so. In the face of all of this, the 2015 Medium Term Expenditure Framework (MTEF) response provides for positive real growth in expenditure averaging 2.1 per cent per year. The annual budget reaches R1.6 trillion by 2017/18.

True to the commitment government made in the Medium Term Budget Policy Statement (MTBPS) in October 2014, the budget framework sets out departmental programmes and plans that fit within the broad expenditure envelope published last year. To keep our fiscal accounts firmly on a sustainable path, the MTBPS proposed a fiscal policy package that has trimmed overall spending by R25 billion, which is the combined amount for 2015/16 and 2016/17. Government spending does continue to surpass inflation after these adjustments in both years, but growth is marginally slower. In addition, for 2017/18, R45 billion is placed in an unallocated reserve to cushion our plans against unforeseeable eventualities. Further, to achieve our fiscal objectives, government has had to institute carefully selected tax measures too. These are implemented within the framework of a progressive tax system and have been informed by the work of the Davies Tax Committee. The tax proposals are set out in detail in chapter 4 of the Budget Review.

The process of realigning expenditure in response to the closing of the fiscal space is being actively managed, in the context of government's 2014-2019 medium term strategic framework. Some of our aspirations might take longer to realise. Within government's institutions, more urgent and essential existing programmes are being prioritised above other programmes that are reduced. The implementation of some newly proposed programmes will either be phased in over a longer period or, in some cases, possibly even delayed. Social sector spending and key infrastructure spending, as well as other key areas of spending, continue to grow in real terms.

In addition to the reprioritisation of government programmes, the policy frameworks and implementation methodology of programmes are being re-evaluated, with a focus on service delivery of programmes. In line with the 2013/14 National Treasury instruction on cost containment measures, financing programmes must entail a greater share of goods and services budgets being devoted towards core areas of service delivery. The focus of government programmes is being sharpened, both in terms of spatial distribution, and in terms of their nature and emphasis. Effectiveness and efficiency of expenditure is our guiding mantra.

The spending plans contained in the 2015 Budget do respond to our short term needs for economic growth. However, to achieve our ambition of faster growth, which we unquestionably need for pushing back the frontiers of unemployment, poverty and inequality, we must continue to strive towards shifting the composition of expenditure more towards investment, away from consumption. Institutional spending, as always, is being closely monitored, and the ongoing process of realignment continues. The details of the spending of national government departments and its entities are encompassed in the chapters of this publication.

All the expenditure and service delivery information contained in the chapters of this publication result from a wide ranging intergovernmental consultative process, leading to executive approval of reprioritised and realigned spending allocations. Many people have contributed to making this publication possible, particularly my colleagues in national departments and agencies. Their collaboration and understanding during the budget allocation and document drafting processes has been invaluable. Appreciation is also due to the dedicated team at National Treasury for the publication of this highly valuable resource.



Lungisa Fuzile
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of national Expenditure (ENE) publications provide comprehensive information on how budget resources are generated, how institutions have spent their budgets in previous years, and how institutions plan to spend the resources allocated to them over the MTEF period. Key performance indicators are included for each national government vote and entity showing what the institutions aim to achieve by spending their budget allocations in a particular manner. This information provides Parliament and the public with the necessary tools to hold government accountable against the 14 outcomes set out in the 2014-2019 medium term strategic framework.

The 2015 ENE publications largely retain the scope of information presented in previous years' publications. For ease of comprehension, however, in the 2015 publications information is presented in a more succinct and concise manner in data tables and their accompanying explanatory narratives. The reader can thus more readily understand what each institution is planning to spend its budget on and what it aims to achieve. Each chapter in the abridged 2015 ENE publication relates to a specific budget vote. A separate, more detailed, e-publication is also available for each vote.

Compared to the abridged version of the 2015 ENE, the 2015 ENE e-publications provide more detailed information, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional allocations to provinces and municipalities; departmental public private partnerships; and donor funding. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. In some e-publications more detailed information at the level of site service delivery is included.

A separate 2015 ENE Overview e-publication is also available, which contains a description at the main budget non-interest spending level, summarising the ENE publication information across votes. The 2015 ENE Overview contains this narrative explanation and summary tables; a description of the budgeting approach; and also has a write-up on how to interpret the information that is contained in each section of the publications.

Labour

**National Treasury
Republic of South Africa**



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Vote 28

Labour

Budget summary

R million	2015/16				2016/17	2017/18
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	845.1	798.4	0.2	46.5	903.8	943.6
Inspection and Enforcement Services	430.8	430.7	0.1	–	587.3	622.1
Public Employment Services	488.3	327.9	160.1	0.3	535.0	575.4
Labour Policy and Industrial Relations	922.7	126.8	795.9	0.0	972.1	1 021.6
Total expenditure estimates	2 686.9	1 683.8	956.2	46.9	2 998.2	3 162.7

Executive authority Minister of Labour
Accounting officer Director General of Labour
Website address www.labour.gov.za

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, personnel, public entities, donor funding, public private partnerships, conditional allocations to provinces and municipalities and expenditure information at the level of service delivery, where appropriate.

Vote purpose

Play a significant role in reducing unemployment, poverty and inequality through pursuing the objectives of full and productive employment and decent work for all, including: employment creation and enterprise development; standards and rights at work including equality of opportunities; social protection; and social dialogue.

Mandate

The Department of Labour derives its legislative mandate from the Constitution, and this is given effect through a number of acts that regulate labour matters in South Africa. The most important of these are the Labour Relations Act (1995), the Basic Conditions of Employment Act (1997), the Employment Equity Act (1998), the Occupational Health and Safety Act (1993) and the Employment Services Act (2014).

The policy mandate of the department is to regulate the labour market through policies and programmes developed in consultation with social partners, which are aimed at:

- improving economic efficiency and productivity
- facilitating employment creation
- promoting and enforcing sound labour relations
- eliminating inequality and discrimination in the workplace
- alleviating poverty in employment
- enhancing occupational health and safety awareness and compliance in the workplace.

Selected performance indicators

Table 28.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of workplaces/employers inspected and reviewed per year to determine compliance with various labour legislation	Inspection and Enforcement Services	Outcome 4: Decent employment through inclusive economic growth	193 977	141 731	164 868	184 794	186 631	196 694	206 794
Number of complaints resolved within 14 days at registration services per year	Inspection and Enforcement Services		110 610	73 786	65 943	- ¹	- ¹	- ¹	- ¹
Number of work seekers registered on the Employment Services of South Africa system per year	Public Employment Services		553 883	600 259	618 092	550 000	600 000	650 000	700 000
Number of work seekers registered on the system provided with employment counselling per year	Public Employment Services		222 956	264 068	250 160	220 000	250 000	270 000	290 000
Number of work seekers placed in registered employment opportunities per year	Public Employment Services		96 505 ²	16 171	15 570	20 000	25 000	30 000	35 000
Number of pay scales accessed per year to reduce gaps in minimum wage determinations	Labour Policy and Industrial Relations		5	6	2	4	4	2	2

¹ This indicator is dependent on the number of cases reported, hence data for a specific year is available only in the following year.

² Data for 2011/12 cannot be disaggregated. The indicator includes work seekers referred to the Unemployment Insurance Fund and the Compensation Fund.

Expenditure analysis

The Department of Labour's focus over the medium term will be on enforcing decent work principles, supporting work seekers, and regulating the workplace. The department is thus positioned to contribute to the national development plan's vision of increasing labour absorption and enhancing workplace dispute resolution to advance healthy labour relations, and to give impetus to outcome 4 of government's 2014-2019 medium term strategic framework (decent employment through inclusive economic growth).

Enforcing decent work principles

The department aims to ensure that employers adhere to employment equity plans and decent work principles, and that vulnerable workers are protected. Over the medium term, the department plans to enhance enforcement by increasing the number of inspections for compliance with labour legislation. 206 794 inspections and follow-ups are targeted for 2017/18, which is an increase of 3.8 per cent over the medium term. The number of inspectors will increase from 960 in 2014/15 to 1 175 in 2017/18. R1.6 billion has been allocated to the *Inspection and Enforcement Services* programme over the medium term, mainly in compensation of employees and travel and subsistence.

However, the department has faced challenges in both retaining inspectors and finding suitable, specialised candidates, which accounts for the slow spending since 2010/11. This resulted in Cabinet approved budget reductions of R213.5 million in the 2014 Budget. A further budget reduction of R52.5 million over the medium term will be effected on compensation of employees. An allocation of R64.5 million for an additional 261 labour inspectors in 2016/17, however, will ensure that targets for inspections beyond the medium term will be met. A Cabinet approved additional allocation of R25.7 million in 2015/16 will be effected in the *Administration* programme for capital expenditure and IT. R5.8 million will be used for purchasing 46 vehicles for inspections, and R11 million for purchasing 2 new mobile labour centres and R8.9 million for compensation of employees.

Supporting work seekers

The national development plan sets an employment target of 11 million jobs to be created by 2030. To support the achievement of that target, the Employment Services Act (2014) aims to provide free public employment services and regulate private employment agencies. The department's employment services system is an IT portal where work seekers can register as unemployed and provide information about their work experience,

their qualifications, and the kind of work they are looking for. Employers can use the portal to register vacancies and other opportunities they may have, such as training, learnerships, and internships. The system matches work seekers to opportunities, and after an assessment process, refers work seekers to employers. To increase the number of registered work seekers and the number of work seekers placed in registered employment opportunities, the department will host roadshows, run advocacy campaigns, integrate the employment services system with the Unemployment Insurance Fund, the Compensation Fund and national learner database systems, and establish partnerships with other stakeholders such as the Department of Higher Education and Training, the Department of Public Works, the National Youth Development Agency, organised business, and municipalities. Through a new counselling strategy, the department aims to get work seekers job ready and thus reduce the time it takes to place a work seeker. The department will also explore partnerships to modernise the system's assessment tests. In support of these interventions, the *Public Employment Services* programme receives R1.1 billion over the medium term, excluding transfers.

Regulating the workplace

The department will focus on setting standards to reduce inequality in pay and minimum wages for all vulnerable workers, and to improve compliance with the Employment Equity Act (1998). The department will review 12 sectoral determinations between 2014/15 and 2017/18 to regulate agreements on benchmarks for pay inequality, and then conduct an assessment of pay scales to ensure that the gaps in minimum wage determinations are reduced. The department will also investigate the introduction of a national minimum wage and determine its likely impact on wage structure, inequality, employment, and the living standard of workers. These activities are funded in the *Labour Policy and Industrial Relations* programme. In addition, the department will transfer R2.3 billion over the medium term from this programme to the Commission for Conciliation Mediation and Arbitration and R90.9 million to the National Economic Development and Labour Council.

Expenditure trends

Table 28.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Inspection and Enforcement Services														
3. Public Employment Services														
4. Labour Policy and Industrial Relations														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget Average (%)	Outcome/Adjusted appropriation Average (%)
R million	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15	
Programme 1	697.2	698.5	704.3	732.6	764.6	687.7	785.4	840.4	795.9	787.7	784.9	721.3	96.9%	94.2%
Programme 2	386.7	389.3	375.7	429.2	400.4	395.6	465.2	440.2	412.2	403.2	410.4	445.7	96.7%	99.3%
Programme 3	296.1	324.8	332.2	322.0	334.3	331.7	400.1	400.1	413.5	466.5	481.5	486.5	105.3%	101.5%
Programme 4	601.4	604.8	594.9	635.9	640.3	619.7	764.5	764.5	749.9	869.9	869.4	855.7	98.2%	98.0%
Total	1 981.5	2 017.4	2 007.1	2 119.7	2 139.6	2 034.6	2 415.2	2 445.2	2 371.4	2 527.3	2 546.3	2 509.3	98.7%	97.5%
Change to 2014												19.0		
Budget estimate														
Economic classification														
Current payments	1 349.9	1 273.1	1 250.5	1 446.9	1 446.7	1 276.5	1 562.2	1 560.5	1 469.6	1 554.0	1 591.1	1 562.7	94.0%	94.7%
Compensation of employees	786.3	786.3	757.9	883.3	847.5	825.5	982.9	882.0	866.1	966.5	1 006.1	1 053.3	96.8%	99.5%
Goods and services of which:	563.6	486.7	492.6	563.6	599.1	451.0	579.3	678.6	603.5	587.4	585.0	509.4	89.6%	87.5%
Administrative fees	0.4	2.7	5.6	3.2	4.1	5.5	4.0	3.9	4.8	4.5	5.0	4.8	171.6%	132.6%
Advertising	18.4	17.5	21.9	19.1	20.5	10.9	24.6	24.2	12.2	21.8	20.8	18.3	75.2%	76.2%
Assets less than the capitalisation threshold	6.2	5.6	3.9	3.5	13.4	2.2	3.7	4.0	2.4	4.3	5.2	4.4	72.7%	45.3%
Audit costs: External	23.3	21.6	14.0	22.0	20.1	14.8	22.8	22.8	14.0	24.5	24.5	20.3	68.3%	71.0%
Bursaries: Employees	3.1	2.2	2.5	3.4	2.8	2.3	3.0	3.0	2.4	3.1	2.9	2.8	79.7%	91.9%

Table 28.2 Vote expenditure trends by programme and economic classification

Economic classification	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget Average (%)	Outcome/Adjusted appropriation Average (%)
R million														
Catering: Departmental activities	5.9	7.5	5.3	3.9	4.0	4.7	3.8	4.1	5.3	4.4	4.6	4.5	110.2%	98.6%
Communication	43.3	42.1	43.2	38.5	37.8	44.6	41.1	40.6	33.2	38.1	39.4	38.9	99.4%	100.1%
Computer services	31.5	36.4	42.1	30.4	28.9	71.0	110.1	110.0	77.2	83.7	83.7	73.9	103.3%	102.0%
Consultants and professional services: Business and advisory services	14.8	14.9	12.3	14.8	33.9	45.3	22.2	68.6	74.5	18.4	14.6	12.5	205.7%	109.6%
Consultants and professional services: Legal costs	1.4	1.3	2.6	1.3	1.8	-	2.0	1.8	4.0	1.5	1.4	1.4	128.6%	127.7%
Contractors	13.2	14.3	3.5	8.9	9.3	-	7.2	8.0	16.0	14.8	16.2	16.4	81.3%	75.0%
Agency and support/outsourced services	6.4	5.6	3.2	6.5	6.5	-	7.8	7.7	3.0	6.7	5.8	5.8	43.8%	46.8%
Entertainment	0.7	0.6	0.3	0.6	0.5	0.3	0.7	0.6	0.3	1.0	0.9	0.8	55.3%	64.0%
Fleet services (including government motor transport)	-	0.8	1.0	1.9	4.4	6.4	3.2	8.4	12.4	8.2	13.1	12.6	244.1%	121.2%
Inventory: Fuel, oil and gas	1.4	0.1	-	0.3	0.1	-	0.2	0.1	-	0.7	0.6	0.6	23.3%	62.2%
Inventory: Learner and teacher support material	-	0.2	0.1	0.3	0.3	-	0.1	-	-	0.1	0.0	0.0	24.0%	19.0%
Inventory: Materials and supplies	0.2	0.2	0.4	0.2	0.2	0.0	0.1	0.1	-	0.4	0.4	0.4	80.2%	90.3%
Inventory: Other supplies	-	-	4.4	-	2.3	0.0	2.4	2.2	0.0	1.5	0.5	0.5	129.2%	99.5%
Consumable supplies	5.4	5.1	-	2.3	-	3.2	-	0.1	1.8	1.1	1.8	1.7	77.8%	96.7%
Consumables: Stationery, printing and office supplies	28.0	24.4	14.8	26.1	22.6	9.8	22.8	22.8	17.5	25.3	23.5	21.0	61.7%	67.6%
Operating leases	204.4	115.7	115.1	218.9	217.7	47.8	132.6	161.3	145.9	139.4	138.6	93.4	57.9%	63.5%
Property payments	42.1	43.9	44.2	45.5	47.2	47.7	47.9	47.9	51.9	53.4	54.0	51.5	103.4%	101.2%
Transport provided: Departmental activity	0.2	0.7	0.0	-	0.5	0.1	-	-	-	0.2	0.2	0.3	131.2%	29.5%
Travel and subsistence	80.9	93.8	127.0	79.9	85.4	102.8	84.1	88.9	92.3	94.8	88.8	85.8	120.0%	114.3%
Training and development	11.8	10.4	7.6	12.1	11.4	11.9	14.3	26.0	10.1	15.1	14.4	12.5	79.1%	67.7%
Operating payments	6.6	5.9	6.9	5.8	7.9	8.8	6.3	6.7	12.0	6.9	9.7	10.4	148.7%	125.9%
Venues and facilities	14.0	13.2	10.4	14.1	15.0	9.9	12.4	14.6	9.7	13.8	14.3	13.6	80.2%	76.4%
Rental and hiring	-	-	0.3	-	0.5	1.0	-	-	0.6	0.1	0.1	0.2	2017.0%	330.7%
Transfers and subsidies	599.4	626.3	641.0	639.3	656.4	658.4	818.7	824.2	823.4	942.4	927.6	918.9	101.4%	100.2%
Provinces and municipalities	-	-	0.1	-	0.1	0.2	-	0.2	0.4	0.0	0.0	0.0	37 200.0%	226.1%
Departmental agencies and accounts	515.7	542.2	542.2	551.4	554.0	554.1	676.2	676.2	676.2	774.9	789.9	789.9	101.8%	100.0%
Foreign governments and international organisations	10.2	10.2	14.2	10.7	12.7	13.7	11.3	15.6	15.9	16.5	17.4	17.4	125.8%	109.5%
Non-profit institutions	73.3	73.3	82.7	76.9	88.7	88.0	131.0	131.0	127.7	150.7	119.5	109.7	94.5%	99.0%
Households	0.2	0.6	1.8	0.3	0.8	2.4	0.3	1.2	3.1	0.3	0.8	1.8	840.2%	276.7%
Payments for capital assets	32.1	118.1	115.0	33.5	36.5	93.4	34.3	60.6	60.3	31.0	27.6	27.7	226.3%	122.1%
Buildings and other fixed structures	4.0	4.0	4.6	3.4	3.4	8.6	5.5	5.5	1.5	0.0	0.3	0.3	116.8%	114.3%
Machinery and equipment	28.2	114.1	110.4	30.1	33.1	84.8	28.8	55.1	58.8	31.0	27.3	27.4	238.3%	122.5%
Payments for financial assets	-	-	0.7	-	-	6.2	-	-	18.1	-	-	-	-	-
Total	1 981.5	2 017.4	2 007.1	2 119.7	2 139.6	2 034.6	2 415.2	2 445.2	2 371.4	2 527.3	2 546.3	2 509.3	98.7%	97.5%

Expenditure estimates

Table 28.3 Vote expenditure estimates by programme and economic classification

Programmes								
1. Administration								
2. Inspection and Enforcement Services								
3. Public Employment Services								
4. Labour Policy and Industrial Relations								
Programme	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
R million	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Programme 1	721.3	1.1%	32.6%	845.1	903.8	943.6	9.4%	30.1%
Programme 2	445.7	4.6%	18.3%	430.8	587.3	622.1	11.8%	18.4%
Programme 3	486.5	14.4%	17.5%	488.3	535.0	575.4	5.8%	18.4%
Programme 4	855.7	12.3%	31.6%	922.7	972.1	1 021.6	6.1%	33.2%
Total	2 509.3	7.5%	100.0%	2 686.9	2 998.2	3 162.7	8.0%	100.0%
Change to 2014 Budget estimate				8.5	(49.8)	(54.9)		
Economic classification								
Current payments	1 562.7	7.1%	62.3%	1 683.8	1 962.8	2 076.8	9.9%	64.2%
Compensation of employees	1 053.3	10.2%	39.3%	1 079.6	1 330.8	1 413.3	10.3%	42.9%
Goods and services	509.4	1.5%	23.0%	604.2	632.0	663.5	9.2%	21.2%
of which:								
Administrative fees	4.8	21.5%	0.2%	4.7	5.0	5.8	6.3%	0.2%
Advertising	18.3	1.5%	0.7%	19.7	19.0	22.6	7.5%	0.7%
Assets less than the capitalisation threshold	4.4	-7.6%	0.1%	4.6	5.1	5.1	4.8%	0.2%
Audit costs: External	20.3	-2.0%	0.7%	22.2	22.2	22.6	3.6%	0.8%
Bursaries: Employees	2.8	8.2%	0.1%	2.6	2.7	3.1	2.6%	0.1%
Catering: Departmental activities	4.5	-15.2%	0.2%	3.5	3.4	3.4	-8.8%	0.1%
Communication	38.9	-2.5%	1.8%	37.7	40.4	42.6	3.1%	1.4%
Computer services	73.9	26.6%	3.0%	95.3	100.2	105.3	12.5%	3.3%
Consultants and professional services: Business and advisory services	12.5	-5.5%	1.6%	19.3	19.7	21.9	20.5%	0.6%
Consultants and professional services: Legal costs	1.4	3.0%	0.1%	1.5	1.6	1.7	7.1%	0.1%
Contractors	16.4	4.6%	0.4%	16.0	16.6	16.6	0.5%	0.6%
Agency and support/outourced services	5.8	0.7%	0.1%	5.6	6.2	6.8	5.6%	0.2%
Entertainment	0.8	10.1%	0.0%	0.4	0.3	0.4	-22.7%	0.0%
Fleet services (including government motor transport)	12.6	147.6%	0.4%	22.8	24.5	26.3	27.9%	0.8%
Inventory: Fuel, oil and gas	0.6	100.1%	0.0%	1.2	1.3	1.5	35.9%	0.0%
Inventory: Learner and teacher support material	0.0	-40.1%	0.0%	0.0	0.0	0.0	3.0%	0.0%
Inventory: Materials and supplies	0.4	25.6%	0.0%	0.5	0.5	0.6	16.4%	0.0%
Inventory: Other supplies	0.5	-	0.1%	2.0	2.1	1.5	44.1%	0.1%
Consumable supplies	1.7	-30.2%	0.1%	1.5	1.4	1.5	-5.1%	0.1%
Consumables: Stationery, printing and office supplies	21.0	-4.9%	0.7%	20.3	21.8	25.6	6.8%	0.8%
Operating leases	93.4	-6.9%	4.5%	145.6	152.4	158.6	19.3%	4.8%
Property payments	51.5	5.4%	2.2%	58.8	61.6	62.0	6.4%	2.1%
Transport provided: Departmental activity	0.3	-21.2%	0.0%	-	-	-	-100.0%	0.0%
Travel and subsistence	85.8	-2.9%	4.6%	84.0	88.5	91.5	2.2%	3.1%
Training and development	12.5	6.2%	0.5%	13.9	14.4	15.1	6.5%	0.5%
Operating payments	10.4	20.4%	0.4%	9.2	9.6	8.2	-7.6%	0.3%
Venues and facilities	13.6	1.0%	0.5%	10.7	10.8	12.5	-2.9%	0.4%
Rental and hiring	0.2	-	0.0%	0.6	0.6	0.6	50.5%	0.0%
Transfers and subsidies	918.9	13.6%	34.1%	956.2	1 005.0	1 055.1	4.7%	34.6%
Departmental agencies and accounts	789.9	13.4%	28.7%	824.2	867.8	911.1	4.9%	29.9%
Foreign governments and international organisations	17.4	19.5%	0.7%	17.3	18.3	19.2	3.2%	0.6%
Non-profit institutions	109.7	14.4%	4.6%	114.4	118.6	124.5	4.3%	4.1%
Households	1.8	44.7%	0.1%	0.3	0.3	0.3	-42.8%	0.0%
Payments for capital assets	27.7	-38.3%	3.3%	46.9	30.4	30.8	3.6%	1.2%
Buildings and other fixed structures	0.3	-57.7%	0.2%	-	-	-	-100.0%	0.0%
Machinery and equipment	27.4	-37.8%	3.2%	46.9	30.4	30.8	4.0%	1.2%
Total	2 509.3	7.5%	100.0%	2 686.9	2 998.2	3 162.7	8.0%	100.0%

Personnel information

Table 28.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Inspection and Enforcement Services																			
3. Public Employment Services																			
4. Labour Policy and Industrial Relations																			
Number of posts estimated for 31 March 2015		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 (%)				
		2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18			
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				Number	Cost	Unit Cost
Labour	3 520	17	3 051	866.1	0.3	3 412	1 053.3	0.3	3 412	1 079.6	0.3	3 737	1 330.8	0.4	3 737	1 413.3	0.4	3.1%	100.0%
1 – 6	1 653	3	1 458	266.0	0.2	1 616	332.3	0.2	1 616	335.0	0.2	1 677	409.0	0.2	1 677	435.6	0.3	1.2%	46.1%
7 – 10	1 566	3	1 348	435.9	0.3	1 497	500.0	0.3	1 497	515.0	0.3	1 753	663.7	0.4	1 753	705.0	0.4	5.4%	45.4%
11 – 12	217	7	181	90.4	0.5	217	136.4	0.6	217	141.0	0.6	222	159.7	0.7	222	168.7	0.8	0.8%	6.1%
13 – 16	80	4	62	70.3	1.1	80	79.1	1.0	80	82.9	1.0	83	92.4	1.1	83	97.8	1.2	1.2%	2.3%
Other	4	–	2	3.6	1.8	3	5.4	1.8	3	5.7	1.9	3	6.0	2.0	3	6.3	2.1	–	0.1%
Programme	3 520	17	3 051	866.1	0.3	3 412	1 053.3	0.3	3 412	1 079.6	0.3	3 737	1 330.8	0.4	3 737	1 413.3	0.4	3.1%	100.0%
Programme 1	1 150	17	1 012	267.3	0.3	1 167	334.9	0.3	1 167	365.2	0.3	1 167	421.1	0.4	1 167	436.8	0.4	–	32.6%
Programme 2	1 364	–	1 233	318.6	0.3	1 239	363.2	0.3	1 239	343.4	0.3	1 564	495.7	0.3	1 564	526.6	0.3	8.1%	39.2%
Programme 3	818	–	636	212.8	0.3	818	277.6	0.3	818	287.3	0.4	818	324.9	0.4	818	355.2	0.4	–	22.9%
Programme 4	188	–	170	67.5	0.4	188	77.6	0.4	188	83.6	0.4	188	89.1	0.5	188	94.7	0.5	–	5.3%

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

2. Rand million.

Departmental receipts

Table 28.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt item/total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt item/total: Average (%)
	2011/12	2012/13	2013/14					2014/15	2015/16	2016/17		
R thousand												
Departmental receipts	7 638	15 670	22 601	10 092	10 686	11.8%	100.0%	10 903	11 534	12 211	4.5%	100.0%
Sales of goods and services produced by department	2 576	3 166	4 179	3 265	4 128	17.0%	24.8%	4 106	4 345	4 514	3.0%	37.7%
Sales by market establishments	171	173	175	182	184	2.5%	1.2%	190	200	212	4.8%	1.7%
of which:												
Rental for staff dwellings	43	43	43	43	50	5.2%	0.3%	45	45	47	-2.0%	0.4%
Rental for parking (covered and open)	128	130	132	139	134	1.5%	0.9%	145	155	165	7.2%	1.3%
Administrative fees	1 002	1 396	2 234	1 414	2 055	27.1%	11.8%	2 172	2 297	2 340	4.4%	19.6%
of which:												
Licence fees for occupational health and safety	258	1 385	2 234	1 354	2 055	99.7%	10.5%	2 162	2 287	2 340	4.4%	19.5%
Inspection fees for the national development of learnerships employment skills and labour assessments' trade tests	744	11	–	60	–	-100.0%	1.3%	10	10	–	–	–
Other sales	1 403	1 597	1 770	1 669	1 889	10.4%	11.8%	1 744	1 848	1 962	1.3%	16.4%
of which:												
Commission on insurance and gamishee orders	1 395	1 594	1 767	1 665	1 885	10.6%	11.7%	1 740	1 844	1 958	1.3%	16.4%
Replacement of security cards	4	3	3	4	4	–	–	4	4	4	–	–
Sale of assets < R5 000	4	–	–	–	–	-100.0%	–	–	–	–	–	–

Table 28.5 Departmental receipts by economic classification

Departmental receipts	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt item/ total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt item/ total: Average (%)
	2011/12	2012/13	2013/14					2014/15	2015/16	2016/17		
R thousand												
Sales of scrap, waste, arms and other used current goods	8	13	30	12	36	65.1%	0.2%	12	12	12	-30.7%	0.2%
of which:												
Sale of scrap	2	-	-	5	5	35.7%	-	5	5	5	-	-
Sale of waste paper	6	13	30	7	31	72.9%	0.1%	7	7	7	-39.1%	0.1%
Fines, penalties and forfeits	993	107	44	60	15	-75.3%	2.0%	50	50	30	26.0%	0.3%
Interest, dividends and rent on land	1 065	1 780	6 317	1 417	1 016	-1.6%	18.0%	1 380	1 480	1 644	17.4%	12.2%
Interest	1 065	1 780	6 317	1 417	1 016	-1.6%	18.0%	1 380	1 480	1 644	17.4%	12.2%
Sales of capital assets	-	-	-	-	250	-	0.4%	-	-	-	-100.0%	0.6%
Transactions in financial assets and liabilities	2 996	10 604	12 031	5 338	5 241	20.5%	54.5%	5 355	5 647	6 011	4.7%	49.1%
Total	7 638	15 670	22 601	10 092	10 686	11.8%	100.0%	10 903	11 534	12 211	4.5%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 28.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Ministry	17 116	16 798	18 557	18 299	2.3%	2.4%	22 122	26 725	28 953	16.5%	2.8%
Management	409 019	450 746	421 245	405 216	-0.3%	56.7%	429 108	471 442	486 658	6.3%	51.5%
Corporate Services	54 142	47 439	53 135	62 993	5.2%	7.3%	68 365	71 086	76 106	6.5%	8.0%
Office of the Chief Financial Officer	62 881	101 656	142 161	118 958	23.7%	14.3%	138 125	137 263	144 682	6.7%	15.5%
Office Accommodation	161 112	71 056	160 630	179 453	3.7%	19.3%	187 391	197 323	207 189	4.9%	22.2%
Total	704 270	687 695	795 728	784 919	3.7%	100.0%	845 111	903 839	943 588	6.3%	100.0%
Change to 2014 Budget estimate				(2 775)			15 223	(52 925)	(66 963)		
Economic classification											
Current payments	589 977	587 672	716 585	759 871	8.8%	89.3%	798 368	873 272	912 626	6.3%	96.2%
Compensation of employees	267 115	284 618	267 317	334 888	7.8%	38.8%	365 165	421 096	436 767	9.3%	44.8%
Goods and services	322 832	303 031	449 268	424 983	9.6%	50.5%	433 203	452 176	475 859	3.8%	51.4%
of which:											
Administrative fees	2 955	2 892	2 345	3 008	0.6%	0.4%	2 699	2 953	3 606	6.2%	0.4%
Advertising	16 192	7 877	4 990	13 342	-6.2%	1.4%	11 085	9 874	12 575	-2.0%	1.3%
Assets less than the capitalisation threshold	2 639	1 772	1 707	2 473	-2.1%	0.3%	1 428	1 476	1 291	-19.5%	0.2%
Audit costs: External	14 014	14 810	14 011	24 491	20.5%	2.3%	22 222	22 195	22 631	-2.6%	2.6%
Bursaries: Employees	2 195	2 076	1 839	2 130	-1.0%	0.3%	1 839	1 887	2 265	2.1%	0.2%
Catering: Departmental activities	2 497	1 973	1 536	1 876	-9.1%	0.3%	1 877	1 856	1 818	-1.0%	0.2%
Communication	16 904	10 936	14 023	18 278	2.6%	2.0%	14 559	16 042	17 003	-2.4%	1.9%
Computer services	39 568	68 503	105 745	81 906	27.4%	9.9%	94 042	99 067	104 025	8.3%	10.9%

Table 28.6 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Consultants and professional services:	5 607	43 541	40 971	9 692	20.0%	3.4%	11 593	11 275	13 141	10.7%	1.3%
Business and advisory services											
Consultants and professional services:	2 571	–	3 995	1 190	-22.6%	0.3%	1 244	1 360	1 376	5.0%	0.1%
Legal costs											
Contractors	2 312	–	13 696	15 096	86.9%	1.0%	14 650	15 534	15 634	1.2%	1.8%
Agency and support/outsourced services	2 284	–	2 776	4 891	28.9%	0.3%	4 386	4 853	5 405	3.4%	0.6%
Entertainment	205	175	175	388	23.7%	–	177	121	168	-24.3%	–
Fleet services (including government motor transport)	78	5 469	5 268	1 201	148.8%	0.4%	7 893	9 301	10 263	104.4%	0.8%
Inventory: Food and food supplies	–	–	–	2	–	–	–	–	2	–	–
Inventory: Fuel, oil and gas	–	–	–	83	–	–	3	3	91	3.1%	–
Inventory: Materials and supplies	378	1	–	155	-25.7%	–	101	133	153	-0.4%	–
Inventory: Medical supplies	21	–	–	25	6.0%	–	30	–	32	8.6%	–
Inventory: Other supplies	749	11	49	–	-100.0%	–	1 592	1 678	1 103	–	0.1%
Consumable supplies	–	–	1 414	1 008	–	0.1%	43	44	12	-77.2%	–
Consumables: Stationery, printing and office supplies	8 841	3 904	10 696	10 711	6.6%	1.1%	8 375	8 410	11 245	1.6%	1.1%
Operating leases	113 479	46 306	141 517	133 190	5.5%	14.6%	140 590	147 955	153 966	5.0%	16.6%
Property payments	34 012	37 587	41 524	46 612	11.1%	5.4%	51 741	54 447	54 523	5.4%	6.0%
Transport provided: Departmental activity	16	35	–	–	-100.0%	–	–	–	–	–	–
Travel and subsistence	42 765	36 228	21 887	39 481	-2.6%	4.7%	27 598	27 971	29 618	-9.1%	3.6%
Training and development	3 896	8 274	8 202	6 752	20.1%	0.9%	6 212	6 369	6 951	1.0%	0.8%
Operating payments	3 873	5 587	8 043	3 466	-3.6%	0.7%	5 200	5 358	3 797	3.1%	0.5%
Venues and facilities	4 503	4 459	2 415	3 536	-7.7%	0.5%	2 024	2 014	3 165	-3.6%	0.3%
Rental and hiring	278	615	444	–	-100.0%	–	–	–	–	–	–
Interest and rent on land	30	23	–	–	-100.0%	–	–	–	–	–	–
Transfers and subsidies	770	1 435	1 520	199	-36.3%	0.1%	208	219	230	4.9%	–
Provinces and municipalities	50	213	416	–	-100.0%	–	–	–	–	–	–
Departmental agencies and accounts	–	28	11	–	–	–	–	–	–	–	–
Households	720	1 194	1 093	199	-34.9%	0.1%	208	219	230	4.9%	–
Payments for capital assets	112 850	92 352	59 486	24 849	-39.6%	9.7%	46 535	30 348	30 732	7.3%	3.8%
Buildings and other fixed structures	4 587	8 637	1 548	302	-59.6%	0.5%	–	–	–	-100.0%	–
Machinery and equipment	108 263	83 715	57 938	24 547	-39.0%	9.2%	46 535	30 348	30 732	7.8%	3.8%
Payments for financial assets	673	6 236	18 137	–	-100.0%	0.8%	–	–	–	–	–
Total	704 270	687 695	795 728	784 919	3.7%	100.0%	845 111	903 839	943 588	6.3%	100.0%
Proportion of total programme expenditure to vote expenditure	35.1%	33.8%	33.6%	30.8%	–	–	31.5%	30.1%	29.8%	–	–
Details of transfers and subsidies											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	50	213	416	–	-100.0%	–	–	–	–	–	–
Vehicle licences	50	213	416	–	-100.0%	–	–	–	–	–	–
Households											
Social benefits											
Current	720	1 194	1 093	199	-34.9%	0.1%	208	219	230	4.9%	–
Employee social benefits	668	893	1 093	199	-33.2%	0.1%	208	219	230	4.9%	–
Ex gratia payment	52	301	–	–	-100.0%	–	–	–	–	–	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	–	28	11	–	–	–	–	–	–	–	–
Communication	–	28	11	–	–	–	–	–	–	–	–

Personnel information

Table 28.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015			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 (%)						
			2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18					
			Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit				Number	Cost	Unit		
Administration			1 150	17		1 012	267.3	0.3	1 167	334.9	0.3	1 167	365.2	0.3	1 167	421.1	0.4	1 167	436.8	0.4		
1 – 6	650	3	586	98.2	0.2	653	117.6	0.2	653	129.5	0.2	653	149.0	0.2	653	154.4	0.2	653	154.4	0.2	–	56.0%
7 – 10	391	3	335	100.2	0.3	394	123.9	0.3	394	139.2	0.4	394	162.3	0.4	394	168.4	0.4	394	168.4	0.4	–	33.8%
11 – 12	71	7	62	35.3	0.6	78	47.1	0.6	78	48.2	0.6	78	57.0	0.7	78	59.0	0.8	78	59.0	0.8	–	6.7%
13 – 16	35	4	27	30.1	1.1	39	40.8	1.0	39	42.6	1.1	39	46.8	1.2	39	48.6	1.2	39	48.6	1.2	–	3.3%
Other	3	–	2	3.6	1.8	3	5.4	1.8	3	5.7	1.9	3	6.0	2.0	3	6.3	2.1	3	6.3	2.1	–	0.3%

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

² Rand million.

Programme 2: Inspection and Enforcement Services

Programme purpose

Realise decent work by regulating non-employment and employment conditions through inspection and enforcement, to achieve compliance with all labour market policies.

Objectives

- Promote employment equity in the labour market by conducting inspections for compliance with employment equity legislation at 1 837 designated employers by March 2016.
- Protect vulnerable workers through the inspection and enforcement of labour legislation by:
 - conducting 150 684 compliance inspections by March 2016
 - training 600 shop stewards, hosting 4 seminars for high risk sectors, and hosting 1 inspector conference by March 2016
 - conducting 13 440 employer payroll audits by March of each year to determine employers' contributions to the Unemployment Insurance Fund.
- Strengthen occupational health and safety protection by:
 - conducting 20 147 inspections for compliance with occupational health and safety regulations by March 2016
 - investigating 60 per cent of all reported incidents within 90 days
 - processing 100 per cent of applications by entities for registration in terms of the Occupational Health and Safety Act (1993) within 4 weeks of receipt.

Subprogrammes

- *Management and Support Services: Inspection and Enforcement Services* manages the delegated administrative and financial responsibilities of the office of the deputy director general: inspection and enforcement services, and provides corporate support to line function subprogrammes within the programme.
- *Occupational Health and Safety* promotes health and safety in the workplace through inspections on compliance with the Occupational Health and Safety Act (1993), and by regulating dangerous activities and the use of plant and machinery.
- *Registration: Inspection and Enforcement Services* registers incidents relating to labour relations and occupational health and safety, as reported by members of the public, and communicates these to the relevant structures within the *Compliance, Monitoring and Enforcement* subprogramme for investigation.
- *Compliance, Monitoring and Enforcement* ensures that employers and employees comply with labour legislation through regular inspections and follow-up on reported incidents.

- *Training of Staff: Inspection and Enforcement Services* defrays all expenditure relating to staff training within the programme.
- *Statutory and Advocacy Services* gives effect to the legislative enforcement requirement and educates stakeholders on labour legislation.

Expenditure trends and estimates

Table 28.8 Inspection and Enforcement Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	Expenditure/ Total: Average (%)	
R thousand												
Management and Support Services:	13 364	14 365	16 096	4 602	-29.9%	3.0%	4 682	4 972	5 370	5.3%	1.0%	
Inspection and Enforcement Services												
Occupational Health and Safety	19 923	17 463	16 560	25 881	9.1%	5.0%	27 625	29 944	32 241	7.6%	5.6%	
Registration: Inspection and Enforcement Services	80 219	84 685	48 300	55 881	-11.4%	16.9%	63 471	69 694	74 659	10.1%	12.9%	
Compliance, Monitoring and Enforcement	257 746	274 604	315 453	309 128	6.2%	72.7%	320 963	467 739	494 349	16.9%	77.6%	
Training of Staff: Inspection and Enforcement Services	4 497	4 457	10 524	6 127	10.9%	1.6%	5 153	5 341	5 369	-4.3%	1.1%	
Statutory and Advocacy Services	–	–	2 693	8 786	–	0.7%	8 884	9 598	10 096	4.7%	1.8%	
Total	375 749	395 574	409 626	410 405	3.0%	100.0%	430 778	587 288	622 084	14.9%	100.0%	
Change to 2014				7 231			(2 315)	(12 891)	(14 677)			
Budget estimate												
Economic classification												
Current payments	375 077	394 520	407 828	408 259	2.9%	99.6%	430 716	587 223	622 016	15.1%	99.9%	
Compensation of employees	275 972	305 243	318 566	324 662	5.6%	76.9%	343 406	495 738	526 601	17.5%	82.4%	
Goods and services	99 105	89 277	89 262	83 597	-5.5%	22.7%	87 310	91 485	95 415	4.5%	17.4%	
of which:												
Administrative fees	1 622	1 560	1 471	1 391	-5.0%	0.4%	960	1 014	1 060	-8.7%	0.2%	
Advertising	385	386	239	463	6.3%	0.1%	302	469	494	2.2%	0.1%	
Assets less than the capitalisation threshold	439	34	341	1 326	44.6%	0.1%	1 448	1 498	1 592	6.3%	0.3%	
Bursaries: Employees	239	239	546	553	32.3%	0.1%	731	772	803	13.2%	0.1%	
Catering: Departmental activities	1 379	1 380	1 705	1 462	2.0%	0.4%	45	73	76	-62.7%	0.1%	
Communication	18 194	25 539	15 893	15 903	-4.4%	4.7%	15 668	16 442	17 222	2.7%	3.2%	
Computer services	7	7	–	3	-24.6%	–	–	–	–	-100.0%	–	
Consultants and professional services: Business and advisory services	333	333	934	286	-4.9%	0.1%	540	558	578	26.4%	0.1%	
Consultants and professional services: Laboratory services	–	–	–	–	–	–	25	–	–	–	–	
Consultants and professional services: Legal costs	49	–	–	4	-56.6%	–	25	–	–	-100.0%	–	
Contractors	891	–	407	334	-27.9%	0.1%	315	116	122	-28.5%	–	
Agency and support/outsourced services	368	–	184	530	12.9%	0.1%	1 145	1 204	1 259	33.4%	0.2%	
Entertainment	26	26	30	381	144.7%	–	120	120	120	-32.0%	–	
Fleet services (including government motor transport)	853	853	6 051	9 966	126.9%	1.1%	11 752	11 887	12 487	7.8%	2.2%	
Inventory: Learner and teacher support material	26	–	–	–	-100.0%	–	–	–	–	–	–	
Inventory: Materials and supplies	8	–	–	3	-27.9%	–	–	–	–	-100.0%	–	
Inventory: Other supplies	3 606	–	–	–	-100.0%	0.2%	–	–	–	–	–	
Consumable supplies	–	3 239	270	741	–	0.3%	1 345	1 192	1 281	20.0%	0.2%	
Consumables: Stationery, printing and office supplies	2 320	2 321	2 620	4 469	24.4%	0.7%	5 821	5 853	6 107	11.0%	1.1%	
Operating leases	590	399	4 910	970	18.0%	0.4%	1 008	1 030	1 083	3.7%	0.2%	
Property payments	5 514	5 515	7 968	5 261	-1.6%	1.5%	4 764	4 805	5 039	-1.4%	1.0%	
Transport provided: Departmental activity	–	33	–	83	–	–	–	–	–	-100.0%	–	
Travel and subsistence	55 662	41 273	31 995	26 788	-21.6%	9.8%	30 275	33 030	34 547	8.8%	6.1%	
Training and development	1 796	1 796	7 910	4 182	32.5%	1.0%	5 153	5 341	5 369	8.7%	1.0%	
Operating payments	1 521	1 522	2 858	3 659	34.0%	0.6%	1 768	1 830	1 874	-20.0%	0.4%	
Venues and facilities	3 277	2 630	2 726	4 834	13.8%	0.8%	4 100	4 251	4 302	-3.8%	0.9%	
Rental and hiring	–	192	204	5	–	–	–	–	–	-100.0%	–	

Table 28.8 Inspection and Enforcement Services expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2017/18	
R thousand												
Transfers and subsidies	583	925	1 468	162	-34.7%	0.2%	62	65	68	-25.1%	-	
Provinces and municipalities	1	10	21	-	-100.0%	-	-	-	-	-	-	
Departmental agencies and accounts	-	1	-	-	-	-	-	-	-	-	-	
Households	582	914	1 447	162	-34.7%	0.2%	62	65	68	-25.1%	-	
Payments for capital assets	89	129	330	1 984	181.4%	0.2%	-	-	-	-100.0%	0.1%	
Machinery and equipment	89	129	330	1 984	181.4%	0.2%	-	-	-	-100.0%	0.1%	
Total	375 749	395 574	409 626	410 405	3.0%	100.0%	430 778	587 288	622 084	14.9%	100.0%	
Proportion of total programme expenditure to vote expenditure	18.7%	19.4%	17.3%	16.1%	-	-	16.0%	19.6%	19.7%	-	-	
Details of transfers and subsidies												
Provinces and municipalities												
Municipalities												
Municipal bank accounts												
Current	1	10	21	-	-100.0%	-	-	-	-	-	-	
Vehicle licences	1	10	21	-	-100.0%	-	-	-	-	-	-	
Households												
Social benefits												
Current	582	914	1 447	162	-34.7%	0.2%	62	65	68	-25.1%	-	
Employee social benefits	582	914	1 447	162	-34.7%	0.2%	62	65	68	-25.1%	-	
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	-	1	-	-	-	-	-	-	-	-	-	
Claims against the state	-	1	-	-	-	-	-	-	-	-	-	

Personnel information

Table 28.9 Inspection and Enforcement Services personnel numbers and cost by salary level¹

Inspection and Enforcement Services	Number of posts estimated for 31 March 2015		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 (%)			
			2013/14			2014/15			2015/16		2016/17		2017/18						
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost					
Salary level	1 364	-	1 233	318.6	0.3	1 239	363.2	0.3	1 239	343.4	0.3	1 564	495.7	0.3	1 564	526.6	0.3	8.1%	100.0%
1 – 6	745	-	705	136.0	0.2	705	159.4	0.2	705	146.1	0.2	766	185.8	0.2	766	196.1	0.3	2.8%	52.5%
7 – 10	547	-	466	141.8	0.3	469	157.2	0.3	469	149.7	0.3	725	253.6	0.4	725	270.6	0.4	15.6%	42.6%
11 – 12	56	-	47	28.0	0.6	51	33.0	0.6	51	33.7	0.7	56	38.9	0.7	56	41.3	0.7	3.2%	3.8%
13 – 16	16	-	15	12.7	0.8	15	13.6	0.9	15	13.9	1.0	18	17.4	1.0	18	18.6	1.1	6.4%	1.2%

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

2. Rand million.

Programme 3: Public Employment Services

Programme purpose

Provide assistance to companies and workers to adjust to changing labour market conditions, and to regulate private employment agencies.

Objectives

- Provide public employment services by:
 - conducting 18 provincial and 378 advocacy campaigns for local public employment services by March 2016

- registering 62 000 work opportunities on the Employment Services for South Africa system by 31 March 2016
- processing applications from private employment agencies and temporary employment services within 60 days of receipt.
- Regulate work visas for foreign individuals and foreign corporations by:
 - processing work visas within 30 working days
 - advising the Department of Home Affairs within 30 days on the number of individual and corporate work visas to be issued.
- Contribute to increasing employment opportunities for people with disabilities by providing quarterly funding, and monitoring disability organisations.

Subprogrammes

- *Management and Support Services: Public Employment Services* manages delegated administrative and financial responsibilities; coordinates all planning, monitoring and evaluation functions; and provides corporate support to line function subprogrammes.
- *Employer Services* registers vacancies, facilitates the employment of foreign nationals where such skills do not exist in South Africa, records migrating skilled South Africans, oversees placements, responds to companies in distress, provides a social plan and regulates private employment agencies.
- *Work Seeker Services* registers work seekers, retrenched workers, work vacancies, and training and income generating opportunities on the employment services system; and facilitates access to employment and income generating opportunities for the unemployed and underemployed.
- *Designated Group Special Services* facilitates the transfer of subsidies to national councils to promote the employment of people with disabilities, youth and women, in collaboration with supported employment enterprises and other relevant bodies.
- *Supported Employment Enterprises* transfers funds to subsidised workshops for the blind and subsidised work centres for people with disabilities, and aims to improve the administration, production, and financial control of supported employment enterprises and workshops for the blind.
- *Productivity South Africa* transfers funds to Productivity South Africa, which promotes workplace productivity, competitiveness and social plan interventions.
- *Unemployment Insurance Fund* provides for the possible future funding of the Unemployment Insurance Fund.
- *Compensation Fund* provides for costs incurred through claims from civil servants for injuries sustained on duty or occupation related illnesses and diseases, and provides for the funding of claims from the Compensation Fund.
- *Training of Staff: Public Employment Services* defrays all expenditure relating to staff training in the programme to easily identify this expenditure for reporting purposes.

Expenditure trends and estimates

Table 28.10 Public Employment Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
R thousand											
Management and Support Services: Public Employment Services	21 001	21 812	28 374	33 252	16.6%	6.7%	34 432	40 132	43 521	9.4%	7.3%
Employer Services	143 673	148 517	116 293	116 668	-6.7%	33.6%	116 949	134 518	152 925	9.4%	25.0%
Work Seeker Services	23 523	32 763	95 775	114 179	69.3%	17.0%	125 684	135 626	140 947	7.3%	24.8%
Designated Groups Special Services	198	77	200	850	62.5%	0.1%	889	936	983	5.0%	0.2%
Supported Employment Enterprises	72 407	76 229	115 610	139 164	24.3%	25.8%	145 669	155 649	165 545	6.0%	29.1%
Productivity South Africa	34 059	37 052	40 286	43 119	8.2%	9.9%	45 531	47 944	50 341	5.3%	9.0%
Unemployment Insurance Fund	–	–	–	1	–	–	1	1	1	–	–
Compensation Fund	36 105	14 085	15 640	32 278	-3.7%	6.3%	18 073	19 031	19 983	-14.8%	4.3%
Training of Staff: Public Employment Services	1 228	1 116	4 046	2 022	18.1%	0.5%	1 069	1 126	1 182	-16.4%	0.3%
Total	332 194	331 651	416 224	481 533	13.2%	100.0%	488 297	534 963	575 428	6.1%	100.0%
Change to 2014 Budget estimate				15 000			(895)	20 219	31 529		

Table 28.10 Public Employment Services expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2014/15 - 2017/18
R thousand											
Current payments	192 031	207 237	248 460	313 159	17.7%	61.5%	327 916	368 203	400 334	8.5%	67.8%
Compensation of employees	154 514	169 064	212 767	273 021	20.9%	51.8%	287 343	324 886	355 202	9.2%	59.6%
Goods and services	37 517	38 173	35 693	40 138	2.3%	9.7%	40 573	43 317	45 132	4.0%	8.1%
of which:											
Administrative fees	492	423	211	140	-34.2%	0.1%	468	499	524	55.3%	0.1%
Advertising	263	263	196	717	39.7%	0.1%	501	571	600	-5.8%	0.1%
Assets less than the capitalisation threshold	745	305	93	738	-0.3%	0.1%	1 244	1 703	1 787	34.3%	0.3%
Bursaries: Employees	28	29	37	243	105.5%	-	-	-	-	-100.0%	-
Catering: Departmental activities	619	653	743	968	16.1%	0.2%	1 399	1 272	1 336	11.3%	0.2%
Communication	6 625	6 620	3 445	4 060	-15.1%	1.3%	6 337	6 728	7 063	20.3%	1.2%
Computer services	1 365	1 363	-	712	-19.5%	0.2%	196	-	-	-100.0%	-
Consultants and professional services: Business and advisory services	-	-	62	-	-	-	-	-	-	-	-
Contractors	164	-	1 873	93	-17.2%	0.1%	1 044	912	876	111.2%	0.1%
Agency and support/outsourced services	10	-	48	338	223.3%	-	48	101	106	-32.1%	-
Entertainment	21	19	35	82	57.5%	-	28	39	40	-21.3%	-
Fleet services (including government motor transport)	70	70	1 297	1 454	174.9%	0.2%	2 800	2 939	3 087	28.5%	0.5%
Inventory: Fuel, oil and gas	-	-	-	428	-	-	1 070	1 130	1 186	40.5%	0.2%
Inventory: Materials and supplies	19	-	-	203	120.2%	-	363	381	401	25.5%	0.1%
Inventory: Other supplies	56	-	-	514	109.4%	-	381	414	435	-5.4%	0.1%
Consumable supplies	-	-	59	-	-	-	20	21	22	-	-
Consumables: Stationery, printing and office supplies	1 277	1 250	1 298	3 833	44.3%	0.5%	3 519	4 759	5 266	11.2%	0.8%
Operating leases	217	216	1 322	2 747	133.1%	0.3%	2 412	1 744	1 831	-12.6%	0.4%
Property payments	4 077	4 077	3 151	1 113	-35.1%	0.8%	1 450	1 502	1 578	12.3%	0.3%
Transport provided: Departmental activity	8	8	-	150	165.7%	-	-	-	-	-100.0%	-
Travel and subsistence	17 278	18 586	15 685	14 863	-4.9%	4.3%	11 896	13 031	13 034	-4.3%	2.5%
Training and development	1 233	1 152	4 059	2 022	17.9%	0.5%	1 069	1 126	1 182	-16.4%	0.3%
Operating payments	1 218	1 246	856	1 608	9.7%	0.3%	1 627	1 776	1 865	5.1%	0.3%
Venues and facilities	1 732	1 738	1 223	3 012	20.3%	0.5%	2 146	2 078	2 300	-8.6%	0.5%
Rental and hiring	-	155	-	100	-	-	555	591	613	83.0%	0.1%
Transfers and subsidies	138 158	123 625	167 461	167 824	6.7%	38.2%	160 081	166 710	175 044	1.4%	32.2%
Provinces and municipalities	-	3	9	-	-	-	-	-	-	-	-
Departmental agencies and accounts	70 164	51 137	55 925	75 398	2.4%	16.2%	63 605	66 976	70 325	-2.3%	13.3%
Non-profit institutions	67 671	72 228	111 198	92 389	10.9%	22.0%	96 437	99 692	104 675	4.2%	18.9%
Households	323	257	329	37	-51.4%	0.1%	39	42	44	5.9%	-
Payments for capital assets	2 005	789	303	550	-35.0%	0.2%	300	50	50	-55.0%	-
Buildings and other fixed structures	15	-	-	-	-100.0%	-	-	-	-	-	-
Machinery and equipment	1 990	789	303	550	-34.9%	0.2%	300	50	50	-55.0%	-
Total	332 194	331 651	416 224	481 533	13.2%	100.0%	488 297	534 963	575 428	6.1%	100.0%
Proportion of total programme expenditure to vote expenditure	16.6%	16.3%	17.6%	18.9%	-	-	18.2%	17.8%	18.2%	-	-
Details of transfers and subsidies											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	-	3	9	-	-	-	-	-	-	-	-
Employee social benefits	-	-	2	-	-	-	-	-	-	-	-
Vehicle licences	-	3	7	-	-	-	-	-	-	-	-
Households											
Social benefits											
Current	323	257	329	37	-51.4%	0.1%	39	42	44	5.9%	-
Employee social benefits	323	257	329	37	-51.4%	0.1%	39	42	44	5.9%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	34 059	37 052	40 285	43 119	8.2%	9.9%	45 531	47 944	50 341	5.3%	9.0%
Productivity South Africa	34 059	37 052	40 285	43 119	8.2%	9.9%	45 531	47 944	50 341	5.3%	9.0%

Table 28.10 Public Employment Services expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies		Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
R thousand		2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Departmental agencies and accounts												
Social security funds												
Current		36 105	14 085	15 640	32 279	-3.7%	6.3%	18 074	19 032	19 984	-14.8%	4.3%
Unemployment Insurance Fund		–	–	–	1	–	–	1	1	1	–	–
Compensation Fund		36 105	14 085	15 640	32 278	-3.7%	6.3%	18 073	19 031	19 983	-14.8%	4.3%
Non-profit institutions												
Current		67 671	72 228	111 198	92 389	10.9%	22.0%	96 437	99 692	104 675	4.2%	18.9%
Deaf Federation of South Africa		68	–	66	238	51.8%	–	249	262	275	4.9%	–
National Council for the Physically Disabled		56	59	68	275	70.0%	–	287	302	318	5.0%	0.1%
South African National Council for the Blind		74	18	66	337	65.8%	–	353	372	390	5.0%	0.1%
Workshops for the Blind		8 688	9 122	6 911	10 152	5.3%	2.2%	10 619	11 181	11 739	5.0%	2.1%
Subsidised work centres for the disabled		58 785	63 029	104 087	81 387	11.5%	19.7%	84 929	87 575	91 953	4.2%	16.6%

Personnel information

Table 28.11 Public Employment Services personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		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 (%)				
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost			2017/18		Unit Cost	
Public Employment Services		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2014/15 - 2017/18		
Salary level	818	–	636	212.8	0.3	818	277.6	0.3	818	287.3	0.4	818	324.9	0.4	818	355.2	0.4	–	100.0%
1 – 6	239	–	149	28.4	0.2	240	51.5	0.2	240	55.0	0.2	240	69.5	0.3	240	80.2	0.3	–	29.3%
7 – 10	506	–	430	153.7	0.4	506	175.2	0.3	506	179.3	0.4	506	197.9	0.4	506	212.8	0.4	–	61.9%
11 – 12	59	–	46	11.0	0.2	58	37.2	0.6	58	38.4	0.7	58	41.9	0.7	58	45.2	0.8	–	7.1%
13 – 16	14	–	11	19.6	1.8	14	13.8	1.0	14	14.6	1.0	14	15.7	1.1	14	17.0	1.2	–	1.7%

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

2. Rand million.

Programme 4: Labour Policy and Industrial Relations

Programme purpose

Facilitate the establishment of an equitable and sound labour relations environment and the promotion of South Africa's interests in international labour matters through research, analysing and evaluating labour policy, and providing statistical data on the labour market, and support to institutions that promote social dialogue.

Objectives

- Improve employment equity in the labour market by:
 - assessing the income differentials of 30 companies to promote the principle of equal pay for work of equal value by the end of each financial year
 - conducting 9 workshops per province per year on the code on equal pay for work of equal value.
- Establish basic employment standards and minimum wages through the review of 4 existing sectoral determinations (farm workers, forestry, private security, and wholesale and retail) and the investigation of 1 sectoral determination for the abattoir sector by March 2016.
- Promote sound labour relations and centralised collective bargaining through the extension of 18 collective agreements and 100 per cent registration of qualifying labour and employer organisations by March 2016.
- Monitor and evaluate the impact of legislation and labour market trends through conducting research and labour market information analysis to promote a sound labour policy framework. 4 reports on labour market

information and statistical analysis will be released by September 2015, and 3 literature review reports and 3 data collection instruments for the research, monitoring and evaluation agenda will be completed by March 2016.

Subprogrammes

- *Management and Support Services: Labour Policy and Industrial Relations* manages delegated administrative and financial responsibilities; coordinates all planning, monitoring and evaluation functions; and provides support services to line function subprogrammes.
- *Strengthen Civil Society* transfers funds to various civil society organisations that provide resources, support, and expertise and protection to vulnerable workers to contribute to a stable and smooth functioning labour market and to improve the independence and self-reliance of workers.
- *Collective Bargaining* manages the implementation of the Labour Relations Act (1995) through policies and practices that promote sound labour relations.
- *Employment Equity* promotes equity in the labour market by improving the implementation and enforcement mechanisms of the Employment Equity Act (1998), as amended.
- *Employment Standards* protects vulnerable workers in the labour market by administering the Basic Conditions of Employment Act (1997).
- *Commission for Conciliation, Mediation and Arbitration* transfers funds to the Commission for Conciliation, Mediation and Arbitration, which promotes social justice and fairness in the workplace through dispute prevention and dispute resolution services.
- *Research, Policy and Planning* researches and monitors working conditions and policies affecting labour markets in South Africa.
- *Labour Market Information and Statistics* collects, collates, analyses and disseminates internal and external labour market statistics about changes in the South African labour market that have an impact on legislation.
- *International Labour Matters* contributes to global policy formulation and facilitates compliance with international obligations through multilateral and bilateral relations.
- *National Economic Development and Labour Council* transfers funds to the National Economic Development and Labour Council, which promotes economic growth, participation in economic decision making and social equity.

Expenditure trends and estimates

Table 28.12 Labour Policy and Industrial Relations expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Management and Support Services: Labour Policy and Industrial Relations	9 561	12 320	10 151	12 679	9.9%	1.6%	13 209	13 769	14 554	4.7%	1.4%
Strengthen Civil Society	15 063	15 802	16 504	17 318	4.8%	2.3%	17 929	18 879	19 823	4.6%	2.0%
Collective Bargaining	10 216	11 234	12 306	14 573	12.6%	1.7%	14 152	15 011	15 889	2.9%	1.6%
Employment Equity	10 999	9 907	12 763	14 555	9.8%	1.7%	15 165	15 985	16 843	5.0%	1.7%
Employment Standards	9 758	8 422	12 464	12 632	9.0%	1.5%	14 774	15 910	16 727	9.8%	1.6%
Commission for Conciliation, Mediation and Arbitration	448 104	478 745	594 418	687 096	15.3%	77.9%	731 799	770 501	808 902	5.6%	79.2%
Research, Policy and Planning	10 598	5 262	7 419	9 779	-2.6%	1.2%	12 678	13 496	14 200	13.2%	1.3%
Labour Market Information and Statistics	29 307	30 291	31 324	37 641	8.7%	4.5%	38 408	40 775	43 166	4.7%	4.2%
International Labour Matters	26 870	22 962	26 591	35 340	9.6%	3.9%	35 137	36 800	38 894	3.2%	3.9%
National Economic Development and Labour Council	24 433	24 707	25 926	27 822	4.4%	3.6%	29 430	30 996	32 555	5.4%	3.2%
Total	594 909	619 652	749 866	869 435	13.5%	100.0%	922 681	972 122	1 021 553	5.5%	100.0%
Change to 2014 Budget estimate				(456)			(3 537)	(4 241)	(4 786)		

Table 28.12 Labour Policy and Industrial Relations expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand	2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18		
Current payments	93 427	87 055	96 756	119 542	8.6%	14.0%	126 794	134 136	141 792	5.9%	13.8%
Compensation of employees	60 282	61 540	67 487	79 156	9.5%	9.5%	83 641	89 129	94 744	6.2%	9.2%
Goods and services	33 145	25 515	29 269	40 386	6.8%	4.5%	43 153	45 007	47 048	5.2%	4.6%
<i>of which:</i>											
Administrative fees	578	615	397	430	-9.4%	0.1%	536	563	605	12.1%	0.1%
Advertising	5 023	2 799	6 643	6 269	7.7%	0.7%	7 784	8 099	8 976	12.7%	0.8%
Assets less than the capitalisation threshold	57	39	255	700	130.7%	-	507	457	455	-13.4%	0.1%
Bursaries: Employees	1	-	24	-	-100.0%	-	-	-	-	-	-
Catering: Departmental activities	781	655	517	270	-29.8%	0.1%	222	207	219	-6.7%	-
Communication	1 514	1 529	1 101	1 150	-8.8%	0.2%	1 153	1 207	1 309	4.4%	0.1%
Computer services	1 156	818	597	1 065	-2.7%	0.1%	1 044	1 144	1 290	6.6%	0.1%
Consultants and professional services: Business and advisory services	6 385	1 403	3 350	4 623	-10.2%	0.6%	7 202	7 820	8 223	21.2%	0.7%
Consultants and professional services: Legal costs	-	-	-	196	-	-	245	265	303	15.6%	-
Contractors	110	-	20	702	85.5%	-	5	9	11	-75.0%	-
Agency and support/outsourced services	584	-	-	3	-82.7%	-	8	13	16	74.7%	-
Entertainment	54	57	32	51	-1.9%	-	70	40	40	-7.8%	-
Fleet services (including government motor transport)	15	17	208	433	206.8%	-	313	374	427	-0.5%	-
Inventory: Fuel, oil and gas	-	-	-	106	-	-	150	164	211	25.8%	-
Inventory: Learner and teacher support material	34	-	-	47	11.4%	-	46	45	47	-	-
Inventory: Materials and supplies	-	-	-	8	-	-	24	15	21	37.9%	-
Inventory: Other supplies	17	-	-	-	-100.0%	-	-	-	-	-	-
Consumable supplies	-	-	86	85	-	-	114	142	179	28.2%	-
Consumables: Stationery, printing and office supplies	2 325	2 347	3 134	4 490	24.5%	0.4%	2 617	2 744	2 943	-13.1%	0.3%
Operating leases	861	845	322	1 737	26.4%	0.1%	1 570	1 699	1 689	-0.9%	0.2%
Property payments	552	552	521	982	21.2%	0.1%	809	889	843	-5.0%	0.1%
Transport provided: Departmental activity	-	-	-	14	-	-	-	-	-	-100.0%	-
Travel and subsistence	11 273	11 589	9 460	11 743	1.4%	1.6%	14 235	14 471	14 303	6.8%	1.4%
Training and development	682	682	659	1 448	28.5%	0.1%	1 483	1 546	1 616	3.7%	0.2%
Operating payments	279	446	512	924	49.1%	0.1%	578	589	623	-12.3%	0.1%
Venues and facilities	864	1 122	1 431	2 904	49.8%	0.2%	2 438	2 505	2 699	-2.4%	0.3%
Rental and hiring	-	-	-	6	-	-	-	-	-	-100.0%	-
Transfers and subsidies	501 441	532 440	652 930	749 657	14.3%	86.0%	795 865	837 963	879 737	5.5%	86.2%
Provinces and municipalities	-	1	-	2	-	-	2	2	2	-	-
Departmental agencies and accounts	472 019	502 904	620 246	714 543	14.8%	81.5%	760 590	800 818	840 735	5.6%	82.3%
Foreign governments and international organisations	14 211	13 692	15 914	17 441	7.1%	2.2%	17 344	18 264	19 177	3.2%	1.9%
Non-profit institutions	15 063	15 802	16 504	17 318	4.8%	2.3%	17 929	18 879	19 823	4.6%	2.0%
Households	148	41	266	353	33.6%	-	-	-	-	-100.0%	-
Payments for capital assets	41	157	180	236	79.2%	-	22	23	24	-53.3%	-
Machinery and equipment	41	157	180	236	79.2%	-	22	23	24	-53.3%	-
Total	594 909	619 652	749 866	869 435	13.5%	100.0%	922 681	972 122	1 021 553	5.5%	100.0%
Proportion of total programme expenditure to vote expenditure	29.6%	30.5%	31.6%	34.1%	-	-	34.3%	32.4%	32.3%	-	-
Details of transfers and subsidies											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	-	1	-	2	-	-	2	2	2	-	-
Vehicle licences	-	1	-	2	-	-	2	2	2	-	-
Households											
Social benefits											
Current	148	41	266	353	33.6%	-	-	-	-	-100.0%	-
Employee social benefits	148	41	266	353	33.6%	-	-	-	-	-100.0%	-

Table 28.12 Labour Policy and Industrial Relations expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14		2011/12 - 2014/15	2014/15	2015/16 - 2017/18			2014/15 - 2017/18	
							2015/16	2016/17	2017/18		
R thousand											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	472 019	502 904	620 246	714 543	14.8%	81.5%	760 590	800 818	840 735	5.6%	82.3%
Commission for Conciliation, Mediation and Arbitration	448 104	478 745	594 418	687 096	15.3%	77.9%	731 799	770 501	808 902	5.6%	79.2%
National Economic Development and Labour Council	23 915	24 159	25 828	27 447	4.7%	3.6%	28 791	30 317	31 833	5.1%	3.1%
Non-profit institutions											
Current	15 063	15 802	16 504	17 318	4.8%	2.3%	17 929	18 879	19 823	4.6%	2.0%
Strengthen Civil Society	15 063	15 802	16 504	17 318	4.8%	2.3%	17 929	18 879	19 823	4.6%	2.0%
Foreign governments and international organisations											
Current	14 211	13 692	15 914	17 441	7.1%	2.2%	17 344	18 264	19 177	3.2%	1.9%
International Labour Organisation	13 672	13 072	15 110	16 596	6.7%	2.1%	16 565	17 443	18 315	3.3%	1.8%
African Regional Labour Administration Centre	539	620	804	845	16.2%	0.1%	779	821	862	0.7%	0.1%

Personnel information

Table 28.13 Labour Policy and Industrial Relations personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		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 (%)				
		2013/14		2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18							
Labour Policy and Industrial Relations		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Salary level	188	–	170	67.5	0.4	188	77.6	0.4	188	83.6	0.4	188	89.1	0.5	188	94.7	0.5	–	100.0%
1 – 6	19	–	18	3.3	0.2	18	3.8	0.2	18	4.3	0.2	18	4.7	0.3	18	4.9	0.3	–	9.6%
7 – 10	122	–	117	40.1	0.3	128	43.7	0.3	128	46.8	0.4	128	49.9	0.4	128	53.2	0.4	–	68.1%
11 – 12	31	–	26	16.1	0.6	30	19.2	0.6	30	20.8	0.7	30	21.9	0.7	30	23.1	0.8	–	16.0%
13 – 16	15	–	9	7.9	0.9	12	10.9	0.9	12	11.8	1.0	12	12.6	1.0	12	13.5	1.1	–	6.4%
Other	1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

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

2. Rand million.

Public entities and other agencies

Compensation Fund

Mandate

The Compensation Fund administers the Compensation for Occupational Injuries and Diseases Act (1993). The main objective of the act is to provide compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees, or for death resulting from such injuries or diseases.

Selected performance indicators

Table 28.14 Compensation Fund performance indicators by programme/objective/activity and related outcome

Indicator	Programme/ Activity/ Objective	Outcome	Past			Current	Projected		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of new claims registered per year	Providing an efficient social safety net	Outcome 13: An inclusive and responsive social protection system	141 437	196 509	310 710	245 121	494 788	546 200	646 200
Percentage of registered claims finalised per year	Providing an efficient social safety net		62% (325 502)	36% (70 743)	36% (111 856)	80% (196 097)	86% (425 518)	86% (469 732)	86% (555 732)
Percentage of medical claims finalised per year within a 3-month period	Providing an efficient social safety net		45% (234 905)	45% (201 876)	27% (198 654)	75% (231 201)	80% (267 908)	75% (289 341)	75% (297 908)
Percentage growth in assessment revenue per year	Providing an efficient social safety net		2.3% (R5.3bn)	34% (R7.1bn)	2% (R8.2bn)	5% (R8.6bn)	5% (R9bn)	5% (R9.5bn)	5% (R10bn)
Percentage increase in the number of registered employers per year	Providing an efficient social safety net		2% (452 084)	8% (488 947)	5% (513 395)	5% (539 065)	5% (566 017)	5% (594 320)	5% (624 036)

Expenditure analysis

In line with the objectives of government's 2014-2019 medium term strategic framework and the national development plan's vision of improving access to social insurance for the working age population, the Compensation Fund will continue to focus on providing an efficient and effective social safety net aimed at protecting vulnerable workers, and strengthening social protection and the capacity of the fund. This includes increasing access to services through decentralising its functions to provincial service points, tabling amendments to the Compensation for Occupational Injuries and Diseases Act (1993) to include domestic workers and increase benefits, and piloting and implementing an online claims registration portal and an automated adjudication system.

Using existing operational funds, a pilot project ran from February 2014 to July 2014 to field test the Rand Mutual Assurance system in three sites in Gauteng, KwaZulu-Natal and Western Cape, in order to get feedback from the fund's registrations, adjudications, medical and pensions stakeholders about the feasibility of this system being utilised as the fund's claims processing engine. The key benefit of the system is an improved turnaround time for the settlement of claims within 30 days. It is anticipated that this should enable the fund to provide 100 per cent service to qualifying beneficiaries over the medium term.

The fund's main source of revenue is the levies payable by employers based on a determined percentage of the annual earnings of their employees. Total revenue collected is expected to grow to R37.7 billion, at an average annual rate of 2.8 per cent over the medium term, due to the use of the online employer assessment system. Revenue collected is used to pay benefits and claims and for the cost of administering the fund.

The fund has decentralised its claims processing services with the aim of increasing access to its services for all 9 provinces and improving the claims processing turnaround time. The decentralisation project started in October 2013, with a total of about 670 staff members relocating to various provinces. The success of the decentralisation project, which is part of the core operations programme, is evidenced by an increase in the number of new claims registered, which is expected to increase from 245 121 in 2014/15 to 646 200 in 2017/18. The number of compensation and medical claims processed is projected to increase from 196 097 in 2014/15 to 555 732 in 2017/18, with a concomitant increase in claims paid increasing from R3.1 billion in 2014/15 to R4.2 billion in 2017/18.

In an effort to strengthen social protection and alleviate poverty, and after a review of the existing benefits, the fund's board increased the benefits to be paid to injured employees and their dependants, in the form of lump sums, loss of earnings and monthly pensions. Benefits are set to increase at an average annual rate of 5.5 per cent over the medium term.

Programmes/objectives/activities

Table 28.15 Compensation Fund expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
					2011/12 - 2014/15					2014/15 - 2017/18	
Administration	639 178	701 945	697 974	749 414	5.4%	13.5%	799 871	823 868	848 584	4.2%	17.2%
Compensation for Occupational Injuries and Diseases Act (1993) operations	5 767 510	4 846 069	5 003 062	3 125 940	-18.5%	86.2%	4 002 829	4 122 914	4 246 601	10.8%	82.0%
Provincial operations: Compensation for Occupational Injuries and Diseases Act (1993) operations	-	-	22 204	35 430	-	0.3%	36 493	43 553	44 860	8.2%	0.9%
Total	6 406 688	5 548 014	5 723 240	3 910 784	-15.2%	100.0%	4 839 193	4 990 335	5 140 045	9.5%	100.0%

Statements of historical financial performance and position

Table 28.16 Compensation Fund statements of historical financial performance and position

Statement of financial performance									
R thousand	Approved budget	Audited outcome	Approved budget	Audited outcome	Approved budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	2011/12	2012/13	2013/14	2014/15	2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15
Revenue									
Non-tax revenue	2 104 333	3 476 757	2 903 275	2 959 393	2 839 014	2 960 384	2 807 543	3 500 950	121.1%
Other non-tax revenue	2 104 333	3 476 757	2 903 275	2 959 393	2 839 014	2 960 384	2 807 543	3 500 950	121.1%
Transfers received	4 923 894	4 978 266	5 571 071	7 152 001	5 328 946	8 185 636	8 208 750	8 373 326	119.4%
Total revenue	7 028 227	8 455 023	8 474 346	10 111 394	8 167 960	11 146 020	11 016 293	11 874 276	119.9%
Expenses									
Current expenses	944 507	781 388	937 309	827 663	929 104	753 912	1 017 726	857 299	84.1%
Compensation of employees	494 503	211 973	342 526	306 905	241 100	343 902	448 162	377 817	81.3%
Goods and services	445 687	565 963	590 658	517 818	684 127	401 061	565 788	470 265	85.5%
Depreciation	3 709	1 882	2 022	2 810	1 871	8 943	3 611	9 211	203.8%
Interest, dividends and rent on land	608	1 570	2 103	130	2 006	6	165	6	35.1%
Transfers and subsidies	5 604 337	5 625 300	3 482 004	4 720 351	5 244 241	4 969 328	4 191 017	3 053 484	99.2%
Total expenses	6 548 844	6 406 688	4 419 313	5 548 014	6 173 345	5 723 240	5 208 744	3 910 784	96.6%
Surplus/(Deficit)	479 383	2 048 335	4 055 033	4 563 380	1 994 615	5 422 780	5 807 549	7 963 492	-
Statement of financial position									
Carrying value of assets	138 228	90 886	85 243	95 047	94 664	89 522	101 873	93 998	88.0%
<i>of which:</i>									
Acquisition of assets	37 250	9 341	7 500	3 386	7 193	7 817	8 256	1 343	36.4%
Investments	25 358 335	29 636 744	34 087 344	35 347 698	36 802 954	41 423 638	37 876 187	43 494 820	111.8%
Inventory	-	-	-	-	-	2 601	-	2 731	-
Accrued investment interest	4 593	-	-	-	-	-	-	-	-
Receivables and prepayments	970 558	2 557 331	1 083 644	3 322 242	2 390 490	1 973 646	4 566 432	2 072 328	110.1%
Cash and cash equivalents	841 010	395 027	83 641	1 092 748	423 977	119 720	1 170 578	125 706	68.8%
Total assets	27 312 724	32 679 988	35 339 872	39 857 735	39 712 085	43 609 127	43 715 070	45 789 583	110.9%
Accumulated surplus/(deficit)	9 068 961	14 166 437	17 880 893	22 280 505	18 196 711	26 351 403	24 110 613	27 668 973	130.6%
Capital and reserves	-	-	-	53 945	-	53 945	-	56 642	-
Trade and other payables	468 762	811 550	482 825	1 002 805	894 107	1 052 566	1 136 888	1 105 194	133.2%
Capitalised value of pensions	-	12 860 000	11 482 396	10 085 480	15 604 542	9 716 213	13 275 259	-	80.9%
Provisions	17 775 000	4 842 000	5 493 758	6 435 000	5 016 725	6 435 000	5 192 310	16 958 774	103.6%
Total equity and liabilities	27 312 724	32 679 987	35 339 872	39 857 735	39 712 085	43 609 127	43 715 070	45 789 583	110.9%

Statements of estimates of financial performance and position

Table 28.17 Compensation Fund statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
R thousand	2014/15				2011/12 - 2014/15	2015/16	2016/17		
Revenue									
Non-tax revenue	3 500 950		0.2%	31.6%	3 603 756	3 737 882	3 840 317	3.1%	29.6%
Other non-tax revenue	3 500 950		0.2%	31.6%	3 603 756	3 737 882	3 840 317	3.1%	29.6%
Transfers received	8 373 326		18.9%	68.4%	8 624 526	8 797 016	9 060 927	2.7%	70.4%
Total revenue	11 874 276		12.0%	100.0%	12 228 282	12 534 898	12 901 244	2.8%	100.0%
Expenses									
Current expenses	857 299		3.1%	15.6%	911 435	944 744	973 086	4.3%	19.7%
Compensation of employees	377 817		21.2%	6.1%	349 371	359 852	370 647	-0.6%	7.8%
Goods and services	470 265		-6.0%	9.3%	559 036	581 772	599 227	8.4%	11.7%
Depreciation	9 211		69.8%	0.1%	2 894	2 981	3 070	-30.7%	0.1%
Interest, dividends and rent on land	6		-84.2%	0.0%	134	138	142	184.3%	0.0%
Transfers and subsidies	3 053 484		-18.4%	84.4%	3 927 758	4 045 591	4 166 958	10.9%	80.3%
Total expenses	3 910 784		-15.2%	100.0%	4 839 193	4 990 335	5 140 044	9.5%	100.0%
Surplus/(Deficit)	7 963 492		57.2%	-	7 389 088	7 544 563	7 761 200	-0.9%	-
Statement of financial position									
Carrying value of assets	93 998		1.1%	0.2%	97 758	101 668	106 752	4.3%	0.2%
of which:									
Acquisition of assets	1 343		-47.6%	0.0%	1 397	1 439	1 496	3.7%	0.0%
Investments	43 494 820		13.6%	92.3%	45 234 613	47 043 997	49 396 197	4.3%	95.0%
Inventory	2 731		-	0.0%	2 840	2 954	3 102	4.3%	0.0%
Receivables and prepayments	2 072 328		-6.8%	6.3%	2 155 221	2 241 430	2 353 502	4.3%	4.5%
Cash and cash equivalents	125 706		-31.7%	1.1%	130 734	135 964	142 762	4.3%	0.3%
Total assets	45 789 583		11.9%	100.0%	47 621 167	49 526 013	52 002 314	4.3%	100.0%
Accumulated surplus/(deficit)	27 668 973		25.0%	55.0%	28 775 732	29 926 761	31 423 099	4.3%	60.4%
Capital and reserves	56 642		-	0.1%	58 908	61 264	64 327	4.3%	0.1%
Trade and other payables	1 105 194		10.8%	2.5%	1 149 402	1 195 378	1 255 147	4.3%	2.4%
Provisions	16 958 774		51.9%	20.7%	17 637 125	18 342 610	19 259 740	4.3%	37.0%
Total equity and liabilities	45 789 583		11.9%	100.0%	47 621 167	49 526 013	52 002 314	17.3%	100.0%

Personnel information

Table 28.18 Compensation Fund personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015			Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level: Average (%)			
			2013/14		Unit Cost	2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost			2017/18		Unit Cost
Compensation Fund (including Reserve Fund)			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
Salary level	2 031	2 031	1 512	343.9	0.2	1 715	377.8	0.2	1 917	349.4	0.2	2 000	359.9	0.2	2 028	370.6	0.2	-0.6%	100.0%
1-6	1 404	1 404	1 058	167.7	0.2	1 207	198.1	0.2	1 374	171.6	0.1	1 401	155.5	0.1	1 401	160.1	0.1	-6.9%	70.3%
7-10	517	517	364	96.0	0.3	423	97.9	0.2	456	87.1	0.2	489	112.4	0.2	517	115.8	0.2	5.7%	24.6%
11-12	77	77	47	32.1	0.7	52	32.8	0.6	54	34.3	0.6	77	31.4	0.4	77	32.4	0.4	-0.4%	3.4%
13-16	33	33	43	48.1	1.1	33	49.0	1.5	33	56.4	1.7	33	60.6	1.8	33	62.4	1.9	8.4%	1.7%

1. Rand million.

Unemployment Insurance Fund

Mandate

The mandate of the Unemployment Insurance Fund is to contribute to the alleviation of poverty by providing effective short term unemployment insurance to all workers who qualify for unemployment and related benefits, as legislated in the Unemployment Insurance Act (2001). The fund is financed by contributions from employees and employers, as legislated in the Unemployment Insurance Contributions Act (2002).

Selected performance indicators

Table 28.19 Unemployment Insurance Fund performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current 2014/15	Projections		
			2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
Percentage of total mandated social responsibility investment invested per year	Labour activation programmes	Outcome 13: An inclusive and responsive social protection system	70% (R2.5bn)	109.4% (R3.6bn)	53.4% (R3.6bn)	80%	80%	80%	80%
Number of labour activation initiatives approved by the Unemployment Insurance Fund per year	Labour activation programmes		3	2	9	9	9	9	9
Percentage (and number) of claims finalised within 5 weeks of application per year	Business operations		80% (578 014)	86% (641 811)	86% (668 799)	90%	95%	95%	95%
Percentage (and amount) increase in revenue contributions per year	Business operations		5.3% (11.3bn)	10% (R13.5bn)	11.8% (R15.3bn)	6%	6%	6%	6%
Percentage of rand value of overpayment balance collected per year	Business operations		18% (R72m)	18.4% (R62.6m)	27% (R68.9m)	25%	25%	30%	30%
Percentage (and number) increase in number of employers using the u-filing system per year	Business operations		56% (14 167)	18.4% (6 619)	29% (12 361)	30%	30%	30%	30%

Expenditure analysis

In line with the vision of the national development plan and government's 2014-2019 medium term strategic framework, the Unemployment Insurance Fund will, over the medium term, continue to focus on improving the payment of benefits to qualifying beneficiaries, improving compliance with the Unemployment Insurance Act (2001), and implementing poverty alleviation schemes to assist unemployed workers registered on the fund's database.

The fund's core mandate and job creation initiatives contribute to 3 of the 10 core elements identified in the national development plan: social protection through the provision of unemployment insurance to all workers in the country; employment through investment in job creation projects; and quality education and skills development through training initiatives that aim to give unemployed beneficiaries various artisan skills.

The fund will also continue to pay benefits estimated at R28.9 billion to qualifying persons over the medium term. The increase in expenditure for social benefits over the medium term is as a result of the recommended benefit improvements contained in the draft Unemployment Insurance Amendment Bill. The bill proposes a number of benefit improvements, including the extension of the number of credit days from 243 to 365 days; the provision of full benefits to women who miscarry; the extension of the period from 6 to 18 months during which dependants can claim deceased contributors' benefits; and a reduction in the number of days for the claiming of illness benefits from 14 to 7 days.

In addition to the improvements to benefits, the fund aims to continuously improve efficiency by increasing the rate at which claims are processed and paid. The claims turnaround rate is a tool used to measure this efficiency and is pursued through the target of increasing the percentage of claims finalised within 5 weeks of application from 90 per cent in 2014/15 to 95 per cent over the medium term. Due to a review of organisational structures and the implementation of new technology at both the provincial level and head office, the number of staff is expected to increase by 163 between 2014/15 and 2015/16, which will enable the fund to achieve this projected increase in the percentage of claims finalised.

The fund is financed through contributions from employees and employers as legislated in the Unemployment Insurance Contributions Act (2002). The fund is expected to receive on average 62.3 per cent (R57 billion) of its total revenue over the medium term from unemployment contributions, with income from its own revenue amounting to R37.4 billion, mainly driven by income from investments. The high projected revenue from unemployment contributions is due to an anticipated increase in contributors to the fund as the economy recovers.

The investment portfolio of the fund is R108.5 billion, and this is set to increase in line with the projected increase in net surpluses and portfolio growth. The projected accumulated surpluses are estimated to be

R86.1 billion in 2014/15, reaching R138 billion in 2017/18, and the surpluses will enable the fund to contribute to initiatives that support job creation and poverty alleviation. These initiatives include investing in targeted labour intensive priority sectors such as mineral resources beneficiation, tourism, primary agriculture and agro-processing, and are targeted at unemployed youth and beneficiaries of the fund who need to be reintegrated into the labour market. The implementation of these schemes is through the mandated socially responsible investments allocation, which is 10 per cent of the investment portfolio of the fund. The fund will allocate R1.5 billion, which will cover the cost of training plus a stipend, to initiatives to train 19 500 unemployed beneficiaries in various artisan and related skills programmes over the medium term, and R150 million to fund Productivity South Africa's turnaround solutions programme, which aims to assist 300 distressed companies save an estimated 30 000 jobs and reduce the number of beneficiaries to the fund.

The training layoff scheme is an alternative to the retrenchment of staff for distressed companies. Participation in the scheme will ensure that beneficiaries of the fund do not lose their jobs but are instead reskilled in order to remain active in the labour market. The commitment of R1.2 billion to the scheme will continue to be maintained through an earmarked allocation of R450 million over the medium term.

Programmes/objectives/activities

Table 28.20 Unemployment Insurance Fund expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/Total: Average (%) 2011/12 - 2014/15	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
Administration	353 539	404 719	548 143	601 474	19.4%	5.7%	645 452	664 092	700 765	5.2%	5.8%
Business operations	6 469 288	6 722 310	8 389 924	8 983 757	11.6%	92.5%	9 510 762	9 915 661	11 083 534	7.3%	88.0%
Labour activation programmes	22 733	32 071	87 991	554 509	190.0%	1.8%	698 741	735 782	776 231	11.9%	6.1%
Total	6 845 560	7 159 100	9 026 058	10 139 740	14.0%	100.0%	10 854 955	11 315 535	12 560 530	7.4%	100.0%

Statements of historical financial performance and position

Table 28.21 Unemployment Insurance Fund statements of historical financial performance and position

Statement of financial performance									
R thousand	Approved budget	Audited outcome	Approved budget	Audited outcome	Approved budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget Average (%)
	2011/12	2012/13	2012/13	2013/14	2013/14	2014/15	2014/15	2014/15	2011/12 - 2014/15
Revenue									
Non-tax revenue	3 353 659	6 398 804	4 250 207	9 666 886	4 965 936	5 884 962	6 173 704	8 628 659	163.1%
Sale of goods and services other than capital assets	4 151	1 934	3 298	2 122	3 027	2 128	2 682	2 682	67.4%
<i>of which:</i>									
Sales by market establishment	2 228	1 934	2 078	2 068	2 107	2 128	2 335	2 335	96.8%
Other sales	1 923	–	1 220	54	920	–	347	347	9.1%
Other non-tax revenue	3 349 508	6 396 870	4 246 909	9 664 764	4 962 929	5 882 834	6 171 022	8 625 977	163.2%
Transfers received	12 202 871	12 284 294	12 828 532	13 498 517	13 964 922	15 077 336	15 975 245	16 420 469	104.2%
Total revenue	15 556 530	18 683 098	17 078 739	23 165 403	18 930 858	20 962 298	22 148 949	25 049 128	119.2%
Expenses									
Current expenses	1 283 850	1 145 037	1 466 985	1 253 912	1 520 940	1 488 675	1 760 018	1 691 137	92.5%
Compensation of employees	657 443	575 517	746 960	649 677	826 452	772 296	899 790	934 608	93.7%
Goods and services	618 906	562 664	710 535	599 971	683 929	706 121	846 484	736 242	91.1%
Depreciation	7 494	6 856	9 478	4 264	10 552	8 539	13 737	20 281	96.8%
Interest, dividends and rent on land	7	–	12	–	7	1 719	6	6	5 390.6%
Transfers and subsidies	8 328 329	5 700 523	7 918 892	5 905 188	10 291 927	7 537 383	10 070 144	8 448 603	75.4%
Total expenses	9 612 179	6 845 560	9 385 877	7 159 100	11 812 867	9 026 058	11 830 162	10 139 740	77.8%
Surplus/(Deficit)	5 944 351	11 837 538	7 692 862	16 006 303	7 117 991	11 936 240	10 318 787	14 909 388	–
Statement of financial position									
Carrying value of assets	102 153	78 277	118 916	82 383	102 979	76 447	96 430	270 427	120.7%
<i>of which:</i>									
Acquisition of assets	21 550	10 147	46 642	8 371	6 961	2 402	21 576	214 260	243.1%
Investments	55 991 244	64 069 178	68 217 022	81 172 019	82 271 420	92 822 179	91 566 764	108 517 677	116.3%
Receivables and prepayments	158 782	13 202	110 074	7 907	118 664	19 495	185 021	59 712	17.5%
Cash and cash equivalents	1 126 322	1 787 038	1 216 954	580 281	1 707 302	1 382 762	1 712 511	1 294 930	87.5%
Derivatives financial instruments	–	26 102	–	5 933	–	–	–	–	–
Total assets	57 378 501	65 973 797	69 662 965	81 848 523	84 200 365	94 300 883	93 560 726	110 142 746	115.6%

Table 28.21 Unemployment Insurance Fund statements of historical financial performance and position

	Approved budget	Audited outcome	Approved budget	Audited outcome	Approved budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	2011/12	2011/12	2012/13	2012/13	2013/14	2013/14	2014/15	2014/15	2011/12 - 2014/15
R thousand									
Accumulated surplus/(deficit)	39 496 689	47 943 938	51 389 679	62 012 339	61 601 216	72 316 995	67 434 312	86 137 798	122.0%
Capital and reserves	13 699 246	14 527 886	14 521 661	16 465 787	15 439 651	18 097 371	16 143 890	19 742 308	115.1%
Borrowings	–	17	7 208	11	–	–	–	–	0.4%
Trade and other payables	58 683	82 454	80 551	96 136	85 623	216 523	87 298	218 448	196.6%
Benefits payable	4 106 041	3 383 329	3 642 427	3 243 036	7 037 701	3 613 470	9 859 052	3 987 668	57.7%
Provisions	17 842	21 592	21 440	24 575	21 592	26 703	21 592	26 703	120.7%
Derivatives financial instruments	–	14 582	–	6 639	14 582	29 821	14 582	29 821	277.3%
Total equity and liabilities	57 378 501	65 973 798	69 662 965	81 848 523	84 200 365	94 300 883	93 560 726	110 142 746	115.6%

Statements of estimates of financial performance and position

Table 28.22 Unemployment Insurance Fund statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
Revised estimate	2014/15			2015/16	2016/17	2017/18		
R thousand								
		2011/12 - 2014/15					2014/15 - 2017/18	
Revenue								
Non-tax revenue	8 628 659	10.5%	34.6%	10 309 813	11 415 143	12 976 107	14.6%	36.9%
Sale of goods and services other than capital assets	2 682	11.5%	0.0%	10 354	35 355	60 355	182.3%	0.1%
<i>of which:</i>								
<i>Sales by market establishment</i>	2 335	6.5%	0.0%	10 347	35 347	60 347	195.7%	0.1%
<i>Other sales</i>	347	–	0.0%	7	8	8	-71.5%	0.0%
Other non-tax revenue	8 625 977	10.5%	34.6%	10 299 459	11 379 788	12 915 752	14.4%	36.8%
Transfers received	16 420 469	10.2%	65.4%	17 722 687	19 065 867	20 428 371	7.6%	63.1%
Total revenue	25 049 128	10.3%	100.0%	28 032 500	30 481 010	33 404 478	10.1%	100.0%
Expenses								
Current expenses	1 691 137	13.9%	16.9%	1 840 199	1 933 476	2 044 755	6.5%	16.7%
Compensation of employees	934 608	17.5%	8.8%	998 604	1 066 177	1 134 981	6.7%	9.2%
Goods and services	736 242	9.4%	7.9%	818 236	863 237	906 402	7.2%	7.4%
Depreciation	20 281	43.6%	0.1%	23 359	4 062	3 372	-45.0%	0.1%
Interest, dividends and rent on land	6	–	0.0%	–	–	–	-100.0%	0.0%
Transfers and subsidies	8 448 603	14.0%	83.1%	9 014 756	9 382 059	10 515 775	7.6%	83.3%
Total expenses	10 139 740	14.0%	100.0%	10 854 955	11 315 535	12 560 530	7.4%	100.0%
Surplus/(Deficit)	14 909 388	8.0%	–	17 177 545	19 165 475	20 843 948	11.8%	–
Statement of financial position								
Carrying value of assets	270 427	51.2%	0.1%	429 388	425 326	421 954	16.0%	0.3%
<i>of which:</i>								
<i>Acquisition of assets</i>	214 260	176.4%	0.1%	182 320	–	–	-100.0%	0.1%
Investments	108 517 677	19.2%	98.3%	125 887 822	145 175 648	166 356 116	15.3%	98.7%
Receivables and prepayments	59 712	65.4%	0.0%	81 809	107 758	137 910	32.2%	0.1%
Cash and cash equivalents	1 294 930	-10.2%	1.5%	1 301 441	1 308 157	1 314 970	0.5%	1.0%
Total assets	110 142 746	18.6%	100.0%	127 700 460	147 016 889	168 230 950	15.2%	100.0%
Accumulated surplus/(deficit)	86 137 798	21.6%	75.8%	101 628 694	118 868 934	137 976 578	17.0%	80.2%
Capital and reserves	19 742 308	10.8%	19.8%	21 432 698	23 132 188	24 861 433	8.0%	16.3%
Trade and other payables	218 448	38.4%	0.2%	220 467	222 407	224 459	0.9%	0.2%
Benefits payable	3 987 668	5.6%	4.1%	4 362 077	4 736 836	5 111 956	8.6%	3.3%
Provisions	26 703	7.3%	0.0%	26 703	26 703	26 703	–	0.0%
Derivatives financial instruments	29 821	26.9%	0.0%	29 821	29 821	29 821	–	0.0%
Total equity and liabilities	110 142 746	18.6%	100.0%	127 700 460	147 016 889	168 230 950	34.5%	100.0%

Personnel information

Table 28.23 Unemployment Insurance Fund personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost			2017/18		Unit Cost	
Unemployment Insurance Fund		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2014/15 - 2017/18		
Salary level	3 461	3 461	3 298	772.3	0.2	3 298	934.6	0.3	3 461	998.6	0.3	3 461	1 066.2	0.3	3 461	1 135.0	0.3	6.7%	100.0%
1 – 6	2 103	2 103	2 030	383.1	0.2	2 030	411.6	0.2	2 103	439.4	0.2	2 103	469.3	0.2	2 103	497.5	0.2	6.5%	61.0%
7 – 10	1 191	1 191	1 119	305.1	0.3	1 119	373.8	0.3	1 191	400.1	0.3	1 191	427.2	0.4	1 191	455.6	0.4	6.8%	34.3%
11 – 12	129	129	119	60.6	0.5	119	100.7	0.8	129	107.4	0.8	129	114.5	0.9	129	122.5	0.9	6.7%	3.7%
13 – 16	38	38	30	23.5	0.8	30	48.4	1.6	38	51.6	1.4	38	55.2	1.5	38	59.4	1.6	7.1%	1.1%

1. Rand million.

Commission for Conciliation, Mediation and Arbitration

Mandate

The core mandate of the Commission for Conciliation, Mediation and Arbitration is derived from the Labour Relations Act (1995). The commission's compulsory statutory functions are to: conciliate workplace disputes, arbitrate certain categories of disputes that remain unresolved after conciliation, establish picketing rules, facilitate the establishment of workplace forums and statutory councils, compile and publish information and statistics about its activities, accredit and consider applications for subsidy by bargaining councils and private agencies, and provide support to the essential services committee.

Selected performance indicators

Table 28.24 Commission for Conciliation, Mediation and Arbitration performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of jurisdiction referrals per year	Social services	Outcome 4: Decent employment through inclusive economic growth	131 298	130 978	134 943	123 138	135 451	148 996	163 896
Percentage of pre-conciliations ¹ heard per year	Social services		10% (20 026)	17% (22 438)	17% (22 971)	10% (12 313)	10% (13 545)	10% (14 900)	10% (16 390)
Percentage of pre-conciliations settled (of jurisdiction cases) per year	Social services		7% (9 386)	9% (11 419)	11% (14 846)	7% (8 620)	7% (9 482)	7% (10 430)	7% (11 473)
Percentage of con-arbs ² heard (of jurisdiction referrals) per year	Social services		50% (54 144)	41% (53 060)	44% (59 147)	50% (61 569)	50% (67 726)	50% (74 498)	50% (81 948)
Percentage of con-arbs finalised (of jurisdiction referrals) per year	Social services		40% (45 195)	36% (47 241)	40% (53 399)	35% (43 098)	35% (47 408)	35% (52 149)	35% (57 364)
Number of cases settled (based on finalised cases) per year	Social services		79 174	83 917	92 005	86 196	94 816	104 297	14 727

1. In this process, claimants are offered early conciliation, which is an opportunity to settle workplace disputes without going to court.

2. The con-arb process is a quicker, one-stop approach to conciliation and arbitration for individual unfair labour practices and unfair dismissals.

Expenditure analysis

Over the medium term, the Commission for Conciliation, Mediation and Arbitration will focus on expanding access to dispute resolution services and improving service delivery, in line with government's 2014-2019 medium term strategic framework and the national development plan's vision of reducing workplace conflict and improving the collaboration between government, organised business and organised labour. Further focus areas will be to develop programmes to address workplace conflict through improved communication, career mobility, skills development, stronger labour relations systems, and creating a culture of fairness in workplaces. The commission receives R2.4 billion over the medium term for this purpose, mainly from transfers from the Department of Labour, which amounts to 98 per cent of the commission's revenue over the medium term.

The commission's budget is driven by spending on the social services and administration programmes. R1.2 billion is allocated to the administration programme over the MTEF period, with the main cost driver being compensation of employees for support staff under the corporate services division, finance and regional personnel at the commission's offices, and senior commissioners. The number of personnel in this programme is set to remain constant at 304 over the medium term to support core operations to meet the demand for the commission's services. This allocation also provides for the maintenance and the provision of greater access to the case management system, which has been decentralised to regional offices, department service points, and bargaining councils.

The social services programme's budget over the medium term is R1 billion and provides for activities related to dispute resolution, mediation and collective bargaining to address conflict and ensure fairness in the workplace, in line with the commission's mandate. The key cost driver in this programme includes case disbursement expenditure in respect of salaries, and travel and subsistence. The personnel in this programme include 71 case management officers, 122 senior case management officers, 21 senior commissioners, and 12 convening senior commissioners. These personnel are responsible for case management, dispute resolution, mediation and collective bargaining to address workplace conflict and ensure fairness in the workplace. The number of personnel in this programme is set to increase from 223 in 2014/15 to 265 in 2017/18, due to the expansion of access to services, especially in Gauteng and Eastern Cape, which will affect the cost per case heard. As a result, the commission expects the number of jurisdiction case referrals to increase from 123 138 in 2014/15 to 163 896 in 2017/18, with a related increase in case disbursement spending from R318.4 million in 2014/15 to R343.2 million in 2017/18.

The opening of new offices in Welkom, the Vaal and other regions will improve the reach of the commission's services and will have an impact on the number of jurisdiction cases referred. Improvement in service delivery and expanded access to services over the medium term is anticipated to yield an increase in the number of cases finalised and settled, which is set to rise from 86 196 in 2014/15 to 114 727 in 2017/18. This will also result in the creation of new jobs through the recruitment of 42 additional commissioners over the medium term, to ensure the speedy resolution of workplace disputes.

Cabinet approved reductions of R2.2 million in 2015/16, R2.4 million in 2016/17 and R2.6 million in 2017/18 in transfers received from the department will be effected on non-essential goods and services, such as travel and subsistence, and will therefore not significantly affect service delivery.

Programmes/objectives/activities

Table 28.25 Commission for Conciliation, Mediation and Arbitration expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18		
R thousand											
Administration	249 377	288 788	306 473	330 699	9.9%	53.8%	354 502	388 448	418 445	8.2%	48.7%
Institutional development	13 871	17 069	30 890	50 051	53.4%	4.8%	53 598	57 307	61 217	6.9%	7.3%
Corporate governance	1 849	1 819	3 224	2 361	8.5%	0.4%	2 498	2 636	2 776	5.5%	0.3%
Social services	162 826	197 909	241 890	318 413	25.1%	41.0%	336 351	338 017	343 165	2.5%	43.7%
Total	427 923	505 585	582 477	701 524	17.9%	100.0%	746 949	786 408	825 603	5.6%	100.0%

Statements of historical financial performance and position

Table 28.26 Commission for Conciliation, Mediation and Arbitration statements of historical financial performance and position

Statement of financial performance		Approved budget	Audited outcome	Approved budget	Audited outcome	Approved budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
R thousand		2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue										
Non-tax revenue		11 896	12 051	14 750	18 040	12 941	13 680	14 428	14 428	107.7%
Sale of goods and services other than capital assets		1 633	2 755	1 747	2 466	3 035	2 741	2 719	2 755	117.3%
<i>of which:</i>										
Other sales		1 633	2 755	1 747	2 466	3 035	2 741	2 719	2 755	117.3%
Other non-tax revenue		10 263	9 296	13 003	15 574	9 906	10 939	11 710	11 673	105.8%
Transfers received		448 104	448 104	476 697	478 745	594 418	594 418	687 096	687 096	100.1%
Total revenue		460 000	460 155	491 447	496 785	607 359	608 098	701 524	701 524	100.3%
Expenses										
Current expenses		460 000	427 923	491 447	505 585	607 359	582 477	701 524	701 524	98.1%
Compensation of employees		145 960	143 753	160 758	163 932	170 770	186 964	204 561	214 733	104.0%
Goods and services		308 790	282 342	326 991	333 374	429 000	384 290	486 802	473 116	94.9%
Depreciation		5 250	1 828	3 698	8 279	7 589	11 223	10 162	13 675	131.1%
Total expenses		460 000	427 923	491 447	505 585	607 359	582 477	701 524	701 524	98.1%
Surplus/(Deficit)		-	32 232	-	(8 800)	-	25 621	-	-	-
Statement of financial position										
Carrying value of assets		8 713	26 643	19 331	24 584	18 244	41 686	34 007	43 770	170.2%
<i>of which:</i>										
Acquisition of assets		650	5 457	1 800	7 609	10 034	28 758	9 000	32 087	344.0%
Inventory		33	889	1 208	1 141	1 268	1 138	1 258	1 195	115.8%
Receivables and prepayments		611	2 550	2 517	1 105	2 643	5 081	1 218	5 335	201.3%
Cash and cash equivalents		926	73 097	35 543	71 702	77 920	79 921	36 650	84 361	204.6%
Total assets		10 283	103 179	58 598	98 532	100 076	127 826	73 133	134 661	191.7%
Accumulated surplus/(deficit)		(47 571)	17 733	(14 499)	8 933	17 733	34 554	8 933	34 554	-270.5%
Finance lease		-	-	10 383	-	-	-	-	-	-
Deferred income		-	2 824	-	-	-	-	-	-	-
Trade and other payables		38 986	61 836	51 680	66 130	60 973	64 452	41 615	68 294	134.9%
Provisions		10 839	20 786	11 035	23 469	21 370	27 709	22 586	30 480	155.6%
Derivatives financial instruments		8 029	-	-	-	-	1 111	-	1 333	30.4%
Total equity and liabilities		10 283	103 179	58 599	98 532	100 076	127 826	73 133	134 661	191.7%

Statements of estimates of financial performance and position

Table 28.27 Commission for Conciliation, Mediation and Arbitration statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
R thousand		2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue									
Non-tax revenue		14 428	6.2%	2.6%	15 150	15 907	16 701	5.0%	2.0%
Sale of goods and services other than capital assets		2 755	-	0.5%	2 755	2 755	2 755	-	0.4%
<i>of which:</i>									
Other sales		2 755	-	0.5%	2 755	2 755	2 755	-	0.4%
Other non-tax revenue		11 673	7.9%	2.2%	12 395	13 152	13 946	6.1%	1.7%
Transfers received		687 096	15.3%	97.4%	731 799	770 501	808 902	5.6%	98.0%
Total revenue		701 524	15.1%	100.0%	746 949	786 408	825 603	5.6%	100.0%
Expenses									
Current expenses		701 524	17.9%	100.0%	746 949	786 408	825 603	5.6%	100.0%
Compensation of employees		214 733	14.3%	32.2%	236 204	259 825	285 807	10.0%	32.5%
Goods and services		473 116	18.8%	66.3%	496 276	511 318	523 723	3.4%	65.6%
Depreciation		13 675	95.6%	1.5%	14 469	15 265	16 073	5.5%	1.9%
Total expenses		701 524	17.9%	100.0%	746 949	786 408	825 603	5.6%	100.0%
Surplus/(Deficit)		-	-100.0%	-	-	-	-	-	-

Table 28.27 Commission for Conciliation, Mediation and Arbitration statements of estimates of financial performance and position

Statement of financial position	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
				2014/15	2011/12 - 2014/15	2015/16		
R thousand								
Carrying value of assets	43 770	18.0%	29.0%	45 959	48 257	50 670	5.0%	32.0%
of which:								
Acquisition of assets	32 087	80.5%	14.8%	10 000	10 000	10 000	-32.2%	10.9%
Inventory	1 195	10.4%	0.9%	1 255	1 317	1 383	5.0%	0.9%
Receivables and prepayments	5 335	27.9%	2.9%	5 602	5 882	6 176	5.0%	3.9%
Cash and cash equivalents	84 361	4.9%	67.2%	89 259	99 667	100 639	6.1%	63.3%
Total assets	134 661	9.3%	100.0%	142 074	155 123	158 868	5.7%	100.0%
Accumulated surplus/(deficit)	34 554	24.9%	19.7%	34 554	34 554	34 554	-	23.5%
Trade and other payables	68 294	3.4%	57.0%	72 392	81 768	81 442	6.0%	51.4%
Provisions	30 480	13.6%	22.1%	33 528	36 881	40 569	10.0%	23.9%
Derivatives financial instruments	1 333	-	0.5%	1 600	1 920	2 304	20.0%	1.2%
Total equity and liabilities	134 661	9.3%	100.0%	142 074	155 123	158 868	36.0%	100.0%

Personnel information

Table 28.28 Commission for Conciliation, Mediation and Arbitration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)				
		2013/14		Unit	2014/15		Unit	2015/16			2016/17			2017/18					2014/15 - 2017/18			
		Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit						
Commission for Conciliation, Mediation and Arbitration		163	549		549	187.0	0.3	549	214.7	0.4	563	236.2	0.4	577	259.8	0.5	591	285.8	0.5	10.0%	100.0%	
Salary level																						
1 – 6	149	149	149	10.8	0.1	149	11.7	0.1	149	14.9	0.1	149	18.6	0.1	149	23.4	0.2	26.1%	26.2%			
7 – 10	320	320	320	102.5	0.3	320	117.9	0.4	332	128.3	0.4	344	139.5	0.4	356	151.5	0.4	8.7%	59.3%			
11 – 12	26	26	26	16.5	0.6	26	19.0	0.7	28	22.1	0.8	30	25.7	0.9	32	29.6	0.9	15.9%	5.1%			
13 – 16	53	53	53	55.1	1.0	53	63.7	1.2	53	68.4	1.3	53	73.3	1.4	53	78.3	1.5	7.1%	9.3%			
17 – 22	1	1	1	2.1	2.1	1	2.4	2.4	1	2.6	2.6	1	2.8	2.8	1	3.0	3.0	7.1%	0.2%			

1. Rand million.

National Economic Development and Labour Council

Mandate

The National Economic Development and Labour Council was established in terms of the National Economic Development and Labour Council Act (1994). Its mandate is to promote the act's goals of economic growth and social equity by getting organised labour, organised business and government to work as a collective. The council's work programme is determined by the legislative and policy programme of government, as well as issues tabled by its constituent chambers.

Selected performance indicators

Table 28.29 National Economic Development and Labour Council performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of research reports concluded and signed off by the management committee per year	Administration	Outcome 4: Decent employment through inclusive economic growth	1	1	2	3	3	3	3
Number of special sessions on the national Budget and the Medium Term Budget Policy Statement held per year	Core operations		2	2	2	2	2	2	2

Table 28.29 National Economic Development and Labour Council performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of months taken to finalise National Economic Development and Labour Council reports on draft legislation in the trade and industry chamber from date of tabling at the council per year	Core operations	Outcome 4: Decent employment through inclusive economic growth	8	8	6	6	6	6	6
Number of research reports completed on the fund for research into industrial development growth equity programme per year	Core operations		1	4	2	2	2	2	2
Number of days taken to resolve bargaining council demarcation disputes and applications referred by the Commission for Conciliation, Mediation and Arbitration per year	Core operations		1	21	21	21	21	21	21
Number of months taken to resolve section 77 notices in terms of the section 77 protocol as and when these may arise per year	Core operations		12	12	4	2	2	2	2

Expenditure analysis

The National Economic Development and Labour Council's focus over the medium term is in line with the national development plan's vision of creating a more inclusive society through improved dispute resolution and dealing with the challenges of unemployment and inequality, as well as outcome 4 of government's 2014-2019 medium term strategic framework (decent employment through inclusive economic growth). The council's focus will continue to be on the promotion of effective participation by stakeholders in socioeconomic policy making and legislation, as well as on the achievement of the work programmes of the council's chamber. This includes ongoing work in terms of section 77 of the Labour Relations Act (1995), which requires the council to resolve the reasons for contemplated protest action, and to build capacity within the organisation and its chambers.

The council receives 98.6 per cent of its revenue from transfers from the department, which amounts to R91.3 million over the medium term. The bulk of this will be spent on the administration programme, mainly for compensation of employees for the operations and management of the council, including the personnel within the core operations and capacity building funds programmes.

The council conducts its work in four chambers, which deal with different aspects of social and economic policy. These are the labour market chamber, the trade and industry chamber, the development chamber and the public finance and monetary policy chamber. The focus of the core operations programme over the medium term is to ensure that the council's chamber work programme is achieved by preparing for, convening and chairing chamber meetings. This programme is supported by a budget of R15.5 million over the medium term and comprises 10 staff members: the head of operations and 9 coordinators.

Funding in this programme over the medium term will also be used to support the engagements of the executive council, the management committee, task teams, and processes related to section 77 of the Labour Relations Act (1995). The work relating to this objective involves social dialogue engagements that are informed by the council's protocol, which guides the engagements on matters that are tabled at the council, including prescribing timeframes for various categories of engagements. The protocol prescribes that the council's policy and legislative engagements should be concluded within a maximum period of 6 months from the date of tabling.

The work of the capacity building funds programme, in line with the council's focus, will involve assisting its social partners to develop their respective capacities to engage on socioeconomic policy making and legislation. This programme enables organised business, community and organised labour to undertake relevant research to inform its engagements on policy and legislation in the council's chambers. It has 2 constituency coordinators and a budget allocation of R11.7 million over the medium term. It also convenes constituency workshops, training sessions and other capacity building interventions. 2 research reports on the fund for research into industrial development, growth and equity programme will be completed per year over the medium term, and 3 research reports will be concluded and signed off by the management committee per year.

Programmes/objectives/activities

Table 28.30 National Economic Development and Labour Council expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/ Total: Average (%) 2011/12 - 2014/15	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/ Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
Administration	14 665	13 558	20 108	23 547	17.1%	73.2%	20 828	21 731	22 805	-1.1%	71.9%
Core operations	3 426	3 531	3 710	4 090	6.1%	15.5%	4 783	5 221	5 484	10.3%	15.8%
Capacity building funds	2 624	2 212	2 638	3 382	8.8%	11.3%	3 720	3 917	4 113	6.7%	12.2%
Total	20 715	19 301	26 456	31 019	14.4%	100.0%	29 331	30 869	32 402	1.5%	100.0%

Statements of historical financial performance and position

Table 28.31 National Economic Development and Labour Council statements of historical financial performance and position

Statement of financial performance									
R thousand	Approved budget	Audited outcome	Approved budget	Audited outcome	Approved budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	2011/12	2012/13	2013/14	2014/15	2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15
Revenue									
Non-tax revenue	874	943	1 021	1 376	1 115	874	380	410	106.3%
Other non-tax revenue	874	943	1 021	1 376	1 115	874	380	410	106.3%
Transfers received	23 915	24 015	24 064	24 259	25 928	25 934	27 559	27 559	100.3%
Total revenue	24 789	24 958	25 085	25 635	27 043	26 808	27 939	27 969	100.5%
Expenses									
Current expenses	24 789	20 715	25 085	19 301	27 043	26 456	34 277	31 019	87.7%
Compensation of employees	5 620	6 676	8 796	7 246	10 495	9 513	11 655	12 141	97.3%
Goods and services	18 818	13 291	15 186	11 045	15 375	15 959	21 552	17 858	82.0%
Depreciation	351	748	1 103	1 010	1 173	984	1 070	1 020	101.8%
Total expenses	24 789	20 715	25 085	19 301	27 043	26 456	34 277	31 019	87.7%
Surplus/(Deficit)	-	4 243	-	6 334	-	352	(6 338)	(3 050)	-
Statement of financial position									
Carrying value of assets	1 848	8 622	7 917	8 019	7 520	7 459	18 033	18 409	120.4%
<i>of which:</i>									
Acquisition of assets	120	721	505	515	190	456	5 580	10 950	197.7%
Receivables and prepayments	-	289	-	312	72	285	79	79	639.1%
Cash and cash equivalents	2 140	10 733	6 024	17 457	6 547	19 337	7 024	6 357	247.9%
Total assets	3 988	19 644	13 941	25 788	14 139	27 081	25 136	24 845	170.2%
Accumulated surplus/(deficit)	3 106	17 592	12 811	24 098	13 509	24 449	23 313	22 988	169.0%
Capital and reserves	-	-	420	-	-	-	-	-	-
Finance lease	-	-	-	-	-	48	-	-	-
Trade and other payables	650	1 809	310	1 690	380	1 977	1 823	1 857	231.8%
Provisions	232	243	400	-	250	607	-	-	96.4%
Total equity and liabilities	3 988	19 644	13 941	25 788	14 139	27 081	25 136	24 845	170.2%

Statements of estimates of financial performance and position

Table 28.32 National Economic Development and Labour Council statements of estimates of financial performance and position

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
	2014/15	2011/12 - 2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2014/15 - 2017/18	
Revenue									
Non-tax revenue	410	-24.2%	3.5%	415	420	430	1.6%	1.4%	
Other non-tax revenue	410	-24.2%	3.5%	415	420	430	1.6%	1.4%	
Transfers received	27 559	4.7%	96.5%	28 916	30 449	31 972	5.1%	98.6%	
Total revenue	27 969	3.9%	100.0%	29 331	30 869	32 402	5.0%	100.0%	

Table 28.32 National Economic Development and Labour Council statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	Revised estimate			2015/16	2016/17	2017/18	2014/15 - 2017/18	
R thousand	2014/15	2011/12 - 2014/15						
Expenses								
Current expenses	31 019	14.4%	100.0%	29 331	30 869	32 402	1.5%	100.0%
Compensation of employees	12 141	22.1%	36.2%	12 820	13 524	14 198	5.4%	42.6%
Goods and services	17 858	10.3%	59.8%	15 571	16 375	17 219	-1.2%	54.2%
Depreciation	1 020	10.9%	4.0%	940	970	985	-1.2%	3.2%
Total expenses	31 019	14.4%	100.0%	29 331	30 869	32 402	1.5%	100.0%
Surplus/(Deficit)	(3 050)	-189.6%	-	-	-	-	-100.0%	-
Statement of financial position								
Carrying value of assets	18 409	28.8%	44.2%	17 852	17 299	16 795	-3.0%	69.3%
<i>of which:</i>								
Acquisition of assets	10 950	147.6%	12.9%	383	417	481	-64.7%	12.3%
Receivables and prepayments	79	-35.1%	1.0%	-	-	-	-100.0%	0.1%
Cash and cash equivalents	6 357	-16.0%	54.8%	7 297	8 266	9 251	13.3%	30.6%
Total assets	24 845	8.1%	100.0%	25 149	25 565	26 046	1.6%	100.0%
Accumulated surplus/(deficit)	22 988	9.3%	91.5%	23 258	23 805	24 297	1.9%	92.9%
Trade and other payables	1 857	0.9%	7.6%	1 891	1 760	1 749	-2.0%	7.1%
Total equity and liabilities	24 845	8.1%	100.0%	25 149	25 565	26 046	-0.1%	100.0%

Personnel information

Table 28.33 National Economic Development and Labour Council personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015			Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
			2013/14		2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18						
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
National Economic Development and Labour Council																			
Salary level	30	30	28	9.5	0.3	28	12.1	0.4	30	12.8	0.4	30	13.5	0.5	30	14.2	0.5	5.4%	100.0%
1-6	5	5	5	0.5	0.1	5	0.6	0.1	5	0.7	0.1	5	0.7	0.1	5	0.7	0.1	5.3%	17.0%
7-10	21	21	19	5.6	0.3	19	7.9	0.4	21	8.4	0.4	21	8.8	0.4	21	9.3	0.4	5.4%	69.5%
11-12	2	2	2	1.3	0.6	2	1.4	0.7	2	1.4	0.7	2	1.5	0.8	2	1.6	0.8	5.3%	6.8%
13-16	2	2	2	2.2	1.1	2	2.2	1.1	2	2.3	1.2	2	2.5	1.2	2	2.6	1.3	5.4%	6.8%

1. Rand million.

Productivity South Africa

Mandate

The Employment Services Act (2014) is the legislative framework that governs Productivity South Africa. In terms of the act, the entity is mandated to improve productivity in the workplace, and contribute to South Africa's socioeconomic development and competitiveness. The organisation aims to improve the productive capacity of the economy through interventions that encourage social dialogue and collaboration between partners.

Selected performance indicators

Table 28.34 Productivity South Africa performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of education, training and development service providers trained as productivity trainers each year ¹	Productivity organisational solution	Outcome 4: Decent employment through inclusive economic growth	679	647	647	900	950	1 000	1 050
Number of emerging entrepreneurs trained in productivity improvement and competencies each year	Productivity organisational solutions		3 791	3 884	4 796	5 000	5 500	6 000	6 500
Number of skills development facilitators trained in productivity each year	Productivity organisational solutions	Outcome 5: A skilled and capable workforce to support an inclusive growth path	64	212	436	500	550	600	650
Number of managers and workers trained each year to enhance productivity competencies and mindsets in private and public enterprises	Productivity organisational solutions	Outcome 4: Decent employment through inclusive economic growth	867	780	876	950	1 060	1 170	1 280
Number of enterprises participating in the workplace challenge programme per year	Workplace challenge		235	257	408	495	525	555	584
Number of future forums established each year at companies with turnaround solutions ²	Turnaround solutions		160	180	113	130	150	200	150
Number of jobs impacted on at companies with turnaround solutions	Turnaround solutions		10 349	3 886	3 417	10 400	12 000	13 000	12 000

1. The strong growth experienced in 2014/15 was due to additional funding generated from own revenue.

2. Due to dedicated funding from the Unemployment Insurance Fund, the target increases from 2014/15 to 2016/17. However, there is no signed memorandum of understanding for 2017/18, hence the target was reduced.

Expenditure analysis

Productivity South Africa supports outcome 4 of government's 2014-2019 medium term strategic framework (decent employment through inclusive economic growth), by continuing to focus on improving the productivity of employers and workers to meet economic needs. This is done through conducting productivity training to cooperatives; small, medium and micro enterprises; and workers and managers, with the aim of fostering continual productivity improvement in workplaces and competitiveness in South African companies. Productivity South Africa will realise these priorities through the workplace challenge, turnaround solutions, and productivity organisational solutions programmes.

Through the implementation of the workplace challenge programme, productivity training is expected to improve profitability and growth, create employment, reduce workplace conflict, and enhance collaboration between government, organised business and organised labour. The turnaround solutions programme aims to prevent job losses and create conditions that are conducive to job retention and creation, thereby protecting vulnerable workers and reducing unemployment.

Over the medium term, Productivity South Africa receives on average 91.5 per cent of its total revenue from government, with the transfer from the Department of Labour amounting to R143.8 million, while funding from the Department of Trade and Industry amounts to R25.6 million for the workplace challenge programme and R238.5 million for the turnaround solutions programme, mainly due to increased allocations received from the Unemployment Insurance Fund. The organisation raises only 9.3 per cent of revenue from the sale of goods and services, which is expected to be R36.5 million over the MTEF period, and which is generated through the sale of manuals, and productivity improvement and enterprise development services.

The turnaround solutions programme, funded by R194.1 million over the medium term, involves conducting financial assessments, nurturing companies, establishing future forums, training, and implementing turnaround strategies at identified companies. Productivity South Africa also identifies companies not in distress and establishes collaborative structures between management and employees, called future forums. The organisation capacitates future forums to establish early warning systems and manage problems proactively. The number of future forums established each year at companies with turnaround solution interventions is projected to grow

from 130 in 2014/15 to 150 in 2017/18. The number of jobs affected at companies with turnaround solutions is set to rise from 10 400 in 2014/15 to 12 000 in 2017/18, in line with increased funding for interventions.

The productivity organisational solutions programme aims to protect vulnerable workers through the transfer of productivity competencies to skills development facilitators. The number of skills development facilitators trained is expected to increase from 500 in 2014/15 to 650 in 2017/18 and is expected to cost an estimated R1.6 million between 2015/16 and 2017/18. The number of education training and development service providers trained as productivity trainers is set to increase from 900 in 2014/15 to 1 050 in 2017/18, due to increased funding from revenue generated by the organisation. The number of licensed external service providers is expected to increase from 13 in 2014/15 to 15 in 2017/18. In turn, the number of managers and workers trained each year to enhance productivity competencies and change management in private and public enterprises is expected to increase from 950 in 2014/15 to 1 280 in 2017/18.

The workplace challenge programme is a 24-month programme that aims to improve profitability and growth, create employment, reduce workplace conflict, and enhance collaboration between government, organised business and organised labour. The number of enterprises participating in the workplace challenge programme is expected to increase from 495 in 2014/15 to 584 in 2017/18, with spending in this programme over the medium term estimated at R33.5 million. This programme's priorities of improving the productivity and competitiveness of enterprises and sectors through collaborative relations, implementing processes for continuous improvement, and improving clusters for industrial competitiveness, are aligned with the organisation's focus over the medium term.

Programmes/objectives/activities

Table 28.35 Productivity South Africa expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
					2011/12 - 2014/15						
Administration	50 938	41 299	38 158	39 861	-7.8%	52.4%	42 055	44 409	46 628	5.4%	33.3%
Productivity organisational solution	2 183	8 180	8 917	10 669	69.7%	8.8%	11 267	11 873	12 466	5.3%	8.9%
Value chain competitiveness	2 331	16 283	14 038	14 796	85.2%	14.1%	15 624	16 484	17 308	5.4%	12.3%
Workplace challenge	12 350	6 812	15 514	10 040	-6.7%	13.6%	10 602	11 185	11 745	5.4%	8.4%
Turnaround solutions	6 016	5 574	8 061	18 079	44.3%	11.0%	48 053	82 931	63 101	51.7%	37.1%
Total	73 818	78 148	84 688	93 445	8.2%	100.0%	127 601	166 881	151 248	17.4%	100.0%

Statements of historical financial performance and position

Table 28.36 Productivity South Africa statements of historical financial performance and position

Statement of financial performance									
R thousand	Approved budget	Audited outcome	Approved budget	Audited outcome	Approved budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	6 309	2 833	7 067	6 631	3 146	14 720	3 306	11 906	182.0%
Sale of goods and services other than capital assets	6 067	2 470	5 795	6 409	2 754	14 001	2 895	11 506	196.4%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>6 067</i>	<i>2 470</i>	<i>5 795</i>	<i>6 409</i>	<i>2 754</i>	<i>14 001</i>	<i>2 895</i>	<i>11 506</i>	<i>196.4%</i>
Other non-tax revenue	242	363	1 272	222	391	719	411	400	73.5%
Transfers received	98 651	57 233	108 977	73 629	103 936	70 204	110 289	81 539	67.0%
Total revenue	104 960	60 066	116 044	80 260	107 082	84 924	113 595	93 445	72.2%
Expenses									
Current expenses	104 707	73 818	116 044	78 148	107 082	84 688	113 595	93 445	74.8%
Compensation of employees	33 130	35 555	36 695	43 586	42 042	48 927	52 378	52 378	109.9%
Goods and services	70 953	37 569	78 756	34 038	64 266	35 105	60 639	40 384	53.6%
Depreciation	571	622	536	519	694	648	578	683	103.9%
Interest, dividends and rent on land	54	72	57	5	80	8	-	-	44.5%
Transfers and subsidies	253	-	-						
Total expenses	104 960	73 818	116 044	78 148	107 082	84 688	113 595	93 445	74.7%
Surplus/(Deficit)	-	(13 752)	-	2 112	-	236	-	-	-

Table 28.36 Productivity South Africa statements of historical financial performance and position

Statement of financial position									
	Approved budget	Audited outcome	Approved budget	Audited outcome	Approved budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
R thousand	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Carrying value of assets	1 465	915	1 217	1 078	815	1 021	1 200	1 077	87.1%
<i>of which:</i>									
Acquisition of assets	846	751	767	696	815	591	775	623	83.1%
Inventory	317	367	337	338	198	339	376	250	105.3%
Receivables and prepayments	1 581	1 692	1 726	5 876	561	9 517	1 792	1 792	333.5%
Cash and cash equivalents	3 455	385	10 405	447	326	29 816	399	1 607	221.1%
Total assets	6 818	3 359	13 685	7 739	1 900	40 693	3 767	4 726	216.0%
Accumulated surplus/(deficit)	-	(3 588)	10 164	(1 476)	(3 588)	(1 240)	(1 476)	(1 240)	-147.9%
Deferred income	-	-	-	-	-	25 802	-	-	-
Trade and other payables	4 104	2 874	917	5 075	2 402	1 556	2 284	2 423	122.9%
Provisions	2 714	4 073	1 810	4 140	1 966	4 629	3 111	3 543	170.7%
Derivatives financial instruments	-	-	-	-	-	9 946	-	-	-
Total equity and liabilities	6 818	3 359	12 892	7 739	780	40 693	3 919	4 726	231.5%

Statements of estimates of financial performance and position**Table 28.37 Productivity South Africa statements of estimates of financial performance and position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
R thousand	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue								
Non-tax revenue	11 906	61.4%	10.8%	11 950	12 607	13 237	3.6%	9.6%
Sale of goods and services other than capital assets	11 506	67.0%	10.2%	11 527	12 161	12 769	3.5%	9.3%
<i>of which:</i>								
Sales by market establishment	11 506	67.0%	10.2%	11 527	12 161	12 769	3.5%	9.3%
Other non-tax revenue	400	3.3%	0.5%	422	446	468	5.4%	0.3%
Transfers received	81 539	12.5%	89.2%	115 652	154 274	138 010	19.2%	90.4%
Total revenue	93 445	15.9%	100.0%	127 602	166 881	151 247	17.4%	100.0%
Expenses								
Current expenses	93 445	8.2%	100.0%	127 601	166 881	151 247	17.4%	100.0%
Compensation of employees	52 378	13.8%	54.4%	55 311	58 353	61 271	5.4%	43.7%
Goods and services	40 384	2.4%	44.8%	71 644	107 917	89 395	30.3%	55.8%
Depreciation	683	3.2%	0.8%	645	610	580	-5.3%	0.5%
Interest, dividends and rent on land	-	-100.0%	0.0%	1	1	1	-	-
Total expenses	93 445	8.2%	100.0%	127 601	166 881	151 247	17.4%	100.0%
Surplus/(Deficit)	-	-100.0%	-	-	-	-	-	-
Statement of financial position								
Carrying value of assets	1 077	5.6%	16.6%	1 138	1 200	1 260	5.4%	25.9%
<i>of which:</i>								
Acquisition of assets	623	-6.0%	11.5%	658	694	729	5.4%	15.0%
Inventory	250	-12.0%	5.4%	236	223	212	-5.4%	5.1%
Receivables and prepayments	1 792	1.9%	46.9%	1 691	1 598	1 519	-5.4%	36.4%
Cash and cash equivalents	1 607	61.0%	31.1%	1 517	1 434	1 362	-5.4%	32.6%
Total assets	4 726	12.1%	100.0%	4 582	4 455	4 353	-2.7%	100.0%
Accumulated surplus/(deficit)	(1 240)	-29.8%	-38.8%	(1 240)	(1 240)	(1 240)	-	-27.4%
Trade and other payables	2 423	-5.5%	51.6%	2 287	2 162	2 053	-5.4%	49.2%
Provisions	3 543	-4.5%	65.3%	3 535	3 534	3 539	-0.0%	78.2%
Total equity and liabilities	4 726	12.1%	100.0%	4 582	4 455	4 353	-5.4%	100.0%

Personnel information

Table 28.38 Productivity South Africa personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)	
		2013/14			2014/15			2015/16			2016/17			2017/18					2014/15 - 2017/18
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Productivity South Africa																			
Salary level	105	105	173	48.9	0.3	105	52.4	0.5	102	55.3	0.5	102	58.4	0.6	102	61.3	0.6	5.4%	100.0%
1 – 6	8	8	73	2.6	0.0	8	1.1	0.1	7	1.1	0.2	7	1.1	0.2	7	1.2	0.2	4.4%	7.1%
7 – 10	70	70	73	25.6	0.4	70	28.2	0.4	67	29.7	0.4	67	31.4	0.5	67	32.9	0.5	5.3%	65.9%
11 – 12	13	13	15	10.1	0.7	13	9.4	0.7	14	9.9	0.7	14	10.5	0.7	14	11.0	0.8	5.6%	13.4%
13 – 16	14	14	12	10.6	0.9	14	13.8	1.0	14	14.6	1.0	14	15.4	1.1	14	16.1	1.2	5.4%	13.6%

1. Rand million.

Additional tables

Table 28.A Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate	
				2011/12	2012/13	2013/14		2014/15	2015/16
R thousand									
Departmental infrastructure									
Rustenburg labour centre: Construction of building	New labour centre	Construction	16 000	1 889	7 477	944	-	-	-
Site clearance	New labour centre	On hold	35 134	1 528	1 091	588	-	-	-
Security: Wendy houses	Labour centres security: Wendy houses	Hand over	33	-	-	16	17	-	-
Electrical Repairs and Maintenance	Electrical repairs and maintenance	Hand over	3 850	1 155	69	-	-	-	-
Supported Employment Enterprises head office: Second phase of repair and maintenance programme (Silverton, Pretoria)	Maintenance of Supported Employment Enterprises for compliance with the Occupational Health and Safety Act (1993)	On hold	13 576	71	-	-	-	-	-
Laboria House: First phase of repair and maintenance programme (Pretoria)	Maintenance of head office building to be compliant with the Occupational Health and Safety Act (1993)	On hold	15 431	2 333	-	-	-	-	-
Supported Employment Enterprises: Second phase of repair and maintenance programme (Bloemfontein)	Maintenance of Supported Employment Enterprises to be compliant with the Occupational Health and Safety Act (1993)	On hold	5 880	85	-	-	-	-	-
Total			89 904	7 061	8 637	1 548	17	-	-

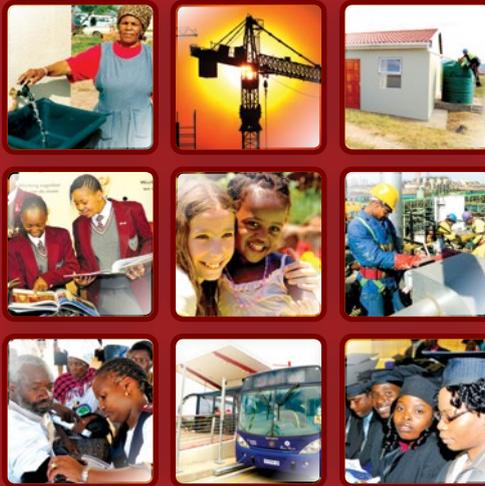
Table 28.B Expenditure by labour centre per province

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Eastern Cape	127 410	101 858	113 002	60 257	100 905	120 793	120 144
Provincial Office: East London	35 896	25 607	33 737	18 743	36 645	43 837	36 619
Aliwal North	3 251	2 765	2 979	1 395	2 269	2 715	2 717
Butterworth	3 060	2 934	2 812	1 620	2 623	3 138	3 140
Cradock	2 513	2 082	2 288	1 547	1 930	2 309	2 311
East London	13 647	11 057	10 749	5 908	9 071	10 852	10 859
Fort Beaufort	2 413	1 947	2 445	1 133	1 751	2 095	2 096
Graaff-Reinet	2 583	2 076	2 432	1 110	1 776	2 125	2 128
Grahamstown	3 378	2 713	3 368	1 748	2 695	3 224	3 227
King William's Town	6 792	5 512	5 957	3 197	4 346	5 199	5 203
Lusikisiki	3 498	3 293	3 675	1 757	2 573	3 078	3 080
Maclear	2 944	2 917	3 355	1 705	2 252	2 694	2 696
Mdantsane	3 080	2 506	2 744	1 412	2 121	2 538	2 539
Mount Ayliff	2 414	2 366	3 025	1 343	1 520	1 818	1 821
Port Elizabeth	20 735	15 928	14 916	7 769	16 697	20 056	20 392
Queenstown	5 987	5 203	5 802	2 943	3 428	4 100	4 103
Uitenhage	7 963	6 549	6 247	3 270	4 460	6 165	6 191
Mthatha	7 255	6 403	6 471	3 657	4 748	4 850	11 022
Free State	85 697	66 695	66 943	36 489	76 130	77 314	79 954
Provincial Office: Bloemfontein	29 926	19 843	21 950	12 553	37 517	38 101	32 688
Bethlehem	4 316	3 368	3 466	1 924	3 285	3 336	3 346
Bloemfontein	12 855	10 887	10 865	5 518	6 990	7 099	8 015
Ficksburg	3 446	2 612	2 731	1 365	2 706	2 748	2 841
Harrismith	3 082	2 476	2 561	1 279	2 412	2 447	2 378
Kroonstad	3 965	3 516	3 461	1 827	3 714	3 772	3 822
Petrusburg	3 037	2 683	2 072	938	2 802	2 846	2 933
Phuthaditjhaba	4 564	3 494	3 548	1 822	2 993	3 040	3 365
Sasolburg	4 428	4 330	3 823	2 230	3 504	3 559	4 018
Botshabelo	3 202	2 866	3 018	1 806	2 380	2 417	2 970
Welkom	10 000	8 306	7 520	4 211	3 138	3 229	5 629
Zastron	2 878	2 314	1 928	1 016	4 689	4 720	7 949
Gauteng	214 054	171 220	168 983	91 130	192 683	215 729	225 190
Provincial Office: Johannesburg	62 525	42 913	45 717	26 206	75 480	97 185	86 633
Alberton	4 094	3 190	2 792	1 547	4 318	4 367	4 834
Atteridgeville	2 550	2 073	2 360	1 188	3 373	3 411	3 776
Benoni	6 522	5 199	5 187	2 784	5 778	5 844	6 468
Boksburg	4 335	3 798	3 787	2 083	3 738	3 781	4 185
Brakpan	3 885	3 056	2 818	1 437	3 580	3 621	4 008
Bronkhorstspuit	3 278	2 705	3 319	1 620	2 449	2 477	2 742
Carletonville	4 158	3 377	2 922	1 503	3 668	3 710	4 107
Garankuwa	3 305	2 818	3 000	1 766	2 103	2 127	2 354
Germiston	14 210	10 741	9 782	5 533	15 570	15 748	17 431
Johannesburg	22 775	21 114	19 668	10 049	9 464	9 572	10 596
Kempton Park	6 510	5 550	4 656	2 564	6 131	6 201	6 864
Krugersdorp	6 301	5 221	4 955	2 690	6 031	6 100	6 752
Gauteng	214 054	171 220	168 983	91 130	192 683	215 729	225 190
Mamelodi	3 299	1 589	2 288	1 269	3 316	3 354	3 712
Nigel	2 721	2 090	1 872	998	2 922	2 956	3 272
Pretoria	17 472	16 029	16 408	8 301	8 456	8 553	9 467
Randburg	3 323	2 717	2 663	1 595	1 895	1 917	2 122
Randfontein	4 526	3 859	4 155	2 122	3 218	3 255	3 603
Roodepoort	3 963	3 813	3 018	1 769	3 706	3 748	4 149
Sandton	6 253	5 332	5 101	2 582	3 487	3 527	3 904
Sebokeng	2 446	1 867	1 729	723	2 264	2 290	2 535
Soshanguve	3 620	2 925	2 817	1 605	2 820	2 852	3 157
Soweto	5 379	4 658	4 510	2 201	4 492	4 543	5 029
Springs	4 063	3 705	3 290	1 869	2 771	2 803	3 102
Temba	3 852	3 478	3 562	1 682	3 168	3 205	3 547
Vanderbijlpark	3 231	3 245	2 444	1 355	4 265	4 257	7 342
Vereeniging	5 458	4 158	4 163	2 089	4 220	4 325	9 499
KwaZulu-Natal	145 134	125 589	132 674	67 174	148 689	150 435	156 491
Provincial Office: Durban	36 261	29 235	31 941	15 895	65 133	65 895	61 383
Dundee	2 762	2 625	3 286	1 623	2 476	2 505	2 825
Durban	32 064	28 070	25 598	13 386	22 138	22 402	22 685
Estcourt	2 674	2 209	2 753	1 383	2 149	2 174	3 074
Kokstad	3 227	3 081	3 570	1 813	3 190	3 228	3 948
Ladysmith	3 669	3 409	3 830	1 790	3 510	3 551	4 751
Newcastle	3 641	3 125	3 865	2 076	2 980	3 015	4 313
Pietermaritzburg	16 083	13 607	13 912	7 106	14 381	14 549	14 650
Pinetown	5 281	4 691	4 878	2 517	3 889	3 935	3 935
Port Shepstone	4 022	3 435	4 150	2 049	3 688	3 731	3 801
Prospecton	6 640	5 910	6 395	3 144	4 873	4 930	5 110
Richards Bay	7 416	6 863	6 843	3 486	3 328	3 367	4 446
Richmond	2 674	2 340	3 107	1 485	2 557	2 587	3 017
Stanger	4 277	4 054	4 068	2 253	3 067	3 103	3 103
Ulundi	7 784	6 796	6 863	3 152	5 165	5 226	5 480
Verulam	3 477	2 991	3 596	1 785	2 840	2 781	4 733
Vryheid	3 182	3 148	4 019	2 231	3 325	3 456	5 237

Table 28.B Expenditure by labour centre per province

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Limpopo	82 861	65 892	71 827	38 939	79 897	80 055	77 955
Provincial Office: Polokwane	28 042	18 754	21 449	12 168	35 258	35 243	29 033
Giyani	2 812	2 737	2 945	1 563	3 057	2 812	3 022
Groblersdal	2 870	2 624	2 104	1 029	2 245	2 436	3 055
Jane Furse	3 121	3 176	3 568	1 997	2 690	3 056	2 689
Lebowakgomo	4 149	2 862	3 005	1 417	3 634	2 689	3 632
Lephalale	3 500	2 930	2 387	1 214	2 698	3 632	2 697
Makhado	2 773	2 606	3 840	2 232	2 348	2 697	2 347
Modimolle	2 976	2 713	2 877	1 444	2 813	2 347	2 699
Mokopane	3 848	3 544	3 564	2 126	2 701	2 699	3 328
Phalaborwa	4 419	3 645	3 485	2 019	3 329	3 328	2 720
Polokwane	3 773	3 054	10 125	5 222	2 721	2 720	6 655
Seshego	11 339	9 750	2 237	1 138	6 658	6 655	2 162
Thoyoyandou	2 476	1 961	5 978	3 130	2 163	2 162	6 182
Tzaneen	6 762	5 536	4 263	2 240	7 582	7 579	7 734
Mpumalanga	166 521	135 572	70 601	37 395	73 232	79 436	83 690
Provincial Office: Witbank	84 696	69 098	27 694	14 146	37 368	40 548	36 441
Barberton	30 054	22 758	1 614	873	2 011	2 182	2 356
Bethal	2 396	1 855	1 883	1 040	2 937	3 187	3 381
Carolina	2 877	2 203	3 409	1 922	2 240	2 431	2 535
Ermelo	4 040	3 561	2 539	1 243	2 323	2 520	3 412
Kamhushwa	3 291	2 655	2 654	1 737	2 338	2 537	2 435
Kwamhlanga	3 343	2 597	2 564	1 298	2 445	2 653	2 536
Lydenburg	2 742	2 302	2 094	1 157	3 390	3 679	2 652
Middelburg	4 926	4 044	3 557	2 001	2 073	4 589	3 678
Nelspruit	6 271	5 124	5 002	2 705	2 244	2 435	4 587
Piet Retief	3 710	3 311	3 105	1 434	3 004	3 231	2 435
Sabie	2 807	2 104	1 954	1 090	1 507	3 000	2 997
Secunda	4 491	3 882	3 476	1 892	1 258	1 320	2 999
Standerton	2 677	2 461	2 307	1 265	2 156	1 568	4 804
Witbank	8 201	7 617	6 749	3 592	5 938	3 556	6 442
North West	76 344	60 583	61 567	36 141	70 572	73 691	80 543
Provincial Office: Mmabatho	31 752	21 899	22 446	14 632	40 644	42 442	39 494
Brits	5 364	4 739	4 742	2 549	3 017	3 150	4 450
Christiana	2 681	2 193	2 609	1 261	2 103	2 195	2 218
Klerksdorp	7 781	6 478	5 673	3 317	5 252	5 484	6 084
Lichtenburg	3 862	3 605	3 114	1 645	2 576	2 690	3 840
Mafikeng	6 445	5 227	5 778	2 881	4 101	4 282	4 902
Mogwase	2 680	2 208	2 452	1 243	2 203	2 300	3 610
Potchefstroom	3 539	3 320	3 282	2 043	2 234	2 332	3 416
Rustenburg	6 403	5 642	5 501	2 953	4 074	4 255	4 881
Taung	2 761	2 334	2 955	1 846	2 232	2 305	3 087
Vryburg	3 075	2 938	3 015	1 771	2 136	2 256	4 561
Northern Cape	54 607	41 709	43 991	26 799	49 973	49 247	49 736
Provincial Office: Kimberley	26 486	18 454	19 709	13 044	32 106	31 640	28 684
Calvinia	2 897	2 231	2 626	1 523	1 893	1 866	1 869
De Aar	2 483	2 333	2 628	1 427	1 921	1 893	2 023
Kimberley	9 022	7 400	7 673	4 476	4 754	4 685	4 192
Kuruman	3 404	2 817	2 672	1 467	2 320	2 286	2 449
Postmasburg	3 238	2 240	2 504	1 289	1 896	1 868	1 978
Springbok	3 002	2 670	2 768	1 777	2 820	2 659	3 532
Upington	4 076	3 564	3 411	1 796	2 263	2 350	5 009
Western Cape	107 472	84 662	81 745	42 615	98 992	95 612	98 768
Provincial Office: Cape Town	35 867	23 993	26 466	12 847	51 550	49 791	45 965
Beaufort West	2 853	2 165	2 119	1 045	1 775	1 715	1 925
Bellville	12 119	11 167	9 672	4 902	6 245	6 032	6 412
Cape Town	18 298	15 578	14 244	7 728	11 485	11 089	12 168
George	7 700	6 238	5 590	3 138	5 702	5 507	5 791
Knysna	3 115	2 508	2 335	1 249	2 684	2 593	2 752
Mitchell's Plain	3 941	2 888	3 080	1 753	2 540	2 454	2 782
Mossel Bay	3 186	2 413	2 247	1 226	2 999	2 897	3 027
Oudtshoorn	3 147	2 781	2 655	1 346	2 596	2 507	2 832
Paarl	4 093	3 341	2 925	1 675	3 009	2 906	3 234
Somerset West	4 837	4 189	3 934	2 227	2 814	2 718	2 988
Vredenburg	3 925	3 718	3 304	1 882	3 310	3 013	3 490
Worcester	4 389	3 683	3 174	1 597	2 283	2 390	5 402
Total	1 060 100	853 780	811 333	436 939	891 073	942 312	972 471

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BUDGET 2015

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