

# 2016 BUDGET

ESTIMATES OF NATIONAL EXPENDITURE

LABOUR

VOTE 28



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA



# **Estimates of National Expenditure**

## **2016**

**National Treasury**

**Republic of South Africa**

24 February 2016



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The 2016 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](http://www.treasury.gov.za).

Compared to the abridged version of the 2016 ENE, the 2016 ENE e-publications contain more comprehensive coverage of goods and services, transfers and subsidies, and programme specific personnel expenditure. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. 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 information on conditional grants to provinces and municipalities, public private partnerships and donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

# Foreword

The 2016 Budget is tabled at a time when both global and domestic economic conditions continue to be difficult. Government is unwavering in its commitment to stay the course of sound fiscal management in the face of this challenging environment. The approach of using the expenditure ceiling as a fiscal anchor, which was adopted in 2012, serves us well. To achieve the fiscal adjustment necessary, the expenditure level has been reduced and further revenue enhancement measures are introduced in the 2016 MTEF period.

Over the 2016 MTEF period expenditure is R3.73 trillion and will grow at an average annual rate of 7.5 per cent. Spending growth is slower than prior to 2008, but it still remains above the projected inflation rate. During consultations in the budget preparation process trade-offs in financing different policy objectives were carefully examined and culminated in recommendations on how institutional policies, practices and organisational arrangements would be adjusted in line with the national development plan and the 2014-2019 medium term strategic framework on the one hand, and in a manner consistent with fiscal consolidation, on the other hand.

For the 2016 MTEF period, budget amendments were effected through the reprioritisation of existing funding within the lowered expenditure ceiling, with movements away from areas of lower priority to key priorities. Labour-intensive departments received substantial funding for compensation of employees, owing to spending pressures related to the 2015 public sector wage agreement. In the case of departments which historically underspend on their wage bill, the budgets for compensation of employees have been reduced accordingly. A ceiling is put on compensation of employees budgets of national departments through the 2016 Appropriation Act. Resources cannot be diverted from frontline services for the wage bill.

Further reductions have been effected on goods and services budgets. In some cases departments have been asked to provide evidence of service delivery performance before funding can be appropriated to programmes under their specific votes. These provisional allocations, pending programme viability and verifiable record of good performance, total R17.8 billion in 2018/19. Given these measures, government service delivery will not be negatively affected even as spending growth is curtailed.

The financial information and key performance indicators in the institutional budget plans set out in the Estimates of National Expenditure, provide Parliament and the public with the information to hold government accountable against its 14 outcomes, set out in its medium term strategic framework.

The budget process is ably directed by the Ministers' Committee on the Budget, supported by a devoted Medium Term Expenditure Committee of Directors-General in central government departments. As the National Treasury team we are eternally grateful for their guidance and hard work. We are also indebted to the Budget Council, the Budget Forum and our national and provincial counterparts for making what is otherwise an impossible task, seem easier. The presentation of this budget is the product of all their collective efforts.



**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 institutions have spent their budgets in previous years, and how institutions plan to spend the resources allocated to them over the upcoming three-year medium term expenditure framework (MTEF) period. Key performance indicators are included for each national government vote and entity reporting to the same executive authority, showing what institutions aim to achieve by spending their budget allocations in a particular manner. This information is based on government's 2014-2019 medium term strategic framework (MTSF), particularly as it is expressed in institutional strategic and annual performance plans, and in annual reports. Coupled with financial information, performance information provides Parliament and the public with the necessary facts to hold government accountable against the 14 outcomes set out in the 2014-2019 medium term strategic framework.

Each chapter in the abridged 2016 ENE publication relates to a specific budget vote. A separate, more detailed, e-publication is also available for each vote. These e-publications provide more detailed information than the relevant chapter in the abridged ENE, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. Each chapter in the abridged ENE publication has a summary table showing expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional grants to provinces and municipalities, departmental public private partnerships and information on donor funding. In some e-publications more detailed information at the level of site service delivery is also included.

In addition, a separate 2016 ENE Overview e-publication is also available summarising the ENE information across votes. The 2016 ENE Overview contains a narrative explanation and summary tables; a description of the budgeting approach; and it 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	2016/17				2017/18	2018/19
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	852.9	783.9	0.7	68.3	895.0	940.6
Inspection and Enforcement Services	519.5	519.4	0.1	–	529.8	581.8
Public Employment Services	510.3	286.6	223.6	0.1	571.9	594.3
Labour Policy and Industrial Relations	965.2	124.9	840.3	0.1	1 035.3	1 107.5
<b>Total expenditure estimates</b>	<b>2 847.9</b>	<b>1 714.8</b>	<b>1 064.6</b>	<b>68.4</b>	<b>3 032.0</b>	<b>3 224.2</b>
Executive authority	Minister of Labour					
Accounting officer	Director General of Labour					
Website address	<a href="http://www.labour.gov.za">www.labour.gov.za</a>					

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public private partnerships, conditional grants 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 Condition 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 decent employment creation
- promoting labour standards and fundamental rights at work
- providing adequate social safety nets to protect vulnerable workers
- promoting and enforcing sound labour relations
- eliminating inequality and discrimination in the workplace
- enhancing occupational health and safety awareness and compliance in the workplace
- giving value to social dialogue in the formulation of sound, and responsive legislation and policies to attain labour market flexibility for competitiveness of enterprises, balanced with the promotion of decent employment.

## Selected performance indicators

**Table 28.1 Performance indicators by programme and related outcome**

Indicator	Programme	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Total 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	141 731	164 868	180 818	172 334	175 478	175 957	177 395
Percentage of reported incidents per year investigated within 90 days	Inspection and Enforcement Services		- <sup>1</sup>	- <sup>1</sup>	45% (589 of 1 305)	60% <sup>2</sup>	62% <sup>2</sup>	65% <sup>2</sup>	70% <sup>2</sup>
Number of work seekers registered on the employment services of South Africa database system per year	Public Employment Services		600 259	618 092	618 570	600 000	500 000 <sup>3</sup>	500 000	500 000
Number of registered work seekers provided with employment counselling per year	Public Employment Services		264 068	250 160	246 744	250 000	150 000 <sup>3</sup>	140 000	130 000
Number of registered employment opportunities filled by registered work seekers per year	Public Employment Services		- <sup>1</sup>	- <sup>1</sup>	20 000	25 000	8 000 <sup>3</sup>	8 000	8 000
Income differentials in pay assessed to promote the principle of equal pay for work of equal value	Labour Policy and Industrial Relations		30	31	30	30	30	30	30
Number of pay scales assessed per year to reduce gaps in minimum wage determinations	Labour Policy and Industrial Relations		6	2	4	4	2	2	2

1. No historical data is available as these are new indicators.

2. Actual figures cannot be supplied as it is not possible for the department to anticipate the number of incidents reported in a year.

3. Targets have been revised to align with the department's budget.

## Expenditure analysis

The focus of the Department of Labour over the medium term will be on: minimum working conditions, a safe work environment and fair labour relations practices; supporting work seekers; and regulating the workplace. The department thus contributes to the national development plan's vision of increasing labour absorption and enhancing workplace dispute resolution to advance healthy labour relations, and gives impetus to outcome 4 (decent employment through inclusive economic growth) of government's 2014-2019 medium term strategic framework.

The department's compensation of employees budget has been reduced by R69.6 million for 2017/18 and R127.4 million for 2018/19, and its goods and services budget by R49.5 million over the medium term. These reductions are part of Cabinet's decision to lower the national aggregate expenditure ceiling. After consultation with the Department of Public Service and Administration and National Treasury, the department will develop and implement a plan to manage its personnel expenditure within its reduced personnel budget.

### Minimum working conditions, a safe work environment and fair labour relations practices

The department will conduct compliance inspections to ensure minimum working conditions, a safe work environment and fair labour relations practices. R1.6 billion is allocated to the *Inspection and Enforcement Services* programme over the MTEF period to support the department's implementation of its decent work policy and contribute to achieving the targets set in the 2014-2019 medium term strategic framework, namely to increase the number of compliance inspections from 164 868 in 2013/14 to 177 395 in 2018/19.

Due to the high demand for inspectors and the higher salaries offered by the private sector, it is challenging for the department to retain inspectors and find suitably skilled candidates. The number of inspectors is set to increase from 1 348 in 2014/15 to 1 420 in 2018/19, which is budgeted for in the *Compliance Monitoring and Enforcement* subprogramme of the *Inspection and Enforcement Services* programme. 63 specialist minimum wage inspector posts are funded by the reprioritisation of R53.4 million in the 2016 Budget.

### Supporting work seekers

The national target for employment is the creation of 11 million jobs by 2030. The department has aligned its employment plans to contribute to this target, supported by an allocation of R965 million in the *Public Employment Services* programme over the medium term, excluding transfers. The Employment Services Act (2014), promulgated in August 2015, seeks to support the creation of jobs, the registration of job

opportunities, the regulation of the recruitment of foreign nationals, and the establishment of various work schemes, presently being researched, which are geared towards job creation.

The department seeks to facilitate greater access to the labour market for workers affected by barriers to entry such as low literacy, poor skills, and a lack of funds to undertake job research. The department plans to finalise regulations on the establishment of work schemes in terms of the act over the medium term. It also plans to regulate employment services provided by agencies outside of the public administration and categories of employment in which new vacancies and positions must be reported in terms of the act. Recommendations from the assessment of the implementation plan for the act are that 322 additional personnel are required in public employment services to improve service delivery, especially in facilitating employment. Providing more employment counsellors is essential, as this is the backbone of most modern public employment services. Counsellors enhance work seekers' employability and place them in registered employment opportunities. Employment counselling will be provided to 420 000 registered work seekers over the medium term. The number of work seekers registered on the employment services of South Africa database system is set to decrease from 618 570 in 2014/15 to 500 000 in 2018/19 due to capacity constraints.

The placement of work seekers has been hampered by the time it takes employers to respond to referrals by the department as well as the lack of responses by employers. The department has not been able to meet its annual targets for placing work seekers in registered employment opportunities. Over the MTEF period, the department will implement recommendations to address the root causes of placement challenges, including facilitating life skill activities and enhancing work seekers' readiness for employment to make them more attractive to potential employers. By matching registered employment opportunities to work seekers on the employment services of South Africa database system, the department expects to place these work seekers in 20 per cent of registered employment opportunities over the medium term. The department will also be registering private employment agencies, facilitating the employment of foreign nationals where the required skills are not available in South Africa, and recording the number of migrating skilled South Africans. Funding for these activities is reflected in the anticipated average annual growth of 9.5 per cent over the period in the *Employer Services* subprogramme. Between April and September 2015, 47 708 work opportunities were registered and 5 229 work seekers were placed, meaning that work seekers were placed in 11 per cent of registered opportunities.

### **Regulating the workplace**

Over the medium term, the department will focus on the implementation of the amended Labour Relations Act (1995), the Basic Conditions of Employment Act (1997), the Employment Equity Act (1998) and a national minimum wage. R16.3 million over the medium term is reprioritised to the *Labour Policy and Industrial Relations* programme for filling 12 critical vacant posts, including a deputy director and 2 directors for labour relations and economic modelling, and the chairperson of the Employment Conditions Commission. (The commission was established in 1998 to advise the Minister of Labour, the Minister of Social Development and the Minister of Public Service and Administration on various issues related to regulating employment.)

The department aims to employ more personnel to implement a national minimum wage to contribute to reducing poverty and income inequality in South Africa. This increase in institutional capacity accounts for the 29.6 per cent average annual growth in spending in the *Employments Standards* subprogramme over the medium term. The *Labour Policy and Industrial Relations* programme receives R9.1 million in 2017/18 and R9.7 million in 2018/19 to establish a national minimum wage fixing mechanism, to adjust the level of the wage periodically, and to review the impact of the national minimum wage. This work could either be an extension of the Employment Conditions Commission's work and its secretariat in the department, or a similar institution. How to determine a national minimum wage is under discussion in the National Economic and Development Labour Council, and the process should conclude in early 2016.

## 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	2012/13			2013/14			2014/15			2015/16			2012/13 - 2015/16	
Programme 1	732.6	764.6	687.7	785.4	840.4	795.9	787.7	784.9	676.0	845.1	815.1	793.6	93.7%	92.1%
Programme 2	429.2	400.4	395.6	465.2	440.2	412.2	403.2	410.4	430.9	430.8	471.8	471.8	99.0%	99.3%
Programme 3	322.0	334.3	331.7	400.1	400.1	413.5	466.5	481.5	465.3	488.3	497.3	497.3	101.8%	99.7%
Programme 4	635.9	640.3	619.7	764.5	764.5	749.9	869.9	869.4	847.8	922.7	920.0	920.0	98.3%	98.2%
<b>Total</b>	<b>2 119.7</b>	<b>2 139.6</b>	<b>2 034.6</b>	<b>2 415.2</b>	<b>2 445.2</b>	<b>2 371.4</b>	<b>2 527.3</b>	<b>2 546.3</b>	<b>2 419.9</b>	<b>2 686.9</b>	<b>2 704.2</b>	<b>2 682.8</b>	<b>97.5%</b>	<b>96.7%</b>
Change to 2015 Budget estimate											17.4			
Economic classification														
<b>Current payments</b>	<b>1 446.9</b>	<b>1 446.7</b>	<b>1 276.5</b>	<b>1 562.2</b>	<b>1 560.5</b>	<b>1 469.6</b>	<b>1 554.0</b>	<b>1 558.0</b>	<b>1 458.3</b>	<b>1 683.8</b>	<b>1 642.8</b>	<b>1 624.3</b>	<b>93.3%</b>	<b>93.9%</b>
Compensation of employees	883.3	847.5	820.5	982.9	882.0	866.1	966.5	969.2	997.8	1 079.6	1 052.9	1 052.9	95.5%	99.6%
Goods and services	563.6	599.1	456.0	579.3	678.6	603.5	587.4	588.7	460.6	604.2	589.9	571.4	89.6%	85.1%
of which:														
Administrative fees	3.2	4.1	5.5	4.0	3.9	5.0	4.5	4.7	5.5	4.7	4.7	4.7	126.1%	118.7%
Advertising	19.1	20.5	11.3	24.6	24.2	12.1	21.8	21.6	6.7	19.7	17.3	16.7	55.0%	56.1%
Minor assets	3.5	13.4	2.2	3.7	4.0	2.4	4.3	4.2	4.4	4.6	3.9	3.9	80.0%	50.4%
Audit costs: External	22.0	20.1	14.8	22.8	22.8	14.0	24.5	24.5	15.3	22.2	19.4	18.4	68.4%	72.1%
Bursaries: Employees	3.4	2.8	2.3	3.0	3.0	2.4	3.1	3.1	2.3	2.6	2.6	2.6	80.1%	84.5%
Catering: Departmental activities	3.9	4.0	4.7	3.8	4.1	5.6	4.4	4.6	3.7	3.5	3.8	3.8	113.9%	107.7%
Communication	38.5	37.8	44.6	41.1	40.6	34.5	38.1	38.3	35.2	37.7	53.0	53.0	107.7%	98.6%
Computer services	30.4	28.9	71.9	110.1	110.0	77.2	83.7	83.7	69.7	95.3	95.4	88.5	96.2%	96.6%
Consultants: Business and advisory services	14.8	33.9	45.0	22.2	68.6	74.5	18.4	18.0	6.3	19.3	18.7	18.7	193.2%	103.8%
Legal services	-	-	3.7	-	-	4.0	-	-	2.3	1.5	3.2	3.2	868.6%	412.4%
Science and technological services	1.3	1.8	-	2.0	1.8	-	1.5	1.5	-	-	-	-	-	-
Contractors	8.9	9.3	0.3	7.2	8.0	16.0	14.8	14.8	8.2	16.0	3.5	3.5	59.8%	78.8%
Agency and support/ outsourced services	6.5	6.5	0.0	7.8	7.7	3.0	6.7	6.4	3.0	5.6	3.9	3.9	37.1%	40.3%
Entertainment	0.6	0.5	0.3	0.7	0.6	0.3	1.0	0.7	0.1	0.4	0.4	0.4	39.9%	49.3%
Fleet services (including government motor transport)	1.9	4.4	6.4	3.2	8.4	12.8	8.2	7.7	19.4	22.8	19.6	19.6	161.4%	145.2%
Inventory: Fuel, oil and gas	0.3	0.1	-	0.2	0.1	-	0.7	0.7	-	1.2	0.5	0.5	21.5%	35.2%
Inventory: Leamer and teacher support material	0.3	0.3	-	0.1	-	-	0.1	0.1	-	0.0	-	-	-	-
Inventory: Materials and supplies	0.2	0.2	0.0	0.1	0.1	-	0.4	0.4	-	0.5	0.5	0.5	38.4%	40.2%
Inventory: Other supplies	-	2.3	0.0	2.4	2.2	-	1.5	1.5	-	2.0	2.0	2.0	33.9%	24.9%
Consumable supplies	2.3	-	3.2	-	0.1	1.9	1.1	1.4	3.2	1.5	1.0	1.0	190.7%	388.9%
Consumables: Stationery, printing and office supplies	26.1	22.6	9.8	22.8	22.8	17.7	25.3	24.1	18.9	20.3	20.3	20.3	70.5%	74.3%
Operating leases	218.9	217.7	48.0	132.6	161.3	148.1	139.4	139.3	104.9	145.6	144.8	135.3	68.5%	65.8%
Rental and hiring	45.5	47.2	1.0	47.9	47.9	0.6	53.4	53.4	0.8	0.6	0.8	0.8	2.2%	2.2%
Property payments	-	0.5	46.3	-	-	53.2	0.2	0.2	46.8	58.8	62.7	62.2	353.9%	329.2%
Transport provided: Departmental activity	79.9	85.4	0.1	84.1	88.9	-	94.8	96.8	0.4	-	0.0	0.0	0.2%	0.2%
Travel and subsistence	12.1	11.4	104.0	14.3	26.0	86.2	15.1	16.4	77.2	84.0	74.4	74.3	272.3%	266.7%
Training and development	5.8	7.9	11.9	6.3	6.7	9.9	6.9	7.1	6.7	13.9	13.2	13.2	126.9%	119.3%
Operating payments	14.1	15.0	8.8	12.4	14.6	12.3	13.8	13.8	11.4	9.2	10.3	10.3	86.6%	79.8%
Venues and facilities	-	0.5	9.9	-	-	9.9	0.1	0.1	8.1	10.7	9.9	9.9	350.4%	359.9%
<b>Transfers and subsidies</b>	<b>639.3</b>	<b>656.4</b>	<b>658.4</b>	<b>818.7</b>	<b>824.2</b>	<b>823.4</b>	<b>942.4</b>	<b>957.4</b>	<b>924.6</b>	<b>956.2</b>	<b>1 009.2</b>	<b>1 009.2</b>	<b>101.8%</b>	<b>99.1%</b>
Provinces and municipalities	-	0.1	0.2	-	0.2	0.4	0.0	0.0	0.5	0.0	0.5	0.5	225.0%	198.4%
Departmental agencies and accounts	551.4	554.0	554.1	676.2	676.2	676.2	774.9	774.9	785.8	824.2	824.2	824.2	100.5%	100.4%
Foreign governments and international organisations	10.7	12.7	13.7	11.3	15.6	15.9	16.5	16.5	17.0	17.3	19.3	19.3	118.1%	102.9%
Non-profit institutions	76.9	88.7	88.0	131.0	131.0	127.7	150.7	165.7	116.6	114.4	164.5	164.5	105.1%	90.4%
Households	0.3	0.8	2.4	0.3	1.2	3.1	0.3	0.3	4.7	0.3	0.7	0.7	957.9%	369.4%
<b>Payments for capital assets</b>	<b>33.5</b>	<b>36.5</b>	<b>93.4</b>	<b>34.3</b>	<b>60.6</b>	<b>60.3</b>	<b>31.0</b>	<b>31.0</b>	<b>36.1</b>	<b>46.9</b>	<b>52.2</b>	<b>49.2</b>	<b>164.1%</b>	<b>132.6%</b>
Buildings and other fixed structures	3.4	3.4	8.6	5.5	5.5	1.5	0.0	0.0	1.9	-	2.0	2.0	157.6%	128.7%
Machinery and equipment	30.1	33.1	84.8	28.8	55.1	58.8	31.0	31.0	34.2	46.9	50.2	47.2	164.5%	132.9%
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>6.2</b>	<b>-</b>	<b>-</b>	<b>18.1</b>	<b>-</b>	<b>-</b>	<b>0.9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2 119.7</b>	<b>2 139.6</b>	<b>2 034.6</b>	<b>2 415.2</b>	<b>2 445.2</b>	<b>2 371.4</b>	<b>2 527.3</b>	<b>2 546.3</b>	<b>2 419.9</b>	<b>2 686.9</b>	<b>2 704.2</b>	<b>2 682.8</b>	<b>97.5%</b>	<b>96.7%</b>

## Expenditure estimates

**Table 28.3 Vote expenditure estimates by programme and economic classification**

<b>Programmes</b>								
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 (%)
				2015/16	2012/13 - 2015/16	2016/17		
R million	2015/16	2012/13 - 2015/16		2016/17	2017/18	2018/19	2015/16 - 2018/19	
Programme 1	793.6	1.3%	31.1%	852.9	895.0	940.6	5.8%	29.5%
Programme 2	471.8	5.6%	18.0%	519.5	529.8	581.8	7.2%	17.8%
Programme 3	497.3	14.2%	18.0%	510.3	571.9	594.3	6.1%	18.4%
Programme 4	920.0	12.8%	33.0%	965.2	1 035.3	1 107.5	6.4%	34.2%
<b>Total</b>	<b>2 682.8</b>	<b>7.8%</b>	<b>100.0%</b>	<b>2 847.9</b>	<b>3 032.0</b>	<b>3 224.2</b>	<b>6.3%</b>	<b>100.0%</b>
Change to 2015 Budget estimate				(150.3)	(130.6)	(121.9)		
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 624.3</b>	<b>3.9%</b>	<b>61.3%</b>	<b>1 714.8</b>	<b>1 870.9</b>	<b>1 995.3</b>	<b>7.1%</b>	<b>61.1%</b>
Compensation of employees	1 052.9	7.5%	39.3%	1 132.2	1 221.5	1 307.9	7.5%	40.0%
Goods and services	571.4	-1.6%	22.0%	582.6	649.4	687.3	6.4%	21.1%
<i>of which:</i>								
Administrative fees	4.7	4.6%	0.2%	5.1	6.1	6.3	10.1%	0.2%
Advertising	16.7	-6.5%	0.5%	13.9	17.4	19.1	4.6%	0.6%
Minor assets	3.9	-33.7%	0.1%	7.9	6.6	7.2	22.4%	0.2%
Audit costs: External	18.4	-2.8%	0.7%	20.4	22.9	23.8	8.8%	0.7%
Bursaries: Employees	2.6	-2.4%	0.1%	2.7	3.1	3.2	8.2%	0.1%
Catering: Departmental activities	3.8	-1.1%	0.2%	2.5	2.4	4.2	2.7%	0.1%
Communication	53.0	11.9%	1.8%	41.8	46.3	41.6	-7.8%	1.6%
Computer services	88.5	45.2%	3.2%	104.3	109.3	115.5	9.2%	3.5%
Consultants: Business and advisory services	18.7	-18.0%	1.5%	17.9	21.7	21.7	5.2%	0.7%
Legal services	3.2	-	0.1%	1.7	2.0	3.0	-1.5%	0.1%
Contractors	3.5	-27.5%	0.3%	17.8	18.5	19.1	75.7%	0.5%
Agency and support/outourced services	3.9	-16.1%	0.1%	5.9	6.6	6.9	21.5%	0.2%
Entertainment	0.4	-8.1%	0.0%	0.3	0.3	0.3	-3.5%	0.0%
Fleet services (including government motor transport)	19.6	63.9%	0.6%	28.1	37.3	44.9	31.9%	1.1%
Inventory: Fuel, oil and gas	0.5	53.1%	0.0%	0.4	0.5	0.5	-0.7%	0.0%
Inventory: Materials and supplies	0.5	36.6%	0.0%	0.1	0.2	0.2	-22.6%	0.0%
Inventory: Other supplies	2.0	-4.7%	0.0%	0.4	0.4	0.5	-38.4%	0.0%
Consumable supplies	1.0	-	0.1%	5.2	3.2	3.1	47.3%	0.1%
Consumables: Stationery, printing and office supplies	20.3	-3.5%	0.7%	20.0	23.0	25.7	8.2%	0.8%
Operating leases	135.3	-14.7%	4.6%	128.8	156.5	169.9	7.9%	5.0%
Rental and hiring	0.8	-73.8%	0.0%	0.9	0.9	0.9	3.7%	0.0%
Property payments	62.2	391.5%	2.2%	57.7	63.9	67.7	2.9%	2.1%
Travel and subsistence	74.3	87.0%	3.6%	64.2	64.0	63.8	-5.0%	2.3%
Training and development	13.2	18.7%	0.4%	14.3	15.4	16.2	6.9%	0.5%
Operating payments	10.3	-11.6%	0.5%	10.0	9.0	9.3	-3.5%	0.3%
Venues and facilities	9.9	170.9%	0.4%	10.3	12.0	12.6	8.3%	0.4%
<b>Transfers and subsidies</b>	<b>1 009.2</b>	<b>15.4%</b>	<b>35.9%</b>	<b>1 064.6</b>	<b>1 119.3</b>	<b>1 184.2</b>	<b>5.5%</b>	<b>37.1%</b>
Provinces and municipalities	0.5	78.7%	0.0%	0.5	0.5	0.5	-0.7%	0.0%
Departmental agencies and accounts	824.2	14.2%	29.9%	867.8	911.1	963.9	5.4%	30.3%
Foreign governments and international organisations	19.3	14.9%	0.7%	20.6	21.1	22.3	5.0%	0.7%
Non-profit institutions	164.5	22.9%	5.2%	175.5	186.4	197.2	6.2%	6.1%
Households	0.7	-2.7%	0.1%	0.3	0.3	0.4	-21.0%	0.0%
<b>Payments for capital assets</b>	<b>49.2</b>	<b>10.5%</b>	<b>2.5%</b>	<b>68.4</b>	<b>41.8</b>	<b>44.7</b>	<b>-3.1%</b>	<b>1.7%</b>
Buildings and other fixed structures	2.0	-16.3%	0.1%	28.0	-	-	-100.0%	0.3%
Machinery and equipment	47.2	12.6%	2.4%	40.4	41.8	44.7	-1.8%	1.5%
<b>Total</b>	<b>2 682.8</b>	<b>7.8%</b>	<b>100.0%</b>	<b>2 847.9</b>	<b>3 032.0</b>	<b>3 224.2</b>	<b>6.3%</b>	<b>100.0%</b>

## Personnel information

**Table 28.4 Vote personnel numbers and cost by salary level and programme<sup>1</sup> prior to Cabinet approved reduction, effective from 2017/18<sup>2</sup>; budget reductions and aggregate baseline total**

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 2016		Number and cost <sup>3</sup> 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 (%)							
		2014/15		2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19										
		Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit						
<b>Labour</b>																						
<b>Salary level</b>	<b>3 309</b>				<b>3 194</b>	<b>997.8</b>	<b>0.3</b>	<b>3 228</b>	<b>1 052.9</b>	<b>0.3</b>	<b>3 309</b>	<b>1 132.2</b>	<b>0.3</b>	<b>3 432</b>	<b>1 291.1</b>	<b>0.4</b>	<b>3 676</b>	<b>1 435.3</b>	<b>0.4</b>	<b>4.4%</b>	<b>100.0%</b>	
1 – 6	1 557				1 520	304.1	0.2	1 500	324.1	0.2	1 557	357.0	0.2	1 558	387.8	0.2	1 568	420.5	0.3	1.5%	45.3%	
7 – 10	1 483				1 412	498.5	0.4	1 469	528.6	0.4	1 489	561.3	0.4	1 599	659.2	0.4	1 827	746.8	0.4	7.5%	46.8%	
11 – 12	199				195	128.0	0.7	190	128.5	0.7	192	137.1	0.7	204	157.4	0.8	208	172.2	0.8	3.1%	5.8%	
13 – 16	68				65	63.1	1.0	67	67.4	1.0	69	72.2	1.0	69	81.9	1.2	70	90.7	1.3	1.5%	2.0%	
Other	2				2	4.0	2.0	2	4.3	2.2	2	4.6	2.3	2	4.9	2.4	2	5.2	2.6	–	0.1%	
<b>Programme</b>	<b>3 309</b>				<b>3 194</b>	<b>997.8</b>	<b>0.3</b>	<b>3 228</b>	<b>1 052.9</b>	<b>0.3</b>	<b>3 309</b>	<b>1 132.2</b>	<b>0.3</b>	<b>3 432</b>	<b>1 291.1</b>	<b>0.4</b>	<b>3 676</b>	<b>1 435.3</b>	<b>0.4</b>	<b>4.4%</b>	<b>100.0%</b>	
Programme 1	1 045				1 054	309.5	0.3	1 045	335.2	0.3	1 146	378.8	0.3	1 146	408.6	0.4	1 211	435.4	0.4	5.0%	33.3%	
Programme 2	1 347				1 242	350.1	0.3	1 357	384.5	0.3	1 339	416.7	0.3	1 426	484.0	0.3	1 490	537.7	0.4	3.2%	41.1%	
Programme 3	740				728	265.1	0.4	642	252.7	0.4	641	252.4	0.4	641	285.4	0.4	731	327.1	0.4	4.4%	19.5%	
Programme 4	177				170	73.0	0.4	184	80.5	0.4	183	84.3	0.5	219	113.1	0.5	243	135.2	0.6	9.7%	6.1%	
<b>Reduction</b>																						
<b>Total</b>	<b>3 309</b>				<b>3 194</b>	<b>997.8</b>	<b>0.3</b>	<b>3 228</b>	<b>1 052.9</b>	<b>0.3</b>	<b>3 309</b>	<b>1 132.2</b>	<b>0.3</b>	<b>–</b>	<b>1 221.5</b>	<b>–</b>	<b>–</b>	<b>1 307.9</b>	<b>–</b>			

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

2. The department's compensation of employees budget has been reduced by R197.1 million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.

3. Rand million.

## Departmental receipts

**Table 28.5 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt item/ Total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt item/ Total: Average (%)
	2012/13	2013/14	2014/15	2015/16	2015/16	2012/13 - 2015/16		2016/17	2017/18	2018/19	2015/16 - 2018/19	
<b>Departmental receipts</b>	<b>15 670</b>	<b>22 601</b>	<b>11 155</b>	<b>12 813</b>	<b>12 513</b>	<b>-7.2%</b>	<b>100.0%</b>	<b>12 323</b>	<b>11 606</b>	<b>11 839</b>	<b>-1.8%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>3 167</b>	<b>4 179</b>	<b>3 928</b>	<b>4 493</b>	<b>4 100</b>	<b>9.0%</b>	<b>24.8%</b>	<b>4 492</b>	<b>4 501</b>	<b>4 510</b>	<b>3.2%</b>	<b>36.5%</b>
Sales by market establishments	174	175	182	195	194	3.7%	1.2%	200	204	208	2.3%	1.7%
of which:												
Market establishment: Rental dwellings	43	43	46	45	46	2.3%	0.3%	50	52	54	5.5%	0.4%
Market establishment: Rental parking (covered and open)	131	132	136	150	148	4.2%	0.9%	150	152	154	1.3%	1.3%
Administrative fees	1 396	2 234	1 853	2 172	1 901	10.8%	11.9%	2 162	2 164	2 166	4.4%	17.4%
of which:												
Occupational health and safety licences	1 385	2 234	1 853	2 162	1 900	11.1%	11.9%	2 162	2 164	2 166	4.5%	17.4%
Inspection fees: Trade test money	11	–	–	10	1	-55.0%	–	–	–	–	-100.0%	–
Other sales	1 597	1 770	1 893	2 126	2 005	7.9%	11.7%	2 130	2 133	2 136	2.1%	17.4%
of which:												
Services rendered: Commission on insurance and gamishee	1 593	1 767	1 889	2 122	2 000	7.9%	11.7%	2 124	2 126	2 128	2.1%	17.4%
Services rendered: Photocopies and faxes	1	–	–	–	1	–	–	1	1	1	–	–
Replacement of security cards	3	3	4	4	4	10.1%	–	5	6	7	20.5%	–
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>12</b>	<b>30</b>	<b>28</b>	<b>18</b>	<b>18</b>	<b>14.5%</b>	<b>0.1%</b>	<b>21</b>	<b>25</b>	<b>29</b>	<b>17.2%</b>	<b>0.2%</b>
of which:												
Sales: Scrap	–	–	1	8	8	–	–	5	7	9	4.0%	0.1%
Sales: Waste paper	12	30	27	10	10	-5.9%	0.1%	16	18	20	26.0%	0.1%
<b>Fines, penalties and forfeits</b>	<b>107</b>	<b>44</b>	<b>4</b>	<b>1 506</b>	<b>1 555</b>	<b>144.0%</b>	<b>2.8%</b>	<b>1 010</b>	<b>60</b>	<b>80</b>	<b>-62.8%</b>	<b>5.6%</b>
<b>Interest, dividends and rent on land</b>	<b>421</b>	<b>6 317</b>	<b>1 318</b>	<b>1 380</b>	<b>1 380</b>	<b>48.5%</b>	<b>15.2%</b>	<b>1 420</b>	<b>1 460</b>	<b>1 500</b>	<b>2.8%</b>	<b>11.9%</b>
Interest	421	6 317	1 318	1 380	1 380	48.5%	15.2%	1 420	1 460	1 500	2.8%	11.9%
<b>Sales of capital assets</b>	<b>–</b>	<b>–</b>	<b>1 108</b>	<b>300</b>	<b>105</b>	<b>–</b>	<b>2.0%</b>	<b>400</b>	<b>500</b>	<b>600</b>	<b>78.8%</b>	<b>3.3%</b>
<b>Transactions in financial assets and liabilities</b>	<b>11 963</b>	<b>12 031</b>	<b>4 769</b>	<b>5 116</b>	<b>5 355</b>	<b>-23.5%</b>	<b>55.1%</b>	<b>4 980</b>	<b>5 060</b>	<b>5 120</b>	<b>-1.5%</b>	<b>42.5%</b>
<b>Total</b>	<b>15 670</b>	<b>22 601</b>	<b>11 155</b>	<b>12 813</b>	<b>12 513</b>	<b>-7.2%</b>	<b>100.0%</b>	<b>12 323</b>	<b>11 606</b>	<b>11 839</b>	<b>-1.8%</b>	<b>100.0%</b>

## 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 2015/16	Average growth rate (%) 2012/13 - 2015/16	Expenditure/ Total: Average (%) 2015/16	Medium-term expenditure estimate			Average growth rate (%) 2015/16 - 2018/19	Expenditure/ Total: Average (%) 2015/16 - 2018/19
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19		
R thousand											
Ministry	16 798	18 557	24 340	28 092	18.7%	3.0%	26 225	28 453	29 836	2.0%	3.2%
Management	270 214	273 099	251 954	248 240	-2.8%	35.1%	248 791	242 609	242 137	-0.8%	28.0%
Corporate Services	227 971	201 423	179 534	223 463	-0.7%	28.0%	249 537	279 398	304 534	10.9%	30.2%
Office of the Chief Financial Officer	101 656	142 161	97 453	139 925	11.2%	16.2%	131 660	139 989	144 886	1.2%	15.9%
Office Accommodation	71 056	160 630	122 676	175 991	35.1%	17.8%	196 708	204 505	219 206	7.7%	22.7%
<b>Total</b>	<b>687 695</b>	<b>795 870</b>	<b>675 957</b>	<b>815 111</b>	<b>5.8%</b>	<b>100.0%</b>	<b>852 921</b>	<b>894 954</b>	<b>940 599</b>	<b>4.9%</b>	<b>100.0%</b>
Change to 2015 Budget estimate				(30 000)			(50 918)	(48 634)	(57 721)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>587 672</b>	<b>716 727</b>	<b>636 026</b>	<b>762 853</b>	<b>9.1%</b>	<b>90.9%</b>	<b>783 929</b>	<b>852 512</b>	<b>895 211</b>	<b>5.5%</b>	<b>94.0%</b>
Compensation of employees	284 618	267 317	309 546	335 165	5.6%	40.2%	378 796	388 862	407 559	6.7%	43.1%
Goods and services	303 031	449 410	326 480	427 688	12.2%	50.6%	405 133	463 650	487 652	4.5%	50.9%
of which:											
Administrative fees	2 892	2 437	2 838	2 699	-2.3%	0.4%	2 589	3 436	3 464	8.7%	0.3%
Advertising	7 877	5 089	4 233	11 085	12.1%	1.0%	6 179	9 166	10 533	-1.7%	1.1%
Minor assets	1 772	1 663	2 860	1 428	-6.9%	0.3%	2 344	2 524	2 062	13.0%	0.2%
Audit costs: External	14 810	14 011	15 320	19 422	9.5%	2.1%	20 392	22 869	23 775	7.0%	2.5%
Bursaries: Employees	2 076	1 818	1 821	1 839	-4.0%	0.3%	1 887	2 265	2 396	9.2%	0.2%
Catering: Departmental activities	1 973	1 951	1 637	1 877	-1.6%	0.3%	1 104	1 073	1 158	-14.9%	0.1%
Communication	10 936	13 717	14 454	19 759	21.8%	2.0%	17 765	19 936	19 927	0.3%	2.2%
Computer services	69 691	76 579	69 274	94 042	10.5%	10.4%	103 298	108 269	114 315	6.7%	12.0%
Consultants: Business and advisory services	43 246	70 129	2 807	11 078	-36.5%	4.3%	10 838	14 225	13 801	7.6%	1.4%
Legal services	3 697	3 995	2 270	2 244	-15.3%	0.4%	1 215	1 473	2 456	3.1%	0.2%
Contractors	288	13 696	5 104	1 650	78.9%	0.7%	15 701	16 436	17 023	117.7%	1.5%
Agency and support/outsourced services	7	2 776	2 758	3 486	692.6%	0.3%	4 758	5 354	5 643	17.4%	0.5%
Entertainment	176	183	94	177	0.2%	-	144	138	144	-6.6%	-
Fleet services (including government motor transport)	5 469	4 840	7 669	6 813	7.6%	0.8%	8 144	9 049	9 328	11.0%	1.0%
Inventory: Food and food supplies	-	-	-	-	-	-	-	2	2	-	-
Inventory: Fuel, oil and gas	-	-	-	3	-	-	-	-	-	-100.0%	-
Inventory: Materials and supplies	1	-	-	101	365.7%	-	116	133	141	11.8%	-
Inventory: Medical supplies	-	-	-	30	-	-	-	32	34	4.3%	-
Inventory: Other supplies	11	-	-	1 592	425.0%	0.1%	-	-	-	-100.0%	-
Consumable supplies	-	1 463	2 504	43	-	0.1%	2 090	1 605	1 407	219.8%	0.1%
Consumables: Stationery, printing and office supplies	3 912	10 465	9 188	8 375	28.9%	1.1%	5 923	8 543	9 424	4.0%	0.9%
Operating leases	46 493	140 445	103 086	140 640	44.6%	14.5%	125 055	151 839	162 995	5.0%	16.6%
Rental and hiring	615	444	441	-	-100.0%	0.1%	322	307	291	-	-
Property payments	36 202	40 231	36 922	53 441	13.9%	5.6%	50 427	56 825	59 756	3.8%	6.3%
Transport provided: Departmental activity	35	-	48	-	-100.0%	-	-	-	-	-	-
Travel and subsistence	32 532	29 397	29 361	32 328	-0.2%	4.2%	11 345	13 901	12 821	-26.5%	2.0%
Training and development	8 274	2 950	4 229	6 212	-9.1%	0.7%	6 214	7 165	7 490	6.4%	0.8%
Operating payments	5 587	7 780	4 311	5 200	-2.4%	0.8%	5 294	4 107	4 144	-7.3%	0.5%
Venues and facilities	4 459	3 351	3 251	2 124	-21.9%	0.4%	1 989	2 978	3 122	13.7%	0.3%
Interest and rent on land	23	-	-	-	-100.0%	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 435</b>	<b>1 520</b>	<b>5 830</b>	<b>708</b>	<b>-21.0%</b>	<b>0.3%</b>	<b>689</b>	<b>710</b>	<b>733</b>	<b>1.2%</b>	<b>0.1%</b>
Provinces and municipalities	213	416	451	500	32.9%	0.1%	470	480	490	-0.7%	0.1%
Departmental agencies and accounts	28	11	4 399	-	-100.0%	0.1%	-	-	-	-	-
Non-profit institutions	-	-	50	-	-	-	-	-	-	-	-
Households	1 194	1 093	930	208	-44.2%	0.1%	219	230	243	5.3%	-
<b>Payments for capital assets</b>	<b>92 352</b>	<b>59 486</b>	<b>33 206</b>	<b>51 550</b>	<b>-17.7%</b>	<b>8.0%</b>	<b>68 303</b>	<b>41 732</b>	<b>44 655</b>	<b>-4.7%</b>	<b>5.9%</b>
Buildings and other fixed structures	8 637	1 548	1 867	2 000	-38.6%	0.5%	28 000	-	-	-100.0%	0.9%
Machinery and equipment	83 715	57 938	31 339	49 550	-16.0%	7.5%	40 303	41 732	44 655	-3.4%	5.0%
<b>Payments for financial assets</b>	<b>6 236</b>	<b>18 137</b>	<b>895</b>	<b>-</b>	<b>-100.0%</b>	<b>0.8%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>687 695</b>	<b>795 870</b>	<b>675 957</b>	<b>815 111</b>	<b>5.8%</b>	<b>100.0%</b>	<b>852 921</b>	<b>894 954</b>	<b>940 599</b>	<b>4.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>33.8%</b>	<b>33.6%</b>	<b>27.9%</b>	<b>30.1%</b>	<b>-</b>	<b>-</b>	<b>29.9%</b>	<b>29.5%</b>	<b>29.2%</b>	<b>-</b>	<b>-</b>

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

Details of transfers and subsidies			Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
Audited outcome						2016/17	2017/18	2018/19		
R thousand	2012/13	2013/14	2014/15	2015/16	2012/13 - 2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	
<b>Households</b>										
<b>Other transfers to households</b>										
Current	-	-	17	-	-	-	-	-	-	-
Employee social benefits	-	-	17	-	-	-	-	-	-	-
<b>Departmental agencies and accounts</b>										
<b>Departmental agencies (non-business entities)</b>										
Current	28	11	4 399	-	-100.0%	0.1%	-	-	-	-
Communication	28	11	4 399	-	-100.0%	0.1%	-	-	-	-
<b>Provinces and municipalities</b>										
<b>Municipalities</b>										
<b>Municipal bank accounts</b>										
Current	213	416	451	500	32.9%	0.1%	470	480	490	-0.7%
Vehicle licences	213	416	451	500	32.9%	0.1%	470	480	490	-0.7%
<b>Households</b>										
<b>Social benefits</b>										
Current	1 194	1 093	913	208	-44.2%	0.1%	219	230	243	5.3%
Employee social benefits	893	1 093	913	208	-38.5%	0.1%	219	230	243	5.3%
Ex gratia payment	301	-	-	-	-100.0%	-	-	-	-	-
<b>Non-profit institutions</b>										
Current	-	-	50	-	-	-	-	-	-	-
Non-life insurance	-	-	50	-	-	-	-	-	-	-

## Personnel information

**Table 28.7 Administration personnel numbers and cost by salary level<sup>1</sup> prior to Cabinet approved reduction, effective from 2017/18<sup>2</sup>; budget reductions and aggregate baseline total**

Number of posts estimated for 31 March 2016		Number and cost <sup>3</sup> 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 (%)						
		2014/15			2015/16			2016/17		2017/18		2018/19				2015/16 - 2018/19					
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost					
<b>Administration</b>		<b>1 045</b>			<b>1 054</b>	<b>309.5</b>	<b>0.3</b>	<b>1 045</b>	<b>335.2</b>	<b>0.3</b>	<b>1 146</b>	<b>378.8</b>	<b>0.3</b>	<b>1 146</b>	<b>408.6</b>	<b>0.4</b>	<b>1 211</b>	<b>435.4</b>	<b>0.4</b>	<b>5.0%</b>	<b>100.0%</b>
Salary level																					
1 – 6		592			600	114.8	0.2	592	129.2	0.2	644	140.7	0.2	644	153.8	0.2	644	159.4	0.2	2.8%	55.5%
7 – 10		360			360	118.7	0.3	360	126.5	0.4	400	151.7	0.4	400	160.5	0.4	465	171.4	0.4	8.9%	35.7%
11 – 12		60			62	41.4	0.7	60	41.8	0.7	67	46.7	0.7	67	50.0	0.7	67	55.7	0.8	3.7%	5.7%
13 – 16		31			30	30.7	1.0	31	33.3	1.1	33	35.0	1.1	33	39.4	1.2	33	43.7	1.3	2.1%	2.9%
Other		2			2	4.0	2.0	2	4.3	2.2	2	4.6	2.3	2	4.9	2.4	2	5.2	2.6	-	0.2%
<b>Reduction</b>																					
		-			-	-	-	-	-	-	-	-	-	-	(19.7)	-	-	(27.8)	-	-	-
<b>Total</b>		<b>1 045</b>			<b>1 054</b>	<b>309.5</b>	<b>0.3</b>	<b>1 045</b>	<b>335.2</b>	<b>0.3</b>	<b>1 146</b>	<b>378.8</b>	<b>0.3</b>	<b>-</b>	<b>388.9</b>	<b>-</b>	<b>-</b>	<b>407.6</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

2. This programme's compensation of employees budget has been reduced by R47.5 million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.

3. 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 and the transformation of the labour market by conducting inspections for compliance with employment equity legislation at 5 537 designated workplaces/employers by March 2016.
- Protect vulnerable workers through the inspection and enforcement of labour legislation by ensuring that decent work principles are adhered to by:
  - conducting 134 958 compliance inspections by March 2017
  - training 400 shop stewards, hosting 4 seminars for high risk sectors and hosting 1 inspector conference by March 2017
  - conducting 13 016 employer payroll audits by March each year over the medium term to determine employers' contributions to the Unemployment Insurance Fund.
- Strengthen occupational health and safety protection by:
  - conducting 21 967 inspections for compliance with occupational health and safety regulations by March 2017
  - investigating 62 per cent of all reported incidents within 90 days over the medium term
  - processing 80 per cent of applications by entities for registration in terms of the Occupational Health and Safety Act (1993) within 8 weeks of receipt over the medium term.

## 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 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 Services* subprogramme for investigation.
- *Compliance, Monitoring and Enforcement Services* 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 the 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 (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18		
R thousand											
Management and Support Services: Inspection and Enforcement Services	14 365	16 096	4 545	4 487	-32.1%	2.3%	4 972	5 370	5 681	8.2%	1.0%
Occupational Health and Safety	17 463	16 560	22 196	24 710	12.3%	4.7%	29 944	32 241	34 111	11.3%	5.8%
Registration: Inspection and Enforcement Services	84 685	48 300	51 377	54 917	-13.4%	14.0%	68 065	72 990	77 218	12.0%	13.0%
Compliance, Monitoring and Enforcement Services	274 604	315 453	340 162	373 277	10.8%	76.2%	401 574	403 767	448 399	6.3%	77.4%
Training of Staff: Inspection and Enforcement Services	4 457	13 111	5 484	5 619	8.0%	1.7%	5 341	5 369	5 679	0.4%	1.0%
Statutory and Advocacy Services	–	2 693	7 114	8 820	–	1.1%	9 598	10 096	10 682	6.6%	1.9%
<b>Total</b>	<b>395 574</b>	<b>412 213</b>	<b>430 878</b>	<b>471 830</b>	<b>6.1%</b>	<b>100.0%</b>	<b>519 494</b>	<b>529 833</b>	<b>581 770</b>	<b>7.2%</b>	<b>100.0%</b>
Change to 2015 Budget estimate				41 052			(67 794)	(92 251)	(76 396)		

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

Economic classification	Audited outcome			Adjusted appropriation 2015/16	Average growth rate (%) 2012/13 - 2015/16	Expenditure/Total: Average (%) 2015/16	Medium-term expenditure estimate			Average growth rate (%) 2015/16 - 2018/19	Expenditure/Total: Average (%) 2015/16 - 2018/19
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19		
R thousand											
<b>Current payments</b>	<b>394 520</b>	<b>410 415</b>	<b>426 844</b>	<b>471 341</b>	<b>6.1%</b>	<b>99.6%</b>	<b>519 429</b>	<b>529 765</b>	<b>581 698</b>	<b>7.3%</b>	<b>100.0%</b>
Compensation of employees	305 243	318 566	350 098	384 458	8.0%	79.4%	416 655	424 316	469 704	6.9%	80.6%
Goods and services	89 277	91 849	76 746	86 883	-0.9%	20.2%	102 774	105 449	111 994	8.8%	19.4%
of which:											
Administrative fees	1 560	1 560	1 634	835	-18.8%	0.3%	953	1 001	1 078	8.9%	0.2%
Advertising	386	240	47	152	-26.7%	-	469	599	523	51.0%	0.1%
Minor assets	34	341	910	1 287	235.8%	0.2%	3 868	2 277	3 252	36.2%	0.5%
Bursaries: Employees	239	525	390	720	44.4%	0.1%	787	803	849	5.6%	0.2%
Catering: Departmental activities	1 380	1 913	1 054	712	-19.8%	0.3%	263	176	1 786	35.9%	0.1%
Communication	25 539	15 584	15 066	27 798	2.9%	4.9%	18 424	20 491	15 466	-17.8%	3.9%
Computer services	7	-	10	1	-47.7%	-	-	-	-	-100.0%	-
Consultants: Business and advisory services	333	935	527	396	5.9%	0.1%	516	534	565	12.6%	0.1%
Laboratory services	-	-	-	25	-	-	-	-	-	-100.0%	-
Legal services	-	-	-	25	-	-	-	-	-	-100.0%	-
Contractors	-	407	669	806	-	0.1%	124	125	132	-45.3%	0.1%
Agency and support/outourced services	-	184	256	370	-	-	1 162	1 215	1 284	51.4%	0.2%
Entertainment	26	30	8	91	51.8%	-	120	120	127	11.8%	-
Fleet services (including government motor transport)	853	6 052	8 702	9 537	123.6%	1.5%	16 178	24 333	31 367	48.7%	3.9%
Consumable supplies	3 239	271	535	741	-38.8%	0.3%	3 044	1 506	1 594	29.1%	0.3%
Consumables: Stationery, printing and office supplies	2 321	2 620	3 567	5 323	31.9%	0.8%	6 226	5 902	7 187	10.5%	1.2%
Operating leases	399	4 910	526	419	1.6%	0.4%	1 080	1 133	1 199	42.0%	0.2%
Rental and hiring	192	153	154	289	14.6%	-	-	-	-	-100.0%	-
Property payments	5 515	7 968	6 267	7 063	8.6%	1.6%	4 900	4 589	5 400	-8.6%	1.0%
Transport provided: Departmental activity	33	10 006	127	9	-35.2%	0.6%	-	-	-	-100.0%	-
Travel and subsistence	41 273	26 450	28 768	19 757	-21.8%	6.8%	33 066	28 597	27 458	-11.6%	5.2%
Training and development	1 796	5 524	881	4 293	33.7%	0.7%	5 341	5 369	5 679	9.8%	1.0%
Operating payments	1 522	3 443	4 959	2 868	23.5%	0.7%	2 215	2 278	2 410	-5.6%	0.5%
Venues and facilities	2 630	2 733	1 689	3 366	8.6%	0.6%	4 038	4 401	4 638	11.3%	0.8%
<b>Transfers and subsidies</b>	<b>925</b>	<b>1 468</b>	<b>1 878</b>	<b>446</b>	<b>-21.6%</b>	<b>0.3%</b>	<b>65</b>	<b>68</b>	<b>72</b>	<b>-45.5%</b>	<b>-</b>
Provinces and municipalities	10	21	22	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts	1	-	-	-	-100.0%	-	-	-	-	-	-
Households	914	1 447	1 856	446	-21.3%	0.3%	65	68	72	-45.5%	-
<b>Payments for capital assets</b>	<b>129</b>	<b>330</b>	<b>2 156</b>	<b>43</b>	<b>-30.7%</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Machinery and equipment	129	330	2 156	43	-30.7%	0.2%	-	-	-	-100.0%	-
<b>Total</b>	<b>395 574</b>	<b>412 213</b>	<b>430 878</b>	<b>471 830</b>	<b>6.1%</b>	<b>100.0%</b>	<b>519 494</b>	<b>529 833</b>	<b>581 770</b>	<b>7.2%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	19.4%	17.4%	17.8%	17.4%	-	-	18.2%	17.5%	18.0%	-	-
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Other transfers to households</b>											
Current	-	87	4	-	-	-	-	-	-	-	-
Employee social benefits	-	87	4	-	-	-	-	-	-	-	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
Current	1	-	-	-	-100.0%	-	-	-	-	-	-
Claims against the state	1	-	-	-	-100.0%	-	-	-	-	-	-
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
Current	10	21	21	-	-100.0%	-	-	-	-	-	-
Vehicle licences	10	21	21	-	-100.0%	-	-	-	-	-	-
<b>Households</b>											
<b>Social benefits</b>											
Current	914	1 360	1 852	446	-21.3%	0.3%	65	68	72	-45.5%	-
Employee social benefits	914	1 360	1 852	446	-21.3%	0.3%	65	68	72	-45.5%	-
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial agencies and funds</b>											
Current	-	-	1	-	-	-	-	-	-	-	-
Vehicle licences	-	-	1	-	-	-	-	-	-	-	-

## Personnel information

**Table 28.9 Inspection and Enforcement Services personnel numbers and cost by salary level<sup>1</sup> prior to Cabinet approved reduction, effective from 2017/18<sup>2</sup>; budget reductions and aggregate baseline total**

Number of posts estimated for 31 March 2016		Number and cost <sup>3</sup> 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 (%)	
		2014/15			2015/16			2016/17			2017/18			2018/19					2015/16 - 2018/19
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
<b>Inspection and Enforcement Services</b>																			
<b>Salary level</b>	<b>1 347</b>	–	<b>1 242</b>	<b>350.1</b>	<b>0.3</b>	<b>1 357</b>	<b>384.5</b>	<b>0.3</b>	<b>1 339</b>	<b>416.7</b>	<b>0.3</b>	<b>1 426</b>	<b>484.0</b>	<b>0.3</b>	<b>1 490</b>	<b>537.7</b>	<b>0.4</b>	<b>3.2%</b>	<b>100.0%</b>
1 – 6	741	–	693	145.3	0.2	738	157.9	0.2	742	176.1	0.2	741	191.6	0.3	741	211.1	0.3	0.1%	52.8%
7 – 10	534	–	480	156.7	0.3	547	176.4	0.3	530	185.6	0.3	615	231.8	0.4	678	260.2	0.4	7.4%	42.2%
11 – 12	56	–	54	34.8	0.6	56	36.0	0.6	51	38.2	0.7	55	42.5	0.8	55	46.2	0.8	-0.6%	3.9%
13 – 16	16	–	15	13.3	0.9	16	14.2	0.9	16	16.8	1.0	15	18.1	1.2	16	20.3	1.2	–	1.1%
<b>Reduction</b>	–	–	–	–	–	–	–	–	–	–	–	–	(59.7)	–	–	(68.0)	–	–	–
<b>Total</b>	<b>1 347</b>	–	<b>1 242</b>	<b>350.1</b>	<b>0.3</b>	<b>1 357</b>	<b>384.5</b>	<b>0.3</b>	<b>1 339</b>	<b>416.7</b>	<b>0.3</b>	–	<b>424.3</b>	–	–	<b>469.7</b>	–	–	–

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

2. This programme's compensation of employees budget has been reduced by R127.7 million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.

3. 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:
  - developing 4 sets of regulations on employment services in terms of the Employment Services Act (2014), to be tabled to the Employment Services Board by March 2017, for: the registration of work seekers in terms of section 52 of the act; the provision of employment services by persons outside of the public administration in terms of section 52 of the act; private employment agencies and temporary employment services in terms of sections 13 and 52 of the act; employment of foreign nationals in terms of section 52 of the act
  - conducting 261 advocacy campaigns for public employment services by March 2017
  - registering 60 000 work opportunities on the employment services of South Africa database system by 31 March 2017
  - processing applications from private employment agencies and temporary employment services within 60 days of receipt over the medium term
  - providing employment counselling to 150 000 work seekers by 31 March 2017.
- Regulate work visas for foreign individuals and foreign corporations by:
  - processing 70 per cent of work visas within 30 working days over the medium term
  - advising the Department of Home Affairs within 30 working days on the number of individual and corporate work visas to be issued over the medium term.
- Contribute to increasing employment opportunities for people with disabilities by providing quarterly funding over the medium term, and monitoring disability organisations on an ongoing basis.

### 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, 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, training and income generating opportunities on the Employment Services of South Africa system and; facilitates access to employment and income generating opportunities for the unemployed and underemployed.
- *Designated Groups Special Services* facilitates the transfer of subsidies to national councils to promote the employment of people with disabilities, youth and woman, in collaboration with supported sheltered 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	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18		
R thousand	2012/13	2013/14	2014/15	2015/16	2012/13 - 2015/16		2016/17	2017/18	2018/19	2015/16 - 2018/19	
Management and Support Services: Public											
Employment Services	21 812	28 374	34 586	38 457	20.8%	7.2%	40 697	44 282	46 586	6.6%	7.8%
Employer Services	148 517	116 293	116 829	121 568	-6.5%	29.5%	124 389	151 912	159 476	9.5%	25.6%
Work Seeker Services	32 763	95 775	117 234	126 040	56.7%	21.8%	120 496	137 693	136 402	2.7%	24.0%
Designated Groups Special Services	77	200	291	11 508	430.7%	0.7%	12 117	12 722	13 460	5.4%	2.3%
Supported Employment Enterprises	76 229	115 610	127 813	135 050	21.0%	26.6%	144 468	153 806	162 727	6.4%	27.4%
Productivity South Africa	37 052	40 286	43 119	45 531	7.1%	9.7%	47 944	50 341	53 261	5.4%	9.1%
Unemployment Insurance Fund	-	-	-	1	-	-	1	1	1	-	-
Compensation Fund	14 085	15 640	23 752	18 073	8.7%	4.2%	19 031	19 983	21 142	5.4%	3.6%
Training of Staff: Public Employment Services	1 116	1 317	1 640	1 069	-1.4%	0.3%	1 126	1 182	1 249	5.3%	0.2%
<b>Total</b>	<b>331 651</b>	<b>413 495</b>	<b>465 264</b>	<b>497 297</b>	<b>14.5%</b>	<b>100.0%</b>	<b>510 269</b>	<b>571 922</b>	<b>594 304</b>	<b>6.1%</b>	<b>100.0%</b>
Change to 2015				9 000			(24 694)	(3 506)	(14 496)		
Budget estimate											
<b>Economic classification</b>	<b>207 237</b>	<b>245 731</b>	<b>297 477</b>	<b>286 795</b>	<b>11.4%</b>	<b>60.7%</b>	<b>286 616</b>	<b>334 975</b>	<b>343 613</b>	<b>6.2%</b>	<b>57.6%</b>
<b>Current payments</b>											
Compensation of employees	169 064	212 767	265 059	252 732	14.3%	52.7%	252 442	299 092	302 761	6.2%	50.9%
Goods and services	38 173	32 964	32 418	34 063	-3.7%	8.1%	34 174	35 883	40 852	6.2%	6.7%
of which:											
Administrative fees	423	216	543	468	3.4%	0.1%	749	774	805	19.8%	0.1%
Advertising	263	196	29	397	14.7%	0.1%	262	286	315	-7.4%	0.1%
Minor assets	305	93	420	534	20.5%	0.1%	1 058	1 105	1 164	29.7%	0.2%
Bursaries: Employees	29	37	88	-	-100.0%	-	-	-	-	-	-
Catering: Departmental activities	653	857	903	999	15.2%	0.2%	852	895	947	-1.8%	0.2%
Communication	6 620	3 445	4 915	4 318	-13.3%	1.1%	4 439	4 668	4 947	4.6%	0.8%
Computer services	1 363	-	124	196	-47.6%	0.1%	-	-	-	-100.0%	-
Consultants: Business and advisory services	-	62	14	-	-	-	-	-	-	-	-
Contractors	-	1 873	2 336	1 044	-	0.3%	1 962	1 926	1 977	23.7%	0.3%
Agency and support/outsourced services	-	48	5	-	-	-	-	-	-	-	-
Entertainment	19	35	13	20	1.7%	-	22	23	24	6.3%	-
Fleet services (including government motor transport)	70	1 297	2 724	2 800	242.0%	0.4%	3 139	3 287	3 466	7.4%	0.6%
Inventory: Fuel, oil and gas	-	-	-	510	-	-	442	469	502	-0.5%	0.1%
Inventory: Materials and supplies	-	-	-	363	-	-	31	51	74	-41.1%	-
Inventory: Other supplies	-	-	-	381	-	-	414	435	461	6.6%	0.1%
Consumable supplies	-	59	116	20	-	-	21	22	23	4.8%	-
Consumables: Stationery, printing and office supplies	1 250	1 298	2 184	2 765	30.3%	0.4%	3 361	3 816	4 058	13.6%	0.6%

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

Economic classification	Audited outcome			Adjusted appropriation 2015/16	Average growth rate (%) 2012/13 - 2015/16	Expenditure/Total: Average (%) 2012/13 - 2015/16	Medium-term expenditure estimate			Average growth rate (%) 2015/16 - 2018/19	Expenditure/Total: Average (%) 2015/16 - 2018/19
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19		
	R thousand										
<i>Operating leases</i>	216	1 322	475	2 196	116.6%	0.2%	1 728	1 815	3 920	21.3%	0.4%
<i>Rental and hiring</i>	155	3 151	222	555	53.0%	0.2%	591	613	649	5.4%	0.1%
<i>Property payments</i>	4 077	-	3 306	1 450	-29.1%	0.5%	1 602	1 678	1 770	6.9%	0.3%
<i>Transport provided: Departmental activity</i>	8	15 685	133	-	-100.0%	0.9%	-	-	-	-	-
<i>Travel and subsistence</i>	18 586	48	10 297	10 305	-17.8%	2.3%	8 578	8 730	10 151	-0.5%	1.7%
<i>Training and development</i>	1 152	1 974	1 150	1 069	-2.5%	0.3%	1 126	1 182	1 249	5.3%	0.2%
<i>Operating payments</i>	1 246	1 223	1 484	1 627	9.3%	0.3%	1 776	1 865	1 974	6.7%	0.3%
<i>Venues and facilities</i>	1 738	45	937	2 046	5.6%	0.3%	2 021	2 243	2 376	5.1%	0.4%
<b>Transfers and subsidies</b>	<b>123 625</b>	<b>167 461</b>	<b>167 269</b>	<b>210 202</b>	<b>19.4%</b>	<b>39.1%</b>	<b>223 603</b>	<b>236 897</b>	<b>250 638</b>	<b>6.0%</b>	<b>42.4%</b>
Provinces and municipalities	3	9	1	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts	51 137	55 925	66 871	63 605	7.5%	13.9%	66 976	70 325	74 404	5.4%	12.7%
Non-profit institutions	72 228	111 198	99 216	146 558	26.6%	25.1%	156 585	166 528	176 187	6.3%	29.7%
Households	257	329	1 181	39	-46.7%	0.1%	42	44	47	6.4%	-
<b>Payments for capital assets</b>	<b>789</b>	<b>303</b>	<b>518</b>	<b>300</b>	<b>-27.6%</b>	<b>0.1%</b>	<b>50</b>	<b>50</b>	<b>53</b>	<b>-43.9%</b>	<b>-</b>
Machinery and equipment	789	303	518	300	-27.6%	0.1%	50	50	53	-43.9%	-
<b>Total</b>	<b>331 651</b>	<b>413 495</b>	<b>465 264</b>	<b>497 297</b>	<b>14.5%</b>	<b>100.0%</b>	<b>510 269</b>	<b>571 922</b>	<b>594 304</b>	<b>6.1%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>16.3%</b>	<b>17.4%</b>	<b>19.2%</b>	<b>18.4%</b>	<b>-</b>	<b>-</b>	<b>17.9%</b>	<b>18.9%</b>	<b>18.4%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	-	-	7	-	-	-	-	-	-	-	-
Employee social benefits	-	-	7	-	-	-	-	-	-	-	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>37 052</b>	<b>40 285</b>	<b>43 119</b>	<b>45 531</b>	<b>7.1%</b>	<b>9.7%</b>	<b>47 944</b>	<b>50 341</b>	<b>53 261</b>	<b>5.4%</b>	<b>9.1%</b>
Productivity South Africa	37 052	40 285	43 119	45 531	7.1%	9.7%	47 944	50 341	53 261	5.4%	9.1%
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>3</b>	<b>9</b>	<b>1</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Vehicle licences	3	9	1	-	-100.0%	-	-	-	-	-	-
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>257</b>	<b>329</b>	<b>1 174</b>	<b>39</b>	<b>-46.7%</b>	<b>0.1%</b>	<b>42</b>	<b>44</b>	<b>47</b>	<b>6.4%</b>	<b>-</b>
Employee social benefits	257	329	1 174	39	-46.7%	0.1%	42	44	47	6.4%	-
<b>Non-profit institutions</b>											
<b>Current</b>	<b>72 228</b>	<b>111 198</b>	<b>99 216</b>	<b>146 558</b>	<b>26.6%</b>	<b>25.1%</b>	<b>156 585</b>	<b>166 528</b>	<b>176 187</b>	<b>6.3%</b>	<b>29.7%</b>
Deaf Federation of South Africa	-	66	-	249	-	-	262	275	291	5.3%	-
National Council for the Physically Disabled	59	68	136	287	69.4%	-	302	318	336	5.4%	0.1%
South African National Council for the Blind	18	66	155	353	169.7%	-	372	390	413	5.4%	0.1%
Workshops for the Blind	9 122	6 911	7 793	10 619	5.2%	2.0%	11 181	11 739	12 420	5.4%	2.1%
Work-centres for the disabled	63 029	104 087	91 132	135 050	28.9%	23.0%	144 468	153 806	162 727	6.4%	27.4%
<b>Departmental agencies and accounts</b>											
<b>Social security funds</b>											
<b>Current</b>	<b>14 085</b>	<b>15 640</b>	<b>23 752</b>	<b>18 074</b>	<b>8.7%</b>	<b>4.2%</b>	<b>19 032</b>	<b>19 984</b>	<b>21 143</b>	<b>5.4%</b>	<b>3.6%</b>
Unemployment Insurance Fund	-	-	-	1	-	-	1	1	1	-	-
Compensation Fund	14 085	15 640	23 752	18 073	8.7%	4.2%	19 031	19 983	21 142	5.4%	3.6%

## Personnel information

**Table 28.11 Public Employment Services personnel numbers and cost by salary level<sup>1</sup> prior to Cabinet approved reduction, effective from 2017/18<sup>2</sup>; budget reductions and aggregate baseline total**

Public Employment Services	Number of posts estimated for 31 March 2016	Number of funded posts	Number of posts additional to the establishment	Number and cost <sup>3</sup> of personnel posts filled / planned for on funded establishment												Number			
				Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)		
				2014/15		Unit Cost	2015/16		Unit Cost	2016/17		2017/18		2018/19					
				Number	Cost		Number	Cost		Number	Cost	Number	Cost	Number	Cost	Number	Cost		
<b>Total</b>	<b>740</b>	<b>-</b>	<b>728</b>	<b>265.1</b>	<b>0.4</b>	<b>642</b>	<b>252.7</b>	<b>0.4</b>	<b>641</b>	<b>252.4</b>	<b>0.4</b>	<b>641</b>	<b>285.4</b>	<b>0.4</b>	<b>731</b>	<b>327.1</b>	<b>0.4</b>	<b>4.4%</b>	<b>100.0%</b>
<b>Salary level</b>	<b>740</b>	<b>-</b>	<b>728</b>	<b>265.1</b>	<b>0.4</b>	<b>642</b>	<b>252.7</b>	<b>0.4</b>	<b>641</b>	<b>252.4</b>	<b>0.4</b>	<b>641</b>	<b>285.4</b>	<b>0.4</b>	<b>731</b>	<b>327.1</b>	<b>0.4</b>	<b>4.4%</b>	<b>100.0%</b>
1-6	207	-	209	40.7	0.2	153	33.7	0.2	153	36.5	0.2	153	37.8	0.2	153	42.0	0.3	-	23.0%
7-10	465	-	455	179.0	0.4	431	175.9	0.4	432	172.7	0.4	430	198.4	0.5	516	231.6	0.4	6.2%	68.2%
11-12	57	-	53	34.7	0.7	48	32.9	0.7	46	32.9	0.7	48	38.0	0.8	52	41.4	0.8	2.8%	7.3%
13-16	11	-	11	10.7	1.0	10	10.2	1.0	10	10.3	1.0	10	11.2	1.1	10	12.1	1.2	-	1.5%
<b>Reduction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.7</b>	<b>-</b>	<b>-</b>	<b>(24.3)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>740</b>	<b>-</b>	<b>728</b>	<b>265.1</b>	<b>0.4</b>	<b>642</b>	<b>252.7</b>	<b>0.4</b>	<b>641</b>	<b>252.4</b>	<b>0.4</b>	<b>641</b>	<b>285.4</b>	<b>0.4</b>	<b>731</b>	<b>327.1</b>	<b>0.4</b>	<b>4.4%</b>	<b>100.0%</b>

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

2. This programme's compensation of employees budget has been reduced by R10.6 million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.

3. 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, providing statistical data on the labour market, and supporting institutions that promote social dialogue.

### Objectives

- Improve employment equity in the labour market by:
  - reviewing and amending the code of good practice on the preparation and implementation of employment equity plans by 31 March 2017
  - conducting 13 workshops on the code of good practice on the employment of persons with disabilities.
- Establish basic employment standards and minimum wages through the review of 3 existing sectoral determinations (hospitality, taxi and civil engineering sectors) by March 2017.
- 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 2017.
- Promote a sound labour policy framework by monitoring and evaluating the impact of legislation and labour market trends through conducting research and labour market information analysis and releasing 4 reports on labour market information and statistical analysis by September 2016 and completing 4 research reports by March 2017.

### 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 corporate support 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 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 (%)
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18		
R thousand											
Management and Support Services: Labour Policy and Industrial Relations	12 320	10 151	10 135	14 339	5.2%	1.5%	18 749	20 337	23 720	18.3%	1.9%
Strengthen Civil Society	15 802	16 504	17 318	17 929	4.3%	2.2%	18 879	19 823	20 973	5.4%	1.9%
Collective Bargaining	11 234	12 306	13 467	13 251	5.7%	1.6%	14 291	15 178	18 116	11.0%	1.5%
Employment Equity	9 907	12 763	9 943	14 706	14.1%	1.5%	16 402	16 796	18 134	7.2%	1.6%
Employment Standards	8 422	12 464	11 035	12 787	14.9%	1.4%	12 238	23 493	27 823	29.6%	1.9%
Commission for Conciliation, Mediation and Arbitration	478 745	594 418	687 096	731 799	15.2%	79.4%	770 501	808 902	855 818	5.4%	78.6%
Research, Policy and Planning	5 262	7 419	6 677	12 040	31.8%	1.0%	9 354	13 185	13 513	3.9%	1.2%
Labour Market Information and Statistics	30 291	31 324	33 945	38 747	8.6%	4.3%	37 241	45 640	50 364	9.1%	4.3%
International Labour Matters	22 962	26 591	30 774	35 394	15.5%	3.7%	36 530	39 373	44 578	8.0%	3.9%
National Economic Development and Labour Council	24 707	25 926	27 447	29 004	5.5%	3.4%	31 008	32 568	34 506	6.0%	3.2%
<b>Total</b>	<b>619 652</b>	<b>749 866</b>	<b>847 837</b>	<b>919 996</b>	<b>14.1%</b>	<b>100.0%</b>	<b>965 193</b>	<b>1 035 295</b>	<b>1 107 545</b>	<b>6.4%</b>	<b>100.0%</b>
Change to 2015 Budget estimate				(2 685)			(6 929)	13 742	26 743		
<b>Economic classification</b>											
<b>Current payments</b>	<b>87 055</b>	<b>96 756</b>	<b>97 979</b>	<b>121 788</b>	<b>11.8%</b>	<b>12.9%</b>	<b>124 856</b>	<b>153 616</b>	<b>174 729</b>	<b>12.8%</b>	<b>14.3%</b>
Compensation of employees	61 540	67 487	73 048	80 538	9.4%	9.0%	84 346	109 217	127 891	16.7%	10.0%
Goods and services	25 515	29 269	24 931	41 250	17.4%	3.9%	40 510	44 399	46 838	4.3%	4.3%
<i>of which:</i>											
Administrative fees	615	486	436	698	4.3%	0.1%	820	867	918	9.6%	0.1%
Advertising	2 799	6 645	2 428	5 672	26.5%	0.6%	6 945	7 346	7 769	11.1%	0.7%
Minor assets	39	255	233	668	157.8%	-	636	672	710	2.1%	0.1%
Bursaries: Employees	-	24	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	655	725	153	257	-26.8%	0.1%	243	258	274	2.2%	-
Communication	1 529	796	799	1 150	-9.1%	0.1%	1 139	1 204	1 276	3.5%	0.1%
Computer services	818	597	294	1 182	13.1%	0.1%	1 018	1 078	1 140	-1.2%	0.1%
Consultants: Business and advisory services	1 403	3 350	2 965	7 207	72.5%	0.5%	6 587	6 969	7 374	0.8%	0.7%
Legal services	-	-	-	920	-	-	525	555	590	-13.8%	0.1%
Contractors	-	20	76	31	-	-	4	4	4	-49.5%	-
Agency and support/outsourced services	-	-	25	7	-	-	-	-	-	-100.0%	-
Entertainment	57	32	24	89	16.0%	-	42	43	44	-20.9%	-
Fleet services (including government motor transport)	17	208	264	412	189.4%	-	620	655	691	18.8%	0.1%
Consumable supplies	-	86	37	159	-	-	48	51	54	-30.2%	-
Consumables: Stationery, printing and office supplies	2 347	3 134	3 951	3 855	18.0%	0.4%	4 507	4 769	5 043	9.4%	0.5%
Operating leases	845	322	790	1 559	22.6%	0.1%	978	1 703	1 802	4.9%	0.1%
Rental and hiring	-	-	26	-	-	-	-	-	-	-	-
Property payments	552	521	267	702	8.3%	0.1%	733	776	821	5.4%	0.1%
Transport provided: Departmental activity	-	-	82	-	-	-	-	-	-	-	-
Travel and subsistence	11 589	9 467	8 745	11 982	1.1%	1.3%	11 209	12 734	13 338	3.6%	1.2%
Training and development	682	659	412	1 675	34.9%	0.1%	1 579	1 671	1 768	1.8%	0.2%
Operating payments	446	511	695	639	12.7%	0.1%	675	714	758	5.9%	0.1%
Venues and facilities	1 122	1 431	2 229	2 386	28.6%	0.2%	2 202	2 330	2 464	1.1%	0.2%
<b>Transfers and subsidies</b>	<b>532 440</b>	<b>652 930</b>	<b>749 636</b>	<b>797 861</b>	<b>14.4%</b>	<b>87.1%</b>	<b>840 264</b>	<b>881 655</b>	<b>932 791</b>	<b>5.3%</b>	<b>85.7%</b>
Provinces and municipalities	1	-	-	2	26.0%	-	1	1	1	-20.6%	-
Departmental agencies and accounts	502 904	620 246	714 543	760 590	14.8%	82.8%	800 818	840 735	889 497	5.4%	81.7%
Foreign governments and international organisations	13 692	15 914	17 019	19 300	12.1%	2.1%	20 566	21 096	22 320	5.0%	2.1%
Non-profit institutions	15 802	16 504	17 318	17 929	4.3%	2.2%	18 879	19 823	20 973	5.4%	1.9%
Households	41	266	756	40	-0.8%	-	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>157</b>	<b>180</b>	<b>222</b>	<b>347</b>	<b>30.3%</b>	<b>-</b>	<b>73</b>	<b>24</b>	<b>25</b>	<b>-58.4%</b>	<b>-</b>
Machinery and equipment	157	180	222	347	30.3%	-	73	24	25	-58.4%	-
<b>Total</b>	<b>619 652</b>	<b>749 866</b>	<b>847 837</b>	<b>919 996</b>	<b>14.1%</b>	<b>100.0%</b>	<b>965 193</b>	<b>1 035 295</b>	<b>1 107 545</b>	<b>6.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>30.5%</b>	<b>31.6%</b>	<b>35.0%</b>	<b>34.0%</b>	<b>-</b>	<b>-</b>	<b>33.9%</b>	<b>34.1%</b>	<b>34.4%</b>	<b>-</b>	<b>-</b>

**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 (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18		
	R thousand										
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	502 904	620 246	714 543	760 590	14.8%	82.8%	800 818	840 735	889 497	5.4%	81.7%
Commission for Conciliation, Mediation and Arbitration	478 745	594 418	687 096	731 799	15.2%	79.4%	770 501	808 902	855 818	5.4%	78.6%
National Economic Development and Labour Council	24 159	25 828	27 447	28 791	6.0%	3.4%	30 317	31 833	33 679	5.4%	3.1%
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	1	-	-	2	26.0%	-	1	1	1	-20.6%	-
Vehicle licences	1	-	-	2	26.0%	-	1	1	1	-20.6%	-
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	41	266	756	40	-0.8%	-	-	-	-	-100.0%	-
Employee social benefits	41	266	756	40	-0.8%	-	-	-	-	-100.0%	-
<b>Non-profit institutions</b>											
<b>Current</b>	15 802	16 504	17 318	17 929	4.3%	2.2%	18 879	19 823	20 973	5.4%	1.9%
Strengthen Civil Society	15 802	16 504	17 318	17 929	4.3%	2.2%	18 879	19 823	20 973	5.4%	1.9%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	13 692	15 914	17 019	19 300	12.1%	2.1%	20 566	21 096	22 320	5.0%	2.1%
International Labour Organisation	13 072	15 110	16 019	18 398	12.1%	2.0%	19 645	20 122	21 289	5.0%	2.0%
African Regional Labour Administration Centre	620	804	1 000	902	13.3%	0.1%	921	974	1 031	4.6%	0.1%

## Personnel information

**Table 28.13 Labour Policy and Industrial Relations personnel numbers and cost by salary level<sup>1</sup> prior to Cabinet approved reduction, effective from 2017/18<sup>2</sup>; budget reductions and aggregate baseline total**

Labour Policy and Industrial Relations	Number of posts estimated for 31 March 2016	Number and cost <sup>3</sup> of personnel posts filled / planned for on funded establishment														Number			
		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost	2017/18		Unit Cost			2018/19		Unit Cost	
		Number	Cost		Number	Cost		Number	Cost		Number	Cost		Number	Cost				
<b>Salary level</b>	177	-	170	73.0	0.4	184	80.5	0.4	183	84.3	0.5	219	113.1	0.5	243	135.2	0.6	9.7%	100.0%
1 – 6	17	-	18	3.4	0.2	17	3.3	0.2	18	3.6	0.2	20	4.6	0.2	30	8.0	0.3	20.8%	10.3%
7 – 10	124	-	117	44.1	0.4	131	49.8	0.4	127	51.3	0.4	154	68.5	0.4	168	83.6	0.5	8.6%	69.9%
11 – 12	26	-	26	17.1	0.7	26	17.8	0.7	28	19.3	0.7	34	26.8	0.8	34	28.9	0.9	9.4%	14.7%
13 – 16	10	-	9	8.5	0.9	10	9.6	1.0	10	10.1	1.0	11	13.3	1.2	11	14.6	1.3	3.2%	5.1%
<b>Reduction</b>	-	-	-	-	-	-	-	-	-	-	-	-	(3.9)	-	-	(7.3)	-	-	-
<b>Total</b>	177	-	170	73.0	0.4	184	80.5	0.4	183	84.3	0.5	-	109.2	-	-	127.9	-	-	-

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

2. This programme's compensation of employees budget has been reduced by R11.2 million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.

3. Rand million.

## Entities

### 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/Objective/Activity	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of new claims registered per year	Compensation for Occupational Injuries and Diseases Act (1993) operations	Outcome 13: An inclusive and responsive social protection system	196 509	310 710	225 511	332 459	352 407	370 027	392 229
Percentage of registered claims finalised per year	Compensation for Occupational Injuries and Diseases Act (1993) operations		36% (70 743)	36% (111 856)	2% (5 193)	6% (19 948)	95% (334 787)	98% (362 627)	95% (372 618)
Percentage of medical claims finalised per year within a three-month period	Compensation for Occupational Injuries and Diseases Act (1993) operations		45% (201 876)	27% (198 654)	45% (101 480)	60% (199 476)	68% (239 637)	75% (277 521)	80% (313 783)
Percentage growth in assessment revenue per year	Compensation for Occupational Injuries and Diseases Act (1993) operations		34% (R7.1bn)	2% (R7bn)	17% (R8.2bn)	5% (R8.6bn)	5% (R9bn)	5% (R9.4bn)	5% (R9.8bn)
Percentage increase in the number of registered employers per year	Compensation for Occupational Injuries and Diseases Act (1993) operations		8% (488 947)	5% (513 395)	15% (539 065)	10% (592 972)	10% (652 269)	5% (684 882)	5% (719 126)

## Expenditure analysis

In line with outcome 13 (an inclusive and responsive social protection system) 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 to deliver improved services to its beneficiaries.

To further strengthen social protection, the fund is working on amendments to the Compensation for Occupational Injuries and Diseases Act (1993) to include domestic workers as beneficiaries; develop a rehabilitation, reintegration and return to work policy for injured and diseased workers; and increase benefits. The fund will work towards the continual enhancement and improvement of its claims registration, payments and automated adjudication systems to improve service delivery, and the marketing and promotion of its online claims registration portal. These initiatives are expected to lead to an increase in spending over the medium term in the administration programme from R827.4 million in 2015/16 to R1.1 billion in 2018/19.

In the fund's assessment of frameworks for the rehabilitation of people with disabilities and the adoption of an approach in line with the integrated national disability strategy, which emphasises the importance of vocational integration, there was no link between rehabilitation and return to work policies and programmes. To address this gap, the fund developed a comprehensive policy framework. The framework was approved by the Minister of Labour and relevant amendments have been made to the Compensation for Occupational Injuries and Diseases Act. The fund is in the process of benchmarking rehabilitation and reintegration locally and internationally, which is set to be finalised by 2017/18, while awaiting amendments to the Compensation for Occupational Injuries and Diseases Act. This will be submitted to Parliament in 2016 to ensure that gaps are identified and addressed, and the fund obtains buy-in from employers.

To improve service delivery by eradicating backlogs, improving turnaround times in response to public queries, and paying benefits timeously, the fund implemented the Umehluko integrated claims management system with effect from August 2014, which enables employers and medical service providers to report accidents and submit medical reports online. Using this system, the fund's clients can track the status of their claims at any time, and it is set to improve the percentage of medical claims finalised per year within a 3 month period from 60 per cent, or 199 476, in 2015/16 to 80 per cent, or 313 783, in 2018/19. Staff have been engaged and trained on the new system to ensure a smooth transition over the medium term, and this will enable the projected increase in the number of registered claims finalised per year from 19 948 in 2015/16 to 372 618 in 2018/19.

The fund completed the decentralisation of its claims processing services to all 9 provinces in March 2015, with the aim of being accessible to all its stakeholders and improving the turnaround time for processing claims. In doing this, the fund improved employer access to its offices, which increased the number of claims registered in all the provinces by 15 per cent between 2012/13 and 2014/15.

In an effort to strengthen social protection and alleviate poverty, the fund's board reviewed the existing compensation and pension benefits, and increased the minimum payout by 7 per cent from R3 878 to

R4 151 per month. The fund also plans to increase the number of employers registered with the fund from 592 972 in 2015/16 to 719 126 in 2018/19 in order to increase the number of workers covered.

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 and the risk category of the employer. Total revenue collected in 2015/16 amounts to R11.3 billion, and is estimated to grow to R20.3 billion in 2018/19. It is used to pay benefits and cover the cost of administering the fund.

## Programmes/objectives/activities

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

R thousand	Audited outcome			Revised estimate 2015/16	Average growth rate (%) 2012/13 - 2015/16	Expenditure/ Total: Average (%) 2015/16	Medium-term expenditure estimate			Average growth rate (%) 2015/16 - 2018/19	Expenditure/ Total: Average (%) 2015/16 - 2018/19
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19		
Administration	701 945	4 084 647	1 808 633	827 401	5.6%	19.6%	1 037 444	1 099 630	1 154 611	11.7%	19.4%
Compensation for Occupational Injuries and Diseases Act (1993) operations	4 846 069	11 752 832	6 042 322	3 936 833	-6.7%	80.0%	4 095 490	4 300 313	4 515 329	4.7%	79.8%
Provincial operations: Compensation for Occupational Injuries and Diseases Act (1993) operations	-	22 204	35 430	41 878	-	0.4%	43 553	44 860	45 309	2.7%	0.8%
<b>Total</b>	<b>5 548 014</b>	<b>15 859 683</b>	<b>7 886 385</b>	<b>4 806 112</b>	<b>-4.7%</b>	<b>100.0%</b>	<b>5 176 487</b>	<b>5 444 803</b>	<b>5 715 249</b>	<b>5.9%</b>	<b>100.0%</b>

## Statements of historical financial performance

**Table 28.16 Compensation Fund statements of historical financial performance**

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%) 2012/13 - 2015/16
	Budget	2012/13	Budget	2013/14	Budget	2014/15			
<b>Revenue</b>									
<b>Non-tax revenue</b>	2 903 275	2 959 393	2 839 014	3 019 469	2 807 543	6 237 784	3 603 756	3 434 511	128.8%
Other non-tax revenue	2 903 275	2 959 393	2 839 014	3 019 469	2 807 543	6 237 784	3 603 756	3 434 511	128.8%
<b>Transfers received</b>	5 571 071	7 152 001	5 328 946	7 020 623	8 208 750	8 220 408	8 624 526	7 852 005	109.1%
<b>Total revenue</b>	<b>8 474 346</b>	<b>10 111 394</b>	<b>8 167 960</b>	<b>10 040 092</b>	<b>11 016 293</b>	<b>14 458 192</b>	<b>12 228 282</b>	<b>11 286 516</b>	<b>115.1%</b>
<b>Expenses</b>									
<b>Current expenses</b>	937 309	827 663	929 104	4 140 585	1 017 726	1 852 576	878 354	878 354	204.6%
Compensation of employees	342 526	306 905	241 100	407 371	448 162	445 774	481 256	481 256	108.5%
Goods and services	590 658	517 818	684 127	3 729 928	565 788	1 392 548	382 129	382 129	271.0%
Depreciation	2 022	2 810	1 871	3 286	3 611	14 030	14 732	14 732	156.8%
Interest, dividends and rent on land	2 103	130	2 006	-	165	224	237	237	13.1%
<b>Transfers and subsidies</b>	3 482 004	4 720 351	5 244 241	11 719 098	4 191 017	6 033 809	3 927 758	3 927 758	156.7%
<b>Total expenses</b>	<b>4 419 313</b>	<b>5 548 014</b>	<b>6 173 345</b>	<b>15 859 683</b>	<b>5 208 744</b>	<b>7 886 385</b>	<b>4 806 112</b>	<b>4 806 112</b>	<b>165.5%</b>
<b>Surplus/(Deficit)</b>	<b>4 055 033</b>	<b>4 563 380</b>	<b>1 994 615</b>	<b>(5 819 591)</b>	<b>5 807 549</b>	<b>6 571 807</b>	<b>7 422 170</b>	<b>6 480 404</b>	<b>-</b>

## Statements of estimates of financial performance

**Table 28.17 Compensation Fund statements of estimates of financial performance**

Statement of financial performance									
R thousand	Revised estimate 2015/16	Average growth rate (%) 2012/13 - 2015/16	Expenditure/ Total: Average (%) 2015/16	Medium-term estimate			Average growth rate (%) 2015/16 - 2018/19	Expenditure/ Total: Average (%) 2015/16 - 2018/19	
				2016/17	2017/18	2018/19			
<b>Revenue</b>									
<b>Non-tax revenue</b>	3 434 511	5.1%	33.2%	10 172 272	10 680 885	11 214 930	48.4%	49.0%	
Other non-tax revenue	3 434 511	5.1%	33.2%	10 172 272	10 680 885	11 214 930	48.4%	49.0%	
<b>Transfers received</b>	7 852 005	3.2%	66.8%	8 244 605	8 656 835	9 089 677	5.0%	51.0%	
<b>Total revenue</b>	<b>11 286 516</b>	<b>3.7%</b>	<b>100.0%</b>	<b>18 416 877</b>	<b>19 337 720</b>	<b>20 304 607</b>	<b>21.6%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	878 354	2.0%	20.7%	1 090 526	1 154 544	1 210 477	11.3%	16.1%	
Compensation of employees	481 256	16.2%	5.9%	512 589	545 907	573 202	6.0%	10.0%	
Goods and services	382 129	-9.6%	14.6%	562 070	591 897	619 697	17.5%	10.1%	
Depreciation	14 732	73.7%	0.1%	15 616	16 475	17 299	5.5%	0.3%	
Interest, dividends and rent on land	237	22.2%	0.0%	251	265	279	5.6%	0.0%	
<b>Transfers and subsidies</b>	3 927 758	-5.9%	79.3%	4 085 961	4 290 259	4 504 742	4.7%	79.6%	
<b>Total expenses</b>	<b>4 806 112</b>	<b>-4.7%</b>	<b>100.0%</b>	<b>5 176 487</b>	<b>5 444 803</b>	<b>5 715 249</b>	<b>5.9%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>6 480 404</b>	<b>-</b>	<b>-</b>	<b>13 240 390</b>	<b>13 892 917</b>	<b>14 589 358</b>	<b>31.1%</b>	<b>-</b>	

## Personnel information

**Table 28.18 Compensation Fund personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2016			Number and cost <sup>1</sup> 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/Total: Average (%)			
			2014/15			2015/16			2016/17		2017/18		2018/19				2015/16 - 2018/19		
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				Number	Cost
<b>Compensation Fund</b>			1 633	445.8	0.3	1 576	481.3	0.3	1 576	512.6	0.3	1 576	545.9	0.3	1 576	573.2	0.4	6.0%	100.0%
<b>Salary level</b>	1 618	1 633	1 633	445.8	0.3	1 576	481.3	0.3	1 576	512.6	0.3	1 576	545.9	0.3	1 576	573.2	0.4	6.0%	100.0%
1 – 6	1 091	1 091	1 091	198.6	0.2	1 056	214.5	0.2	1 056	228.5	0.2	1 056	243.3	0.2	1 056	255.5	0.2	6.0%	67.0%
7 – 10	454	469	469	188.6	0.4	449	203.6	0.5	449	216.8	0.5	449	232.3	0.5	449	242.6	0.5	6.0%	28.5%
11 – 12	53	53	53	36.5	0.7	51	39.4	0.8	51	41.9	0.8	51	43.2	0.8	51	46.8	0.9	5.9%	3.2%
13 – 16	20	20	20	22.1	1.1	20	23.8	1.2	20	25.4	1.3	20	27.0	1.4	20	28.4	1.4	6.0%	1.3%

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).

### 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	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Percentage of total mandated social responsibility investment committed per year	Administration	Outcome 13: An inclusive and responsive social protection system	109.4% (R3.6bn)	53.4% (R3.6bn)	85% (R7.9bn)	80% <sup>1</sup>	80% <sup>1</sup>	80% <sup>1</sup>	80% <sup>1</sup>
Percentage of valid claims with complete information approved or rejected within 5 weeks of application	Business operations		86% (641 811)	86% (668 799)	90% (654 053)	90%	90%	90%	95%
Number of claims submitted through the uFiling claims portal per year	Business operations		- <sup>2</sup>	2 947	16 799	15 000	20 000	30 000	40 000
Percentage (and amount) increase in revenue contributions per year	Business operations		10% (R1.2bn)	12% (R1.6bn)	6% (R838m)	6% <sup>3</sup>	6% <sup>3</sup>	6% <sup>3</sup>	6% <sup>3</sup>
Percentage of rand value of overpayment balance collected per year	Business operations		18% (R62.6m)	29% (R68.9m)	21% (R56m)	20% <sup>4</sup>	20%	20%	20%
Percentage (and figure) increase in the number of employers using the uFiling system per year	Business operations		18% (6 619)	29% (12 361)	21% (11 399)	20%	30%	30%	30%

1. Rand values are not available as it is not possible for the fund to anticipate the amounts to be invested.

2. No historical data is available as this indicator was introduced in 2013/14.

3. Rand values are not available as it is not possible for the fund to anticipate the revenue it will receive.

4. Target is lower due to anticipated lower recovery figures as a result of the current economic conditions coupled with unemployment levels in low compliance employer sectors (such as domestic and farm worker sectors, and taxi sector).

### Expenditure analysis

In line with the vision of the national development plan and outcome 13 (an inclusive and responsive social protection system) of government's 2014-2019 medium term strategic framework, the Unemployment Insurance Fund will 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 over the medium term.

The fund's mandate and job creation initiatives contribute to 3 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 provide unemployed beneficiaries with various artisan skills.

Over the medium term, the fund will focus on improving benefits to alleviate poverty in unemployment, and will continue to pay an estimated R35.6 billion in benefits to qualifying persons. The expected average annual increase of 14.8 per cent in expenditure on unemployment insurance benefits between 2014/15 and 2018/19 is as a result of the recommended benefit improvements contained in the draft Unemployment Insurance Amendment Bill (2014). The bill proposes a number of improvements, including the extension of the number of days for which the contributor is eligible for benefits from 243 to 365; the provision of full benefits to women who miscarry; the extension of the period during which dependants can claim deceased contributors' benefits from 6 to 18 months; and a reduction in the number of days for claiming illness benefits from 14 to 7.

In addition to improving benefits, the fund aims to improve its efficiency by improving the rate at which claims are processed and paid from 5 weeks in 2015/16 to 4 weeks in 2017/18, and then to 3 weeks in 2018/19. The claims turnaround rate is used to measure efficiency through the target of improving the time taken to finalise claims. This will be done over the medium term through the enhancement of technology using SAP enterprise resource planning software to integrate the fund's key business functions and systems at a cost of R150 million, and through a planned increase in human resource capacity by employing 321 new personnel at an estimated cost of R344 million in the areas of operations, labour activation programmes, and risk management.

The fund will invest in training initiatives that aim to provide unemployed beneficiaries with a range of artisan skills, and provide a stipend to train 15 000 unemployed beneficiaries in different artisan and related skills programmes in areas such as manufacturing, mining, and computing. An estimated R1.6 billion over the medium term is allocated to cover the cost of these activities.

The fund aims to save an estimated 35 000 jobs over the medium term by assisting distressed companies through an allocation of R229.1 million to Productivity South Africa's turnaround solutions programme. This is also expected to reduce the number of beneficiaries of the fund.

The training layoff scheme is an alternative to retrenchment for companies in distress. Participation in this scheme will ensure that beneficiaries of the fund do not lose their jobs, and are reskilled to remain active in the labour market. The fund plans to increase its contribution to the training layoff scheme from R1.2 billion to R3.3 billion over the medium term due to the extension of the period for the payment of the training allowance from 6 to 12 months, and the linking of the training layoff scheme to the earnings threshold published by the Minister of Labour in terms of the Basic Conditions of Employment Act (1997).

Over the medium term, the fund will contribute to job creation and poverty alleviation initiatives targeted at unemployed youth and unemployed beneficiaries who need to be reintegrated into the labour market. These initiatives are administered by the Public Investment Corporation, and include, among other things, investments in targeted labour intensive priority sectors such as mineral resources beneficiation, tourism, primary agriculture, and agro-processing. The implementation of these schemes is through the mandated allocation for socially responsible investments, which comprises 10 per cent of the fund's investment portfolio of R111 billion, and is set to increase in line with the projected increase in net surpluses and portfolio growth. The projected accumulated surpluses are as a result of administrative and benefits expenditure being far less than total revenue, and are estimated at R102.5 billion in 2015/16 and increasing to R150 billion in 2018/19.

The fund is financed through contributions from employees and employers, as legislated in the Unemployment Insurance Contributions Act (2002), as well as return on investments. Over the medium term, the fund expects to receive on average 61 per cent, or R57.6 billion, of its total revenue from unemployment contributions, with income from its own revenue amounting to R38.2 billion, driven mainly by income from investments.

## Programmes/objectives/activities

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

R thousand	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		Expenditure/ Total: Average (%)	
	2012/13	2013/14	2014/15		2015/16	2012/13 - 2015/16	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2015/16 - 2018/19	
Administration	404 719	548 143	538 599	960 094	33.4%	6.3%	1 246 631	1 218 532	1 115 469	5.1%	8.1%		
Business operations	6 722 310	8 389 924	8 341 372	10 088 157	14.5%	89.8%	10 807 364	11 511 329	12 273 312	6.8%	79.7%		
Labour activation programmes	32 071	87 991	97 825	1 630 958	270.5%	3.8%	1 953 719	1 590 649	1 630 862	-0.0%	12.2%		
<b>Total</b>	<b>7 159 100</b>	<b>9 026 058</b>	<b>8 977 796</b>	<b>12 679 209</b>	<b>21.0%</b>	<b>100.0%</b>	<b>14 007 714</b>	<b>14 320 510</b>	<b>15 019 643</b>	<b>5.8%</b>	<b>100.0%</b>		

## Statements of historical financial performance

**Table 28.21 Unemployment Insurance Fund statements of historical financial performance**

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	Budget	2012/13	Budget	2013/14	Budget	2014/15			
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>4 250 207</b>	<b>9 666 886</b>	<b>4 965 936</b>	<b>5 886 818</b>	<b>6 173 704</b>	<b>12 248 018</b>	<b>10 309 813</b>	<b>9 609 104</b>	<b>145.6%</b>
Sale of goods and services other than capital assets	3 298	2 122	3 027	2 128	2 682	1 944	10 354	6 418	65.1%
<i>of which:</i>									
<i>Sales by market establishment</i>	2 078	2 068	2 107	2 128	2 335	1 944	10 347	6 359	74.1%
<i>Other sales</i>	1 220	54	920	-	347	-	7	59	4.5%
Other non-tax revenue	4 246 909	9 664 764	4 962 909	5 884 690	6 171 022	12 246 074	10 299 459	9 602 686	145.6%
<b>Transfers received</b>	<b>12 828 532</b>	<b>13 498 517</b>	<b>13 964 922</b>	<b>15 075 480</b>	<b>15 975 245</b>	<b>15 754 116</b>	<b>17 722 687</b>	<b>16 636 871</b>	<b>100.8%</b>
<b>Total revenue</b>	<b>17 078 739</b>	<b>23 165 403</b>	<b>18 930 858</b>	<b>20 962 298</b>	<b>22 148 949</b>	<b>28 002 134</b>	<b>28 032 500</b>	<b>26 245 975</b>	<b>114.1%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 466 985</b>	<b>1 253 912</b>	<b>1 520 940</b>	<b>1 488 675</b>	<b>1 760 018</b>	<b>1 573 658</b>	<b>2 171 072</b>	<b>2 171 072</b>	<b>93.8%</b>
Compensation of employees	746 960	649 677	826 452	772 296	899 790	880 004	1 025 994	1 025 994	95.1%
Goods and services	710 535	599 971	683 929	706 121	846 484	684 887	1 045 421	1 045 421	92.4%
Depreciation	9 478	4 264	10 552	8 539	13 737	8 468	99 657	99 657	90.6%
Interest, dividends and rent on land	12	-	7	1 719	6	299	-	-	8 072.0%
<b>Transfers and subsidies</b>	<b>7 918 892</b>	<b>5 905 188</b>	<b>10 291 927</b>	<b>7 537 383</b>	<b>10 070 144</b>	<b>7 404 138</b>	<b>10 508 137</b>	<b>10 508 137</b>	<b>80.8%</b>
<b>Total expenses</b>	<b>9 385 877</b>	<b>7 159 100</b>	<b>11 812 867</b>	<b>9 026 058</b>	<b>11 830 162</b>	<b>8 977 796</b>	<b>12 679 209</b>	<b>12 679 209</b>	<b>82.8%</b>
<b>Surplus/(Deficit)</b>	<b>7 692 862</b>	<b>16 006 303</b>	<b>7 117 991</b>	<b>11 936 240</b>	<b>10 318 787</b>	<b>19 024 338</b>	<b>15 353 292</b>	<b>13 566 766</b>	<b>-</b>

## Statements of estimates of financial performance

**Table 28.22 Unemployment Insurance Fund statements of estimates of financial performance**

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
				2015/16	2012/13 - 2015/16	2016/17			2017/18
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>9 609 104</b>	<b>-0.2%</b>	<b>37.5%</b>	<b>11 148 509</b>	<b>12 683 069</b>	<b>14 393 156</b>	<b>14.4%</b>	<b>39.0%</b>	
Sale of goods and services other than capital assets	6 418	44.6%	0.0%	2 424	2 562	2 710	-25.0%	0.0%	
<i>of which:</i>									
<i>Sales by market establishment</i>	6 359	45.4%	0.0%	2 368	2 506	2 651	-25.3%	0.0%	
<i>Other sales</i>	59	3.0%	0.0%	56	56	59	-	0.0%	
Other non-tax revenue	9 602 686	-0.2%	37.5%	11 146 086	12 680 507	14 390 446	14.4%	39.0%	
<b>Transfers received</b>	<b>16 636 871</b>	<b>7.2%</b>	<b>62.5%</b>	<b>17 894 601</b>	<b>19 182 209</b>	<b>20 509 783</b>	<b>7.2%</b>	<b>61.0%</b>	
<b>Total revenue</b>	<b>26 245 975</b>	<b>4.2%</b>	<b>100.0%</b>	<b>29 043 110</b>	<b>31 865 278</b>	<b>34 902 939</b>	<b>10.0%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>2 171 072</b>	<b>20.1%</b>	<b>17.2%</b>	<b>2 543 691</b>	<b>2 608 897</b>	<b>2 586 465</b>	<b>6.0%</b>	<b>25.5%</b>	
Compensation of employees	1 025 994	16.5%	8.9%	1 163 540	1 257 180	1 330 095	9.0%	8.5%	
Goods and services	1 045 421	20.3%	8.0%	1 233 557	1 250 860	1 236 250	5.7%	8.5%	
Depreciation	99 657	185.9%	0.3%	146 594	100 857	20 120	-41.3%	0.7%	
<b>Transfers and subsidies</b>	<b>10 508 137</b>	<b>21.2%</b>	<b>82.8%</b>	<b>11 464 023</b>	<b>11 711 613</b>	<b>12 433 178</b>	<b>5.8%</b>	<b>82.3%</b>	
<b>Total expenses</b>	<b>12 679 209</b>	<b>21.0%</b>	<b>100.0%</b>	<b>14 007 714</b>	<b>14 320 510</b>	<b>15 019 643</b>	<b>5.8%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>13 566 766</b>	<b>(0)</b>	<b>-</b>	<b>15 035 396</b>	<b>17 544 767</b>	<b>19 883 296</b>	<b>13.6%</b>	<b>-</b>	

## Personnel information

**Table 28.23 Unemployment Insurance Fund personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2016		Number and cost <sup>1</sup> 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 (%)				
		2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost	2017/18		Unit Cost			2018/19		Unit Cost	2015/16 - 2018/19
<b>Unemployment Insurance Fund</b>		<b>3 241</b>	<b>3 241</b>	<b>880.0</b>	<b>0.3</b>	<b>3 241</b>	<b>1 026.0</b>	<b>0.3</b>	<b>3 241</b>	<b>1 163.5</b>	<b>0.4</b>	<b>3 241</b>	<b>1 257.2</b>	<b>0.4</b>	<b>3 241</b>	<b>1 330.1</b>	<b>0.4</b>	<b>9.0%</b>	<b>100.0%</b>
Salary level	3 241	3 241	880.0	0.3	3 241	1 026.0	0.3	3 241	1 163.5	0.4	3 241	1 257.2	0.4	3 241	1 330.1	0.4	9.0%	100.0%	
1 – 6	1 288	1 288	197.0	0.2	1 288	229.7	0.2	1 288	260.5	0.2	1 288	281.5	0.2	1 288	297.8	0.2	9.0%	39.7%	
7 – 10	1 616	1 616	436.7	0.3	1 616	509.2	0.3	1 616	577.4	0.4	1 616	623.9	0.4	1 616	660.1	0.4	9.0%	49.9%	
11 – 12	273	273	184.1	0.7	273	214.6	0.8	273	243.4	0.9	273	263.0	1.0	273	278.2	1.0	9.0%	8.4%	
13 – 16	64	64	62.2	1.0	64	72.5	1.1	64	82.2	1.3	64	88.9	1.4	64	94.0	1.5	9.0%	2.0%	

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		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of jurisdiction referrals per year	Social services	Outcome 4: Decent employment through inclusive economic growth	130 978	134 943	123 138	147 413	162 154	178 370	196 207
Percentage of pre-conciliations <sup>1</sup> heard per year	Social services		17% (22 438)	17% (22 971)	10% (12 313)	15% (22 112)	15% (24 323)	15% (26 756)	15% (29 431)
Percentage of pre-conciliations <sup>1</sup> settled (of jurisdiction cases) per year	Social services		9% (11 419)	11% (14 846)	7% (8 620)	10% (14 741)	10% (16 216)	10% (17 837)	10% (19 621)
Percentage of con-arbs <sup>2</sup> heard (of jurisdiction referrals) per year	Social services		41% (53 060)	44% (59 147)	50% (61 569)	50% (73 707)	50% (81 077)	50% (89 185)	50% (98 104)
Percentage of con-arbs <sup>2</sup> finalised (of jurisdiction referrals) per year	Social services		36% (47 241)	40% (53 399)	35% (43 098)	35% (51 595)	35% (56 754)	35% (62 430)	35% (68 672)
Number of cases settled (based on finalised cases) per year	Social services		83 917	92 005	86 196	103 189	113 508	124 859	137 344

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 continue to focus on expanding access to dispute resolution services and improving service delivery, in line with the national development plan's vision of reducing workplace conflict and improving collaboration between government, organised business and organised labour, as well as outcome 4 (decent employment through inclusive economic growth) of government's 2014-2019 medium term strategic framework. Further focus will be on building the capacity of present facilitators, and developing new facilitators to manage the commission's caseload effectively. This includes developing specialist capacity at sectoral level to address workplace conflict through improved communication and stronger labour relations systems, and creating a culture of fairness in workplaces.

To provide for activities relating to dispute resolution, mediation, and collective bargaining to address conflict and ensure fairness in workplaces, the social services programme has a budget of R884.2 million over the

medium term. Because of labour law amendments, surplus funds were used in 2015/16 to appoint full time interpreters, causing a decrease by an average of 7 per cent over the medium term. This programme employs 168 case management officers, 25 senior case management officers, 17 senior commissioners and 12 convening senior commissioners who are responsible for case management, dispute resolution, mediation and collective bargaining to address conflict and ensure fairness in the workplace. The main cost driver in this programme entails case disbursement expenditure in the form of commissioner salaries, and travel and subsistence. The commission expects the number of jurisdiction case referrals to increase from 147 413 in 2015/16 to 196 207 in 2018/19, with a related increase in case disbursement spending from R307.6 million in 2015/16 to R356 million in 2018/19.

To increase accessibility to the commission's services, especially for vulnerable workers who have difficulty travelling to the existing offices, the commission plans to open satellite offices in Free State (Qwaqwa) and Eastern Cape (Mthatha) in 2016/17, and Limpopo (Tzaneen) in 2016/17 and (Burgersfort) in 2017/18. The expansion of access to services over the medium term is expected to increase the number of cases finalised and settled from 103 189 in 2015/16 to 137 344 in 2018/19. The estimated total cost of opening and operating these satellite offices is R21.5 million over the medium term, and accounts for the projected increase in spending in the institutional development programme from R36.6 million in 2015/16 to R65.2 million in 2018/19.

To support core operations to meet increasing demand for the commission's services, the number of personnel in the administration programme increased to 588 in 2015/16, and is expected to remain constant over the medium term. As a result of contractual increases in cleaning, security and rental contracts, salary adjustments, and increases in municipal service costs, spending in the administration programme is estimated to grow from R366.4 million in 2015/16 to R504.8 million in 2018/19. This allocation also provides for the maintenance and provision of greater access to the case management system, which has been decentralised to regional offices; Department of Labour service points; and bargaining councils to deal with the increased number of cases due to labour law amendments. Compensation of employees is the main driver of expenditure in the administration programme, particularly for support staff in corporate services, finance, ICT and internal audit; and regional personnel, who form a significant part of the core operations at the commission's offices. Expenditure on compensation of employees accounts for the bulk of the administration programme's allocation of R1.4 billion over the medium term.

The commission is set to receive R2.4 billion over the medium term in transfers from the Department of Labour, accounting for 97 per cent of its revenue.

## Programmes/objectives/activities

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

R thousand	Audited outcome			Revised estimate 2015/16	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2012/13	2013/14	2014/15		2012/13 - 2015/16	Expenditure/ Total: Average (%)	2016/17	2017/18	2018/19	2015/16 - 2018/19	Expenditure/ Total: Average (%)
Administration	288 788	307 055	353 144	366 357	8.3%	51.9%	454 470	478 117	504 820	11.3%	54.3%
Institutional development	17 069	30 890	43 987	36 564	28.9%	4.9%	59 150	61 685	65 197	21.3%	6.7%
Corporate governance	1 819	3 224	3 499	3 787	27.7%	0.5%	4 022	4 173	4 415	5.2%	0.5%
Social services	197 909	241 890	281 133	387 547	25.1%	42.7%	279 624	293 245	311 346	-7.0%	38.5%
<b>Total</b>	<b>505 585</b>	<b>583 059</b>	<b>681 763</b>	<b>794 255</b>	<b>16.2%</b>	<b>100.0%</b>	<b>797 266</b>	<b>837 220</b>	<b>885 778</b>	<b>3.7%</b>	<b>100.0%</b>

## Statements of historical financial performance

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

Statement of financial performance									
R thousand	2012/13		2013/14		2014/15		2015/16		Outcome/ Budget Average (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
<b>Revenue</b>									
Non-tax revenue	14 750	18 040	12 941	13 680	14 428	18 664	15 150	25 250	132.1%
Sale of goods and services other than capital assets	1 747	2 466	3 035	2 741	2 719	3 276	2 755	3 540	117.2%
<i>of which:</i>									
Other sales	1 747	2 466	3 035	2 741	2 719	3 276	2 755	3 540	117.2%
Other non-tax revenue	13 003	15 574	9 906	10 939	11 710	15 388	12 395	21 710	135.3%
<b>Transfers received</b>	<b>476 697</b>	<b>478 745</b>	<b>594 418</b>	<b>595 000</b>	<b>687 096</b>	<b>687 096</b>	<b>733 999</b>	<b>731 799</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>491 447</b>	<b>496 785</b>	<b>607 359</b>	<b>608 680</b>	<b>701 524</b>	<b>705 760</b>	<b>749 149</b>	<b>757 049</b>	<b>100.7%</b>
<b>Expenses</b>									
Current expenses	491 447	505 585	607 359	583 059	701 524	681 763	794 255	794 255	98.8%
Compensation of employees	160 758	163 932	170 770	187 139	204 561	218 030	264 189	264 189	104.1%
Goods and services	326 991	333 374	429 000	384 697	486 802	450 296	511 941	511 941	95.8%
Depreciation	3 698	8 279	7 589	11 223	10 162	13 437	18 125	18 125	129.0%
<b>Total expenses</b>	<b>491 447</b>	<b>505 585</b>	<b>607 359</b>	<b>583 059</b>	<b>701 524</b>	<b>681 763</b>	<b>794 255</b>	<b>794 255</b>	<b>98.8%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>(8 800)</b>	<b>-</b>	<b>25 621</b>	<b>-</b>	<b>23 997</b>	<b>(45 106)</b>	<b>(37 206)</b>	<b>-</b>

## Statements of estimates of financial performance

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

Statement of financial performance									
R thousand	Revised estimate 2015/16	Average growth rate (%) 2012/13 - 2015/16	Expen- diture/ Total: Average (%) 2012/13 - 2015/16	Medium-term estimate			Average growth rate (%) 2015/16 - 2018/19	Expen- diture/ Total: Average (%) 2015/16 - 2018/19	
				2016/17	2017/18	2018/19			
<b>Revenue</b>									
Non-tax revenue	25 250	11.9%	3.0%	26 765	28 318	29 960	5.9%	3.4%	
Sale of goods and services other than capital assets	3 540	12.8%	0.5%	3 752	3 970	4 200	5.9%	0.5%	
<i>of which:</i>									
Other sales	3 540	12.8%	0.5%	3 752	3 970	4 200	5.9%	0.5%	
Other non-tax revenue	21 710	11.7%	2.5%	23 013	24 348	25 760	5.9%	2.9%	
<b>Transfers received</b>	<b>731 799</b>	<b>15.2%</b>	<b>97.0%</b>	<b>770 501</b>	<b>808 902</b>	<b>855 818</b>	<b>5.4%</b>	<b>96.6%</b>	
<b>Total revenue</b>	<b>757 049</b>	<b>15.1%</b>	<b>100.0%</b>	<b>797 266</b>	<b>837 220</b>	<b>885 778</b>	<b>5.4%</b>	<b>100.0%</b>	
<b>Expenses</b>									
Current expenses	794 255	16.2%	100.0%	797 266	837 220	885 778	3.7%	136.9%	
Compensation of employees	264 189	17.2%	32.4%	278 719	294 050	310 222	5.5%	34.6%	
Goods and services	511 941	15.4%	65.6%	500 070	524 332	556 346	2.8%	63.2%	
Depreciation	18 125	29.8%	2.0%	18 477	18 838	19 211	2.0%	2.3%	
<b>Total expenses</b>	<b>794 255</b>	<b>16.2%</b>	<b>100.0%</b>	<b>797 266</b>	<b>837 220</b>	<b>885 778</b>	<b>3.7%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>(37 206)</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	

## Personnel information

**Table 28.28 Commission for Conciliation, Mediation and Arbitration personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2016		Number and cost <sup>1</sup> 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 (%)				
		2014/15	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19												
Commission for Conciliation, Mediation and Arbitration		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Salary level	629	629	508	218.0	0.4	588	264.2	0.4	588	278.7	0.5	588	294.0	0.5	588	310.2	0.5	5.5%	100.0%
1 - 6	110	110	78	12.9	0.2	107	16.6	0.2	107	17.5	0.2	107	18.5	0.2	107	19.5	0.2	5.5%	18.2%
7 - 10	382	382	343	120.0	0.3	364	133.4	0.4	364	140.8	0.4	364	148.5	0.4	364	156.7	0.4	5.5%	61.9%
11 - 12	98	98	55	39.7	0.7	81	62.0	0.8	81	65.4	0.8	81	69.0	0.9	81	72.8	0.9	5.5%	13.8%
13 - 16	38	38	31	42.8	1.4	35	49.4	1.4	35	52.1	1.5	35	54.9	1.6	35	57.9	1.7	5.5%	6.0%
17 - 22	1	1	1	2.6	2.6	1	2.8	2.8	1	3.0	3.0	1	3.2	3.2	1	3.3	3.3	5.5%	0.2%

<sup>1</sup>. 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	
			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	2	2	3	3	3
Number of months taken to finalise National Economic Development and Labour Council reports on draft legislation in the development chamber from date of tabling at the council per year	Core operations		12	12	6	6	6	6
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		8	6	6	6	6	6
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		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	4	2	2	2	2

### Expenditure analysis

The focus of the National Economic Development and Labour Council over the medium term will be on accelerating growth and addressing the challenges of unemployment, inequality and poverty by promoting social dialogue, and recognising the role of the council and its social partners in jointly contributing to the achievement of inclusive economic growth in South Africa, in line with outcome 4 (decent employment through inclusive economic growth) of government's 2014-2019 medium term strategic framework. The council will continue to focus its attention on the capacity, conduct and commitment of the social agents involved in socioeconomic policy making and legislation, and on the achievement of the work programmes of the council's chambers to ensure that it continues to strengthen its role as South Africa's foremost facilitator of social dialogue.

The council conducts its work in four chambers: the labour market chamber, the trade and industry chamber, the development chamber, and the public finance and monetary policy chamber. The work of the council involves engaging in social dialogue between organised business, organised labour, government and communities that are informed by the council's protocol, which guides the engagements on matters that are tabled at the council, and includes prescribing timeframes for various categories of engagements. The protocol prescribes that the council's policy and legislative engagements should be concluded within a maximum of 6 months from the date of tabling, although this is dependent on the particular policies and legislation tabled for engagement.

Through its core operations programme, which considers policies and legislation, the council will focus on preparing for, convening and chairing chamber meetings. 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 skills capacity within the organisation and its chambers. The core operations programme is supported by a budget of R16.5 million over the medium term, and comprises 10 staff members: the head of operations and 9 coordinators.

The work of the capacity building funds programme, in line with the council's focus, involves assisting its social partners to develop their respective capacities to engage on socioeconomic policy making and legislation.

This enables government, organised business, communities and organised labour to undertake relevant research to inform engagements on labour policy and legislation in the council's chambers. The programme convenes constituency workshops, training sessions, and other capacity building interventions. It has 2 constituency coordinators, and a budget allocation of R12.4 million over the medium term.

The fund also conducts research on regional integration and the role of the value chain in furthering the industrialisation agenda for South Africa, and on the expanded public works programme. 3 research reports are expected to be concluded and signed off by the management committee per year.

The council receives a transfer of R96.2 million over the medium term from the Department of Labour, accounting for 98.6 per cent of its total revenue. 70.6 per cent of this will be spent in the administration programme, mainly on compensation of employees for operations, finance administration and management, including personnel within the core operations and capacity building funds programmes.

### 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 2015/16	Average growth rate (%) 2012/13 - 2015/16	Expenditure/ Total: Average (%) 2015/16	Medium-term expenditure estimate			Average growth rate (%) 2015/16 - 2018/19	Expenditure/ Total: Average (%) 2015/16 - 2018/19
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19		
Administration	13 558	20 108	21 400	20 828	15.4%	73.4%	21 731	22 805	24 200	5.1%	70.6%
Core operations	3 531	3 710	3 229	4 783	10.6%	15.0%	5 221	5 484	5 758	6.4%	16.7%
Capacity building funds	2 212	2 638	3 382	3 720	18.9%	11.5%	3 917	4 113	4 319	5.1%	12.7%
<b>Total</b>	<b>19 301</b>	<b>26 456</b>	<b>28 011</b>	<b>29 331</b>	<b>15.0%</b>	<b>100.0%</b>	<b>30 869</b>	<b>32 402</b>	<b>34 277</b>	<b>5.3%</b>	<b>100.0%</b>

### Statements of historical financial performance

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

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	2012/13	2013/14	2013/14	2014/15	2014/15	2015/16	2015/16	2015/16	2012/13 - 2015/16
<b>Revenue</b>									
Non-tax revenue	1 021	1 376	1 115	874	380	829	415	415	119.2%
Other non-tax revenue	1 021	1 376	1 115	874	380	829	415	415	119.2%
<b>Transfers received</b>	<b>24 064</b>	<b>24 259</b>	<b>25 928</b>	<b>25 934</b>	<b>27 559</b>	<b>27 447</b>	<b>28 916</b>	<b>28 916</b>	<b>100.1%</b>
<b>Total revenue</b>	<b>25 085</b>	<b>25 635</b>	<b>27 043</b>	<b>26 808</b>	<b>27 939</b>	<b>28 276</b>	<b>29 331</b>	<b>29 331</b>	<b>100.6%</b>
<b>Expenses</b>									
Current expenses	25 085	19 301	27 043	26 456	34 277	28 011	29 331	29 331	89.1%
Compensation of employees	8 796	7 246	10 495	10 281	11 655	12 095	12 820	12 820	97.0%
Goods and services	15 186	11 045	15 375	15 191	21 552	14 934	15 571	15 571	83.8%
Depreciation	1 103	1 010	1 173	984	1 070	982	940	940	91.4%
<b>Total expenses</b>	<b>25 085</b>	<b>19 301</b>	<b>27 043</b>	<b>26 456</b>	<b>34 277</b>	<b>28 011</b>	<b>29 331</b>	<b>29 331</b>	<b>89.1%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>6 334</b>	<b>-</b>	<b>352</b>	<b>(6 338)</b>	<b>265</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Statements of estimates of financial performance

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

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
	2015/16	2012/13 - 2015/16	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2015/16 - 2018/19	
<b>Revenue</b>									
Non-tax revenue	415	-32.9%	3.2%	420	430	452	2.9%	1.4%	
Other non-tax revenue	415	-32.9%	3.2%	420	430	452	2.9%	1.4%	
<b>Transfers received</b>	<b>28 916</b>	<b>6.0%</b>	<b>96.8%</b>	<b>30 449</b>	<b>31 972</b>	<b>33 825</b>	<b>5.4%</b>	<b>98.6%</b>	
<b>Total revenue</b>	<b>29 331</b>	<b>4.6%</b>	<b>100.0%</b>	<b>30 869</b>	<b>32 402</b>	<b>34 277</b>	<b>5.3%</b>	<b>100.0%</b>	
<b>Expenses</b>									
Current expenses	29 331	15.0%	100.0%	30 869	32 402	34 277	5.3%	112.6%	
Compensation of employees	12 820	20.9%	40.8%	13 524	14 198	15 350	6.2%	44.0%	
Goods and services	15 571	12.1%	55.3%	16 375	17 219	17 893	4.7%	52.9%	
Depreciation	940	-2.4%	3.9%	970	985	1 034	3.2%	3.1%	
<b>Total expenses</b>	<b>29 331</b>	<b>15.0%</b>	<b>100.0%</b>	<b>30 869</b>	<b>32 402</b>	<b>34 277</b>	<b>5.3%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

## Personnel information

**Table 28.33 National Economic Development and Labour Council personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2016		Number and cost <sup>1</sup> 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 (%)				
		2014/15			2015/16			2016/17		2017/18		2018/19				2015/16 - 2018/19			
		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	30	30	28	12.1	0.4	30	12.8	0.4	30	13.5	0.5	30	14.2	0.5	30	15.4	0.5	6.2%	100.0%
Salary level	30	30	28	12.1	0.4	30	12.8	0.4	30	13.5	0.5	30	14.2	0.5	30	15.4	0.5	6.2%	100.0%
1 – 6	6	6	5	0.8	0.2	6	0.9	0.1	6	0.9	0.2	6	0.9	0.2	6	1.1	0.2	7.9%	20.0%
7 – 10	17	17	17	6.4	0.4	17	6.3	0.4	17	6.6	0.4	17	6.9	0.4	17	7.5	0.4	6.1%	56.7%
11 – 12	5	5	4	2.5	0.6	5	3.2	0.6	5	3.4	0.7	5	3.6	0.7	5	3.8	0.8	5.6%	16.7%
13 – 16	2	2	2	2.4	1.2	2	2.4	1.2	2	2.6	1.3	2	2.8	1.4	2	3.0	1.5	6.5%	6.7%

1. Rand million.

## Productivity South Africa

### Mandate

Productivity South Africa is mandated by the Employment Services Act (2014) to improve productivity in the workplace and thereby 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		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of education, training and development service providers trained as productivity trainers per year	Productivity organisational solution	Outcome 4: Decent employment through inclusive economic growth	647	647	894 <sup>1</sup>	950	200	200	200
Number of emerging entrepreneurs trained in productivity improvement and competencies per year	Productivity organisational solution		3 884	4 796	5 683	5 500	5 500	5 500	5 500
Number of skills development facilitators trained in productivity per year	Productivity organisational solution	Outcome 5: A skilled and capable workforce to support an inclusive growth path	212	436	439	550	100	125	150
Number of managers and workers trained per year to enhance productivity competencies and mindsets in private and public enterprises	Productivity organisational solution	Outcome 4: Decent employment through inclusive economic growth	780	876	1 502 <sup>2</sup>	1 060	1 170	1 280	1 390
Number of enterprises participating in the workplace challenge programme per year	Workplace challenge		257	408	370	523	555	584	615
Number of future forums established per year at companies with turnaround solutions <sup>3</sup>	Turnaround solutions		24	56	23	150	200	150	200
Number of jobs impacted on per year at companies with turnaround solutions	Turnaround solutions		3 886	3 417	1 589	7 500	13 000	12 000 <sup>2</sup>	10 000

1. The increase in 2014/15 was due to additional funding generated from own revenue. The reduced targets over the medium term are due to educators participating in goal alignment training, which is an extensive and measurable programme and implemented over a longer period.

2. Exceeded the target of 950 in 2014/15 due to the Rand Water contract.

3. Due to dedicated funding from the Unemployment Insurance Fund, the target increases from 2015/16. However, as 2017/18 is the final year of the three-year agreement, there will be fewer companies to compensate in the following year.

### Expenditure analysis

In line with outcome 4 (decent employment through inclusive economic growth) of government's medium term strategic framework, Productivity South Africa will continue to focus on improving worker education and skills to meet economic needs through providing productivity training to cooperatives; small, medium and micro

enterprises; and workers and managers, with the aim of fostering ongoing improvement in productivity in workplaces and competitiveness in South African companies.

The organisation will aim to improve profitability, growth and employment creation; reduce workplace conflict; and improve collaboration between government, organised business and organised labour over the medium term through its workplace challenge programme. The workplace challenge improvement plan aims to make this programme more sustainable by improving monitoring and evaluation, and increasing awareness campaigns to address low coverage in regions such as Northern Cape and Free State. As a result, the number of enterprises participating in the programme is set to increase from 523 in 2015/16 to 615 in 2018/19, including those enterprises in the aftercare stage.

Over the medium term, Productivity South Africa will continue to contribute to protecting vulnerable workers and reducing unemployment through its turnaround solutions programme, which aims to prevent job losses and create conditions conducive for job retention and creation. This programme involves conducting financial assessments, nurturing companies, establishing future forums, training, and implementing turnaround strategies at identified companies. Productivity South Africa also identifies companies that are not in distress and establishes collaborative structures between management and employees, called future forums, which institute early warning systems to manage problems proactively when they arise. The number of future forums established each year at companies with turnaround solution interventions is projected to grow from 23 in 2014/15 to 150 in 2017/18. The number of jobs affected at companies with turnaround solutions is set to increase from 7 500 in 2015/16 to 12 000 in 2017/18 due to the structure of the funding agreement with the Unemployment Insurance Fund based on tranche payments in each year of the 3 year agreement that began in 2014/15. The turnaround solutions programme is estimated to grow at an average annual rate of 47.3 per cent, and is funded by R229.1 million over the medium term.

Productivity South Africa expects to receive 80.6 per cent of its total revenue over the medium term from government, with the transfer from the Department of Labour amounting to R151.5 million, while funding for the workplace challenge programme from the Department of Trade and Industry and the turnaround solutions programme from the Unemployment Insurance Fund amounts to R258.7 million. The organisation raises 19.4 per cent of its revenue from the sale of goods and services, amounting to an estimated R93.4 million over the MTEF period, and this is generated through the sale of products such as toolkits, and the rendering of services such as productivity improvement and enterprise development.

## Programmes/objectives/activities

**Table 28.35 Productivity South Africa 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 (%)
	2012/13	2013/14	2014/15		2015/16	2012/13 - 2015/16	2016/17	2017/18	2018/19		
R thousand											
Administration	31 029	30 177	43 661	46 194	14.2%	39.6%	49 058	51 903	54 913	5.9%	32.4%
Productivity organisational solution	8 188	8 911	8 594	9 092	3.6%	9.3%	9 656	10 216	10 809	5.9%	6.4%
Value chain competitiveness	16 283	14 038	19 936	21 092	9.0%	18.8%	22 400	23 699	25 074	5.9%	14.8%
Workplace challenge	15 586	15 514	11 664	8 903	-17.0%	14.3%	9 375	9 844	10 415	5.4%	6.2%
Turnaround solutions	7 062	16 048	19 438	22 706	47.6%	16.7%	88 053	68 404	72 622	47.3%	37.4%
Transnet	-	-	747	4 538	-	1.2%	4 538	4 538	4 538	-	2.9%
<b>Total</b>	<b>78 148</b>	<b>84 688</b>	<b>104 040</b>	<b>112 525</b>	<b>12.9%</b>	<b>100.0%</b>	<b>183 080</b>	<b>168 604</b>	<b>178 371</b>	<b>16.6%</b>	<b>100.0%</b>

## Statements of historical financial performance

**Table 28.36 Productivity South Africa statements of historical financial performance**

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	Budget	2012/13	Budget	2013/14	Budget	2014/15	2015/16		
<b>Revenue</b>									
<b>Non-tax revenue</b>	7 067	6 631	3 146	14 720	3 306	26 769	18 414	27 680	237.4%
Sale of goods and services other than capital assets	5 795	6 409	2 754	14 001	2 895	25 763	17 992	27 258	249.5%
<i>of which:</i>									
<i>Sales by market establishment+→</i>	5 795	6 409	2 754	14 001	2 895	25 763	17 992	27 258	249.5%
Other non-tax revenue	1 272	222	391	719	411	1 006	422	422	94.9%
<b>Transfers received</b>	108 977	73 629	103 936	70 204	110 289	71 947	98 577	84 845	71.3%
<b>Total revenue</b>	<b>116 044</b>	<b>80 260</b>	<b>107 082</b>	<b>84 924</b>	<b>113 595</b>	<b>98 716</b>	<b>116 991</b>	<b>112 525</b>	<b>83.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	116 044	78 148	107 082	84 688	113 595	104 040	112 525	112 525	84.5%
Compensation of employees	36 695	43 586	42 042	48 927	52 378	54 741	58 566	58 566	108.5%
Goods and services	78 756	34 038	64 266	35 105	60 639	48 574	53 223	53 223	66.5%
Depreciation	536	519	694	648	578	696	736	736	102.2%
Interest, dividends and rent on land	57	5	80	8	-	29	-	-	30.6%
<b>Total expenses</b>	<b>116 044</b>	<b>78 148</b>	<b>107 082</b>	<b>84 688</b>	<b>113 595</b>	<b>104 040</b>	<b>112 525</b>	<b>112 525</b>	<b>84.5%</b>
<b>Surplus/(Deficit)</b>	-	2 112	-	236	-	(5 324)	4 466	-	-

## Statements of estimates of financial performance

**Table 28.37 Productivity South Africa statements of estimates of financial performance**

Statement of financial performance								
R thousand	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2015/16	2012/13 - 2015/16		2016/17	2017/18	2018/19	2015/16 - 2018/19	
<b>Revenue</b>								
<b>Non-tax revenue</b>	27 680	61.0%	19.3%	29 393	31 094	32 898	5.9%	19.4%
Sale of goods and services other than capital assets	27 258	62.0%	18.7%	28 947	30 626	32 403	5.9%	19.1%
<i>of which:</i>								
<i>Sales by market establishment</i>	27 258	62.0%	18.7%	28 947	30 626	32 403	5.9%	19.1%
Other non-tax revenue	422	23.9%	0.6%	446	468	495	5.5%	0.3%
<b>Transfers received</b>	84 845	4.8%	80.7%	153 687	137 510	145 473	19.7%	80.6%
<b>Total revenue</b>	<b>112 525</b>	<b>11.9%</b>	<b>100.0%</b>	<b>183 080</b>	<b>168 604</b>	<b>178 371</b>	<b>16.6%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	112 525	12.9%	100.0%	183 080	168 604	178 371	16.6%	158.3%
Compensation of employees	58 566	10.3%	54.6%	63 018	67 302	71 207	6.7%	41.6%
Goods and services	53 223	16.1%	44.7%	119 280	100 475	106 289	25.9%	57.9%
Depreciation	736	12.3%	0.7%	782	827	875	5.9%	0.5%
<b>Total expenses</b>	<b>112 525</b>	<b>12.9%</b>	<b>100.0%</b>	<b>183 080</b>	<b>168 604</b>	<b>178 371</b>	<b>16.6%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	-	(1)	-	-	-	-	-	-

## Personnel information

**Table 28.38 Productivity South Africa personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2016		Number and cost <sup>1</sup> 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 (%)			
		2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost	2017/18		Unit Cost			2018/19		Unit Cost
Productivity South Africa		110	54.7	0.5	100	58.6	0.6	117	63.0	0.5	117	67.3	0.6	117	71.2	0.6	6.7%	100.0%
<b>Salary level</b>	115	115			100	58.6	0.6	117	63.0	0.5	117	67.3	0.6	117	71.2	0.6	6.7%	100.0%
1 – 6	11	11	1.3	0.1	10	1.4	0.1	11	1.5	0.1	11	1.6	0.1	11	1.7	0.2	6.9%	9.6%
7 – 10	74	74	29.1	0.4	64	31.2	0.5	74	33.6	0.5	74	35.9	0.5	74	37.9	0.5	6.7%	63.4%
11 – 12	23	23	16.2	0.8	19	17.2	0.9	25	18.5	0.7	25	19.8	0.8	25	20.9	0.8	6.7%	20.8%
13 – 16	7	7	8.2	1.2	7	8.8	1.3	7	9.4	1.3	7	10.1	1.4	7	10.7	1.5	6.7%	6.2%

<sup>1</sup>. Rand million.

### Additional tables

**Table 28.A: Summary of expenditure on infrastructure**

Project name R thousand	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2015/16	Medium-term expenditure estimate		
				2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
<b>Departmental infrastructure</b>										
<b>Small projects (total project cost of less than R250 million over the project life cycle)</b>										
Rustenburg labour centre: Construction of building	New labour centre	Construction	16 000	7 477	944	1 850	320	-	-	-
Site clearance	New labour centre	On hold	35 134	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	69	-	-	-	-	-	-
Construction of new office buildings; maintenance and repairs of existing office buildings	New labour centre	Construction	28 000	-	-	-	-	28 000	-	-
<b>Total</b>			<b>83 017</b>	<b>8 637</b>	<b>1 548</b>	<b>1 867</b>	<b>320</b>	<b>28 000</b>	<b>-</b>	<b>-</b>

Table 28.B Expenditure by labour centre per province

R thousand	Audited outcome			Adjusted appropriation	Medium-term estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Eastern Cape</b>	<b>101 858</b>	<b>113 002</b>	<b>60 257</b>	<b>100 905</b>	<b>120 793</b>	<b>124 344</b>	<b>139 198</b>
Provincial office: East London	25 607	33 737	18 743	36 645	43 837	46 619	50 086
Aliwal North	2 765	2 979	1 395	2 269	2 715	2 717	2 946
Butterworth	2 934	2 812	1 620	2 623	3 138	3 140	3 314
Cradock	2 082	2 288	1 547	1 930	2 309	2 311	3 830
East London	11 057	10 749	5 908	9 071	10 852	10 859	11 280
Fort Beaufort	1 947	2 445	1 133	1 751	2 095	2 296	3 245
Graaff-Reinet	2 076	2 432	1 110	1 776	2 125	2 128	2 557
Grahamstown	2 713	3 368	1 748	2 695	3 224	3 227	3 594
King William's Town	5 512	5 957	3 197	4 346	5 199	5 203	3 935
Lusikisiki	3 293	3 675	1 757	2 573	3 078	3 080	3 346
Maclear	2 917	3 355	1 705	2 252	2 694	2 696	3 757
Mdantsane	2 506	2 744	1 412	2 121	2 538	2 539	3 289
Mount Ayliff	2 366	3 025	1 343	1 520	1 818	1 821	3 097
Port Elizabeth	15 928	14 916	7 769	16 697	20 056	20 392	24 853
Queenstown	5 203	5 802	2 943	3 428	4 100	4 103	4 419
Uitenhage	6 549	6 247	3 270	4 460	6 165	6 191	6 205
Mthatha	6 403	6 471	3 657	4 748	4 850	5 022	5 445
<b>Free State</b>	<b>66 695</b>	<b>66 943</b>	<b>36 489</b>	<b>76 130</b>	<b>77 314</b>	<b>76 654</b>	<b>91 369</b>
Provincial office: Bloemfontein	19 843	21 950	12 553	37 517	38 101	32 688	40 533
Bethlehem	3 368	3 466	1 924	3 285	3 336	3 346	4 070
Bloemfontein	10 887	10 865	5 518	6 990	7 099	7 115	7 123
Ficksburg	2 612	2 731	1 365	2 706	2 748	2 841	3 660
Harrismith	2 476	2 561	1 279	2 412	2 447	2 378	3 352
Kroonstad	3 516	3 461	1 827	3 714	3 772	3 822	3 862
Petrusburg	2 683	2 072	938	2 802	2 846	2 933	3 601
Phuthaditjhaba	3 494	3 548	1 822	2 993	3 040	3 365	3 472
Sasolburg	4 330	3 823	2 230	3 504	3 559	3 618	3 709
Botshabelo	2 866	3 018	1 806	2 380	2 417	2 970	4 341
Welkom	8 306	7 520	4 211	3 138	3 229	3 629	3 949
Zastron	2 314	1 928	1 016	4 689	4 720	7 949	9 697
<b>Gauteng</b>	<b>171 220</b>	<b>168 983</b>	<b>91 130</b>	<b>192 683</b>	<b>215 729</b>	<b>217 590</b>	<b>240 879</b>
Provincial office: Johannesburg	42 913	45 717	26 206	75 480	97 185	86 633	88 862
Alberton	3 190	2 792	1 547	4 318	4 367	4 834	5 391
Atteridgeville	2 073	2 360	1 188	3 373	3 411	3 776	5 391
Benoni	5 199	5 187	2 784	5 778	5 844	6 468	4 211
Boksburg	3 798	3 787	2 083	3 738	3 781	4 185	7 213
Brakpan	3 056	2 818	1 437	3 580	3 621	4 008	4 667
Bronkhorstspuit	2 705	3 319	1 620	2 449	2 477	2 742	4 470
Carletonville	3 377	2 922	1 503	3 668	3 710	4 107	4 157
Garankuwa	2 818	3 000	1 766	2 103	2 127	2 354	4 580
Germiston	10 741	9 782	5 533	15 570	15 748	17 431	17 625
Johannesburg	21 114	19 668	10 049	9 464	9 572	10 596	11 440
Kempton Park	5 550	4 656	2 564	6 131	6 201	6 864	7 816
Krugersdorp	5 221	4 955	2 690	6 031	6 100	6 752	7 654
Mamelodi	1 589	2 288	1 269	3 316	3 354	3 712	7 530
Nigel	2 090	1 872	998	2 922	2 956	3 272	4 139
Pretoria	16 029	16 408	8 301	8 456	8 553	9 467	3 648
Randburg	2 717	2 663	1 595	1 895	1 917	2 122	10 558
Randfontein	3 859	4 155	2 122	3 218	3 255	3 603	2 366
Roodepoot	3 813	3 018	1 769	3 706	3 748	4 149	4 017
Sandton	5 332	5 101	2 582	3 487	3 527	3 904	4 627
Sebokeng	1 867	1 729	723	2 264	2 290	2 535	4 354
Soshanguve	2 925	2 817	1 605	2 820	2 852	2 957	2 827
Soweto	4 658	4 510	2 201	4 492	4 543	4 629	4 621

Table 28.B Expenditure by labour centre per province

R thousand	Audited outcome			Adjusted appropriation	Medium-term estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Springs	3 705	3 290	1 869	2 771	2 803	3 102	3 608
Temba	3 478	3 562	1 682	3 168	3 205	3 547	3 559
Vanderbijlpark	3 245	2 444	1 355	4 265	4 257	4 342	4 955
Vereeniging	4 158	4 163	2 089	4 220	4 325	5 499	6 593
<b>KwaZulu-Natal</b>	<b>125 589</b>	<b>132 674</b>	<b>67 174</b>	<b>148 689</b>	<b>150 435</b>	<b>156 491</b>	<b>191 737</b>
Provincial office: Durban	29 235	31 941	15 895	65 133	65 895	61 383	79 459
Dundee	2 625	3 286	1 623	2 476	2 505	2 825	3 159
Durban	28 070	25 598	13 386	22 138	22 402	22 685	3 159
Estcourt	2 209	2 753	1 383	2 149	2 174	3 074	28 750
Kokstad	3 081	3 570	1 813	3 190	3 228	3 948	2 742
Ladysmith	3 409	3 830	1 790	3 510	3 551	4 751	4 071
Newcastle	3 125	3 865	2 076	2 980	3 015	4 313	4 479
Pietermaritzburg	13 607	13 912	7 106	14 381	14 549	14 650	3 802
Pinetown	4 691	4 878	2 517	3 889	3 935	3 935	18 351
Port Shepstone	3 435	4 150	2 049	3 688	3 731	3 801	4 963
Prospecton	5 910	6 395	3 144	4 873	4 930	5 110	4 706
Richards Bay	6 863	6 843	3 486	3 328	3 367	4 446	6 218
Richmond	2 340	3 107	1 485	2 557	2 587	3 017	4 246
Stanger	4 054	4 068	2 253	3 067	3 103	3 103	3 262
Ulundi	6 796	6 863	3 152	5 165	5 226	5 480	5 913
Verulam	2 991	3 596	1 785	2 840	2 781	4 733	6 591
Vryheid	3 148	4 019	2 231	3 325	3 456	5 237	7 866
<b>Limpopo</b>	<b>65 892</b>	<b>71 827</b>	<b>38 939</b>	<b>79 897</b>	<b>80 055</b>	<b>81 363</b>	<b>102 303</b>
Provincial office: Polokwane	18 754	21 449	12 168	35 258	35 243	36 441	40 545
Giyani	2 737	2 945	1 563	3 057	2 812	3 022	4 589
Groblersdal	2 624	2 104	1 029	2 245	2 436	3 055	3 775
Jane Furse	3 176	3 568	1 997	2 690	3 056	2 689	4 101
Lebowakgomo	2 862	3 005	1 417	3 634	2 689	3 632	3 610
Lephalale	2 930	2 387	1 214	2 698	3 632	2 697	4 876
Makhado	2 606	3 840	2 232	2 348	2 697	2 347	3 620
Modimolle	2 713	2 877	1 444	2 813	2 347	2 699	3 150
Mokopane	3 544	3 564	2 126	2 701	2 699	3 328	3 623
Phalaborwa	3 645	3 485	2 019	3 329	3 328	2 720	4 467
Polokwane	3 054	10 125	5 222	2 721	2 720	6 655	3 651
Seshego	9 750	2 237	1 138	6 658	6 655	2 162	8 934
Thoyoyandou	1 961	5 978	3 130	2 163	2 162	2 182	2 902
Tzaneen	5 536	4 263	2 240	7 582	7 579	7 734	10 460
<b>Mpumalanga</b>	<b>135 572</b>	<b>70 601</b>	<b>37 395</b>	<b>73 232</b>	<b>79 436</b>	<b>83 690</b>	<b>96 618</b>
Provincial office: Witbank	69 098	27 694	14 146	37 368	40 548	36 441	46 544
Barberton	22 758	1 614	873	2 011	2 182	2 356	2 714
Bethal	1 855	1 883	1 040	2 937	3 187	3 381	2 627
Carolina	2 203	3 409	1 922	2 240	2 431	2 535	3 837
Ermelo	3 561	2 539	1 243	2 323	2 520	3 412	2 927
Kamhushwa	2 655	2 654	1 737	2 338	2 537	2 435	3 035
Kwamhlanga	2 597	2 564	1 298	2 445	2 653	2 536	2 933
Lydenburg	2 302	2 094	1 157	3 390	3 679	2 652	3 055
Middelburg	4 044	3 557	2 001	2 073	4 589	3 678	3 194
Nelspruit	5 124	5 002	2 705	2 244	2 435	4 587	4 430
Piet Retief	3 311	3 105	1 434	3 004	3 231	3 435	3 526
Sabie	2 104	1 954	1 090	1 507	3 000	2 997	2 932
Secunda	3 882	3 476	1 892	1 258	1 320	2 999	3 493
Standerton	2 461	2 307	1 265	2 156	1 568	3 804	3 612
Witbank	7 617	6 749	3 592	5 938	3 556	6 442	7 759

Table 28.B Expenditure by labour centre per province

R thousand	Audited outcome			Adjusted appropriation	Medium-term estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
<b>North West</b>	<b>60 583</b>	<b>61 567</b>	<b>36 141</b>	<b>70 572</b>	<b>73 691</b>	<b>77 543</b>	<b>94 219</b>
Provincial office: Mmabatho	21 899	22 446	14 632	40 644	42 442	39 494	48 116
Brits	4 739	4 742	2 549	3 017	3 150	3 450	3 856
Christiana	2 193	2 609	1 261	2 103	2 195	2 218	3 856
Klerksdorp	6 478	5 673	3 317	5 252	5 484	5 084	5 678
Lichtenburg	3 605	3 114	1 645	2 576	2 690	3 840	6 714
Mafikeng	5 227	5 778	2 881	4 101	4 282	4 902	4 293
Mogwase	2 208	2 452	1 243	2 203	2 300	3 610	5 243
Potchefstroom	3 320	3 282	2 043	2 234	2 332	2 416	2 816
Rustenburg	5 642	5 501	2 953	4 074	4 255	4 881	4 855
Taung	2 334	2 955	1 846	2 232	2 305	3 087	3 208
Vryburg	2 938	3 015	1 771	2 136	2 256	4 561	5 584
<b>Northern Cape</b>	<b>41 709</b>	<b>43 991</b>	<b>26 799</b>	<b>49 973</b>	<b>49 247</b>	<b>49 736</b>	<b>68 424</b>
Provincial office: Kimberley	18 454	19 709	13 044	32 106	31 640	28 684	40 782
Calvinia	2 231	2 626	1 523	1 893	1 866	1 869	2 546
De Aar	2 333	2 628	1 427	1 921	1 893	2 023	2 546
Kimberley	7 400	7 673	4 476	4 754	4 685	4 192	2 591
Kuruman	2 817	2 672	1 467	2 320	2 286	2 449	6 413
Postmasburg	2 240	2 504	1 289	1 896	1 868	1 978	3 130
Springbok	2 670	2 768	1 777	2 820	2 659	3 532	3 558
Upington	3 564	3 411	1 796	2 263	2 350	5 009	6 858
<b>Western Cape</b>	<b>84 662</b>	<b>81 745</b>	<b>42 615</b>	<b>98 992</b>	<b>95 612</b>	<b>98 768</b>	<b>128 203</b>
Provincial office: Cape Town	23 993	26 466	12 847	51 550	49 791	45 965	64 351
Beaufort West	2 165	2 119	1 045	1 775	1 715	1 925	2 299
Bellville	11 167	9 672	4 902	6 245	6 032	6 412	6 299
Cape Town	15 578	14 244	7 728	11 485	11 089	12 168	12 088
George	6 238	5 590	3 138	5 702	5 507	5 791	6 986
Knysna	2 508	2 335	1 249	2 684	2 593	2 752	7 384
Mitchells Plain	2 888	3 080	1 753	2 540	2 454	2 782	3 476
Mossel Bay	2 413	2 247	1 226	2 999	2 897	3 027	3 290
Oudtshoorn	2 781	2 655	1 346	2 596	2 507	2 832	3 884
Paarl	3 341	2 925	1 675	3 009	2 906	3 234	3 362
Somerset West	4 189	3 934	2 227	2 814	2 718	2 988	3 896
Vredenburg	3 718	3 304	1 882	3 310	3 013	3 490	3 644
Worcester	3 683	3 174	1 597	2 283	2 390	5 402	7 244
<b>Total</b>	<b>853 780</b>	<b>811 333</b>	<b>436 939</b>	<b>891 073</b>	<b>942 312</b>	<b>966 179</b>	<b>1 152 950</b>





# 2016 BUDGET

ESTIMATES OF NATIONAL EXPENDITURE

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**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA