



# VOTE 34

TRADE AND INDUSTRY



# BUDGET 2017

ESTIMATES  
OF NATIONAL  
EXPENDITURE



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA





# **Estimates of National Expenditure**

## **2017**

**National Treasury**

**Republic of South Africa**

22 February 2017



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The Estimates of National Expenditure 2017 is 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 Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities. Also included are tables containing information on programme specific personnel expenditure, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of site service delivery is included, where appropriate.

# Foreword

The 2017 Budget is presented at a time when indications are that the global economy could grow moderately better than the last forecast. Global GDP is expected to grow at 3.4 per cent in 2017, 0.3 percentage points higher than 2016. But uncertainty persists. The trade policies that the United States of America will pursue are unclear. The exact nature of Britain's exit from the European Union and economic impact are unknown. There is also evidence that globalisation is losing favour in some parts of the world and protectionism is growing. The global economy could be very different in future, depending on how these trends evolve.

Given the uncertainty, we have revised down South Africa's GDP growth projections and expect that tax revenue will be lower over the MTEF period as a result. We have also reduced the expenditure ceiling by R10.3 billion in 2017/18 and R15.9 billion in 2018/19, in line with government's fiscal objective of reducing the deficit, achieving a primary surplus and stabilising debt. Since its introduction in 2012, the expenditure ceiling in each financial year has never been breached.

Government is committed to delivering on its priorities despite the lowered revenue forecast and expenditure ceiling. It is critical that we allocate our limited resources wisely and use them effectively. In the 2017 Budget process, measures were taken to free-up resources and baselines were reduced across all departments by R7.5 billion in 2017/18, R7 billion in 2018/19 and R6.7 billion in 2019/20. The contingency reserve was also drawn down, and provisionally reserved funds were reallocated. However, the bulk of the funds allocated to priority areas within and across functions were reprioritised from lower-priority budget areas.

To ensure that funding remains focused on frontline service delivery, efforts have been intensified to improve efficiency in expenditure. Budget limits on compensation of employees introduced in the 2016 Appropriation Act are carried over to 2017. Departments will manage personnel headcount and employee earnings in line with these budget allocations.

Overall non-interest expenditure is still set to grow by an annual average of 1.4 per cent in real terms, from R1.24 trillion in 2017/18 to R1.43 trillion in 2019/20. Proposals in the budget include net increases in funding for the Post-School Education and Training, Basic Education, Economic Affairs and Health functions. The Post-School Education and Training function is the fastest growing, at 9.4 per cent over the medium term. The funding is mainly for universities to subsidise fee increases and for the National Student Financial Aid Scheme.

The publication is a concrete expression of the collaborative effort of highly dedicated civil servants across government throughout the process to prepare the Budget. We are particularly appreciative of this, as well as the contributions from the Ministers' Committee on the Budget and the Directors-General in central government. We are also thankful to all National Treasury staff who, under the expert guidance and leadership of the Minister of Finance, Pravin Gordhan, and his Deputy, Mcebisi Jonas, worked tirelessly to produce this crucial document.

The wide-ranging coverage of the Estimates of National Expenditure provides a coherent and summarised account of the prioritisation, spending plans and service delivery commitments of all 40 national votes and of government agencies. These plans constitute an important mechanism through which Parliament and the public hold institutions, including the National Treasury and its entities, to account.

Within the current difficult fiscal context not everything we believe would be beneficial to do, can be done now. Thus it is imperative that activities planned on budget be done effectively and efficiently.



**Lungisa Fuzile**  
**Director-General: National Treasury**



# Introduction

## **The Estimates of National Expenditure publications**

The Estimates of National Expenditure (ENE) publications describe in detail government's expenditure plans over the next three financial years, also known as the medium-term expenditure framework (MTEF) period. The 2017 MTEF period is from 2017/18 to 2019/20.

The ENE publications contain information on: what government institutions aim to achieve over the medium term, and why; how they plan to spend their budget allocations in support of this; and what outputs and outcomes the spending is intended to produce. The publications also provide information on how institutions have spent their budgets in previous years, tables with performance data and targets, personnel data and detailed expenditure trends and estimates by programme, subprogramme and economic classification for each department and the entities that report to the vote's executive authority. Explanatory narratives detail the institution's mandate, purpose (and that of its programmes), together with programme-level objectives and descriptions of subprogrammes. Summary data tables at the end of each vote contain data on infrastructure, provincial and municipal conditional grants, departmental public private partnerships, donor funding, and expenditure at the level of site service delivery, where applicable.

A separate 2017 ENE Overview publication is also available on [www.treasury.gov.za](http://www.treasury.gov.za) and summarises the ENE information across all votes. The 2017 ENE Overview contains a narrative explanation and budget-wide 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.



# **Trade and Industry**

**National Treasury  
Republic of South Africa**



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# Vote 34

## Trade and Industry

### Budget summary

R million	2017/18				2018/19	2019/20
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	731.8	715.9	0.5	15.4	768.7	804.2
International Trade and Economic Development	119.8	94.0	25.2	0.6	126.9	131.3
Special Economic Zones and Economic Transformation	119.4	86.1	32.2	1.1	120.1	122.3
Industrial Development	1 819.3	122.1	1 696.3	0.8	1 775.8	1 869.2
Consumer and Corporate Regulation	298.6	71.9	226.8	–	320.9	329.2
Incentive Development and Administration	5 746.5	165.4	5 573.5	7.6	6 416.0	5 348.8
Trade and Investment South Africa	388.5	205.8	180.6	2.1	385.5	457.3
Investment South Africa	50.9	50.5	–	0.4	52.0	53.7
<b>Total expenditure estimates</b>	<b>9 274.8</b>	<b>1 511.7</b>	<b>7 735.1</b>	<b>28.0</b>	<b>9 965.9</b>	<b>9 116.0</b>

Executive authority: Minister of Trade and Industry  
 Accounting officer: Director General of Trade and Industry  
 Website address: [www.thedti.gov.za](http://www.thedti.gov.za)

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 site service delivery, where appropriate.

### Vote purpose

Lead and facilitate access to sustainable economic activity and employment for all South Africans through an understanding of the economy, knowledge of economic opportunities and potential, and anticipation of future economic trends. Catalyse economic transformation and development, and provide a predictable, competitive, equitable and socially responsible environment for investment, enterprise and trade for economic citizens. Contribute to achieving government's vision of an adaptive and restructured economy, characterised by accelerated economic growth, employment creation and greater equity.

### Mandate

The mandate of the Department of Trade and Industry is derived from a wide legislative framework that includes:

- the Companies Act (2008)
- the Manufacturing Development Act (1993)
- the Broad Based Black Economic Empowerment Act (2003)
- the Consumer Protection Act (2008).

### Selected performance indicators

Table 34.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of quarterly reports on industrial policy action plan tabled at minister's review meetings	Industrial Development	Outcome 4: Decent employment through inclusive growth	4	4	3 <sup>1</sup>	4	4	4	4
Number of designation <sup>2</sup> requests submitted for minister's approval per year	Industrial Development		4	4	4	4	2 <sup>3</sup>	2 <sup>3</sup>	2 <sup>3</sup>
Value of projected investment to be leveraged from approved projects per year	Incentive Development and Administration		R40bn	R20.4bn	R48.8bn	R20bn	R15bn <sup>4</sup>	R10bn <sup>4</sup>	R20bn
Number of new jobs supported from approved enterprises per year	Incentive Development and Administration		15 079	12 568	18 541	3 600	3 000	10 000 <sup>5</sup>	15 000 <sup>5</sup>

**Table 34.1 Performance indicators by programme and related outcome**

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of jobs retained from approved enterprises per year	Incentive Development and Administration	Outcome 4: Decent employment through inclusive growth	106 539	33 551	52 466	3 600	20 000 <sup>5</sup>	20 000 <sup>5</sup>	25 000 <sup>5</sup>
Number of strategic infrastructure projects approved for special economic zones/industrial parks per year <sup>6</sup>	Incentive Development and Administration		8	29	9	15	10	15	12
Value of projected export revenue from approved projects per year <sup>7</sup>	Incentive Development and Administration		R541m	R16.3bn	R5.7bn	R800m	R1.5bn	R2bn	R3bn

1. No implementation report tabled in the first quarter of 2015/16 as no minister's review meeting took place.

2. Designated areas are approved by the Minister of Trade and Industry and the Minister of Finance to become special economic zones.

3. Decrease over the medium term due to focus on performing impact analyses for approved designations.

4. Decrease in 2017/18 and 2018/19 due to discontinuation of section 12I tax incentive scheme from 2017/18. The scheme supports new industrial projects that use only new and unused manufacturing assets, or upgrades to existing industrial projects.

5. Increases due to a generic manufacturing grant and sector-specific instruments that are being developed, which target labour-intensive sectors such as agro-processing and metals fabrication.

6. Fluctuations due to the special economic zones investor pipeline and phase 2 of the revitalisation of industrial parks.

7. Fluctuations due to the business processing services pipeline and current commitments.

## Expenditure analysis

The department works to promote industrialisation and transformation, and respond to unemployment, poverty and inequality. The strategic direction of this work is derived from the National Development Plan, and is underpinned by outcome 4 (decent employment through inclusive growth), outcome 7 (comprehensive rural development and land reform) and outcome 11 (create a better South Africa and contribute to a better Africa and a better world) of government's 2014-2019 medium-term strategic framework. Through the implementation of its higher-impact industrial policy action plan, the department will focus over the medium term on providing industrial financing, strengthening export capabilities, and developing industrial infrastructure.

The department's baseline allocations for compensation of employees, goods and services, and payment of capital assets have been reduced by R48.7 million over the medium term following Cabinet's decision to lower the national aggregate expenditure ceiling. Of this amount, R10 million in 2017/18, R10.5 million in 2018/19 and R11.1 million in 2019/20 are to be cut from spending on compensation of employees. To accommodate these cuts, the department plans to reduce headcount over the MTEF period and optimise the organisational structure to ensure efficient service delivery with fewer resources.

### Providing industrial financing

The department's incentive programmes to stimulate and facilitate the development of sustainable, competitive enterprises are allocated R12.7 billion over the medium term, or 45 per cent of the department's total budget, in the *Incentive Development and Administration* programme. However, expenditure in the programme is set to decrease by 8.1 per cent in the medium term due to the economic competitiveness and support package being under review. Spending on incentives will increase manufacturing competitiveness, broaden the participation of black industrialists in the mainstream economy, and support the services industry in increasing investment from qualifying private-sector partners.

The department's largest incentive programme is for manufacturing. The incentive provides manufacturing companies with financial support to upgrade facilities, processes and products, and upskill workers. The programme has a budget of R9.6 billion over the medium term, including an additional R1.3 billion in 2018/19 to contribute to leveraging the estimated private-sector investment of R45 billion for sector-specific instruments in agro-processing, metals fabrication and generic manufacturing support. An estimated 200 000 jobs have been created and sustained since the start of the programme. The department expects to provide the financial support to be provided to 1 450 companies over the medium term that will assist in creating additional jobs.

The implementation of the Broad-Based Black Economic Empowerment Amendment Act (2013) is one of the department's key considerations in promoting empowerment and equity in the economy. The department will work to strengthen measures for broad-based black economic empowerment (BEE), such as establishing a BEE commission over the medium term to monitor compliance with the act. An amount of R60 million over the medium term has been allocated to this in the *Special Economic Zones and Economic Transformation* programme.

**Strengthening export capabilities**

The department plans over the medium term to develop and implement products for target markets, in collaboration with stakeholders such as export councils, trade and investment provincial agencies, and other national and provincial government departments in the export value chain. It aims to provide financial assistance to 3 290 companies in the medium term to strengthen their export capabilities, including facilitating their participation at national pavilions, trade missions, and trade and investment initiatives. In providing this assistance, the department plans to balance supporting large, leading and dynamic companies with maintaining support provided to emerging exporters, small, medium and micro enterprises (SMMEs), and black industrialists. Spending on financial assistance is projected to be R680.7 million over the medium term in the *Incentive Development and Administration* programme.

**Developing industrial infrastructure**

The department's spending on infrastructure aims to promote industrialisation across the country. Spending on industrial infrastructure projects over the medium term is estimated at R4.3 billion, funded through the *Infrastructure Investment Support* subprogramme in the *Incentive Development and Administration* programme. The funding should allow for the revitalisation of government-owned industrial parks, investment in critical infrastructure projects, and the development of infrastructure in special economic zones.

The department will contribute towards the spatial transformation of the economy through planning, developing and managing special economic zones within the legal framework of the Special Economic Zones Act (2014). The special economic zones programme attracts foreign and domestic direct investment in designated zones and regions to build strategic industrial capabilities that promote industrial development, investment, competitiveness and employment creation. At least one new zone will be designated in 2017/18 and the zones collectively are expected to increase value-added exports throughout the country over the medium term. To attract foreign and direct investment, the department plans to provide a one-stop shop and aftercare support for investors over the medium term to facilitate doing business in South Africa. These activities are funded in the *Investment South Africa* programme, which is allocated R156.5 million over the medium term.

The critical infrastructure programme aims to contribute to attracting an estimated R45 billion in investment over the medium term by supporting the development of critical infrastructure such as power substations, cogeneration power plants, bulk infrastructure, and technical testing facilities for aerospace and defence. By lowering the cost of doing business, the programme aims to stimulate investment growth in line with the national industrial policy framework and industrial policy action plan. Over the medium term, 32 strategic infrastructure projects are expected to be approved for bulk infrastructure for industrial parks and R643.5 million has been allocated towards the critical infrastructure programme for this.

The department will continue to expand economic opportunities in underdeveloped and marginalised regions. The revitalisation of state-owned industrial parks across the country is an important part of this approach, and is expected to promote industrialisation and increase the parks' contributions to job creation and economic growth. Parks will be revitalised in all provinces, but with a focus on marginalised regions in Eastern Cape, North West and Mpumalanga. As per the industrial policy action plan, the department will focus on key prioritised areas such as plastics, chemicals, cosmetics and pharmaceuticals, agro-processing, green and energy-savings industries, and boatbuilding. These activities are funded by an allocation of R80 million over the medium term in the cluster development programme in the *Incentive Development and Administration* programme.

## Expenditure trends

**Table 34.2 Vote expenditure trends by programme and economic classification**

Programmes														
1. Administration 2. International Trade and Economic Development 3. Special Economic Zones and Economic Transformation 4. Industrial Development 5. Consumer and Corporate Regulation 6. Incentive Development and Administration 7. Trade and Investment South Africa 8. Investment South Africa														
Programme	2013/14			2014/15			2015/16			2016/17			2013/14 - 2016/17	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2013/14			2014/15			2015/16			2016/17			2013/14 - 2016/17	
Programme 1	690.1	725.9	686.9	695.6	750.8	699.9	689.7	768.3	727.6	736.6	777.1	777.1	102.8%	95.7%
Programme 2	138.6	141.6	121.0	147.2	124.7	124.1	164.8	116.6	113.6	126.4	118.7	118.7	82.7%	95.2%
Programme 3	968.3	1 010.3	231.2	307.2	243.3	235.1	263.2	89.7	92.5	108.3	121.9	121.9	41.3%	46.5%
Programme 4	1 617.1	1 616.2	1 591.2	1 792.5	1 786.0	1 775.2	1 973.5	1 964.3	1 953.6	1 735.7	1 727.0	1 727.0	99.0%	99.3%
Programme 5	256.2	256.2	256.7	277.3	285.6	281.1	294.5	296.4	287.4	313.5	294.3	294.3	98.1%	98.9%
Programme 6	5 543.1	5 443.1	5 101.9	5 120.3	5 264.6	5 176.7	5 795.6	5 827.6	5 795.8	6 922.4	6 891.7	6 891.7	98.2%	98.0%
Programme 7	329.7	284.4	306.6	309.1	323.5	329.6	364.1	386.8	462.9	336.5	410.9	410.9	112.7%	107.4%
Programme 8	29.5	37.8	32.4	37.9	39.9	38.0	48.3	48.3	38.3	48.1	47.8	47.8	95.5%	90.0%
<b>Total</b>	<b>9 572.6</b>	<b>9 515.6</b>	<b>8 327.9</b>	<b>8 687.0</b>	<b>8 818.4</b>	<b>8 659.8</b>	<b>9 593.7</b>	<b>9 497.8</b>	<b>9 471.7</b>	<b>10 327.5</b>	<b>10 389.5</b>	<b>10 389.5</b>	<b>96.5%</b>	<b>96.4%</b>
Change to 2016 Budget estimate	62.0													
Economic classification														
<b>Current payments</b>	<b>1 493.3</b>	<b>1 527.7</b>	<b>1 392.5</b>	<b>1 441.0</b>	<b>1 544.4</b>	<b>1 442.6</b>	<b>1 475.7</b>	<b>1 561.0</b>	<b>1 485.7</b>	<b>1 529.0</b>	<b>1 582.2</b>	<b>1 582.2</b>	<b>99.4%</b>	<b>95.0%</b>
Compensation of employees	854.2	818.3	734.0	848.0	857.4	815.3	897.7	897.7	874.2	930.3	930.3	930.3	95.0%	95.7%
Goods and services	639.1	709.4	658.5	593.0	687.0	627.3	577.9	663.3	611.5	598.7	651.9	651.9	105.8%	94.0%
<b>Transfers and subsidies</b>	<b>8 059.3</b>	<b>7 950.0</b>	<b>6 916.7</b>	<b>7 222.3</b>	<b>7 240.9</b>	<b>7 192.5</b>	<b>8 083.9</b>	<b>7 901.2</b>	<b>7 936.5</b>	<b>8 765.3</b>	<b>8 774.0</b>	<b>8 774.0</b>	<b>95.9%</b>	<b>96.7%</b>
Departmental agencies and accounts	1 234.7	1 285.7	639.9	724.3	732.8	731.8	761.5	591.9	591.9	601.4	856.0	856.0	-	-
Higher education institutions	12.8	12.8	-	15.8	0.0	-	12.5	0.0	-	-	-	-	-	-
Foreign governments and international organisations	39.7	34.5	38.2	34.6	31.7	26.6	31.7	31.7	34.8	33.6	32.6	32.6	94.6%	101.3%
Public corporations and private enterprises	6 751.2	6 586.4	6 139.4	6 325.5	6 349.9	6 295.2	7 131.6	7 128.6	7 156.2	7 970.2	7 720.4	7 720.4	96.9%	98.3%
Non-profit institutions	18.9	27.9	94.8	120.4	124.0	134.0	144.1	146.6	148.9	158.1	163.1	163.1	122.5%	117.1%
Households	1.9	2.6	4.3	1.8	2.5	5.0	2.5	2.4	4.8	2.1	1.9	1.9	196.4%	170.0%
<b>Payments for capital assets</b>	<b>20.0</b>	<b>37.9</b>	<b>17.6</b>	<b>23.7</b>	<b>33.2</b>	<b>19.9</b>	<b>34.2</b>	<b>35.7</b>	<b>37.4</b>	<b>33.2</b>	<b>33.3</b>	<b>33.3</b>	<b>97.5%</b>	<b>77.3%</b>
Machinery and equipment	10.9	13.5	11.0	12.0	21.2	19.4	24.1	30.7	33.0	20.6	25.4	25.4	131.6%	97.8%
Software and other intangible assets	9.2	24.3	6.6	11.7	11.9	0.5	10.1	5.0	4.4	12.6	7.9	7.9	44.6%	39.5%
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>1.2</b>	<b>-</b>	<b>0.0</b>	<b>4.7</b>	<b>-</b>	<b>-</b>	<b>12.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>598 866.7%</b>
<b>Total</b>	<b>9 572.6</b>	<b>9 515.6</b>	<b>8 327.9</b>	<b>8 687.0</b>	<b>8 818.4</b>	<b>8 659.8</b>	<b>9 593.7</b>	<b>9 497.8</b>	<b>9 471.7</b>	<b>10 327.5</b>	<b>10 389.5</b>	<b>10 389.5</b>	<b>96.5%</b>	<b>96.4%</b>

## Expenditure estimates

**Table 34.3 Vote expenditure estimates by programme and economic classification**

Programmes													
1. Administration 2. International Trade and Economic Development 3. Special Economic Zones and Economic Transformation 4. Industrial Development 5. Consumer and Corporate Regulation 6. Incentive Development and Administration 7. Trade and Investment South Africa 8. Investment South Africa													
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)					
	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20						
R million													
Programme 1	777.1	2.3%	7.8%	731.8	768.7	804.2	1.2%	8.0%					
Programme 2	118.7	-5.7%	1.3%	119.8	126.9	131.3	3.4%	1.3%					
Programme 3	121.9	-50.6%	1.8%	119.4	120.1	122.3	0.1%	1.2%					
Programme 4	1 727.0	2.2%	19.1%	1 819.3	1 775.8	1 869.2	2.7%	18.6%					
Programme 5	294.3	4.7%	3.0%	298.6	320.9	329.2	3.8%	3.2%					
Programme 6	6 891.7	8.2%	62.3%	5 746.5	6 416.0	5 348.8	-8.1%	63.0%					
Programme 7	410.9	13.1%	4.1%	388.5	385.5	457.3	3.6%	4.2%					
Programme 8	47.8	8.1%	0.4%	50.9	52.0	53.7	3.9%	0.5%					
<b>Total</b>	<b>10 389.5</b>	<b>3.0%</b>	<b>100.0%</b>	<b>9 274.8</b>	<b>9 965.9</b>	<b>9 116.0</b>	<b>-4.3%</b>	<b>100.0%</b>					
Change to 2016 Budget estimate				(15.7)	1 334.5	(17.5)							

Table 34.3 Vote expenditure estimates by programme and economic classification

Economic classification	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2016/17	2013/14 - 2016/17	2017/18		
R million								
<b>Current payments</b>	<b>1 582.2</b>	<b>1.2%</b>	<b>16.0%</b>	<b>1 511.7</b>	<b>1 560.5</b>	<b>1 659.8</b>	<b>1.6%</b>	<b>16.3%</b>
Compensation of employees	930.3	4.4%	9.1%	902.4	927.8	998.6	2.4%	9.7%
Goods and services	651.9	-2.8%	6.9%	609.3	632.7	661.2	0.5%	6.6%
<b>Transfers and subsidies</b>	<b>8 774.0</b>	<b>3.3%</b>	<b>83.6%</b>	<b>7 735.1</b>	<b>8 377.5</b>	<b>7 420.4</b>	<b>-5.4%</b>	<b>83.4%</b>
Departmental agencies and accounts	856.0	-12.7%	7.7%	747.6	668.6	704.9	-6.3%	7.7%
Foreign governments and international organisations	32.6	-1.9%	0.4%	36.3	38.4	40.6	7.6%	0.4%
Public corporations and private enterprises	7 720.4	5.4%	74.1%	6 789.0	7 519.0	6 514.5	-5.5%	73.7%
Non-profit institutions	163.1	80.2%	1.5%	160.8	150.1	159.0	-0.9%	1.6%
Households	1.9	-9.6%	0.0%	1.3	1.4	1.5	-8.5%	0.0%
<b>Payments for capital assets</b>	<b>33.3</b>	<b>-4.2%</b>	<b>0.3%</b>	<b>28.0</b>	<b>27.9</b>	<b>35.8</b>	<b>2.4%</b>	<b>0.3%</b>
Machinery and equipment	25.4	23.4%	0.2%	19.9	20.2	21.3	-5.7%	0.2%
Software and other intangible assets	7.9	-31.4%	0.1%	8.1	7.7	14.5	22.5%	0.1%
<b>Total</b>	<b>10 389.5</b>	<b>3.0%</b>	<b>100.0%</b>	<b>9 274.8</b>	<b>9 965.9</b>	<b>9 116.0</b>	<b>-4.3%</b>	<b>100.0%</b>

## Goods and services expenditure trends and estimates

Table 34.4 Vote goods and services expenditure trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
R thousand											
Administrative fees	5 243	3 625	3 318	3 994	-8.7%	0.6%	4 177	5 041	5 575	11.8%	0.7%
Advertising	41 374	29 644	23 752	19 770	-21.8%	4.5%	31 144	32 413	34 119	19.9%	4.6%
Minor assets	272	1 859	1 093	613	31.1%	0.2%	487	507	550	-3.6%	0.1%
Audit costs: External	8 123	8 857	8 778	11 727	13.0%	1.5%	10 090	10 595	11 131	-1.7%	1.7%
Bursaries: Employees	1 392	995	1 592	1 929	11.5%	0.2%	3 352	3 570	3 789	25.2%	0.5%
Catering: Departmental activities	5 618	1 815	1 883	2 555	-23.1%	0.5%	4 716	5 313	5 701	30.7%	0.7%
Communication	10 561	10 575	12 799	11 100	1.7%	1.8%	12 275	13 122	13 793	7.5%	2.0%
Computer services	18 318	17 107	25 801	45 658	35.6%	4.2%	25 645	24 467	24 983	-18.2%	4.7%
Consultants: Business and advisory services	38 294	82 654	28 352	40 637	2.0%	7.5%	59 572	62 706	61 670	14.9%	8.8%
Infrastructure and planning services	-	281	-	-	-	-	-	-	-	-	-
Legal services	10 536	22 474	21 070	21 604	27.0%	3.0%	10 979	11 042	11 659	-18.6%	2.2%
Contractors	19 221	14 468	16 914	13 101	-12.0%	2.5%	16 522	17 225	18 137	11.5%	2.5%
Agency and support/outourced services	762	1 606	1 579	2 128	40.8%	0.2%	2 608	2 670	2 813	9.7%	0.4%
Entertainment	1 917	1 570	1 323	1 103	-16.8%	0.2%	1 272	1 321	1 346	6.9%	0.2%
Fleet services (including government motor transport)	545	549	873	800	13.6%	0.1%	1 114	1 155	1 217	15.0%	0.2%
Consumable supplies	1 713	1 380	1 462	1 112	-13.4%	0.2%	5 992	6 549	6 885	83.6%	0.8%
Consumables: Stationery, printing and office supplies	11 664	8 146	16 280	14 304	7.0%	2.0%	10 117	12 238	11 619	-6.7%	1.9%
Operating leases	276 979	279 077	281 191	300 942	2.8%	44.6%	230 846	236 378	249 222	-6.1%	39.8%
Rental and hiring	171	134	199	1 454	104.1%	0.1%	208	189	206	-47.9%	0.1%
Property payments	8 055	7 983	12 283	12 342	15.3%	1.6%	9 475	10 175	10 728	-4.6%	1.7%
Transport provided: Departmental activity	-	-	-	22	-	-	5	5	-	-100.0%	-
Travel and subsistence	110 709	84 301	95 984	89 846	-6.7%	14.9%	108 548	111 546	117 162	9.3%	16.7%
Training and development	9 164	7 184	8 155	10 313	4.0%	1.4%	10 153	11 472	12 723	7.3%	1.7%
Operating payments	33 048	23 973	28 223	21 640	-13.2%	4.2%	27 500	30 069	31 854	13.8%	4.3%
Venues and facilities	44 798	17 045	18 573	23 197	-19.7%	4.1%	22 483	22 912	24 336	1.6%	3.6%
<b>Total</b>	<b>658 477</b>	<b>627 302</b>	<b>611 477</b>	<b>651 891</b>	<b>-0.3%</b>	<b>100.0%</b>	<b>609 280</b>	<b>632 680</b>	<b>661 218</b>	<b>0.5%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 34.5 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16		2016/17	2013/14 - 2016/17	2017/18	2018/19	2019/20		
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>579 895</b>	<b>620 758</b>	<b>437 280</b>	<b>693 241</b>	<b>6.1%</b>	<b>7.6%</b>	<b>601 243</b>	<b>545 510</b>	<b>574 936</b>	<b>-6.0%</b>	<b>7.5%</b>
Independent Regulatory Board for Auditors	-	1 800	500	-	-	-	-	-	-	-	-
Public Service Sector Education and Training Authority	-	1 711	-	-	-	-	-	-	-	-	-
Council for Geoscience	835	-	1 077	1 131	10.6%	-	1 188	1 257	1 327	5.5%	-
National Research Foundation: Technology and human resources for industry programme	160 634	165 572	-	-	-100.0%	1.1%	-	-	-	-	-
National Productivity Institute	13 651	9 170	8 094	8 523	-14.5%	0.1%	8 949	9 468	9 998	5.5%	0.1%
Broad-Based Black Economic Empowerment Commission	-	-	-	-	-	-	20 000	20 000	20 000	-	0.2%
South African National Accreditation System	33 473	35 712	26 025	22 208	-12.8%	0.4%	30 313	31 828	33 610	14.8%	0.4%
National Metrology Institute of South Africa: Operations	85 942	91 564	96 296	101 400	5.7%	1.2%	106 470	112 645	118 953	5.5%	1.4%
National Regulator for Compulsory Specifications	103 000	109 734	91 732	86 418	-5.7%	1.3%	128 745	135 683	143 281	18.4%	1.5%
National Credit Regulator	63 691	68 845	66 727	69 577	3.0%	0.9%	73 056	77 293	81 621	5.5%	0.9%
National Gambling Board	27 717	29 797	31 983	30 121	2.8%	0.4%	31 627	33 461	35 335	5.5%	0.4%
National Consumer Tribunal	36 099	40 164	46 029	46 151	8.5%	0.5%	48 459	51 270	54 141	5.5%	0.6%
National Consumer Commission	44 516	53 376	54 596	56 643	8.4%	0.7%	52 614	55 865	58 993	1.4%	0.7%
Companies Tribunal	10 337	13 313	14 221	15 069	13.4%	0.2%	15 822	16 740	17 677	5.5%	0.2%
National Research Foundation	-	-	-	256 000	-	0.8%	84 000	-	-	-100.0%	1.1%
<b>Capital</b>	<b>60 000</b>	<b>111 000</b>	<b>154 599</b>	<b>162 793</b>	<b>39.5%</b>	<b>1.6%</b>	<b>146 333</b>	<b>123 086</b>	<b>129 979</b>	<b>-7.2%</b>	<b>1.7%</b>
National Metrology Institute of South Africa	60 000	111 000	154 599	162 793	39.5%	1.6%	146 333	123 086	129 979	-7.2%	1.7%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>38 214</b>	<b>26 598</b>	<b>34 774</b>	<b>32 571</b>	<b>-5.2%</b>	<b>0.4%</b>	<b>36 321</b>	<b>38 426</b>	<b>40 577</b>	<b>7.6%</b>	<b>0.5%</b>
Organisation for the Prohibition of Chemical Weapons	3 642	-	4 278	4 626	8.3%	-	5 172	5 472	5 778	7.7%	0.1%
World Trade Organisation	13 228	17 172	17 267	14 501	3.1%	0.2%	14 500	15 341	16 200	3.8%	0.2%
United Nations Industrial Development Organisation	5 853	5 071	6 405	6 459	3.3%	0.1%	6 767	7 159	7 560	5.4%	0.1%
Treaty Organisations for Metrology	1 477	-	1 537	2 058	11.7%	-	1 798	1 902	2 009	-0.8%	-
World Intellectual Property Organisation	4 214	4 355	5 287	4 927	5.3%	0.1%	5 173	5 473	5 779	5.5%	0.1%
Export consultancy trust funds: International Bank for Reconstruction and Development (World Bank)	4 900	-	-	-	-100.0%	-	1 456	1 540	1 626	-	-
Export consultancy trust funds: International Finance Corporation	4 900	-	-	-	-100.0%	-	1 455	1 539	1 625	-	-
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>1 129 466</b>	<b>1 301 471</b>	<b>1 492 874</b>	<b>1 225 356</b>	<b>2.8%</b>	<b>16.7%</b>	<b>1 280 038</b>	<b>1 261 694</b>	<b>1 332 405</b>	<b>2.8%</b>	<b>15.8%</b>
Industrial Development Corporation: Research into industrial development, growth and equity	650	1 983	-	-	-100.0%	-	-	-	-	-	-
Development Bank of Southern Africa: Regional Spatial development initiatives	9 303	20 689	-	-	-100.0%	0.1%	-	-	-	-	-
Protechnik Laboratories: Operations	2 832	2 684	2 797	2 945	1.3%	-	3 093	3 272	3 455	5.5%	-
Council for Scientific and Industrial Research	1 500	1 501	1 572	1 655	3.3%	-	1 738	1 839	1 942	5.5%	-
Industrial Development Corporation of South Africa	822 791	878 244	1 000 937	758 266	-2.7%	11.2%	723 440	697 478	736 537	-1.0%	9.0%
Council for Scientific and Industrial Research: National Cleaner Production Centre	-	51 679	55 000	58 870	-	0.5%	62 951	63 008	66 592	4.2%	0.8%
South African Bureau of Standards	204 967	220 078	216 215	212 365	1.2%	2.8%	285 494	280 693	296 412	11.8%	3.3%
Council for Scientific and Industrial Research: National Foundry Technology Network	14 130	14 243	16 384	19 689	11.7%	0.2%	25 678	27 457	28 995	13.8%	0.3%
Export Credit Insurance Corporation	73 293	110 370	199 969	171 566	32.8%	1.8%	177 644	187 947	198 472	5.0%	2.3%
<b>Capital</b>	<b>954 154</b>	<b>633 472</b>	<b>758 292</b>	<b>1 429 000</b>	<b>14.4%</b>	<b>12.2%</b>	<b>715 721</b>	<b>1 412 767</b>	<b>1 580 266</b>	<b>3.4%</b>	<b>15.9%</b>
Protechnik Laboratories: Capital	1 855	1 118	1 158	1 219	-13.1%	-	1 280	1 354	1 430	5.5%	-
Council for Scientific and Industrial Research: Aerospace industry	21 226	22 500	21 534	17 781	-5.7%	0.3%	19 020	20 413	21 556	6.6%	0.2%
South African Bureau of Standards: Upgrading of vehicle testing facility	43 678	-	-	-	-100.0%	0.1%	-	-	-	-	-
South African Bureau of Standards	-	1 611	-	-	-	-	-	-	-	-	-
Coega Development Corporation	308 195	-	-	-	-100.0%	1.0%	-	-	-	-	-
Various institutions: Special economic zones	449 200	608 243	735 600	1 310 000	42.9%	10.1%	605 421	1 300 000	1 457 280	3.6%	14.5%
Various institutions: Critical infrastructure programme	-	-	-	100 000	-	0.3%	90 000	91 000	100 000	-	1.2%
East London industrial development zone	100 000	-	-	-	-100.0%	0.3%	-	-	-	-	-
Richards Bay industrial development zone	30 000	-	-	-	-100.0%	0.1%	-	-	-	-	-

Table 34.5 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
<b>Public corporations and private enterprises</b>											
<b>Subsidies on products and production</b>											
<b>Current</b>	<b>3 515 298</b>	<b>3 949 444</b>	<b>4 526 712</b>	<b>4 590 716</b>	<b>9.3%</b>	<b>53.8%</b>	<b>4 397 350</b>	<b>4 429 071</b>	<b>3 167 019</b>	<b>-11.6%</b>	<b>51.3%</b>
Various institutions: Services sector development incentives	555 000	715 000	789 663	600 000	2.6%	8.6%	692 500	732 069	704 425	5.5%	8.4%
Various institutions: Manufacturing development incentives	2 960 298	3 134 849	3 607 049	3 890 716	9.5%	44.1%	3 564 850	3 617 002	2 462 594	-14.1%	41.9%
Various institutions: Industrial development zones: Other	-	99 595	130 000	100 000	-	1.1%	140 000	80 000	-	-100.0%	1.0%
<b>Public corporations and private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>400 550</b>	<b>329 520</b>	<b>304 075</b>	<b>285 314</b>	<b>-10.7%</b>	<b>4.3%</b>	<b>276 437</b>	<b>295 370</b>	<b>311 911</b>	<b>3.0%</b>	<b>3.6%</b>
Broadening participation development incentives	72 872	-	-	-	-100.0%	0.2%	-	-	-	-	-
Various Institutions: Support programme for industrial innovation	53 860	-	22 827	60 892	4.2%	0.4%	63 937	67 645	71 433	5.5%	0.8%
Various institutions: Export market and investment assistance	273 818	329 520	281 248	224 422	-6.4%	3.6%	212 500	227 725	240 478	2.3%	2.8%
<b>Capital</b>	<b>139 968</b>	<b>81 269</b>	<b>74 203</b>	<b>190 000</b>	<b>10.7%</b>	<b>1.6%</b>	<b>119 500</b>	<b>120 071</b>	<b>122 891</b>	<b>-13.5%</b>	<b>1.7%</b>
Various institutions: Critical infrastructure programme	139 968	81 269	74 203	190 000	10.7%	1.6%	119 500	120 071	122 891	-13.5%	1.7%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>94 784</b>	<b>134 018</b>	<b>148 850</b>	<b>163 107</b>	<b>19.8%</b>	<b>1.8%</b>	<b>160 814</b>	<b>150 092</b>	<b>158 963</b>	<b>-0.9%</b>	<b>2.0%</b>
Black Business Council	-	5 000	1 000	1 000	-	-	1 500	1 500	1 500	14.5%	-
Intsimbi national tooling initiative	54 434	67 700	70 353	74 082	10.8%	0.9%	75 786	82 298	86 907	5.5%	1.0%
Automotive supply chain competitiveness initiative	-	-	14 000	15 000	-	0.1%	13 127	7 984	8 813	-16.2%	0.1%
Trade and industrial policy strategies	6 000	14 570	20 772	22 712	55.8%	0.2%	21 423	12 086	12 763	-17.5%	0.2%
Centurion Aerospace Village	15 800	16 748	17 517	18 445	5.3%	0.2%	19 367	15 490	16 357	-3.9%	0.2%
Proudly South African campaign	18 550	30 000	25 208	31 868	19.8%	0.3%	29 611	30 734	32 623	0.8%	0.4%
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>1 409</b>	<b>2 157</b>	<b>2 837</b>	<b>1 063</b>	<b>-9.0%</b>	<b>-</b>	<b>800</b>	<b>846</b>	<b>893</b>	<b>-5.6%</b>	<b>-</b>
Employee social benefits	1 402	2 157	2 837	1 063	-7.1%	-	800	846	893	-5.6%	-
Gifts and donations	7	-	-	-	-100.0%	-	-	-	-	-	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>2 932</b>	<b>2 796</b>	<b>1 992</b>	<b>851</b>	<b>-33.8%</b>	<b>-</b>	<b>539</b>	<b>536</b>	<b>575</b>	<b>-12.3%</b>	<b>-</b>
Bursaries for non-employees	2 522	2 656	1 669	551	-39.8%	-	539	536	575	1.4%	-
Gifts and donations	410	140	188	300	-9.9%	-	-	-	-	-100.0%	-
Other transfers to households	-	-	135	-	-	-	-	-	-	-	-
<b>Total</b>	<b>6 916 670</b>	<b>7 192 503</b>	<b>7 936 488</b>	<b>8 774 012</b>	<b>8.3%</b>	<b>100.0%</b>	<b>7 735 096</b>	<b>8 377 469</b>	<b>7 420 415</b>	<b>-5.4%</b>	<b>100.0%</b>

## Personnel information

Table 34.6 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes																			
1. Administration																			
2. International Trade and Economic Development																			
3. Special Economic Zones and Economic Transformation																			
4. Industrial Development																			
5. Consumer and Corporate Regulation																			
6. Incentive Development and Administration																			
7. Trade and Investment South Africa																			
8. Investment South Africa																			
Trade and Industry	Number of posts estimated for 31 March 2017		Number and cost <sup>2</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 (%) 2016/17 - 2019/20	Average: Salary level/Total (%)					
			2015/16		2016/17		2017/18		2018/19		2019/20								
			Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost							
Salary level	1 361	98	1 482	874.2	0.6	1 416	930.3	0.7	1 379	902.4	0.7	1 341	927.8	0.7	1 307	998.6	0.8	-2.6%	100.0%
1 - 6	169	59	189	38.0	0.2	182	35.9	0.2	179	37.3	0.2	175	39.0	0.2	173	41.2	0.2	-1.7%	13.0%
7 - 10	624	21	645	251.8	0.4	613	287.6	0.5	595	287.1	0.5	578	298.4	0.5	564	310.4	0.6	-2.7%	43.2%
11 - 12	316	11	333	266.1	0.8	321	259.7	0.8	312	262.7	0.8	303	271.0	0.9	295	284.7	1.0	-2.8%	22.6%
13 - 16	250	7	247	258.5	1.0	232	309.0	1.3	225	258.8	1.2	217	297.1	1.4	207	297.7	1.4	-3.7%	16.2%
Other	2	-	68	59.8	0.9	68	38.1	0.6	68	56.5	0.8	68	22.3	0.3	68	64.6	0.9	-	5.0%

Table 34.6 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programme	Number of posts estimated for 31 March 2017		Number and cost <sup>2</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 (%)	Average: Salary level/Total (%)			
			2015/16			2016/17			2017/18		2018/19		2019/20						
1 361	98	1 482	874.2	0.6	1 416	930.3	0.7	1 379	902.4	0.7	1 341	927.8	0.7	1 307	998.6	0.8	-2.6%	100.0%	
Programme 1	499	33	517	264.7	0.5	500	289.7	0.6	493	278.6	0.6	485	298.2	0.6	477	311.2	0.7	-1.6%	35.9%
Programme 2	105	2	110	68.9	0.6	104	77.4	0.7	100	75.3	0.8	97	79.8	0.8	95	81.0	0.9	-3.0%	7.3%
Programme 3	87	11	86	54.8	0.6	80	73.6	0.9	76	71.0	0.9	73	71.9	1.0	70	71.4	1.0	-4.4%	5.5%
Programme 4	147	5	158	99.6	0.6	148	105.2	0.7	144	106.5	0.7	140	108.0	0.8	134	105.8	0.8	-3.3%	10.4%
Programme 5	88	3	92	54.5	0.6	85	62.8	0.7	80	53.8	0.7	76	61.6	0.8	73	55.4	0.8	-4.9%	5.8%
Programme 6	222	15	225	126.5	0.6	217	131.0	0.6	212	126.6	0.6	207	131.6	0.6	203	138.0	0.7	-2.2%	15.4%
Programme 7	167	26	245	177.8	0.7	236	159.6	0.7	229	157.5	0.7	221	143.4	0.6	215	201.6	0.9	-3.1%	16.6%
Programme 8	46	3	49	27.4	0.6	46	31.0	0.7	45	33.2	0.7	42	33.4	0.8	40	34.1	0.9	-4.6%	3.2%

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

2. Rand million.

## Departmental receipts

Table 34.7 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2013/14	2014/15	2015/16					2016/17	2017/18	2018/19		
Departmental receipts	71 741	82 551	61 979	82 155	65 457	-3.0%	100.0%	69 000	73 000	77 000	5.6%	100.0%
Tax receipts	4 228	2 925	2 985	4 000	900	-40.3%	3.9%	5 200	5 400	5 500	82.8%	6.0%
Sales of goods and services produced by department	482	524	535	616	500	1.2%	0.7%	616	669	721	13.0%	0.9%
Sales by market establishments of which:	263	270	259	280	250	-1.7%	0.4%	300	320	350	11.9%	0.4%
Rental of parking	263	270	259	280	250	-1.7%	0.4%	300	320	350	11.9%	0.4%
Administrative fees of which:	-	-	-	1	-	-	-	1	1	1	-	-
Request information in terms of the Promotion of Access to Information Act (2000)	-	-	-	1	-	-	-	1	1	1	-	-
Other sales of which:	219	254	276	335	250	4.5%	0.4%	315	348	370	14.0%	0.5%
Commission on hand	159	183	181	320	180	4.2%	0.2%	250	280	300	18.6%	0.4%
Academic services	60	71	95	15	70	5.3%	0.1%	65	68	70	-	0.1%
Sales of scrap, waste, arms and other used current goods of which:	-	-	3	5	3	-	-	1	1	1	-30.7%	-
Waste paper: Recycling of paper	-	-	3	-	-	-	-	1	1	1	-	-
Cellphones: Old pool phones	-	-	-	5	3	-	-	-	-	-	-100.0%	-
Transfers received	-	-	-	244	244	-	0.1%	-	-	-	-100.0%	0.1%
Fines, penalties and forfeits	20 420	97	28	400	40	-87.5%	7.3%	220	225	280	91.3%	0.3%
Interest, dividends and rent on land	95	1 348	3 561	3 570	3 570	235.0%	3.0%	550	650	700	-41.9%	1.9%
Interest	95	1 348	3 561	3 570	3 570	235.0%	3.0%	550	650	700	-41.9%	1.9%
Sales of capital assets	38	223	360	300	300	99.1%	0.3%	300	350	400	10.1%	0.5%
Transactions in financial assets and liabilities	46 478	77 434	54 507	73 020	59 900	8.8%	84.6%	62 113	65 705	69 398	5.0%	90.4%
<b>Total</b>	<b>71 741</b>	<b>82 551</b>	<b>61 979</b>	<b>82 155</b>	<b>65 457</b>	<b>-3.0%</b>	<b>100.0%</b>	<b>69 000</b>	<b>73 000</b>	<b>77 000</b>	<b>5.6%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department, and conduct research on industrial development, growth and equity.

## Expenditure trends and estimates

**Table 34.8 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16		2013/14 - 2016/17	2016/17	2017/18	2018/19	2019/20		
R thousand											
Ministry	27 321	27 644	32 109	32 522	6.0%	4.1%	31 591	37 724	40 774	7.8%	4.6%
Office of the Director General	69 727	96 334	93 585	107 040	15.4%	12.7%	119 781	121 456	129 612	6.6%	15.5%
Corporate Services	425 949	444 841	478 647	489 123	4.7%	63.6%	415 058	433 239	457 254	-2.2%	58.2%
Office Accommodation	-	-	2 433	2 869	-	0.2%	2 494	2 227	2 352	-6.4%	0.3%
Financial Management	46 361	57 524	51 422	73 073	16.4%	7.9%	69 508	73 314	72 669	-0.2%	9.4%
Media and Public Relations	7 764	6 906	10 153	10 355	10.1%	1.2%	19 098	20 974	22 200	28.9%	2.4%
Marketing Communication and Stakeholder Relations	109 796	66 696	59 212	62 107	-17.3%	10.3%	74 290	79 749	79 387	8.5%	9.6%
<b>Total</b>	<b>686 918</b>	<b>699 945</b>	<b>727 561</b>	<b>777 089</b>	<b>4.2%</b>	<b>100.0%</b>	<b>731 820</b>	<b>768 683</b>	<b>804 248</b>	<b>1.2%</b>	<b>100.0%</b>
Change to 2016				40 464			(24 633)	(20 157)	(28 767)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>676 359</b>	<b>674 531</b>	<b>697 450</b>	<b>758 712</b>	<b>3.9%</b>	<b>97.1%</b>	<b>715 906</b>	<b>752 397</b>	<b>787 071</b>	<b>1.2%</b>	<b>97.8%</b>
Compensation of employees	226 062	257 408	264 726	289 721	8.6%	35.9%	278 580	298 237	311 171	2.4%	38.2%
Goods and services <sup>1</sup>	450 297	417 123	432 724	468 991	1.4%	61.2%	437 326	454 160	475 900	0.5%	59.6%
of which:											
Advertising	37 328	27 341	20 857	18 771	-20.5%	3.6%	28 848	30 414	32 014	19.5%	3.6%
Computer services	17 184	16 255	24 711	40 825	33.4%	3.4%	24 906	23 719	24 151	-16.1%	3.7%
Consultants: Business and advisory services	10 656	11 567	9 792	13 793	9.0%	1.6%	28 778	29 819	30 500	30.3%	3.3%
Operating leases	252 605	258 049	255 990	274 293	2.8%	36.0%	222 444	227 855	240 616	-4.3%	31.3%
Travel and subsistence	23 383	17 666	20 783	22 011	-2.0%	2.9%	32 148	34 121	36 134	18.0%	4.0%
Operating payments	11 917	12 378	9 683	6 286	-19.2%	1.4%	14 414	15 776	16 641	38.3%	1.7%
<b>Transfers and subsidies<sup>1</sup></b>	<b>3 864</b>	<b>6 876</b>	<b>2 572</b>	<b>787</b>	<b>-41.2%</b>	<b>0.5%</b>	<b>539</b>	<b>536</b>	<b>575</b>	<b>-9.9%</b>	<b>0.1%</b>
Departmental agencies and accounts	-	1 711	-	-	-	0.1%	-	-	-	-	-
Public corporations and private enterprises	650	1 983	-	-	-100.0%	0.1%	-	-	-	-	-
Households	3 214	3 182	2 572	787	-37.4%	0.3%	539	536	575	-9.9%	0.1%
<b>Payments for capital assets</b>	<b>6 169</b>	<b>14 962</b>	<b>27 539</b>	<b>17 590</b>	<b>41.8%</b>	<b>2.3%</b>	<b>15 375</b>	<b>15 750</b>	<b>16 602</b>	<b>-1.9%</b>	<b>2.1%</b>
Machinery and equipment	5 253	14 645	25 721	15 217	42.6%	2.1%	12 787	13 157	13 864	-3.1%	1.8%
Software and other intangible assets	916	317	1 818	2 373	37.3%	0.2%	2 588	2 593	2 738	4.9%	0.3%
<b>Payments for financial assets</b>	<b>526</b>	<b>3 576</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>686 918</b>	<b>699 945</b>	<b>727 561</b>	<b>777 089</b>	<b>4.2%</b>	<b>100.0%</b>	<b>731 820</b>	<b>768 683</b>	<b>804 248</b>	<b>1.2%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>8.2%</b>	<b>8.1%</b>	<b>7.7%</b>	<b>7.5%</b>	<b>-</b>	<b>-</b>	<b>7.9%</b>	<b>7.7%</b>	<b>8.8%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	-	1 711	-	-	-	0.1%	-	-	-	-	-
Public Service Sector Education and Training Authority	-	1 711	-	-	-	0.1%	-	-	-	-	-
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>512</b>	<b>434</b>	<b>811</b>	<b>236</b>	<b>-22.8%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	512	434	811	236	-22.8%	0.1%	-	-	-	-100.0%	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>2 702</b>	<b>2 748</b>	<b>1 761</b>	<b>551</b>	<b>-41.1%</b>	<b>0.3%</b>	<b>539</b>	<b>536</b>	<b>575</b>	<b>1.4%</b>	<b>0.1%</b>
Bursaries for non-employees	2 426	2 656	1 669	551	-39.0%	0.3%	539	536	575	1.4%	0.1%
Gifts and donations	276	92	88	-	-100.0%	-	-	-	-	-	-
Other transfers to households	-	-	4	-	-	-	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>650</b>	<b>1 983</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Industrial Development Corporation: Research into industrial development, growth and equity	650	1 983	-	-	-100.0%	0.1%	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Personnel information

**Table 34.9 Administration personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2017		Number and cost <sup>2</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 (%)	Average: Salary level/Total (%)				
		2015/16		Unit cost	2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost			2019/20		Unit cost	
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2016/17 - 2019/20		
Administration																			
Salary level	499	33	517	264.7	0.5	500	289.7	0.6	493	278.6	0.6	485	298.2	0.6	477	311.2	0.7	-1.6%	100.0%
1 – 6	114	25	124	30.2	0.2	120	25.0	0.2	119	26.6	0.2	118	28.1	0.2	117	29.7	0.3	-0.8%	24.2%
7 – 10	217	2	222	81.0	0.4	214	90.4	0.4	212	96.0	0.5	208	100.7	0.5	206	106.5	0.5	-1.3%	43.0%
11 – 12	99	4	103	76.0	0.7	100	78.3	0.8	98	82.3	0.8	96	86.1	0.9	94	89.9	1.0	-2.0%	19.8%
13 – 16	67	2	66	72.3	1.1	64	91.6	1.4	62	68.7	1.1	61	78.2	1.3	58	79.4	1.4	-3.2%	12.5%
Other	2	–	2	5.2	2.6	2	4.4	2.2	2	5.0	2.5	2	5.0	2.5	2	5.6	2.8	–	0.4%

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

2. Rand million.

## Programme 2: International Trade and Economic Development

### Programme purpose

Build an equitable global trading system that facilitates development by strengthening trade and investment links with key economies and fostering African development, including regional and continental integration and development cooperation in line with the New Partnership for Africa's Development.

### Objective

- Promote African economic integration and development at the bilateral, regional and continental levels by:
  - advancing development integration in the Southern African Customs Union and the Southern African Development Community free-trade area through the Africa regional development programme, to be implemented over the medium term
  - finalising negotiations on the tripartite free-trade area involving the Southern African Development Community, the East African Community and the Common Market for Eastern and Southern Africa regions over the medium term
  - advancing South Africa's trade, industrial policy and economic development objectives through cooperation with key economies to address tariff and non-tariff barriers that inhibit South African value-added exports over the medium term.

### Subprogrammes

- International Trade Development* facilitates bilateral and multilateral trade relations and agreements.
- African Multilateral Economic Development* facilitates multilateral African trade relations aimed at deepening regional integration.

### Expenditure trends and estimates

**Table 34.10 International Trade and Economic Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R thousand					2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
International Trade Development	94 913	89 947	98 575	100 973	2.1%	80.5%	102 224	107 754	110 868	3.2%	84.9%
African Multilateral Economic Development	26 105	34 161	14 985	17 746	-12.1%	19.5%	17 594	19 120	20 408	4.8%	15.1%
<b>Total</b>	<b>121 018</b>	<b>124 108</b>	<b>113 560</b>	<b>118 719</b>	<b>-0.6%</b>	<b>100.0%</b>	<b>119 818</b>	<b>126 874</b>	<b>131 276</b>	<b>3.4%</b>	<b>100.0%</b>
Change to 2016 Budget estimate				(7 664)			(3 470)	(984)	(3 742)		

**Table 34.10 International Trade and Economic Development expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average Expenditure/Total (%)
	2013/14	2014/15	2015/16		2013/14	2016/17	2017/18	2018/19	2019/20		
R thousand											
<b>Current payments</b>	<b>88 700</b>	<b>81 674</b>	<b>86 084</b>	<b>93 628</b>	<b>1.8%</b>	<b>73.3%</b>	<b>93 963</b>	<b>99 400</b>	<b>102 148</b>	<b>2.9%</b>	<b>78.3%</b>
Compensation of employees	64 525	67 310	68 905	77 406	6.3%	58.3%	75 254	79 785	81 031	1.5%	63.1%
Goods and services <sup>1</sup>	24 175	14 364	17 179	16 222	-12.5%	15.1%	18 709	19 615	21 117	9.2%	15.2%
of which:											
Communication	967	748	655	420	-24.3%	0.6%	681	743	785	23.2%	0.5%
Consultants: Business and advisory services	1 361	435	215	312	-38.8%	0.5%	251	245	259	-6.0%	0.2%
Legal services	962	355	171	1 592	18.3%	0.6%	1 738	1 764	1 864	5.4%	1.4%
Agency and support/outourced services	549	347	-	300	-18.2%	0.3%	294	294	311	1.2%	0.2%
Travel and subsistence	16 197	11 448	14 298	11 184	-11.6%	11.1%	13 538	13 935	14 776	9.7%	10.8%
Venues and facilities	2 438	172	951	1 474	-15.4%	1.1%	1 398	1 778	1 773	6.3%	1.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>31 719</b>	<b>41 720</b>	<b>26 843</b>	<b>24 422</b>	<b>-8.3%</b>	<b>26.1%</b>	<b>25 233</b>	<b>26 696</b>	<b>28 190</b>	<b>4.9%</b>	<b>21.0%</b>
Departmental agencies and accounts	835	-	1 077	1 131	10.6%	0.6%	1 188	1 257	1 327	5.5%	1.0%
Foreign governments and international organisations	16 870	17 172	21 545	19 127	4.3%	15.7%	19 672	20 813	21 978	4.7%	16.4%
Public corporations and private enterprises	13 990	24 491	3 955	4 164	-33.2%	9.8%	4 373	4 626	4 885	5.5%	3.6%
Households	24	57	266	-	-100.0%	0.1%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>599</b>	<b>714</b>	<b>633</b>	<b>669</b>	<b>3.8%</b>	<b>0.5%</b>	<b>622</b>	<b>778</b>	<b>938</b>	<b>11.9%</b>	<b>0.6%</b>
Machinery and equipment	599	714	633	669	3.8%	0.5%	622	778	938	11.9%	0.6%
<b>Total</b>	<b>121 018</b>	<b>124 108</b>	<b>113 560</b>	<b>118 719</b>	<b>-0.6%</b>	<b>100.0%</b>	<b>119 818</b>	<b>126 874</b>	<b>131 276</b>	<b>3.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.5%</b>	<b>1.4%</b>	<b>1.2%</b>	<b>1.1%</b>	<b>-</b>	<b>-</b>	<b>1.3%</b>	<b>1.3%</b>	<b>1.4%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>835</b>	<b>-</b>	<b>1 077</b>	<b>1 131</b>	<b>10.6%</b>	<b>0.6%</b>	<b>1 188</b>	<b>1 257</b>	<b>1 327</b>	<b>5.5%</b>	<b>1.0%</b>
Council for Geoscience	835	-	1 077	1 131	10.6%	0.6%	1 188	1 257	1 327	5.5%	1.0%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>16 870</b>	<b>17 172</b>	<b>21 545</b>	<b>19 127</b>	<b>4.3%</b>	<b>15.7%</b>	<b>19 672</b>	<b>20 813</b>	<b>21 978</b>	<b>4.7%</b>	<b>16.4%</b>
Organisation for the Prohibition of Chemical Weapons	3 642	-	4 278	4 626	8.3%	2.6%	5 172	5 472	5 778	7.7%	4.2%
World Trade Organisation	13 228	17 172	17 267	14 501	3.1%	13.0%	14 500	15 341	16 200	3.8%	12.2%
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>24</b>	<b>57</b>	<b>262</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Employee social benefit	24	57	262	-	-100.0%	0.1%	-	-	-	-	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other transfers to households	-	-	4	-	-	-	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>12 135</b>	<b>23 373</b>	<b>2 797</b>	<b>2 945</b>	<b>-37.6%</b>	<b>8.6%</b>	<b>3 093</b>	<b>3 272</b>	<b>3 455</b>	<b>5.5%</b>	<b>2.6%</b>
Development Bank of Southern Africa: Regional Spatial development initiatives	9 303	20 689	-	-	-100.0%	6.3%	-	-	-	-	-
Protechnik Laboratories: Operations	2 832	2 684	2 797	2 945	1.3%	2.4%	3 093	3 272	3 455	5.5%	2.6%
Protechnik Laboratories: Capital	1 855	1 118	1 158	1 219	-13.1%	1.1%	1 280	1 354	1 430	5.5%	1.1%
Protechnik Laboratories: Capital	1 855	1 118	1 158	1 219	-13.1%	1.1%	1 280	1 354	1 430	5.5%	1.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Personnel information

**Table 34.11 International Trade and Economic Development personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2017		Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment															Number					
		Actual 2015/16			Revised estimate 2016/17			Medium-term expenditure estimate 2017/18			2018/19			2019/20			Average growth rate (%)	Average: Salary level/Total (%)				
Number of funded posts	Number of posts additional to the establishment	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2016/17 - 2019/20					
International Trade and Economic Development		105		2	110	68.9	0.6	104	77.4	0.7	100	75.3	0.8	97	79.8	0.8	95	81.0	0.9	-3.0%	100.0%	
Salary level		105		2	110	68.9	0.6	104	77.4	0.7	100	75.3	0.8	97	79.8	0.8	95	81.0	0.9	-3.0%	100.0%	
1 – 6	1	–	1	0.2	0.2	1	0.3	0.3	1	0.3	0.3	1	0.3	0.3	1	0.3	0.3	1	0.3	0.3	–	1.0%
7 – 10	47	1	49	23.0	0.5	46	27.0	0.6	43	22.6	0.5	42	23.8	0.6	41	24.6	0.6	41	24.6	0.6	-3.8%	43.4%
11 – 12	33	–	33	22.3	0.7	31	23.7	0.8	30	24.6	0.8	29	25.4	0.9	28	26.2	0.9	28	26.2	0.9	-3.3%	29.8%
13 – 16	24	1	27	23.4	0.9	26	26.4	1.0	26	27.8	1.1	25	30.3	1.2	25	29.9	1.2	25	29.9	1.2	-1.3%	25.8%

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

2. Rand million.

## Programme 3: Special Economic Zones and Economic Transformation

### Programme purpose

Drive economic transformation and increase participation in industrialisation.

### Objectives

- Facilitate broad-based economic participation by implementing the Broad-Based Black Economic Empowerment Amendment Act (2013) by:
  - implementing the black industrialists framework and action plan by 2018/19
  - facilitating the revitalisation of 10 industrial parks by 2018/19
  - implementing a national technology commercialisation strategy by 2017/18.
- Facilitate the transformation of the economy to promote industrial development, investment, competitiveness and employment creation by developing and implementing a strategy for special economic zones by 2017/18.

### Subprogrammes

- Enterprise Competitiveness* fosters and stimulates industrialisation and structural change through the development and deployment of technologies and skills development programmes.
- Equity and Empowerment* promotes B-BBEE and the growth of the economy through the black industrialists programme.
- Spatial Industrial Economic Development (Special Economic Zones)* promotes a more spatially balanced regional economy through the development of policies, strategies and programmes, and special economic zones, clusters and incubators, among other things.

### Expenditure trends and estimates

**Table 34.12 Special Economic Zones and Economic Transformation expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R thousand											
Enterprise Competitiveness	188 764	189 106	23 327	26 687	-47.9%	62.9%	32 198	29 314	29 977	4.0%	24.4%
Equity and Empowerment	12 953	20 578	30 888	49 448	56.3%	16.7%	39 172	38 924	43 590	-4.1%	35.4%
Spatial Industrial Economic Development (Special Economic Zones)	29 504	25 436	38 309	45 757	15.8%	20.4%	48 040	51 908	48 774	2.2%	40.2%
<b>Total</b>	<b>231 221</b>	<b>235 120</b>	<b>92 524</b>	<b>121 892</b>	<b>-19.2%</b>	<b>100.0%</b>	<b>119 410</b>	<b>120 146</b>	<b>122 341</b>	<b>0.1%</b>	<b>100.0%</b>
Change to 2016 Budget estimate				13 610			10 439	7 658	3 554		

**Table 34.12 Special Economic Zones and Economic Transformation expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
R thousand											
<b>Current payments</b>	<b>54 693</b>	<b>51 608</b>	<b>65 544</b>	<b>106 639</b>	<b>24.9%</b>	<b>40.9%</b>	<b>86 125</b>	<b>86 848</b>	<b>88 437</b>	<b>-6.0%</b>	<b>76.1%</b>
Compensation of employees	42 494	44 363	54 845	73 573	20.1%	31.6%	71 025	71 854	71 427	-1.0%	59.5%
Goods and services <sup>1</sup>	12 199	7 245	10 699	33 066	39.4%	9.3%	15 100	14 994	17 010	-19.9%	16.6%
of which:											
Catering: Departmental activities	382	71	168	495	9.0%	0.2%	390	417	441	-3.8%	0.4%
Communication	297	526	452	623	28.0%	0.3%	443	473	500	-7.1%	0.4%
Consultants: Business and advisory services	3 121	1 265	3 193	15 888	72.0%	3.4%	5 465	5 845	7 370	-22.6%	7.1%
Consumables: Stationery, printing and office supplies	458	232	524	915	25.9%	0.3%	346	496	450	-21.1%	0.5%
Travel and subsistence	6 554	3 085	5 431	7 951	6.7%	3.4%	6 468	6 317	6 745	-5.3%	5.7%
Venues and facilities	949	1 761	152	1 240	9.3%	0.6%	883	421	423	-30.1%	0.6%
<b>Transfers and subsidies<sup>1</sup></b>	<b>176 027</b>	<b>183 221</b>	<b>11 303</b>	<b>11 478</b>	<b>-59.8%</b>	<b>56.1%</b>	<b>32 187</b>	<b>32 807</b>	<b>33 440</b>	<b>42.8%</b>	<b>22.7%</b>
Departmental agencies and accounts	174 285	176 542	8 594	8 523	-63.4%	54.0%	28 949	29 468	29 998	52.1%	20.0%
Public corporations and private enterprises	1 500	1 501	1 572	1 655	3.3%	0.9%	1 738	1 839	1 942	5.5%	1.5%
Non-profit institutions	-	5 000	1 000	1 000	-	1.0%	1 500	1 500	1 500	14.5%	1.1%
Households	242	178	137	300	7.4%	0.1%	-	-	-	-100.0%	0.1%
<b>Payments for capital assets</b>	<b>501</b>	<b>291</b>	<b>3 740</b>	<b>3 775</b>	<b>96.0%</b>	<b>1.2%</b>	<b>1 098</b>	<b>491</b>	<b>464</b>	<b>-50.3%</b>	<b>1.2%</b>
Machinery and equipment	501	291	3 740	3 575	92.5%	1.2%	1 098	491	464	-49.4%	1.2%
Software and other intangible assets	-	-	-	200	-	-	-	-	-	-100.0%	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>11 937</b>	<b>-</b>	<b>-</b>	<b>1.8%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>231 221</b>	<b>235 120</b>	<b>92 524</b>	<b>121 892</b>	<b>-19.2%</b>	<b>100.0%</b>	<b>119 410</b>	<b>120 146</b>	<b>122 341</b>	<b>0.1%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>2.8%</b>	<b>2.7%</b>	<b>1.0%</b>	<b>1.2%</b>	<b>-</b>	<b>-</b>	<b>1.3%</b>	<b>1.2%</b>	<b>1.3%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>174 285</b>	<b>176 542</b>	<b>8 594</b>	<b>8 523</b>	<b>-63.4%</b>	<b>54.0%</b>	<b>28 949</b>	<b>29 468</b>	<b>29 998</b>	<b>52.1%</b>	<b>20.0%</b>
Independent Regulatory Board for Auditors	-	1 800	500	-	-	0.3%	-	-	-	-	-
National Research Foundation: Technology and human resources for industry programme	160 634	165 572	-	-	-100.0%	47.9%	-	-	-	-	-
National Productivity Institute	13 651	9 170	8 094	8 523	-14.5%	5.8%	8 949	9 468	9 998	5.5%	7.6%
Broad-Based Black Economic Empowerment Commission	-	-	-	-	-	-	20 000	20 000	20 000	-	12.4%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>-</b>	<b>5 000</b>	<b>1 000</b>	<b>1 000</b>	<b>-</b>	<b>1.0%</b>	<b>1 500</b>	<b>1 500</b>	<b>1 500</b>	<b>14.5%</b>	<b>1.1%</b>
Black Business Council	-	5 000	1 000	1 000	-	1.0%	1 500	1 500	1 500	14.5%	1.1%
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>146</b>	<b>138</b>	<b>137</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Employee social benefits	146	138	137	-	-100.0%	0.1%	-	-	-	-	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>96</b>	<b>40</b>	<b>-</b>	<b>300</b>	<b>46.2%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>
Bursaries for non-employees	96	-	-	-	-100.0%	-	-	-	-	-	-
Gifts and donations	-	40	-	300	-	-	-	-	-	-100.0%	0.1%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>1 500</b>	<b>1 501</b>	<b>1 572</b>	<b>1 655</b>	<b>3.3%</b>	<b>0.9%</b>	<b>1 738</b>	<b>1 839</b>	<b>1 942</b>	<b>5.5%</b>	<b>1.5%</b>
Council for Scientific and Industrial Research	1 500	1 501	1 572	1 655	3.3%	0.9%	1 738	1 839	1 942	5.5%	1.5%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Personnel information

**Table 34.13 Special Economic Zones and Economic Transformation personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2017		Number and cost <sup>2</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 (%)	Average: Salary level/Total (%)					
		2015/16			2016/17			2017/18		2018/19		2019/20				2016/17 - 2019/20				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost	Unit cost	
Special Economic Zones and Economic Transformation		87	11	86	54.8	0.6	80	73.6	0.9	76	71.0	0.9	73	71.9	1.0	70	71.4	1.0	-4.4%	100.0%
Salary level		8	7	7	0.9	0.1	7	1.0	0.1	7	1.1	0.2	7	1.1	0.2	7	1.2	0.2	-	9.4%
1-6		32	-	30	14.0	0.5	27	14.9	0.6	25	13.2	0.5	24	13.8	0.6	23	14.0	0.6	-5.2%	33.1%
7-10		24	2	26	17.2	0.7	24	20.2	0.8	23	22.0	1.0	22	22.6	1.0	21	20.9	1.0	-4.4%	30.1%
11-12		23	2	23	22.7	1.0	22	37.5	1.7	21	34.8	1.7	20	34.3	1.7	19	35.3	1.9	-4.8%	27.4%
13-16																				

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

2. Rand million.

## Programme 4: Industrial Development

### Programme purpose

Design and implement policies, strategies and programmes to strengthen the ability of the manufacturing and other sectors of the economy, to create decent jobs and increase value addition and competitiveness in both domestic and export markets.

### Objective

- Support the growth and diversification of South Africa's manufacturing sector by:
  - facilitating diversification beyond the current reliance on traditional commodities and non-tradable services through the promotion of increased value addition characterised by movement into non-traditional tradable goods and services that compete in export markets, as well as against imports, over the medium term
  - promoting the long-term intensification of South Africa's industrialisation process and movement towards a knowledge economy on an ongoing basis
  - promoting a labour absorbing industrialisation path, with particular emphasis on tradable labour absorbing goods and services, and economic linkages that catalyse employment creation on an ongoing basis
  - promoting a broad-based industrialisation path characterised by the increased participation of historically disadvantaged people and marginalised regions in the mainstream industrial economy on an ongoing basis
  - contributing to industrial development in Africa, with an emphasis on building the continent's productive capacity, on an ongoing basis.

### Subprogrammes

- *Industrial Competitiveness* develops policies, strategies and programmes to strengthen the ability of manufacturing and other value-adding sectors to create decent jobs, and increase value addition and competitiveness in domestic and export markets, as set out in the annual three-year rolling industrial policy action plan.
- *Customised Sector Programmes* develops and implements high-impact sector strategies focused on manufacturing and other value-adding sectors to create decent jobs, and increases value addition and competitiveness in domestic and export markets, as set out in the annual three-year rolling industrial policy action plan.

## Expenditure trends and estimates

**Table 34.14 Industrial Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R thousand											
Industrial Competitiveness	595 746	650 947	682 754	685 633	4.8%	37.1%	799 959	781 798	824 320	6.3%	43.0%
Customised Sector Programmes	995 436	1 124 207	1 270 862	1 041 394	1.5%	62.9%	1 019 318	994 041	1 044 908	0.1%	57.0%
<b>Total</b>	<b>1 591 182</b>	<b>1 775 154</b>	<b>1 953 616</b>	<b>1 727 027</b>	<b>2.8%</b>	<b>100.0%</b>	<b>1 819 277</b>	<b>1 775 839</b>	<b>1 869 228</b>	<b>2.7%</b>	<b>100.0%</b>
Change to 2016 Budget estimate				(8 652)			5 194	(572)	(6 662)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>99 241</b>	<b>103 915</b>	<b>118 126</b>	<b>115 215</b>	<b>5.1%</b>	<b>6.2%</b>	<b>122 135</b>	<b>125 027</b>	<b>125 365</b>	<b>2.9%</b>	<b>6.8%</b>
Compensation of employees	82 296	88 926	99 602	105 191	8.5%	5.3%	106 509	107 977	105 832	0.2%	5.9%
Goods and services <sup>1</sup>	16 945	14 989	18 524	10 024	-16.1%	0.9%	15 626	17 050	19 533	24.9%	0.9%
of which:											
Communication	477	500	567	356	-9.3%	-	728	769	812	31.6%	-
Consultants: Business and advisory services	3 779	3 534	7 083	1 023	-35.3%	0.2%	1 729	1 310	3 045	43.8%	0.1%
Consumables: Stationery, printing and office supplies	530	302	464	211	-26.4%	-	33	34	1 008	68.4%	-
Travel and subsistence	9 469	7 153	7 671	6 074	-13.8%	0.4%	10 649	11 352	11 643	24.2%	0.6%
Operating payments	1 069	1 802	1 741	1 418	9.9%	0.1%	800	1 768	842	-15.9%	0.1%
Venues and facilities	487	285	423	522	2.3%	-	832	892	1 098	28.1%	-
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 491 531</b>	<b>1 670 555</b>	<b>1 834 994</b>	<b>1 610 428</b>	<b>2.6%</b>	<b>93.8%</b>	<b>1 696 323</b>	<b>1 649 944</b>	<b>1 742 947</b>	<b>2.7%</b>	<b>93.2%</b>
Departmental agencies and accounts	282 415	348 010	368 652	372 819	9.7%	19.5%	411 861	403 242	425 823	4.5%	22.4%
Foreign governments and international organisations	7 330	5 071	7 942	8 517	5.1%	0.4%	8 565	9 061	9 569	4.0%	0.5%
Public corporations and private enterprises	1 106 792	1 188 355	1 310 070	1 066 971	-1.2%	66.3%	1 116 583	1 089 049	1 150 092	2.5%	61.5%
Non-profit institutions	94 784	129 018	147 850	162 107	19.6%	7.6%	159 314	148 592	157 463	-1.0%	8.7%
Households	210	101	480	14	-59.5%	-	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>410</b>	<b>684</b>	<b>349</b>	<b>1 384</b>	<b>50.0%</b>	<b>-</b>	<b>819</b>	<b>868</b>	<b>916</b>	<b>-12.9%</b>	<b>0.1%</b>
Machinery and equipment	410	684	349	1 384	50.0%	-	819	868	916	-12.9%	0.1%
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>147</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 591 182</b>	<b>1 775 154</b>	<b>1 953 616</b>	<b>1 727 027</b>	<b>2.8%</b>	<b>100.0%</b>	<b>1 819 277</b>	<b>1 775 839</b>	<b>1 869 228</b>	<b>2.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>19.1%</b>	<b>20.5%</b>	<b>20.6%</b>	<b>16.6%</b>	<b>-</b>	<b>-</b>	<b>19.6%</b>	<b>17.8%</b>	<b>20.5%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>222 415</b>	<b>237 010</b>	<b>214 053</b>	<b>210 026</b>	<b>-1.9%</b>	<b>12.5%</b>	<b>265 528</b>	<b>280 156</b>	<b>295 844</b>	<b>12.1%</b>	<b>14.6%</b>
South African National Accreditation System	33 473	35 712	26 025	22 208	-12.8%	1.7%	30 313	31 828	33 610	14.8%	1.6%
National Metrology Institute of South Africa: Operations	85 942	91 564	96 296	101 400	5.7%	5.3%	106 470	112 645	118 953	5.5%	6.1%
National Regulator for Compulsory Specifications	103 000	109 734	91 732	86 418	-5.7%	5.5%	128 745	135 683	143 281	18.4%	6.9%
<b>Capital</b>	<b>60 000</b>	<b>111 000</b>	<b>154 599</b>	<b>162 793</b>	<b>39.5%</b>	<b>6.9%</b>	<b>146 333</b>	<b>123 086</b>	<b>129 979</b>	<b>-7.2%</b>	<b>7.8%</b>
National Metrology Institute of South Africa	60 000	111 000	154 599	162 793	39.5%	6.9%	146 333	123 086	129 979	-7.2%	7.8%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>7 330</b>	<b>5 071</b>	<b>7 942</b>	<b>8 517</b>	<b>5.1%</b>	<b>0.4%</b>	<b>8 565</b>	<b>9 061</b>	<b>9 569</b>	<b>4.0%</b>	<b>0.5%</b>
United Nations Industrial Development Organisation	5 853	5 071	6 405	6 459	3.3%	0.3%	6 767	7 159	7 560	5.4%	0.4%
Treaty Organisations for Metrology	1 477	-	1 537	2 058	11.7%	0.1%	1 798	1 902	2 009	-0.8%	0.1%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>94 784</b>	<b>129 018</b>	<b>147 850</b>	<b>162 107</b>	<b>19.6%</b>	<b>7.6%</b>	<b>159 314</b>	<b>148 592</b>	<b>157 463</b>	<b>-1.0%</b>	<b>8.7%</b>
Intsimbi national tooling initiative	54 434	67 700	70 353	74 082	10.8%	3.8%	75 786	82 298	86 907	5.5%	4.4%
Automotive supply chain competitiveness initiative	-	-	14 000	15 000	-	0.4%	13 127	7 984	8 813	-16.2%	0.6%
Trade and industrial policy strategies	6 000	14 570	20 772	22 712	55.8%	0.9%	21 423	12 086	12 763	-17.5%	1.0%
Centurion Aerospace Village	15 800	16 748	17 517	18 445	5.3%	1.0%	19 367	15 490	16 357	-3.9%	1.0%
Proudly South African campaign	18 550	30 000	25 208	31 868	19.8%	1.5%	29 611	30 734	32 623	0.8%	1.7%
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>80</b>	<b>93</b>	<b>380</b>	<b>14</b>	<b>-44.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	80	93	380	14	-44.1%	-	-	-	-	-100.0%	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>130</b>	<b>8</b>	<b>100</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Gifts and donations	130	8	100	-	-100.0%	-	-	-	-	-	-

**Table 34.14 Industrial Development expenditure trends and estimates by subprogramme and economic classification**

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average Expenditure/Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average Expenditure/Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	1 041 888	1 164 244	1 288 536	1 049 190	0.2%	64.5%	1 097 563	1 068 636	1 128 536	2.5%	60.4%
Industrial Development	822 791	878 244	1 000 937	758 266	-2.7%	49.1%	723 440	697 478	736 537	-1.0%	40.5%
Corporation of South Africa											
Council for Scientific and Industrial Research: National Cleaner Production Centre	-	51 679	55 000	58 870	-	2.3%	62 951	63 008	66 592	4.2%	3.5%
South African Bureau of Standards	204 967	220 078	216 215	212 365	1.2%	12.1%	285 494	280 693	296 412	11.8%	14.9%
Council for Scientific and Industrial Research: National foundry technology network	14 130	14 243	16 384	19 689	11.7%	0.9%	25 678	27 457	28 995	13.8%	1.4%
<b>Capital</b>	64 904	24 111	21 534	17 781	-35.1%	1.8%	19 020	20 413	21 556	6.6%	1.1%
Council for Scientific and Industrial Research: Aerospace industry	21 226	22 500	21 534	17 781	-5.7%	1.2%	19 020	20 413	21 556	6.6%	1.1%
South African Bureau of Standards: Upgrading of vehicle testing facility	43 678	-	-	-	-100.0%	0.6%	-	-	-	-	-
South African Bureau of Standards	-	1 611	-	-	-	-	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Personnel information

**Table 34.15 Industrial Development personnel numbers and cost by salary level<sup>1</sup>**

Industrial Development	Number of posts estimated for 31 March 2017		Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual 2015/16			Revised estimate 2016/17			Medium-term expenditure estimate						Average growth rate (%) 2016/17 - 2019/20	Average Salary level/Total (%) 2016/17 - 2019/20			
			Number	Cost	Unit cost	Number	Cost	Unit cost	2017/18		2018/19		2019/20						
Salary level	147	5	158	99.6	0.6	148	105.2	0.7	144	106.5	0.7	140	108.0	0.8	134	105.8	0.8	-3.3%	100.0%
1 – 6	3	3	7	1.0	0.1	7	2.1	0.3	7	2.3	0.3	7	2.5	0.4	7	2.6	0.4	-	4.9%
7 – 10	58	1	62	24.5	0.4	56	24.3	0.4	54	25.1	0.5	52	25.8	0.5	51	26.8	0.5	-3.1%	37.6%
11 – 12	44	1	44	31.8	0.7	43	33.8	0.8	42	34.3	0.8	41	35.7	0.9	40	37.2	0.9	-2.4%	29.3%
13 – 16	42	-	45	42.2	0.9	42	44.9	1.1	41	44.9	1.1	40	44.0	1.1	36	39.2	1.1	-5.0%	28.1%

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

2. Rand million.

## Programme 5: Consumer and Corporate Regulation

### Programme purpose

Develop and implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.

### Objectives

- Increase access to economic opportunities for small businesses and historically disadvantaged citizens by developing and reviewing policies, bills and regulations; and conducting assessments of the impact of the regulations on businesses and economic citizens by 31 March 2020.
- Develop efficient regulation to reduce the regulatory burden on businesses, and increase confidence and certainty in South African business regulation by developing and reviewing policies, bills and regulations; and conducting assessments of the impact of the regulations on businesses and economic citizens by 31 March 2020.
- Create a business regulatory environment that promotes competitive, fair and efficient markets by developing and reviewing policies, bills and regulations; and conducting assessments of the impact of the regulations on businesses and economic citizens by 31 March 2020.

- Provide access to redress for economic citizens to increase confidence in markets by conducting research on the impact of the current legislation on economic citizens; developing and reviewing policies, bills and regulations; and conducting assessments of the impact of the regulations on businesses and economic citizens by 31 March 2020.
- Promote the awareness of rights, duties and responsibilities to increase activism and public participation by conducting capacity building sessions, workshops, and education and awareness campaigns by 31 March 2020.
- Share and exchange regulatory experience with partners and stakeholders nationally and internationally to promote simple, appropriate and more effective regulatory solutions by holding consultations, seminars and conferences on policy issues by 31 March 2020.

## Subprogrammes

- *Policy and Legislative Development* develops policies, laws and regulatory frameworks.
- *Enforcement and Compliance* conducts trend analyses, impact assessments and market surveys; and monitors the effectiveness of regulation.
- *Regulatory Services* executes oversight of and transfers funds to the following regulatory agencies: the National Consumer Tribunal, the National Credit Regulator, the National Gambling Board, the National Consumer Commission, the Companies and Intellectual Property Commission, and the Companies Tribunal. The department exercises oversight of, but does not transfer funds to: the National Lotteries Commission, which regulates the lotteries sector and facilitates the distribution of lottery funds to worthy organisations that serve the public interest; and the Takeover Regulation Panel and the Financial Reporting Standards Council, which are responsible for regulating applicable transactions and issuing standards.

## Expenditure trends and estimates

**Table 34.16 Consumer and Corporate Regulation expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2013/14	2014/15	2015/16		2013/14 - 2016/17	Average: Expenditure/ Total (%)	2017/18	2018/19	2019/20	2016/17 - 2019/20	Average: Expenditure/ Total (%)
R thousand											
Policy and Legislative Development	19 206	17 639	14 741	14 932	-8.0%	5.9%	17 446	20 075	19 230	8.8%	5.8%
Enforcement and Compliance	23 156	31 441	39 319	41 648	21.6%	12.1%	40 292	42 923	41 528	-0.1%	13.4%
Regulatory Services	214 336	232 042	233 360	237 756	3.5%	82.0%	240 891	257 863	268 409	4.1%	80.8%
<b>Total</b>	<b>256 698</b>	<b>281 122</b>	<b>287 420</b>	<b>294 336</b>	<b>4.7%</b>	<b>100.0%</b>	<b>298 629</b>	<b>320 861</b>	<b>329 167</b>	<b>3.8%</b>	<b>100.0%</b>
Change to 2016 Budget estimate				(19 189)			(28 266)	(24 866)	(35 921)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>68 692</b>	<b>70 300</b>	<b>68 236</b>	<b>71 691</b>	<b>1.4%</b>	<b>24.9%</b>	<b>71 878</b>	<b>80 759</b>	<b>75 621</b>	<b>1.8%</b>	<b>24.1%</b>
Compensation of employees	48 697	57 227	54 479	62 823	8.9%	19.9%	53 774	61 620	55 412	-4.1%	18.8%
Goods and services <sup>1</sup>	19 995	13 073	13 757	8 868	-23.7%	5.0%	18 104	19 139	20 209	31.6%	5.3%
of which:											
Advertising	3 265	2 003	1 981	493	-46.7%	0.7%	2 050	1 746	1 844	55.2%	0.5%
Catering: Departmental activities	639	297	140	197	-32.4%	0.1%	392	813	860	63.4%	0.2%
Consultants: Business and advisory services	2 543	1 840	1 462	1 469	-16.7%	0.7%	4 329	5 199	5 478	55.1%	1.3%
Travel and subsistence	7 456	4 085	6 226	4 692	-14.3%	2.0%	8 815	8 368	8 846	23.5%	2.5%
Operating payments	653	613	663	-	-100.0%	0.2%	730	753	795	-	0.2%
Venues and facilities	1 071	911	824	284	-35.8%	0.3%	763	1 041	1 099	57.0%	0.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>186 763</b>	<b>210 532</b>	<b>219 105</b>	<b>222 501</b>	<b>6.0%</b>	<b>74.9%</b>	<b>226 751</b>	<b>240 102</b>	<b>253 546</b>	<b>4.4%</b>	<b>75.9%</b>
Departmental agencies and accounts	182 360	205 495	213 556	217 561	6.1%	73.2%	221 578	234 629	247 767	4.4%	74.1%
Foreign governments and international organisations	4 214	4 355	5 287	4 927	5.3%	1.7%	5 173	5 473	5 779	5.5%	1.7%
Households	189	682	262	13	-59.0%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>639</b>	<b>290</b>	<b>78</b>	<b>144</b>	<b>-39.1%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Machinery and equipment	639	112	78	144	-39.1%	0.1%	-	-	-	-100.0%	-
Software and other intangible assets	-	178	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>604</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>256 698</b>	<b>281 122</b>	<b>287 420</b>	<b>294 336</b>	<b>4.7%</b>	<b>100.0%</b>	<b>298 629</b>	<b>320 861</b>	<b>329 167</b>	<b>3.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>3.1%</b>	<b>3.2%</b>	<b>3.0%</b>	<b>2.8%</b>	<b>-</b>	<b>-</b>	<b>3.2%</b>	<b>3.2%</b>	<b>3.6%</b>	<b>-</b>	<b>-</b>

**Table 34.16 Consumer and Corporate Regulation expenditure trends and estimates by subprogramme and economic classification**

Details of transfers and subsidies		Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
		2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R thousand												
<b>Departmental agencies and accounts</b>												
<b>Departmental agencies (non-business entities)</b>												
<b>Current</b>		<b>182 360</b>	<b>205 495</b>	<b>213 556</b>	<b>217 561</b>	<b>6.1%</b>	<b>73.2%</b>	<b>221 578</b>	<b>234 629</b>	<b>247 767</b>	<b>4.4%</b>	<b>74.1%</b>
National Credit Regulator		63 691	68 845	66 727	69 577	3.0%	24.0%	73 056	77 293	81 621	5.5%	24.3%
National Gambling Board		27 717	29 797	31 983	30 121	2.8%	10.7%	31 627	33 461	35 335	5.5%	10.5%
National Consumer Tribunal		36 099	40 164	46 029	46 151	8.5%	15.0%	48 459	51 270	54 141	5.5%	16.1%
National Consumer Commission		44 516	53 376	54 596	56 643	8.4%	18.7%	52 614	55 865	58 993	1.4%	18.0%
Companies Tribunal		10 337	13 313	14 221	15 069	13.4%	4.7%	15 822	16 740	17 677	5.5%	5.3%
<b>Foreign governments and international organisations</b>												
<b>Current</b>		<b>4 214</b>	<b>4 355</b>	<b>5 287</b>	<b>4 927</b>	<b>5.3%</b>	<b>1.7%</b>	<b>5 173</b>	<b>5 473</b>	<b>5 779</b>	<b>5.5%</b>	<b>1.7%</b>
World Intellectual Property Organisation		4 214	4 355	5 287	4 927	5.3%	1.7%	5 173	5 473	5 779	5.5%	1.7%
<b>Households</b>												
<b>Social benefits</b>												
<b>Current</b>		<b>189</b>	<b>682</b>	<b>135</b>	<b>13</b>	<b>-59.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits		189	682	135	13	-59.0%	0.1%	-	-	-	-100.0%	-
<b>Households</b>												
<b>Other transfers to households</b>												
<b>Current</b>		<b>-</b>	<b>-</b>	<b>127</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other transfers to households		-	-	127	-	-	-	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Personnel information

**Table 34.17 Consumer and Corporate Regulation personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2017		Number and cost <sup>2</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 (%)	Average: Salary level/Total (%)				
		2015/16	Unit cost		2016/17	Unit cost		2017/18		2018/19		2019/20				2016/17 - 2019/20			
Consumer and Corporate Regulation		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	88	3	92	54.5	0.6	85	62.8	0.7	80	53.8	0.7	76	61.6	0.8	73	55.4	0.8	-4.9%	100.0%
1 - 6	6	3	7	0.7	0.1	7	0.9	0.1	7	1.0	0.1	7	1.0	0.1	7	1.1	0.2	-	8.9%
7 - 10	40	-	41	16.9	0.4	38	18.6	0.5	35	17.6	0.5	33	17.8	0.5	31	17.8	0.6	-6.6%	43.6%
11 - 12	14	-	14	10.4	0.7	13	10.5	0.8	12	8.8	0.7	12	9.4	0.8	12	10.0	0.8	-2.6%	15.6%
13 - 16	28	-	30	26.5	0.9	27	32.8	1.2	26	26.4	1.0	24	33.4	1.4	23	26.5	1.2	-5.2%	31.8%

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

2. Rand million.

## Programme 6: Incentive Development and Administration

### Programme purpose

Stimulate and facilitate the development of sustainable and competitive enterprises, through the efficient provision of effective and accessible incentive measures that support national priorities.

### Objectives

- Stimulate and facilitate the development of sustainable and competitive enterprises by providing effective and accessible incentive measures that support national priorities, in accordance with government's 2014-2019 medium-term strategic framework, over the medium term.
- Support industrial development that will enhance productivity and bolster competitiveness through designing, administering, monitoring and evaluating the manufacturing incentives programme based on industrial policies and sector strategies developed by providing financial support in labour-intensive sectors on an ongoing basis.
- Contribute to the accelerated growth of manufacturing and internationally traded services over the long term by administering the Special Economic Zones Fund through the provision of incentives for industrial infrastructure development to:
  - attract foreign direct investment

- develop growth-oriented domestic businesses, leading to increased employment, exports and regional development.

## Subprogrammes

- *Broadening Participation Incentives* provides incentive programmes that promote broader participation in the mainstream economy of businesses owned by individuals from historically disadvantaged communities and marginalised regions.
- *Manufacturing Incentives* provides incentives to promote additional investment in the manufacturing sector. The manufacturing investment cluster comprises the following programmes and schemes: the manufacturing competitive enhancement programme, the capital projects feasibility programme, the automotive investment scheme, the export marketing and investment assistance scheme, the sector specific assistance scheme, and the section 12I tax incentive scheme.
- *Services Investment Incentives* provides incentive programmes that promote increased investment and job creation in the services sector. The programmes include the business process services programme, and the film and television production incentive support programme for South African and foreign productions.
- *Infrastructure Investment Support* provides grants for two industrial infrastructure initiatives: the special economic zones and the critical infrastructure programme, which are aimed at enhancing infrastructure and industrial development, and increasing investment and exports of value-added commodities.
- *Product and Systems Development* reviews, monitors and develops incentive programmes to support the industrial policy action plan, and develops sector strategies to address market failures.
- *Strategic Partnership and Customer Care* facilitates access to targeted enterprises by reviewing the success of incentive schemes and improving them where possible.

## Expenditure trends and estimates

**Table 34.18 Incentive Development and Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R thousand											
Broadening Participation Incentives	129 317	2 369	26 648	65 269	-20.4%	1.0%	68 333	72 296	76 434	5.4%	1.2%
Manufacturing Incentives	3 338 623	3 612 338	3 983 465	4 467 044	10.2%	67.1%	3 963 173	3 949 079	2 810 972	-14.3%	62.2%
Services Investment Incentives	564 364	728 118	803 171	613 776	2.8%	11.8%	708 560	749 061	722 673	5.6%	11.4%
Infrastructure Investment Support	1 038 639	801 392	949 722	1 711 417	18.1%	19.6%	965 000	1 601 734	1 691 611	-0.4%	24.5%
Product and Systems Development	13 000	14 985	14 873	15 867	6.9%	0.3%	19 387	20 512	22 040	11.6%	0.3%
Strategic Partnership and Customer Care	17 920	17 515	17 906	18 336	0.8%	0.3%	22 066	23 345	25 030	10.9%	0.4%
<b>Total</b>	<b>5 101 863</b>	<b>5 176 717</b>	<b>5 795 785</b>	<b>6 891 709</b>	<b>10.5%</b>	<b>100.0%</b>	<b>5 746 519</b>	<b>6 416 027</b>	<b>5 348 760</b>	<b>-8.1%</b>	<b>100.0%</b>
Change to 2016				(30 698)			(26 437)	1 320 785	(31 816)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>150 833</b>	<b>206 875</b>	<b>151 232</b>	<b>151 569</b>	<b>0.2%</b>	<b>2.9%</b>	<b>165 411</b>	<b>172 338</b>	<b>174 689</b>	<b>4.8%</b>	<b>2.7%</b>
Compensation of employees	112 458	125 806	126 464	130 954	5.2%	2.2%	126 578	131 605	138 012	1.8%	2.2%
Goods and services <sup>1</sup>	38 375	81 069	24 768	20 615	-18.7%	0.7%	38 833	40 733	36 677	21.2%	0.6%
of which:											
Communication	509	571	573	249	-21.2%	–	647	684	722	42.6%	–
Consultants: Business and advisory services	14 963	62 191	5 108	5 427	-28.7%	0.4%	16 500	17 746	12 404	31.7%	0.2%
Legal services	2 683	4 071	3 918	3 194	6.0%	0.1%	3 564	3 771	3 982	7.6%	0.1%
Operating leases	792	765	792	597	-9.0%	–	867	917	969	17.5%	–
Travel and subsistence	14 811	11 337	9 695	10 310	-11.4%	0.2%	14 872	15 096	15 940	15.6%	0.2%
Venues and facilities	1 739	109	411	–	-100.0%	–	842	891	941	–	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>4 943 541</b>	<b>4 969 072</b>	<b>5 641 276</b>	<b>6 732 830</b>	<b>10.8%</b>	<b>97.0%</b>	<b>5 573 508</b>	<b>6 236 358</b>	<b>5 159 994</b>	<b>-8.5%</b>	<b>97.1%</b>
Departmental agencies and accounts	–	–	–	256 000	–	1.1%	84 000	–	–	-100.0%	1.4%
Public corporations and private enterprises	4 943 211	4 968 476	5 640 590	6 476 030	9.4%	95.9%	5 488 708	6 235 512	5 159 101	-7.3%	95.7%
Households	330	596	686	800	34.3%	–	800	846	893	3.7%	–

**Table 34.18 Incentive Development and Administration expenditure trends and estimates by subprogramme and economic classification**

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2013/14	2014/15	2015/16		2013/14	2016/17	2017/18	2018/19	2019/20	2016/17	2019/20
<b>Payments for capital assets</b>	<b>7 457</b>	<b>770</b>	<b>3 277</b>	<b>7 310</b>	<b>-0.7%</b>	<b>0.1%</b>	<b>7 600</b>	<b>7 331</b>	<b>14 077</b>	<b>24.4%</b>	<b>0.1%</b>
Machinery and equipment	1 758	770	679	2 016	4.7%	-	2 100	2 222	2 346	5.2%	-
Software and other intangible assets	5 699	-	2 598	5 294	-2.4%	0.1%	5 500	5 109	11 731	30.4%	0.1%
<b>Payments for financial assets</b>	<b>32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>5 101 863</b>	<b>5 176 717</b>	<b>5 795 785</b>	<b>6 891 709</b>	<b>10.5%</b>	<b>100.0%</b>	<b>5 746 519</b>	<b>6 416 027</b>	<b>5 348 760</b>	<b>-8.1%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>61.3%</b>	<b>59.8%</b>	<b>61.2%</b>	<b>66.3%</b>	<b>-</b>	<b>-</b>	<b>62.0%</b>	<b>64.4%</b>	<b>58.7%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>256 000</b>	<b>-</b>	<b>1.1%</b>	<b>84 000</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>1.4%</b>
National Research Foundation	-	-	-	256 000	-	1.1%	84 000	-	-	-100.0%	1.4%
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>326</b>	<b>596</b>	<b>686</b>	<b>800</b>	<b>34.9%</b>	<b>-</b>	<b>800</b>	<b>846</b>	<b>893</b>	<b>3.7%</b>	<b>-</b>
Employee social benefits	326	596	686	800	34.9%	-	800	846	893	3.7%	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Gifts and donations	4	-	-	-	-100.0%	-	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Capital</b>	<b>887 395</b>	<b>608 243</b>	<b>735 600</b>	<b>1 410 000</b>	<b>16.7%</b>	<b>15.9%</b>	<b>695 421</b>	<b>1 391 000</b>	<b>1 557 280</b>	<b>3.4%</b>	<b>20.7%</b>
Coega Development Corporation	308 195	-	-	-	-100.0%	1.3%	-	-	-	-	-
Various institutions: Special economic zones	449 200	608 243	735 600	1 310 000	42.9%	13.5%	605 421	1 300 000	1 457 280	3.6%	19.1%
Various institutions: Critical infrastructure programme	-	-	-	100 000	-	0.4%	90 000	91 000	100 000	-	1.6%
East London industrial development zone	100 000	-	-	-	-100.0%	0.4%	-	-	-	-	-
Richards Bay industrial development zone	30 000	-	-	-	-100.0%	0.1%	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>400 550</b>	<b>329 520</b>	<b>304 075</b>	<b>285 314</b>	<b>-10.7%</b>	<b>5.7%</b>	<b>276 437</b>	<b>295 370</b>	<b>311 911</b>	<b>3.0%</b>	<b>4.8%</b>
Broadening participation development incentives	72 872	-	-	-	-100.0%	0.3%	-	-	-	-	-
Various Institutions: Support programme for industrial innovation	53 860	-	22 827	60 892	4.2%	0.6%	63 937	67 645	71 433	5.5%	1.1%
Various institutions: Export market and investment assistance	273 818	329 520	281 248	224 422	-6.4%	4.8%	212 500	227 725	240 478	2.3%	3.7%
<b>Capital</b>	<b>139 968</b>	<b>81 269</b>	<b>74 203</b>	<b>190 000</b>	<b>10.7%</b>	<b>2.1%</b>	<b>119 500</b>	<b>120 071</b>	<b>122 891</b>	<b>-13.5%</b>	<b>2.3%</b>
Various institutions: Critical infrastructure programme	139 968	81 269	74 203	190 000	10.7%	2.1%	119 500	120 071	122 891	-13.5%	2.3%
<b>Public corporations and private enterprises</b>											
<b>Private enterprises</b>											
<b>Private enterprises (subsidies on products and production)</b>											
<b>Current</b>	<b>3 515 298</b>	<b>3 949 444</b>	<b>4 526 712</b>	<b>4 590 716</b>	<b>9.3%</b>	<b>72.2%</b>	<b>4 397 350</b>	<b>4 429 071</b>	<b>3 167 019</b>	<b>-11.6%</b>	<b>68.0%</b>
Various institutions: Services sector development incentives	555 000	715 000	789 663	600 000	2.6%	11.6%	692 500	732 069	704 425	5.5%	11.2%
Various institutions: Manufacturing development incentives	2 960 298	3 134 849	3 607 049	3 890 716	9.5%	59.2%	3 564 850	3 617 002	2 462 594	-14.1%	55.5%
Various institutions: Industrial development zones (other)	-	99 595	130 000	100 000	-	1.4%	140 000	80 000	-	-100.0%	1.3%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Personnel information

Table 34.19 Incentive Development and Administration personnel numbers and cost by salary level<sup>1</sup>

Number of posts estimated for 31 March 2017			Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment												Number							
Number of funded posts	Number of posts additional to the establishment		Actual 2015/16			Revised estimate 2016/17			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)						
									2017/18		2018/19		2019/20									
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost			
Incentive Development and Administration			222	15		225	126.5	0.6	217	131.0	0.6	212	126.6	0.6	207	131.6	0.6	203	138.0	0.7	-2.2%	100.0%
1 – 6	18	10	17	2.1	0.1	16	3.3	0.2	16	3.1	0.2	15	3.1	0.2	15	3.3	0.2	15	3.3	0.2	-2.1%	7.4%
7 – 10	125	3	131	55.7	0.4	127	62.1	0.5	124	60.0	0.5	122	63.0	0.5	119	65.6	0.6	119	65.6	0.6	-2.1%	58.6%
11 – 12	49	2	49	41.6	0.8	48	36.9	0.8	47	38.3	0.8	46	40.1	0.9	45	41.7	0.9	45	41.7	0.9	-2.1%	22.2%
13 – 16	30	–	28	27.0	1.0	26	28.6	1.1	25	25.2	1.0	24	25.5	1.1	24	27.5	1.1	24	27.5	1.1	-2.6%	11.8%

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

2. Rand million.

## Programme 7: Trade and Investment South Africa

### Programme purpose

Support export development and promote exports through targeted strategies, and effectively manage a network of foreign offices.

### Objectives

- Promote the export of South African value-added goods and services in targeted high-growth markets, and sustain market share in traditional markets through the implementation of the integrated national export strategy and the market and product diversification strategy by participating in 17 national pavilions and 22 trade missions by March 2018.
- Facilitate markets for South African manufactured goods and services by promoting export and investment projects in high-yield targeted countries such as the Brazil-Russia-India-China-South Africa group of countries, African countries, and other developing countries by March 2018.
- Enhance the ongoing promotion of exports and investment by placing 48 foreign economic representatives in foreign economic missions to promote South Africa's comparative advantage in goods and services internationally over the medium term.
- Develop new and existing South African export capabilities to grow manufactured exports by providing appropriate information, financial support and practical assistance to sustain organic growth in traditional markets, and penetrate new high-growth markets on an ongoing basis.
- Manage and administer the foreign office network effectively through a highly experienced team that has a close partnership with the Department of International Relations and Cooperation on an ongoing basis.

### Subprogrammes

- *African Bilateral Economic Relations* facilitates deeper and broader bilateral African trade and investment relations with African economies, and supports the deepening of regional integration.
- *Export Promotion and Marketing* promotes the export of South African value-added goods and services to increase market share in targeted high-growth markets and sustain market share in traditional markets.
- *Trade and Investment South Africa Executive Management Unit* promotes trade, and administers and provides corporate services to the department's foreign office network of foreign economic representatives to enable South African businesses to access global markets.
- *Export Development and Support* manages the national exporter development programme, which is designed to contribute to *positioning* South Africa as a reliable trade partner, and improve and expand the country's exporter base.

## Expenditure trends and estimates

**Table 34.20 Trade and Investment South Africa expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2013/14	2014/15	2015/16		2013/14 - 2016/17	Average Expenditure/ Total (%)	2017/18	2018/19	2019/20	2016/17 - 2019/20	Average Expenditure/ Total (%)
R thousand											
African Bilateral Economic Relations	18 548	18 686	18 466	22 333	6.4%	5.2%	22 453	23 055	24 758	3.5%	5.6%
Export Promotion and Marketing	18 714	39 142	41 480	42 936	31.9%	9.4%	41 487	42 599	45 679	2.1%	10.5%
Trade and Investment South Africa Executive Management Unit	243 392	264 118	386 010	328 513	10.5%	80.9%	306 816	299 762	365 391	3.6%	79.2%
Export Development and Support	25 994	7 692	16 955	17 140	-13.0%	4.5%	17 707	20 050	21 468	7.8%	4.7%
<b>Total</b>	<b>306 648</b>	<b>329 638</b>	<b>462 911</b>	<b>410 922</b>	<b>10.2%</b>	<b>100.0%</b>	<b>388 463</b>	<b>385 466</b>	<b>457 296</b>	<b>3.6%</b>	<b>100.0%</b>
Change to 2016 Budget estimate				74 383			49 077	51 842	104 989		
<b>Economic classification</b>											
<b>Current payments</b>	<b>221 918</b>	<b>216 028</b>	<b>260 865</b>	<b>237 303</b>	<b>2.3%</b>	<b>62.0%</b>	<b>205 815</b>	<b>192 225</b>	<b>253 233</b>	<b>2.2%</b>	<b>54.1%</b>
Compensation of employees	135 062	147 717	177 801	159 623	5.7%	41.1%	157 471	143 396	201 637	8.1%	40.3%
Goods and services <sup>1</sup>	86 856	68 311	83 064	77 680	-3.7%	20.9%	48 344	48 829	51 596	-12.7%	13.8%
of which:											
Communication	2 153	1 882	2 494	1 533	-10.7%	0.5%	1 126	1 126	1 126	-9.8%	0.3%
Consultants: Business and advisory services	1 536	1 202	1 493	2 372	15.6%	0.4%	2 149	2 149	2 199	-2.5%	0.5%
Operating leases	23 037	19 499	23 577	25 430	3.3%	6.1%	6 888	6 888	6 888	-35.3%	2.8%
Travel and subsistence	26 868	23 759	23 992	21 046	-7.8%	6.3%	15 106	15 000	15 309	-10.1%	4.0%
Operating payments	18 068	7 697	14 769	12 407	-11.8%	3.5%	9 713	9 892	11 710	-1.9%	2.7%
Venues and facilities	5 407	4 298	4 631	7 060	9.3%	1.4%	7 907	8 419	9 008	8.5%	2.0%
<b>Transfers and subsidies<sup>1</sup></b>	<b>83 205</b>	<b>110 519</b>	<b>200 251</b>	<b>171 566</b>	<b>27.3%</b>	<b>37.5%</b>	<b>180 555</b>	<b>191 026</b>	<b>201 723</b>	<b>5.5%</b>	<b>45.4%</b>
Foreign governments and international organisations	9 800	-	-	-	-100.0%	0.6%	2 911	3 079	3 251	-	0.6%
Public corporations and private enterprises	73 293	110 370	199 969	171 566	32.8%	36.8%	177 644	187 947	198 472	5.0%	44.8%
Households	112	149	282	-	-100.0%	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>1 523</b>	<b>1 951</b>	<b>1 794</b>	<b>2 053</b>	<b>10.5%</b>	<b>0.5%</b>	<b>2 093</b>	<b>2 215</b>	<b>2 340</b>	<b>4.5%</b>	<b>0.5%</b>
Machinery and equipment	1 523	1 951	1 794	2 053	10.5%	0.5%	2 093	2 215	2 340	4.5%	0.5%
<b>Payments for financial assets</b>	<b>2</b>	<b>1 140</b>	<b>1</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>306 648</b>	<b>329 638</b>	<b>462 911</b>	<b>410 922</b>	<b>10.2%</b>	<b>100.0%</b>	<b>388 463</b>	<b>385 466</b>	<b>457 296</b>	<b>3.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>3.7%</b>	<b>3.8%</b>	<b>4.9%</b>	<b>4.0%</b>	<b>-</b>	<b>-</b>	<b>4.2%</b>	<b>3.9%</b>	<b>5.0%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
Foreign governments and international organisations											
<b>Current</b>	<b>9 800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.6%</b>	<b>2 911</b>	<b>3 079</b>	<b>3 251</b>	<b>-</b>	<b>0.6%</b>
Export consultancy trust funds: International Bank for Reconstruction and Development (World Bank)	4 900	-	-	-	-100.0%	0.3%	1 456	1 540	1 626	-	0.3%
Export consultancy trust funds: International Finance Corporation	4 900	-	-	-	-100.0%	0.3%	1 455	1 539	1 625	-	0.3%
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>112</b>	<b>149</b>	<b>282</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Employee social benefits	105	149	282	-	-100.0%	-	-	-	-	-	-
Gifts and donations	7	-	-	-	-100.0%	-	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>73 293</b>	<b>110 370</b>	<b>199 969</b>	<b>171 566</b>	<b>32.8%</b>	<b>36.8%</b>	<b>177 644</b>	<b>187 947</b>	<b>198 472</b>	<b>5.0%</b>	<b>44.8%</b>
Export Credit Insurance Corporation	73 293	110 370	199 969	171 566	32.8%	36.8%	177 644	187 947	198 472	5.0%	44.8%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Personnel information

Table 34.21 Trade and Investment South Africa personnel numbers and cost by salary level<sup>1</sup>

Number of posts estimated for 31 March 2017		Number and cost <sup>2</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 (%)	Average: Salary level/Total (%)	
		2015/16			2016/17			2017/18			2018/19			2019/20					
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			2016/17 - 2019/20
Trade and Investment South Africa																			
Salary level	167	26	245	177.8	0.7	236	159.6	0.7	229	157.5	0.7	221	143.4	0.6	215	201.6	0.9	-3.1%	100.0%
1 – 6	16	9	23	2.5	0.1	21	2.7	0.1	19	2.6	0.1	17	2.4	0.1	16	2.4	0.2	-8.7%	8.1%
7 – 10	81	14	85	28.1	0.3	82	39.4	0.5	79	40.8	0.5	76	42.1	0.6	73	43.2	0.6	-3.8%	34.4%
11 – 12	38	2	50	54.1	1.1	48	44.0	0.9	47	40.9	0.9	45	40.1	0.9	44	47.6	1.1	-2.9%	20.4%
13 – 16	32	1	21	38.5	1.8	19	39.8	2.1	18	21.7	1.2	17	41.4	2.4	16	49.3	3.1	-5.6%	7.8%
Other	–	–	66	54.7	0.8	66	33.7	0.5	66	51.4	0.8	66	17.3	0.3	66	59.0	0.9	–	29.3%

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

2. Rand million.

## Programme 8: Investment South Africa

### Programme purpose

Support foreign direct investment flows and domestic investment by providing a one-stop shop for investment promotion, investor facilitation and aftercare support for investors.

### Objectives

- Increase the quality and quantum of South Africa's fixed investment on an ongoing basis by:
  - marketing and promoting the country to ensure investment opportunities through dedicated investment promotion, facilitation and aftercare services
  - coordinating and leading the establishment of one-stop shops on behalf of government to facilitate investment for all investors
  - coordinating and facilitating the investment climate reform with the World Bank on the ease of doing business
  - developing a pipeline of potential projects and contributing to South Africa being a preferred destination for investment
  - undertaking aftercare forums with investors to retain and expand investment.
- Provide a dedicated service to all investors over the medium term by:
  - facilitating the entire investment value chain
  - developing an investment pipeline of possible projects through lead creation, marketing, project development, facilitation and aftercare.
- Provide specialist advisory services and policy advocacy to improve the investment climate by fast-tracking and unblocking investor issues to reduce red tape in government over the medium term.

### Subprogrammes

- *Investment Promotion* facilitates an increase in the quality and quantity of foreign direct investment, and domestic and outward investment, by providing investment attraction, targeted lead generation and recruitment support.
- *Investment and Interdepartmental Clearing House* promotes and facilitates investment, and provides support services to the investment and interdepartmental clearing house. This subprogramme also provides a specialist advisory service, and fast-tracks, unblocks and reduces red tape for investors.
- *Investment Support and Aftercare* provides specialist advisory services through research, information marketing, aftercare and policy advocacy to facilitate new investment, and retain and expand existing investment.

## Expenditure trends and estimates

**Table 34.22 Investment South Africa expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
R thousand											
Investment Promotion	25 479	30 697	31 919	39 801	16.0%	81.8%	42 558	43 018	44 495	3.8%	83.1%
Investment and Inter-Departmental Clearing House	6 487	7 120	6 066	4 011	-14.8%	15.1%	4 150	4 472	4 598	4.7%	8.4%
Investment Support and After Care	404	142	297	4 011	114.9%	3.1%	4 151	4 471	4 593	4.6%	8.4%
<b>Total</b>	<b>32 370</b>	<b>37 959</b>	<b>38 282</b>	<b>47 823</b>	<b>13.9%</b>	<b>100.0%</b>	<b>50 859</b>	<b>51 961</b>	<b>53 686</b>	<b>3.9%</b>	<b>100.0%</b>
Change to 2016 Budget estimate				(254)			2 411	766	(376)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>32 054</b>	<b>37 680</b>	<b>38 115</b>	<b>47 445</b>	<b>14.0%</b>	<b>99.3%</b>	<b>50 462</b>	<b>51 531</b>	<b>53 232</b>	<b>3.9%</b>	<b>99.2%</b>
Compensation of employees	22 419	26 552	27 353	31 020	11.4%	68.6%	33 224	33 371	34 056	3.2%	64.4%
Goods and services <sup>1</sup>	9 635	11 128	10 762	16 425	19.5%	30.7%	17 238	18 160	19 176	5.3%	34.7%
of which:											
Communication	142	163	171	175	7.2%	0.4%	182	193	203	5.1%	0.4%
Consultants: Business and advisory services	335	620	6	353	1.8%	0.8%	371	393	415	5.5%	0.7%
Contractors	-	13	-	6 275	-	4.0%	6 414	6 703	7 078	4.1%	13.0%
Travel and subsistence	5 971	5 768	7 888	6 578	3.3%	16.8%	6 952	7 357	7 769	5.7%	14.0%
Operating payments	694	901	509	656	-1.9%	1.8%	684	724	765	5.3%	1.4%
Venues and facilities	1 815	2 921	1 412	2 000	3.3%	5.2%	2 168	2 294	2 422	6.6%	4.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>20</b>	<b>8</b>	<b>144</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Households	20	8	144	-	-100.0%	0.1%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>296</b>	<b>271</b>	<b>23</b>	<b>378</b>	<b>8.5%</b>	<b>0.6%</b>	<b>397</b>	<b>430</b>	<b>454</b>	<b>6.3%</b>	<b>0.8%</b>
Machinery and equipment	296	271	23	378	8.5%	0.6%	397	430	454	6.3%	0.8%
<b>Total</b>	<b>32 370</b>	<b>37 959</b>	<b>38 282</b>	<b>47 823</b>	<b>13.9%</b>	<b>100.0%</b>	<b>50 859</b>	<b>51 961</b>	<b>53 686</b>	<b>3.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.5%</b>	<b>-</b>	<b>-</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.6%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>20</b>	<b>8</b>	<b>144</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Employee social benefits	20	8	144	-	-100.0%	0.1%	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Personnel information

**Table 34.23 Investment South Africa personnel numbers and cost by salary level<sup>1</sup>**

Investment South Africa	Number of posts estimated for 31 March 2017		Number and cost <sup>2</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 (%)	Average Salary level/Total (%)			
			2015/16			2016/17			2017/18		2018/19		2019/20				2016/17 - 2019/20		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	46	3	49	27.4	0.6	46	31.0	0.7	45	33.2	0.7	42	33.4	0.8	40	34.1	0.9	-4.6%	100.0%
1 - 6	3	2	3	0.3	0.1	3	0.4	0.1	3	0.4	0.1	3	0.5	0.2	3	0.5	0.2	-	6.9%
7 - 10	24	-	25	8.5	0.3	23	11.0	0.5	23	11.8	0.5	21	11.5	0.5	20	11.8	0.6	-4.6%	50.3%
11 - 12	15	-	14	12.7	0.9	14	12.3	0.9	13	11.7	0.9	12	11.5	1.0	11	11.2	1.0	-7.7%	28.9%
13 - 16	4	1	7	5.9	0.8	6	7.3	1.2	6	9.3	1.6	6	10.0	1.7	6	10.6	1.8	-	13.9%

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

2. Rand million.

## Entities<sup>1</sup>

### National Gambling Board

#### Mandate

The National Gambling Board was established in terms of the National Gambling Act (2004), which makes provision for the coordination of concurrent national and provincial legislative competence over matters relating to casinos, racing, gambling and wagering; and provides for the regulation and development of uniform norms and standards. The board's mandate is derived from the National Gambling Act (2004), anti-money laundering and anti-terrorism financing legislation, the Broad-Based Black Economic Empowerment Act (2003), the codes of good practice for BEE, and the Employment Equity Act (1998).

#### Selected performance indicators

**Table 34.24 National Gambling Board of South Africa performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of research reports on impact of gambling presented to the accounting authority per year	Stakeholder and liaison	Entity mandate	- <sup>1</sup>	1	1	1	1	1	1
Number of consolidated three-tier compliance evaluation assessment reports produced per year	Compliance monitoring		- <sup>1</sup>	9	9	9	9	9	9
Number of reports on intervention and support provided to regulators and law enforcement agencies per year	Compliance monitoring		- <sup>1</sup>	8	8	8	8	8	8
Number of reports on illegal gambling produced per year	Compliance monitoring		- <sup>1</sup>	4	4	4	4	4	4

<sup>1</sup>. No historical data available.

#### Expenditure analysis

The National Gambling Board's primary focus over the medium term will be on providing oversight and regulation of the gambling industry, creating a fair regulatory environment that promotes equitable and socially responsible behaviour, monitoring the industry's market share and behaviour patterns, and eradicating illegal gambling. The national gambling policy was approved by Cabinet in 2016 as a response to hindrances to the effectiveness of the National Gambling Act (2004). The National Gambling Amendment Bill has been approved for wider public consultation, and proposes reforming the regulatory structural framework to strengthen control mechanisms to minimise the abuse of gambling.

As part of providing oversight and regulation of the industry, the board plans to continue monitoring and evaluating the issuance of national and provincial licenses. This entails reviewing the revenue collection and audits of licensing authorities, ensuring their machines are certified and approved, and inspecting the compliance of licensees through provincial licensing authorities. The compliance monitoring programme is allocated R208 million over the medium term for this purpose. The allocation will fund the production of nine compliance evaluation assessment reports per year over the medium term. The staff complement is set to remain at 27 over the medium term to maintain the capacity of the compliance unit, with expenditure on compensation of employees projected to grow by 9.9 per cent, from R21.3 million in 2016/17 to R28.2 million in 2019/20.

The board plans to develop a national register of illegal gambling operators at a projected cost of R2 million. The register will become a central repository for all gambling operations, and allow the board to collaborate with law enforcement agencies to eradicate illegal gambling activities. To develop and roll out the register, the board aims to produce 12 reports on illegal gambling over the medium term. A national central electronic monitoring system, which manages and monitors the limited payout machine industry in South Africa, will allow the board to collect data on revenue made by machines, and ensure the industry is effectively monitored.

<sup>1</sup>. This section has been compiled with the latest available information from the entities concerned.

The national central electronic monitoring system is projected to cost R159.3 million. Expenditure on goods and services is expected to increase from R24 million in 2016/17 to R127.7 million in 2019/20 as a result of the establishment of the national central electronic monitoring system and the national illegal gambling operators register, which are expected to account for 67.5 per cent of total spending on goods and services over the medium term.

To inform the public about legal and illegal forms of gambling, and address problem gambling, the board is planning to run five public awareness campaigns in each year over the MTEF period. The board will further conduct socioeconomic research on the benefits and dangers of gambling to inform and guide policy on gambling-related matters in the country. These activities are funded in the stakeholder and liaison programme, which has an allocation of R47.3 million over the medium term.

A projected 45.8 per cent, or R100.4 million, of the board's revenue over the medium term will come from transfers from the department. This will be supplemented by revenue from the national central electronic monitoring system. Revenue is projected to grow by 49.2 per cent over the medium term, from R47.8 million in 2016/17 to R158.8 million in 2019/20, because of the revised revenue model for the national central electronic monitoring system, which will allow for monitoring fees from limited payout machines to accrue to the board.

### Programmes/objectives/activities

Table 34.25 National Gambling Board expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
					2013/14 - 2016/17					2016/17 - 2019/20	
Administration	19 245	22 007	19 579	23 267	6.5%	63.2%	22 549	24 597	24 206	1.3%	33.8%
Stakeholder and liaison	8 066	5 133	2 841	13 070	17.5%	19.9%	12 540	20 601	14 200	2.8%	20.4%
Compliance monitoring	6 343	2 055	5 087	11 034	20.3%	16.9%	9 179	78 998	119 800	121.4%	45.8%
<b>Total</b>	<b>33 654</b>	<b>29 195</b>	<b>27 507</b>	<b>47 371</b>	<b>12.1%</b>	<b>100.0%</b>	<b>44 268</b>	<b>124 196</b>	<b>158 206</b>	<b>49.5%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

Table 34.26 National Gambling Board statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/ Budget (%)
	2013/14	2014/15	2014/15	2015/16	2015/16	2016/17	2016/17		
<b>Revenue</b>									
<b>Non-tax revenue</b>	430	2 279	2 703	2 698	8 789	8 743	13 572	17 659	123.1%
Other non-tax revenue	430	2 279	2 703	2 698	8 789	8 743	13 572	17 659	123.1%
<b>Transfers received</b>	27 717	27 717	29 797	29 797	31 983	31 983	30 121	30 121	100.0%
<b>Total revenue</b>	<b>28 147</b>	<b>29 996</b>	<b>32 500</b>	<b>32 495</b>	<b>40 772</b>	<b>40 726</b>	<b>43 693</b>	<b>47 780</b>	<b>104.1%</b>
<b>Expenses</b>									
<b>Current expenses</b>	28 147	33 654	27 502	29 195	39 035	27 507	42 507	47 371	100.4%
Compensation of employees	15 224	11 352	12 296	9 161	11 346	8 900	22 933	21 254	82.0%
Goods and services	12 773	20 203	14 356	18 094	25 477	16 457	17 362	23 975	112.5%
Depreciation	150	2 099	850	1 940	2 212	2 150	2 212	2 142	153.6%
<b>Total expenses</b>	<b>28 147</b>	<b>33 654</b>	<b>27 502</b>	<b>29 195</b>	<b>39 035</b>	<b>27 507</b>	<b>42 507</b>	<b>47 371</b>	<b>100.4%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>(3 658)</b>	<b>4 998</b>	<b>3 300</b>	<b>1 737</b>	<b>13 219</b>	<b>1 186</b>	<b>409</b>	
Statement of financial position									
Carrying value of assets	5 000	14 253	15 250	12 907	13 681	11 750	14 502	14 502	110.3%
of which:									
Acquisition of assets	-	(22)	-	(513)	(1 642)	(622)	(50)	(2 400)	210.2%
Inventory	100	31	120	20	21	42	22	22	43.8%
Receivables and prepayments	150	574	150	1 371	1 453	1 063	1 540	1 540	138.1%
Cash and cash equivalents	4 680	31	2 100	9 216	9 769	26 439	10 355	10 355	171.1%
<b>Total assets</b>	<b>9 930</b>	<b>14 889</b>	<b>17 620</b>	<b>23 514</b>	<b>24 925</b>	<b>39 294</b>	<b>26 420</b>	<b>26 420</b>	<b>132.0%</b>
Accumulated surplus/(deficit)	3 780	5 709	8 620	8 996	9 627	22 216	10 205	10 205	146.2%
Borrowings	-	79	-	-	-	-	-	-	-
Finance lease	-	5 725	-	-	-	-	-	-	-
Deferred income	-	-	-	6 485	-	7 959	-	-	-
Trade and other payables	5 650	2 660	6 500	7 115	14 325	7 310	15 184	15 184	77.5%
Provisions	500	716	2 500	918	973	1 809	1 031	1 031	89.4%
<b>Total equity and liabilities</b>	<b>9 930</b>	<b>14 889</b>	<b>17 620</b>	<b>23 514</b>	<b>24 925</b>	<b>39 294</b>	<b>26 420</b>	<b>26 420</b>	<b>132.0%</b>

## Statements of estimates of financial performance and position

Table 34.27 National Gambling Board statements of estimates of financial performance and position

Statement of financial performance	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2016/17	2013/14 - 2016/17	2017/18		
R thousand								
<b>Revenue</b>								
Non-tax revenue	17 659	97.9%	18.6%	12 641	93 447	123 432	91.2%	54.2%
Other non-tax revenue	17 659	97.9%	18.6%	12 641	93 447	123 432	91.2%	54.2%
<b>Transfers received</b>	<b>30 121</b>	<b>2.8%</b>	<b>81.4%</b>	<b>31 627</b>	<b>33 461</b>	<b>35 335</b>	<b>5.5%</b>	<b>45.8%</b>
<b>Total revenue</b>	<b>47 780</b>	<b>16.8%</b>	<b>100.0%</b>	<b>44 268</b>	<b>126 908</b>	<b>158 767</b>	<b>49.2%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>47 371</b>	<b>12.1%</b>	<b>100.0%</b>	<b>44 268</b>	<b>124 196</b>	<b>158 206</b>	<b>49.5%</b>	<b>303.3%</b>
Compensation of employees	21 254	23.3%	35.6%	24 283	26 711	28 207	9.9%	34.8%
Goods and services	23 975	5.9%	58.1%	17 783	95 273	127 664	74.6%	62.0%
Depreciation	2 142	0.7%	6.3%	2 202	2 212	2 336	2.9%	3.2%
<b>Total expenses</b>	<b>47 371</b>	<b>12.1%</b>	<b>100.0%</b>	<b>44 268</b>	<b>124 196</b>	<b>158 206</b>	<b>49.5%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>409</b>	<b>(1)</b>		<b>-</b>	<b>2 712</b>	<b>560</b>	<b>11.0%</b>	
<b>Statement of financial position</b>								
Carrying value of assets	14 502	0.6%	58.9%	15 372	16 295	17 207	5.9%	54.9%
of which:								
Acquisition of assets	(2 400)	377.8%	-3.2%	-	-	-	-100.0%	-2.3%
Inventory	22	-10.2%	0.1%	24	25	27	5.9%	0.1%
Receivables and prepayments	1 540	39.0%	4.6%	1 633	1 731	1 828	5.9%	5.8%
Cash and cash equivalents	10 355	593.8%	36.5%	10 976	11 635	12 287	5.9%	39.2%
<b>Total assets</b>	<b>26 420</b>	<b>21.1%</b>	<b>100.0%</b>	<b>28 006</b>	<b>29 686</b>	<b>31 348</b>	<b>5.9%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	10 205	21.4%	42.9%	10 817	11 466	12 108	5.9%	38.6%
Trade and other payables	15 184	78.7%	31.0%	16 095	17 061	18 017	5.9%	57.5%
Provisions	1 031	12.9%	4.3%	1 093	1 159	1 224	5.9%	3.9%
<b>Total equity and liabilities</b>	<b>26 420</b>	<b>21.1%</b>	<b>100.0%</b>	<b>28 006</b>	<b>29 686</b>	<b>31 348</b>	<b>5.9%</b>	<b>100.0%</b>

## Personnel information

Table 34.28 National Gambling Board personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		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 (%)	Average: Salary level/Total (%)				
		2015/16		Unit cost	2016/17		Unit cost	2017/18		2018/19		2019/20				2016/17 - 2019/20			
National Gambling Board		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	27	27	22	8.9	0.4	27	21.3	0.8	27	24.3	0.9	27	26.7	1.0	27	28.2	1.0	9.9%	100.0%
1 - 6	1	1	4	0.4	0.1	1	0.2	0.2	-	-	-	-	-	-	-	-	-	-100.0%	0.9%
7 - 10	10	10	8	2.3	0.3	10	4.3	0.4	11	4.9	0.4	10	4.6	0.5	10	4.9	0.5	4.1%	38.0%
11 - 12	7	7	5	2.1	0.4	7	5.2	0.7	6	4.9	0.8	7	6.0	0.9	7	6.3	0.9	6.9%	25.0%
13 - 16	9	9	5	4.1	0.8	9	11.5	1.3	10	14.5	1.4	10	16.1	1.6	10	17.0	1.7	13.9%	36.1%

1. Rand million.

## Companies and Intellectual Property Commission

The Companies and Intellectual Property Commission was established in terms of section 185 of the Companies Act (2008) to register companies, close corporations, cooperatives, trademarks, patents, designs and copyright; and to enforce rules and regulations.

## Selected performance indicators

**Table 34.29 Companies and Intellectual Property Commission performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Percentage website performance for round-the-clock online filing	Administration		92%	95%	95%	95%	95%	95%	95%
Average number of days to register a company from the date of receipt of a complete application	Business regulations and reputation		- <sup>1</sup>	- <sup>1</sup>	6	4	1	1	1
Average number of days to register a cooperative from the date of receipt of a complete application	Business regulations and reputation		- <sup>1</sup>	- <sup>1</sup>	15	10	1	1	1
Percentage of companies with an active business status to file annual returns by the end of the reporting period per year	Business regulations and reputation	Entity mandate	52% (509 557/ 989 939)	50% (525 470/ 1 051 059)	55% (558 954/ 1 075 904)	60%	56%	58%	58%
Average number of days to issue an application number for a trademark from the date of application	Business regulations and reputation		- <sup>1</sup>	- <sup>1</sup>	3	3	3	3	3
Average number of days to issue an application number for a patent from date of application	Innovation and creativity promotion		- <sup>1</sup>	- <sup>1</sup>	3	3	3	3	3
Average number of days to issue an application number for a design from date of application	Innovation and creativity promotion		- <sup>1</sup>	- <sup>1</sup>	3	3	3	3	3

1. No historical data available.

## Expenditure analysis

The focus of the Companies and Intellectual Property Commission over the medium term will be to create a reputable business environment by effectively regulating the behaviour of companies and the intellectual property system. The commission will develop capabilities in intellectual protection, increase knowledge and awareness of intellectual property rights, and ensure compliance with company law and relevant legislation.

To allow the commission to regulate companies and the intellectual property system more effectively, R200 million is allocated for spending on ICT services over the medium term, accounting for 25 per cent of expected expenditure in the administration programme. This will provide digital access to information, registration and transactions for all products and services, and allow the commission to register 50 per cent of companies within a day by 2022. Establishing service centres across the country over the medium term will allow the commission to increase its footprint, and make it easier for companies to file their annual returns. An amount of R19 million is allocated to establishing these centres.

In partnership with Transnet and the Durban Chamber of Commerce, the commission will increase the number of education and awareness workshops on the protection of intellectual property products and brands from 40 in 2017/18 to 52 in 2019/20. The partnership will also act against counterfeiters. These activities are expected to increase the commission's expenditure on goods and services from R176 million in 2016/17 to R221.5 million in 2019/20.

Spending on compensation of employees is expected to grow by 8 per cent over the medium term, as the number of personnel increases from 512 in 2017/18 to 546 in 2019/20 to support the new activities the commission will embark on, such as the deregistration of non-compliant companies. A further R9.8 million is allocated over the medium term for staff training to enhance the quality of service delivery.

The commission generates revenue from the registration of companies, trademarks, patents and copyrights. Revenue is projected to grow at an average annual rate of 3 per cent over the medium term because of the expected high volume of annual returns filed and companies registered, amendments to company registrations, and increased compliance. Interest income from investments will be used to carry out projects such as the establishment of the commission's service centres and the upgrading of its ICT infrastructure.

**Programmes/objectives/activities****Table 34.30 Companies and Intellectual Property Commission expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
Administration	191 905	255 074	277 066	388 826	26.5%	75.8%	415 024	455 580	487 988	7.9%	76.1%
Business regulations and reputation	86 831	30 865	37 225	75 265	-4.7%	16.0%	81 206	92 463	99 018	9.6%	15.1%
Innovation and creativity promotion	31 132	20 577	24 817	44 843	12.9%	8.2%	48 470	52 808	56 684	8.1%	8.8%
<b>Total</b>	<b>309 868</b>	<b>306 516</b>	<b>339 108</b>	<b>508 934</b>	<b>18.0%</b>	<b>100.0%</b>	<b>544 700</b>	<b>600 851</b>	<b>643 690</b>	<b>8.1%</b>	<b>100.0%</b>

**Statements of historical financial performance and position****Table 34.31 Companies and Intellectual Property Commission statements of historical financial performance and position**

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	2013/14	2014/15	2014/15	2015/16	2015/16	2016/17	2016/17	2013/14 - 2016/17	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>435 914</b>	<b>455 611</b>	<b>438 444</b>	<b>508 330</b>	<b>512 946</b>	<b>547 907</b>	<b>533 944</b>	<b>533 944</b>	<b>106.5%</b>
Sale of goods and services other than capital assets	339 225	379 636	393 444	413 344	470 446	438 987	488 944	488 944	101.7%
of which:									
Administrative fees	339 225	379 636	393 444	413 344	470 446	438 987	488 944	488 944	101.7%
Other non-tax revenue	96 689	75 975	45 000	94 986	42 500	108 920	45 000	45 000	141.8%
<b>Total revenue</b>	<b>435 914</b>	<b>455 611</b>	<b>438 444</b>	<b>508 330</b>	<b>512 946</b>	<b>547 907</b>	<b>533 944</b>	<b>533 944</b>	<b>106.5%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>435 914</b>	<b>309 868</b>	<b>438 444</b>	<b>306 516</b>	<b>370 080</b>	<b>339 108</b>	<b>508 934</b>	<b>508 934</b>	<b>83.5%</b>
Compensation of employees	214 610	186 861	263 176	198 902	243 646	232 094	328 434	328 434	90.1%
Goods and services	212 304	119 646	173 268	98 127	117 634	96 987	176 000	176 000	72.3%
Depreciation	9 000	3 361	2 000	9 487	8 800	10 027	4 500	4 500	112.7%
<b>Total expenses</b>	<b>435 914</b>	<b>309 868</b>	<b>438 444</b>	<b>306 516</b>	<b>370 080</b>	<b>339 108</b>	<b>508 934</b>	<b>508 934</b>	<b>83.5%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>145 743</b>	<b>-</b>	<b>201 814</b>	<b>142 866</b>	<b>208 799</b>	<b>25 010</b>	<b>25 010</b>	
<b>Statement of financial position</b>									
Carrying value of assets	188 257	41 115	41 692	43 143	76 692	39 197	391 692	391 692	73.8%
of which:									
Acquisition of assets	(7 000)	(27 349)	(9 325)	(12 402)	(23 129)	(6 080)	(25 000)	(20 050)	102.2%
Inventory	350	-	300	-	-	-	-	-	-
Receivables and prepayments	40 000	7 902	3 500	8 901	2 000	4 595	1 500	1 500	48.7%
Cash and cash equivalents	939 101	1 386 805	1 282 097	1 565 589	1 382 456	1 593 874	1 087 892	1 087 892	120.1%
<b>Total assets</b>	<b>1 167 708</b>	<b>1 435 822</b>	<b>1 327 589</b>	<b>1 617 633</b>	<b>1 461 148</b>	<b>1 637 666</b>	<b>1 481 084</b>	<b>1 481 084</b>	<b>113.5%</b>
Accumulated surplus/(deficit)	1 081 918	1 298 678	1 217 649	1 500 492	1 313 392	1 505 870	1 330 788	1 330 788	114.0%
Trade and other payables	65 000	39 517	10 000	15 010	45 000	22 576	45 000	45 000	74.0%
Provisions	20 790	21 690	34 940	21 903	37 756	26 605	40 296	40 296	82.6%
Derivatives financial instruments	-	75 937	65 000	80 228	65 000	82 615	65 000	65 000	155.8%
<b>Total equity and liabilities</b>	<b>1 167 708</b>	<b>1 435 822</b>	<b>1 327 589</b>	<b>1 617 633</b>	<b>1 461 148</b>	<b>1 637 666</b>	<b>1 481 084</b>	<b>1 481 084</b>	<b>113.5%</b>

**Statements of estimates of financial performance and position****Table 34.32 Companies and Intellectual Property Commission statements of estimates of financial performance and position**

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>533 944</b>	<b>5.4%</b>	<b>100.0%</b>	<b>541 935</b>	<b>552 935</b>	<b>583 051</b>	<b>3.0%</b>	<b>100.0%</b>	
Sale of goods and services other than capital assets	488 944	8.8%	84.1%	494 335	501 935	532 051	2.9%	91.2%	
of which:									
Administrative fees	488 944	8.8%	15.9%	494 335	501 935	532 051	2.9%	91.2%	
Other non-tax revenue	45 000	-16.0%	100.0%	47 600	51 000	51 000	4.3%	8.8%	
<b>Total revenue</b>	<b>533 944</b>	<b>5.4%</b>		<b>541 935</b>	<b>552 935</b>	<b>583 051</b>	<b>3.0%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>508 934</b>	<b>18.0%</b>	<b>100.0%</b>	<b>544 700</b>	<b>600 851</b>	<b>643 690</b>	<b>8.1%</b>	<b>161.7%</b>	
Compensation of employees	328 434	20.7%	33.5%	354 700	383 076	413 720	8.0%	64.4%	
Goods and services	176 000	13.7%	2.0%	185 000	209 775	221 522	8.0%	34.5%	
Depreciation	4 500	10.2%	100.0%	5 000	8 000	8 448	23.4%	1.1%	
<b>Total expenses</b>	<b>508 934</b>	<b>18.0%</b>		<b>544 700</b>	<b>600 851</b>	<b>643 690</b>	<b>8.1%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>25 010</b>	<b>-</b>		<b>(2 765)</b>	<b>(47 916)</b>	<b>(60 639)</b>	<b>-234.3%</b>		

**Table 34.32 Companies and Intellectual Property Commission statements of estimates of financial performance and position**

Statement of financial position		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
R thousand	2016/17							
Carrying value of assets	391 692	112.0%	8.6%	418 034	437 059	437 059	3.7%	28.0%
of which:								
Acquisition of assets	(20 050)	-9.8%	-1.1%	(23 700)	(31 800)	(38 200)	24.0%	-1.9%
Receivables and prepayments	1 500	-42.5%	0.4%	1 000	850	850	-17.2%	0.1%
Cash and cash equivalents	1 087 892	-7.8%	91.0%	1 080 923	1 080 923	1 080 923	-0.2%	72.0%
<b>Total assets</b>	<b>1 481 084</b>	<b>1.0%</b>	<b>100.0%</b>	<b>1 499 957</b>	<b>1 518 832</b>	<b>1 518 832</b>	<b>0.8%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	1 330 788	0.8%	91.3%	1 342 026	1 353 264	1 353 264	0.6%	89.4%
Trade and other payables	45 000	4.4%	2.0%	50 000	55 000	49 000	2.9%	3.3%
Provisions	40 296	22.9%	1.8%	42 931	45 568	46 568	4.9%	2.9%
Derivatives financial instruments	65 000	-5.1%	4.9%	65 000	65 000	70 000	2.5%	4.4%
<b>Total equity and liabilities</b>	<b>1 481 084</b>	<b>1.0%</b>	<b>100.0%</b>	<b>1 499 957</b>	<b>1 518 832</b>	<b>1 518 832</b>	<b>0.8%</b>	<b>100.0%</b>

### Personnel information

**Table 34.33 Companies and Intellectual Property Commission personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2017		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 (%)	Average: Salary level/Total (%)				
		2015/16		Unit cost	2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost			2019/20		Unit cost	
Companies and Intellectual Property Commission		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2016/17 - 2019/20		
Salary level	640	640	470	232.1	0.5	488	328.4	0.7	512	354.7	0.7	524	383.1	0.7	546	413.7	0.8	8.0%	100.0%
7 - 10	428	428	338	127.5	0.4	356	172.8	0.5	371	187.1	0.5	374	198.8	0.5	387	212.1	0.5	7.1%	71.9%
11 - 12	165	165	103	72.1	0.7	98	106.4	1.1	104	112.5	1.1	110	123.4	1.1	116	134.4	1.2	8.1%	20.7%
13 - 16	47	47	29	32.4	1.1	34	49.2	1.4	37	55.1	1.5	40	60.9	1.5	43	67.2	1.6	11.0%	7.4%

1. Rand million.

## Companies Tribunal

### Mandate

The Companies Tribunal was established in 2011 as a juristic entity in terms of the Companies Act (2008) and became operational in 2012. It is mandated to mediate and adjudicate disputes between companies, and make orders. The tribunal is enjoined to deliver on this mandate in a manner that is simple, ethical, efficient, equitable, transparent, accountable and impartial, without fear, favour or prejudice.

### Selected performance indicators

**Table 34.34 Companies Tribunal performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of seminars hosted per year	Administration	Entity mandate	- <sup>1</sup>	1	1	1	1	1	1
Number of media statements issued per year	Administration		1	3	4	4	4	4	4
Number of outreach and/or exhibition programmes participated in per year	Administration		5	3	7	8	8	8	8
Percentage of decisions and orders issued within 30 working days of the date of hearing	Adjudicate and resolve disputes in a credible and just manner		80% (4/5)	80% (4/5)	85% (4/5)	90%	90%	90%	90%
Percentage of decisions and orders issued within 30 days of the date of allocation <sup>2</sup>	Adjudicate and resolve disputes in a credible and just manner		69% (107/154)	90% (117/130)	88% (168/191)	90%	90%	90%	80%
Percentage of cases finalised per year in terms of alternative dispute resolution within 25 working days after the date of hearing	Adjudicate and resolve disputes in a credible and just manner		- <sup>1</sup>	40% (4/10)	100% (14)	75%	85%	85%	85%

1. No historical data available.

2. Allocation is the handing over of a case file for adjudication.

## Expenditure analysis

The Companies Tribunal was established to adjudicate applications made to it in terms of the Companies Act (2008) and resolve disputes through mediation, conciliation and arbitration. The tribunal will continue to create a just, fair and ethical regulatory business environment that is conducive to sustainable enterprise development and attracts investment. The activities of the tribunal contribute to the National Development Plan's goal of reducing the cost of regulatory compliance. Over the medium term, the tribunal plans to spend R66.4 million on improving its service delivery capabilities and increasing public awareness of its activities.

As part of improving service delivery, the tribunal plans to acquire a case management system, at an estimated cost of R2.3 million, to improve accessibility to and interaction with tribunal members, and to digitise reporting. The investment will allow the tribunal to manage the projected increase in the number of cases from 397 in 2015/16 to 450 in 2019/20.

The tribunal plans to conduct 24 outreach programmes and/or exhibitions, host three seminars, and run marketing initiatives in the media to raise awareness and educate key stakeholders about the tribunal's activities. These activities will drive expenditure on goods and services, and are estimated to cost R20.4 million over the medium term.

The activities of the tribunal are labour intensive and require specialised skills to adjudicate cases and resolve disputes. As a result, spending on compensation of employees will remain a key cost driver, accounting for an estimated 66.9 per cent of total expenditure over the medium term, increasing from R13.3 million in 2016/17 to R16.1 million in 2019/20.

## Programmes/objectives/activities

Table 34.35 Companies Tribunal expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Administration	5 381	10 880	15 110	18 883	52.0%	74.9%	18 938	19 329	18 277	-1.1%	84.9%
Adjudicate and resolve disputes in a credible and just manner	2 837	3 011	5 000	4 514	16.7%	25.1%	4 914	4 970	-	-	15.1%
<b>Total</b>	<b>8 218</b>	<b>13 891</b>	<b>20 110</b>	<b>23 397</b>	<b>41.7%</b>	<b>100.0%</b>	<b>23 852</b>	<b>24 299</b>	<b>18 277</b>	<b>-7.9%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

Table 34.36 Companies Tribunal statements of historical financial performance and position

Statement of financial performance									
R thousand	2013/14		2014/15		2015/16		2016/17		Average: Outcome/Budget (%) 2013/14 - 2016/17
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
<b>Revenue</b>									
Non-tax revenue	-	990	350	1 539	4 488	2 554	7 621	8 328	107.6%
Other non-tax revenue	-	990	350	1 539	4 488	2 554	7 621	8 328	107.6%
<b>Transfers received</b>	<b>10 337</b>	<b>10 337</b>	<b>13 313</b>	<b>13 313</b>	<b>14 221</b>	<b>14 221</b>	<b>15 069</b>	<b>15 069</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>10 337</b>	<b>11 327</b>	<b>13 663</b>	<b>14 852</b>	<b>18 709</b>	<b>16 775</b>	<b>22 690</b>	<b>23 397</b>	<b>101.5%</b>
<b>Expenses</b>									
Current expenses	20 255	8 218	13 243	13 891	18 709	20 110	22 690	23 397	87.6%
Compensation of employees	13 600	3 881	9 034	8 123	11 233	10 217	12 780	13 300	76.1%
Goods and services	6 655	4 334	4 207	5 745	7 284	9 712	9 808	9 837	106.0%
Depreciation	-	3	2	23	192	181	102	260	157.8%
<b>Total expenses</b>	<b>20 255</b>	<b>8 218</b>	<b>13 243</b>	<b>13 891</b>	<b>18 709</b>	<b>20 110</b>	<b>22 690</b>	<b>23 397</b>	<b>87.6%</b>
<b>Surplus/(Deficit)</b>	<b>(9 918)</b>	<b>3 109</b>	<b>420</b>	<b>961</b>	<b>-</b>	<b>(3 335)</b>	<b>-</b>	<b>-</b>	
<b>Statement of financial position</b>									
Carrying value of assets of which:	-	28	50	316	250	633	271	2 975	692.1%
Acquisition of assets	(45)	(29)	(70)	(115)	(19)	(498)	(50)	(2 835)	1 889.7%
Inventory	-	48	-	13	15	11	17	5	240.6%
Receivables and prepayments	-	6	-	11	15	240	20	-	734.3%
Cash and cash equivalents	10 000	20 540	18 599	22 099	21 630	18 462	13 832	12 166	114.4%
<b>Total assets</b>	<b>10 000</b>	<b>20 622</b>	<b>18 649</b>	<b>22 439</b>	<b>21 910</b>	<b>19 346</b>	<b>14 140</b>	<b>15 146</b>	<b>119.9%</b>
Accumulated surplus/(deficit)	-	20 290	17 659	21 308	20 746	17 974	13 421	12 086	138.3%
Trade and other payables	-	26	890	98	501	439	55	1 890	169.6%
Provisions	-	306	100	1 033	663	933	664	1 170	241.2%
<b>Total equity and liabilities</b>	<b>-</b>	<b>20 622</b>	<b>18 649</b>	<b>22 439</b>	<b>21 910</b>	<b>19 346</b>	<b>14 140</b>	<b>15 146</b>	<b>141.8%</b>

## Statements of estimates of financial performance and position

Table 34.37 Companies Tribunal statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17				2013/14 - 2016/17	2017/18	2018/19		
R thousand									
<b>Revenue</b>									
Non-tax revenue	8 328	103.4%	17.5%	8 030	7 559	600	-58.4%	25.9%	
Other non-tax revenue	8 328	103.4%	17.5%	8 030	7 559	600	-58.4%	25.9%	
<b>Transfers received</b>	<b>15 069</b>	<b>13.4%</b>	<b>82.5%</b>	<b>15 822</b>	<b>16 740</b>	<b>17 677</b>	<b>5.5%</b>	<b>74.1%</b>	
<b>Total revenue</b>	<b>23 397</b>	<b>27.4%</b>	<b>100.0%</b>	<b>23 852</b>	<b>24 299</b>	<b>18 277</b>	<b>-7.9%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>23 397</b>	<b>41.7%</b>	<b>100.0%</b>	<b>23 852</b>	<b>24 299</b>	<b>18 277</b>	<b>-7.9%</b>	<b>127.0%</b>	
Compensation of employees	13 300	50.8%	53.3%	14 260	15 250	16 104	6.6%	66.9%	
Goods and services	9 837	31.4%	46.1%	9 371	8 949	2 067	-40.5%	32.4%	
Depreciation	260	342.5%	0.6%	221	100	106	-25.9%	0.8%	
<b>Total expenses</b>	<b>23 397</b>	<b>41.7%</b>	<b>100.0%</b>	<b>23 852</b>	<b>24 299</b>	<b>18 277</b>	<b>-7.9%</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>Statement of financial position</b>									
Carrying value of assets	2 975	373.6%	6.1%	2 370	1 890	1 506	-20.3%	64.5%	
of which:									
Acquisition of assets	(2 835)	360.7%	-5.5%	(500)	(90)	(110)	-66.1%	-9.7%	
Inventory	5	-52.9%	0.1%	3	-	-	-100.0%	0.0%	
Receivables and prepayments	-	-100.0%	0.3%	1	-	-	-	0.0%	
Cash and cash equivalents	12 166	-16.0%	93.5%	3 799	-	-	-100.0%	35.5%	
<b>Total assets</b>	<b>15 146</b>	<b>-9.8%</b>	<b>100.0%</b>	<b>6 173</b>	<b>1 890</b>	<b>1 506</b>	<b>-53.7%</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	12 086	-15.9%	91.5%	4 656	-	-	-100.0%	38.8%	
Trade and other payables	1 890	317.3%	3.8%	550	870	485	-36.5%	24.9%	
Provisions	1 170	56.4%	4.7%	967	1 020	1 021	-4.4%	36.3%	
<b>Total equity and liabilities</b>	<b>15 146</b>	<b>-9.8%</b>	<b>100.0%</b>	<b>6 173</b>	<b>1 890</b>	<b>1 506</b>	<b>-53.7%</b>	<b>100.0%</b>	

## Personnel information

Table 34.38 Companies Tribunal personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		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 (%)	Average: Salary level/Total (%)				
		2015/16		Unit cost	2016/17		Unit cost	2017/18		2018/19		2019/20				2016/17 - 2019/20			
Companies Tribunal		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	19	18	18	10.2	0.6	19	13.3	0.7	19	14.3	0.8	19	15.3	0.8	19	16.1	0.8	6.6%	100.0%
1 - 6	3	-	3	0.1	0.0	3	0.2	0.1	3	0.2	0.1	3	0.2	0.1	3	0.2	0.1	1.8%	15.8%
7 - 10	3	3	3	1.1	0.4	3	1.4	0.5	3	1.5	0.5	3	1.6	0.5	3	1.7	0.6	7.0%	15.8%
11 - 12	8	9	8	4.5	0.6	8	5.7	0.7	8	6.1	0.8	8	6.6	0.8	8	6.9	0.9	7.0%	42.1%
13 - 16	5	6	4	4.4	1.1	5	6.1	1.2	5	6.5	1.3	5	6.9	1.4	5	7.3	1.5	6.2%	26.3%

1. Rand million.

## Export Credit Insurance Corporation of South Africa

### Mandate

The Export Credit Insurance Corporation of South Africa was established in terms of the Export Credit and Foreign Investments Insurance Act (1957) to facilitate and encourage South Africa's export trade by underwriting export credit loans and investments outside South Africa. The corporation is mandated to evaluate export credit and foreign investment risks; provide export credit and foreign investment insurance cover on behalf of the South African government; and manage the subsidised interest rate arrangement for participating financial institutions to enable them to provide loans to South African firms that invest in capital projects abroad.

## Selected performance indicators

**Table 34.39 Export Credit Insurance Corporation of South Africa performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of products developed and approved	Increase product range	Outcome 4: Decent employment through inclusive growth	- <sup>1</sup>	- <sup>1</sup>	2	1	1	- <sup>2</sup>	- <sup>2</sup>
Number of research projects to identify new opportunities per year	Improve business development		- <sup>1</sup>	- <sup>1</sup>	2	2	2	2	2
Percentage of cost to income per year	Decrease cost to revenue ratio		13%	36%	26%	30%-35%	30%-35%	30%-35%	30%-35%
Value of project approvals per year	Increase revenue		- <sup>1</sup>	US\$432m	US\$250m	US\$350m- US\$400m	US\$400m- US\$500m	US\$450m- US\$550m	US\$500m- US\$600m
Percentage increase in own funds per year	Increase capital base		- <sup>1</sup>	- <sup>1</sup>	21% <sup>3</sup> (R923 061/ R4 324 239)	10% <sup>4</sup>	5%	5%	5%

1. No historical data available.

2. Products to be reviewed in 2018/19 and 2019/20.

3. Increase due to profit after tax increasing by 55 per cent from 2014/15, largely resulting from an increase in premium earnings and the weakening of the rand, which increased the entity's assets determined by the US dollar.

4. Decrease due to corporation assuming responsibility for the interest make-up scheme.

## Expenditure analysis

The Export Credit Insurance Corporation of South Africa will continue to provide export credit and investment insurance solutions in support of South African capital goods and services by applying the best practice principles of risk management to contribute to the expansion of production, exports and economic growth, and the creation of local jobs. The corporation's focus over the medium term will be on increasing its product range to cater for the needs of South African exporters, investors and financial institutions, and address gaps in the market. It will achieve this by conducting extensive research, identifying new opportunities, and developing and testing new products.

The corporation is expecting to conduct six research projects to identify new opportunities, and develop and approve one new insurance product over the medium term. To cater more fully to the needs of customers, the corporation plans to review its product ranges in 2018/19 and 2019/20, at a projected cost of R30 million.

The corporation has adopted a proactive business model to initiate deals to ensure that it remains relevant as a key agency that advances export trade and cross-border investments. This is expected to contribute to an increase in the value of project approvals by the corporation to support exports from between US\$350 million and US\$400 million in 2016/17 to between US\$500 million and US\$600 million in 2019/20. To support business growth, the corporation's expanded structure was approved in 2015/16. Consequently, the headcount is set to increase from 69 in 2015/16 to 89 over the medium term, driving an increase in expenditure on compensation of employees from R86.2 million in 2016/17 to R113.8 million in 2019/20.

For government to ensure efficiencies and effective use of resources within the constrained fiscal environment, the corporation has assumed responsibility for the interest make-up scheme in 2016/17. The scheme is a subsidised interest rate arrangement to enable participating financial institutions to provide loans to South African exporters, allowing them to gain access to new markets and diversify exports. The scheme has a current liability of R2.4 billion. Total expenditure over the medium term is expected to decrease at an average annual rate of 40 per cent as the corporation's assuming liability for the scheme will result in it incurring an estimated deficit of R961.1 million in 2016/17. This will, however, be offset by profits from the insurance business and investment income, which comprise 68 per cent of total project revenue over the period ahead, and tax income. The corporation projects total revenue to be approximately R4.1 billion over the medium term.

**Programmes/objectives/activities****Table 34.40 Export Credit Insurance Corporation of South Africa expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
					2013/14 - 2016/17					2016/17 - 2019/20	
Administration	185 064	209 724	357 062	1	-98.2%	16.1%	242 520	252 679	169 313	5 432.2%	22.9%
Improve knowledge and skills	4 604	6 320	9 204	10 412	31.3%	0.5%	10 763	10 823	12 876	7.3%	1.4%
Increase product range	4 752	5 184	3 789	14 203	44.0%	0.4%	9 223	9 923	10 805	-8.7%	1.2%
Increase strategic partnerships	7 064	8 425	4 866	10 197	13.0%	0.5%	8 643	9 296	10 146	-0.2%	1.1%
Improve Business Process	5 200	6 229	3 476	8 647	18.5%	0.4%	9 756	10 476	11 397	9.6%	1.2%
Improve communications and stakeholder management and improve stakeholder satisfaction	12 291	13 606	177 384	2 077 210	452.9%	25.9%	99 338	97 154	96 462	-64.1%	32.0%
Improve Business Development	2 712	3 475	695	5 326	25.2%	0.2%	12 691	13 536	14 531	39.7%	1.5%
Decrease Cost to Revenue Ratio	21 229	24 854	46 358	75 207	52.4%	2.7%	82 917	86 446	87 432	5.1%	10.0%
Increase revenue	93 139	133 205	33 260	44 230	-22.0%	5.7%	50 806	54 654	57 933	9.4%	6.4%
Increase capital base	441 151	1 786 240	520 197	166 458	-27.7%	47.5%	293 403	313 209	49 540	-33.2%	22.2%
<b>Total</b>	<b>777 206</b>	<b>2 197 262</b>	<b>1 156 289</b>	<b>2 411 892</b>	<b>45.9%</b>	<b>100.0%</b>	<b>820 058</b>	<b>858 195</b>	<b>520 434</b>	<b>-40.0%</b>	<b>100.0%</b>

**Statements of historical financial performance and position****Table 34.41 Export Credit Insurance Corporation of South Africa statements of historical financial performance and position**

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2013/14	2014/15	2014/15	2015/16	2015/16	2016/17	2016/17	2013/14 - 2016/17	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>627 532</b>	<b>747 832</b>	<b>940 277</b>	<b>2 154 682</b>	<b>958 074</b>	<b>979 340</b>	<b>1 148 061</b>	<b>838 727</b>	<b>128.5%</b>
Sale of goods and services other than capital assets	302 549	305 841	548 424	1 788 350	565 322	621 102	801 328	526 383	146.2%
<i>of which:</i>									
<i>Sales by market establishment</i>	302 549	305 841	548 424	1 788 350	565 322	621 102	801 328	526 383	146.2%
Other non-tax revenue	324 983	441 991	391 853	366 332	392 752	358 238	346 733	312 344	101.6%
<b>Transfers received</b>	<b>110 293</b>	<b>73 293</b>	<b>-</b>	<b>110 370</b>	<b>165 447</b>	<b>165 447</b>	<b>171 566</b>	<b>171 566</b>	<b>116.4%</b>
<b>Total revenue</b>	<b>737 825</b>	<b>821 125</b>	<b>940 277</b>	<b>2 265 052</b>	<b>1 123 521</b>	<b>1 144 787</b>	<b>1 319 627</b>	<b>1 450 779</b>	<b>137.9%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>424 052</b>	<b>518 860</b>	<b>525 222</b>	<b>1 877 168</b>	<b>155 957</b>	<b>633 783</b>	<b>186 008</b>	<b>2 411 892</b>	<b>421.4%</b>
Compensation of employees	42 917	45 504	42 329	58 788	53 232	46 947	85 712	86 158	105.9%
Goods and services	379 699	472 719	481 763	1 817 027	99 526	584 955	93 490	2 322 960	492.9%
Depreciation	1 436	627	1 129	1 353	3 199	1 878	6 806	2 773	52.8%
Interest, dividends and rent on land	-	11	-	-	-	2	-	1	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>73 293</b>	<b>-</b>	<b>110 370</b>	<b>165 447</b>	<b>165 447</b>	<b>171 566</b>	<b>-</b>	<b>103.6%</b>
<b>Total expenses</b>	<b>531 868</b>	<b>777 206</b>	<b>641 437</b>	<b>2 197 262</b>	<b>545 997</b>	<b>1 156 289</b>	<b>626 949</b>	<b>2 411 892</b>	<b>278.9%</b>
<b>Surplus/(Deficit)</b>	<b>205 957</b>	<b>43 919</b>	<b>298 840</b>	<b>67 790</b>	<b>577 524</b>	<b>(11 502)</b>	<b>692 678</b>	<b>(961 112)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	2 923	4 978	1 585	9 305	17 950	14 471	17 220	10 800	99.7%
<i>of which:</i>									
<i>Acquisition of assets</i>	(7 000)	(4 436)	(9 325)	(4 815)	(13 214)	(4 638)	(6 076)	(2 812)	46.9%
Investments	2 696 240	4 993 017	3 759 121	2 582 548	6 726 826	7 072 662	6 817 385	7 731 693	111.9%
Receivables and prepayments	294 170	428 722	862 133	1 554 050	1 519 710	1 878 703	1 381 700	1 779 761	139.0%
Cash and cash equivalents	1 935 711	122 950	1 581 735	3 817 639	2 636	439 961	2 213	1 944	124.4%
Taxation	(26 528)	-	-	1 020	1 020	26 516	1 020	412 159	-1 795.5%
<b>Total assets</b>	<b>4 902 516</b>	<b>5 549 667</b>	<b>6 204 575</b>	<b>7 964 563</b>	<b>8 268 143</b>	<b>9 432 312</b>	<b>8 219 538</b>	<b>9 936 358</b>	<b>119.2%</b>
Accumulated surplus/(deficit)	2 730 226	2 162 537	2 418 825	1 318 290	552 738	1 933 636	3 078 349	3 311 567	99.4%
Capital and reserves	641 388	1 574 428	1 424 438	3 005 946	4 226 990	3 314 220	2 394 056	814 769	100.3%
Trade and other payables	151 985	20 498	15 226	31 842	35 415	27 106	40 938	41 385	49.6%
Taxation	19 216	59 124	121 374	38 350	38 350	43 357	38 350	-	64.8%
Provisions	1 359 701	1 733 080	2 224 711	3 570 135	3 414 650	4 113 993	2 667 845	4 060 771	139.4%
Derivatives financial instruments	-	-	-	-	-	-	-	1 707 866	-
<b>Total equity and liabilities</b>	<b>4 902 516</b>	<b>5 549 667</b>	<b>6 204 575</b>	<b>7 964 563</b>	<b>8 268 143</b>	<b>9 432 312</b>	<b>8 219 538</b>	<b>9 936 358</b>	<b>119.2%</b>

## Statements of estimates of financial performance and position

**Table 34.42 Export Credit Insurance Corporation of South Africa statements of estimates of financial performance and position**

Statement of financial performance		Revised estimate	Average growth rate (%)		Average: Expenditure/ Total (%)			Average growth rate (%)		Average: Expenditure/ Total (%)	
			2016/17	2013/14 - 2016/17	Medium-term estimate			2016/17 - 2019/20			
R thousand		2016/17	2013/14 - 2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20				
<b>Revenue</b>											
Non-tax revenue		838 727	3.9%	82.4%	1 266 036	1 319 994	955 811	4.5%	79.0%		
Sale of goods and services other than capital assets		526 383	19.8%	51.7%	898 463	949 405	556 182	1.9%	52.4%		
of which:											
Sales by market establishment		526 383	19.8%	51.7%	898 463	949 405	556 182	1.9%	52.4%		
Other non-tax revenue		312 344	-10.9%	30.7%	367 573	370 589	399 629	8.6%	26.5%		
Transfers received		171 566	32.8%	10.0%	177 644	187 947	198 472	5.0%	13.4%		
<b>Total revenue</b>		<b>1 450 779</b>	<b>20.9%</b>	<b>100.0%</b>	<b>1 443 680</b>	<b>1 507 941</b>	<b>1 154 283</b>	<b>-7.3%</b>	<b>100.0%</b>		
<b>Expenses</b>											
Current expenses		2 411 892	66.9%	76.8%	577 539	605 517	351 121	-47.4%	155.3%		
Compensation of employees		86 158	23.7%	4.0%	96 600	104 316	113 812	9.7%	12.3%		
Goods and services		2 322 960	70.0%	72.6%	477 043	497 155	233 133	-53.5%	64.3%		
Depreciation		2 773	64.1%	0.1%	3 896	4 046	4 176	14.6%	0.5%		
Interest, dividends and rent on land		1	-54.6%	0.0%	-	-	-	-100.0%	0.0%		
<b>Total expenses</b>		<b>2 411 892</b>	<b>45.9%</b>	<b>100.0%</b>	<b>820 058</b>	<b>858 195</b>	<b>520 434</b>	<b>-40.0%</b>	<b>100.0%</b>		
<b>Surplus/(Deficit)</b>		<b>(961 112)</b>	<b>(4)</b>		<b>623 622</b>	<b>649 745</b>	<b>633 848</b>	<b>-187.0%</b>			
<b>Statement of financial position</b>											
Carrying value of assets		10 800	29.5%	0.1%	8 409	4 913	1 187	-52.1%	0.1%		
of which:											
Acquisition of assets		(2 812)	-14.1%	-0.1%	(1 505)	(550)	(450)	-45.7%	-0.0%		
Investments		7 731 693	15.7%	68.8%	8 179 993	8 972 127	9 269 017	6.2%	84.1%		
Receivables and prepayments		1 779 761	60.7%	16.3%	1 166 503	1 147 670	877 736	-21.0%	12.3%		
Cash and cash equivalents		1 944	-74.9%	13.7%	1 437	2 133	199 992	368.6%	0.5%		
Taxation		412 159	-	1.1%	328 127	263 151	202 412	-21.1%	3.0%		
<b>Total assets</b>		<b>9 936 358</b>	<b>21.4%</b>	<b>100.0%</b>	<b>9 684 469</b>	<b>10 389 994</b>	<b>10 550 344</b>	<b>2.0%</b>	<b>100.0%</b>		
Accumulated surplus/(deficit)		3 311 567	15.3%	27.3%	2 448 306	2 987 980	3 701 030	3.8%	30.6%		
Capital and reserves		814 769	-19.7%	27.4%	2 301 652	2 411 723	2 332 522	42.0%	19.3%		
Trade and other payables		41 385	26.4%	0.4%	39 065	51 860	43 869	2.0%	0.4%		
Provisions		4 060 771	32.8%	40.1%	3 568 629	3 848 240	3 589 673	-4.0%	37.2%		
Derivatives financial instruments		1 707 866	-	4.3%	1 326 816	1 090 190	883 250	-19.7%	12.4%		
<b>Total equity and liabilities</b>		<b>9 936 358</b>	<b>21.4%</b>	<b>100.0%</b>	<b>9 684 469</b>	<b>10 389 994</b>	<b>10 550 344</b>	<b>2.0%</b>	<b>100.0%</b>		

## Personnel information

**Table 34.43 Export Credit Insurance Corporation of South Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2017		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 (%)	Average: Salary level/Total (%)				
		2015/16		Unit cost	2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost			2019/20		Unit cost	
Export Credit Insurance Corporation of South Africa		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2016/17 - 2019/20		
Salary level	90	90	69	46.9	0.7	90	86.2	1.0	90	96.6	1.1	90	104.3	1.2	89	113.8	1.3	9.7%	100.0%
1 – 6	13	13	9	1.0	0.1	13	1.6	0.1	11	1.7	0.2	10	1.6	0.2	11	2.0	0.2	8.1%	12.5%
7 – 10	39	39	29	11.8	0.4	39	21.7	0.6	34	20.5	0.6	31	18.9	0.6	27	17.8	0.7	-6.4%	36.5%
11 – 12	20	20	16	11.9	0.7	20	22.1	1.1	19	19.7	1.0	19	19.3	1.0	19	19.6	1.0	-4.0%	21.4%
13 – 16	16	16	13	16.7	1.3	16	32.1	2.0	23	42.7	1.9	24	42.2	1.8	24	41.3	1.7	8.7%	24.2%
17 – 22	2	2	2	5.6	2.8	2	8.6	4.3	3	12.1	4.0	6	22.3	3.7	8	33.1	4.1	56.6%	5.3%

1. Rand million.

## National Consumer Commission

### Mandate

The National Consumer Commission was established in terms of section 85 of the Consumer Protection Act (2008), with jurisdiction across South Africa. The act seeks to promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose to establish national norms and standards relating to consumer protection. It further seeks to provide for improved standards of consumer information, prohibit certain unfair marketing and business practices, promote responsible consumer behaviour, and promote a consistent legislative enforcement framework relating to consumer transactions and agreements.

### Selected performance indicators

Table 34.44 National Consumer Commission performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Percentage of complaints referred or issued with non-referrals within a predefined period per year	Promote compliance with the Consumer Protection Act (2008)	Outcome 11: Create a better South Africa and contribute to a better Africa and a better world	86% (6 567/ 7 604) in 297 days	80% (5 751/ 7 204) in 13 days	97% (6 567/ 6 794) in 13 days	90%	95%	95%	95%
Percentage of requests for advice responded to within 10 days per year	Promote compliance with the Consumer Protection Act (2008)		- <sup>1</sup>	- <sup>1</sup>	97% (6 567/ 6 794)	97%	97%	97%	97%
Number of investigations conducted and reports with recommendations produced per year	Promote compliance with the Consumer Protection Act (2008)		- <sup>1</sup>	18	25 <sup>2</sup>	12	12	12	12
Number of inspections conducted and reports with recommendations produced per year	Promote compliance with the Consumer Protection Act (2008)		- <sup>1</sup>	34	57 <sup>2</sup>	22	22	22	22
Number of codes of good practice developed per year	Promote compliance with the Consumer Protection Act (2008)		- <sup>1</sup>	1	- <sup>3</sup>	1	- <sup>3</sup>	1	1
Number of consumer awareness initiatives conducted per year	Promote reform of consumer policy and consumer protection legislation		17	13	18	24	24	24	24
Number of business compliance initiatives conducted in different provinces per year	Promote reform of consumer policy and consumer protection legislation		- <sup>1</sup>	6	12	12	12	12	12

1. No historical data available.

2. Increase in investigations completed due to appointment of two additional investigators.

3. No target as the entity will be reviewing the development of codes of good practice.

### Expenditure analysis

The National Consumer Commission promotes compliance with the Consumer Protection Act (2008) by ensuring consumer safety, regulating the marketing of goods and services to consumers, and enabling a protective consumer environment that is well coordinated and responsive to consumer needs. Over the medium term, the commission will focus on promoting effective relations with other consumer protection agencies, improving education and awareness campaigns, providing consensual dispute resolution arising from consumer transactions, conducting research, monitoring prohibited conduct, and improving the publicity of the work it undertakes. These activities contribute to outcome 11 (create a better South Africa and contribute to a better Africa and a better world) of government's 2014-2019 medium-term strategic framework.

Over the medium term, the commission intends to ensure that 95 per cent of consumers requesting advice on disputes receive responses within a predefined period, and conduct 36 investigations and 66 inspections on consumer products to ensure that consumers are supplied with reliable goods and services that are safe for their health and the environment. As a result, spending on the promotion of consumer protection and safety is expected to increase from R21.3 million in 2016/17 to R23.4 million in 2019/20. Expenditure on goods and services is set to increase from R9.7 million in 2017/18 to R11.2 million in 2019/20 because of the expected demand for legal advice and legal representation on matters before the National Consumer Tribunal.

The commission will allocate R8.3 million over the medium term to conduct 72 consumer and 36 business awareness initiatives; conduct research and development to improve the quality of its services; and inform consumers to combat unfair marketing and business practices. In addition, the commission has entered into an agreement with the South Africa Bureau of Standards to provide the commission with office accommodation

and related services. A projected R25.9 million will be reprioritised from the commission's baseline to the bureau for this expenditure over the medium term.

Allocations for spending on compensation of employees account for 76 per cent of the commission's total budget over the medium term, increasing from R40.4 million in 2016/17 to R47.5 million in 2019/20. The entity's total expenditure over the medium term is expected to increase from R58.2 million in 2016/17 to R60.9 million in 2019/20. The commission is funded by transfers from the department, which account for 97 per cent of its total revenue of R172.8 million over the medium term. The commission generates further revenue from interest on investments.

### Programmes/objectives/activities

Table 34.45 National Consumer Commission expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
R thousand											
Administration	29 195	33 243	29 095	28 207	-1.1%	57.1%	24 837	26 536	28 022	-0.2%	46.6%
Promote compliance with the Consumer Protection Act (2008)	11 229	13 344	17 562	21 342	23.9%	29.5%	20 310	21 470	23 404	3.1%	37.4%
Promote reform of consumer policy and consumer protection legislation	4 492	5 338	10 605	7 300	17.6%	12.8%	7 817	8 415	8 154	3.8%	13.7%
Research, advocacy and empowerment of participants in the consumer market	-	-	-	1 400	-	0.6%	1 345	1 232	1 301	-2.4%	2.3%
<b>Total</b>	<b>44 916</b>	<b>51 925</b>	<b>57 262</b>	<b>58 249</b>	<b>9.1%</b>	<b>100.0%</b>	<b>54 309</b>	<b>57 653</b>	<b>60 881</b>	<b>1.5%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

Table 34.46 National Consumer Commission statements of historical financial performance and position

Statement of financial performance									
	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/ Budget (%)
	2013/14	2014/15	2015/16	2016/17	2016/17	2017/18	2018/19	2013/14 - 2016/17	
R thousand									
<b>Revenue</b>									
Non-tax revenue	290	372	-	1 531	1 000	1 507	1 606	1 606	173.2%
Other non-tax revenue	290	372	-	1 531	1 000	1 507	1 606	1 606	173.2%
<b>Transfers received</b>	<b>44 516</b>	<b>45 498</b>	<b>53 376</b>	<b>53 376</b>	<b>54 596</b>	<b>54 596</b>	<b>58 013</b>	<b>56 643</b>	<b>99.8%</b>
<b>Total revenue</b>	<b>44 806</b>	<b>45 870</b>	<b>53 376</b>	<b>54 907</b>	<b>55 596</b>	<b>56 103</b>	<b>59 619</b>	<b>58 249</b>	<b>100.8%</b>
<b>Expenses</b>									
Current expenses	44 806	44 916	53 376	51 925	55 596	57 262	59 619	58 249	99.5%
Compensation of employees	24 107	28 045	32 338	32 843	38 787	36 580	40 381	40 381	101.6%
Goods and services	20 114	16 871	20 293	17 345	16 354	19 195	17 390	16 020	93.6%
Depreciation	584	-	745	1 737	455	1 487	1 848	1 848	139.6%
<b>Total expenses</b>	<b>44 806</b>	<b>44 916</b>	<b>53 376</b>	<b>51 925</b>	<b>55 596</b>	<b>57 262</b>	<b>59 619</b>	<b>58 249</b>	<b>99.5%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>954</b>	<b>-</b>	<b>2 982</b>	<b>-</b>	<b>(1 159)</b>	<b>-</b>	<b>-</b>	
<b>Statement of financial position</b>									
Carrying value of assets	11 509	3 353	5 920	3 214	4 723	2 813	4 600	4 700	52.6%
of which:									
Acquisition of assets	(2 200)	(1 820)	(2 400)	(1 660)	(3 800)	(1 266)	(500)	(500)	58.9%
Investments	567	-	-	-	-	-	-	-	-
Receivables and prepayments	1 085	66	680	1 209	84	529	86	86	97.7%
Cash and cash equivalents	79	6 932	3 400	9 272	9 000	10 304	9 500	7 708	155.7%
<b>Total assets</b>	<b>13 239</b>	<b>10 351</b>	<b>10 000</b>	<b>13 695</b>	<b>13 807</b>	<b>13 646</b>	<b>14 186</b>	<b>12 494</b>	<b>98.0%</b>
Accumulated surplus/(deficit)	-	7 117	7 590	10 132	10 607	9 061	10 607	8 915	122.3%
Trade and other payables	10 346	1 708	1 600	1 746	1 600	2 801	1 400	1 400	51.2%
Provisions	2 415	945	700	1 441	900	1 616	1 100	1 100	99.7%
Derivatives financial instruments	478	581	110	377	700	168	1 079	1 079	93.2%
<b>Total equity and liabilities</b>	<b>13 239</b>	<b>10 351</b>	<b>10 000</b>	<b>13 696</b>	<b>13 807</b>	<b>13 646</b>	<b>14 186</b>	<b>12 494</b>	<b>98.0%</b>

## Statements of estimates of financial performance and position

Table 34.47 National Consumer Commission statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17				2013/14 - 2016/17	2017/18	2018/19		
R thousand									
<b>Revenue</b>									
Non-tax revenue		1 606	62.8%	2.3%	1 695	1 788	1 888	5.5%	3.0%
Other non-tax revenue		1 606	62.8%	2.3%	1 695	1 788	1 888	5.5%	3.0%
Transfers received		56 643	7.6%	97.7%	52 614	55 865	58 993	1.4%	97.0%
<b>Total revenue</b>		<b>58 249</b>	<b>8.3%</b>	<b>100.0%</b>	<b>54 309</b>	<b>57 653</b>	<b>60 881</b>	<b>1.5%</b>	<b>100.0%</b>
<b>Expenses</b>									
Current expenses		58 249	9.1%	100.0%	54 309	57 653	60 881	1.5%	111.2%
Compensation of employees		40 381	12.9%	64.7%	42 617	44 979	47 498	5.6%	76.0%
Goods and services		16 020	-1.7%	33.0%	9 737	10 606	11 200	-11.2%	20.6%
Depreciation		1 848	-	2.3%	1 955	2 068	2 184	5.7%	3.5%
<b>Total expenses</b>		<b>58 249</b>	<b>9.1%</b>	<b>100.0%</b>	<b>54 309</b>	<b>57 653</b>	<b>60 881</b>	<b>1.5%</b>	<b>100.0%</b>
Surplus/(Deficit)		-	(1)		-	-	-	-	
<b>Statement of financial position</b>									
Carrying value of assets		4 700	11.9%	28.5%	5 194	4 800	4 800	0.7%	39.2%
of which:									
Acquisition of assets		(500)	-35.0%	-10.7%	(1 300)	(950)	(950)	23.9%	-7.4%
Receivables and prepayments		86	9.2%	3.5%	50	50	50	-16.5%	0.5%
Cash and cash equivalents		7 708	3.6%	68.0%	7 308	7 462	7 462	-1.1%	60.3%
<b>Total assets</b>		<b>12 494</b>	<b>6.5%</b>	<b>100.0%</b>	<b>12 552</b>	<b>12 312</b>	<b>12 312</b>	<b>-0.5%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)		8 915	7.8%	70.1%	8 915	8 915	8 915	-	71.8%
Trade and other payables		1 400	-6.4%	15.2%	1 200	1 000	1 000	-10.6%	9.3%
Provisions		1 100	5.2%	10.1%	1 200	1 300	1 300	5.7%	9.9%
Derivatives financial instruments		1 079	22.9%	4.6%	1 237	1 097	1 097	0.6%	9.1%
<b>Total equity and liabilities</b>		<b>12 494</b>	<b>6.5%</b>	<b>100.0%</b>	<b>12 552</b>	<b>12 312</b>	<b>12 312</b>	<b>-0.5%</b>	<b>100.0%</b>

## Personnel information

Table 34.48 National Consumer Commission personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		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 (%)	Average: Salary level/Total (%)			
		2015/16		2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
National Consumer Commission	83	83	36.6	0.4	83	40.4	0.5	83	42.6	0.5	83	45.0	0.5	83	47.5	0.6	5.6%	100.0%
Salary level	83	83	36.6	0.4	83	40.4	0.5	83	42.6	0.5	83	45.0	0.5	83	47.5	0.6	5.6%	100.0%
1 - 6	11	11	1.8	0.2	11	1.9	0.2	11	2.0	0.2	11	2.2	0.2	11	2.3	0.2	5.6%	13.3%
7 - 10	54	54	16.4	0.3	54	18.6	0.3	54	19.7	0.4	54	20.8	0.4	54	21.9	0.4	5.6%	65.1%
11 - 12	9	9	7.8	0.9	9	8.4	0.9	9	8.9	1.0	9	9.4	1.0	9	9.9	1.1	5.5%	10.8%
13 - 16	9	9	10.6	1.2	9	11.4	1.3	9	12.0	1.3	9	12.6	1.4	9	13.4	1.5	5.5%	10.8%

1. Rand million.

## National Consumer Tribunal

### Mandate

The National Consumer Tribunal was established in terms of the National Credit Act (2005) as an independent adjudicative entity. It is mandated to review decisions made by the National Credit Regulator and the National Consumer Commission, as well as to adjudicate on applications and referrals in terms of the National Credit Act (2005) and the Consumer Protection Act (2008). Various parties can bring cases before the tribunal, including the National Credit Regulator, the National Consumer Commission, consumers, credit providers, debt counsellors and credit bureaus. If the tribunal adjudicates on a matter of prohibited conduct, it may impose remedies and/or administrative penalties, as provided for in the acts.

## Selected performance indicators

**Table 34.49 National Consumer Tribunal performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Percentage of decisions overturned on appeal or review per year	Adjudication	Outcome 4: Decent employment through inclusive growth	3%	0%	5%	5%	5%	5%	5%
Average number of days from the date of complete filing of debt rearrangement agreement to the date of issuing order to filing parties	Adjudication		-1	-1	75	75	75	75	75
Average number of days from the date of close of pleadings of non-debt rearrangement agreement to the date of issuing of judgment to filing parties	Adjudication		-1	-1	70	70	70	70	70

1. No historical data available.

## Expenditure analysis

The National Consumer Tribunal will continue to provide reviewing and adjudication services, as stipulated in the National Credit Act (2005) and the Consumer Protection Act (2008), and will build administrative and adjudicative capability to enhance service delivery. Over the medium term, the tribunal's focus will be on adjudicating cases, and providing venues required to manage the expected increase in the caseload. The tribunal is expecting a significant increase in the number of cases relating to the National Credit Act, from 18 266 in 2015/16 to 212 398 in 2019/20, owing to the number of South Africans who are unable to manage their debt. Expenditure in the adjudication programme is therefore expected to account for 51.5 per cent of the tribunal's total budget over the medium term, increasing from R21.9 million in 2016/17 to R59.5 million in 2019/20.

The tribunal will allocate R2.9 million over the medium term to ICT interventions and the enhancement of its case management system. The improvement in technology will contribute to maintaining the turnaround time from the date a debt rearrangement matter is filed to the date a judgment is issued at 75 days. Although this is set to drive a decrease of average cost per case at an average annual rate of 30 per cent over the medium term, expenditure on goods and services is expected to grow by 39.7 per cent, from R21.6 million in 2016/17 to R59 million in 2019/20, due to initiatives to enhance operational efficiency and the effective management of cases. Total revenue is also expected to grow from R51.2 million in 2016/17 to R97.9 million in 2019/20, at an average annual rate of 24.1 per cent, driven by filing fees resulting from the anticipated increase in the caseload. The tribunal is funded mostly by transfers from the department, accounting for 72.1 per cent of total projected revenue over the medium term.

Allocations for spending on compensation of employees make up a projected 47.1 per cent of total expenditure over the medium term. Spending on this item is expected to increase from an estimated R28.4 million in 2016/17 to R37 million in 2019/20. The number of personnel is set to remain constant at 45 over the medium term as the tribunal's operational efficiencies are expected to ensure that the headcount does not need to increase in line with the caseload.

## Programmes/objectives/activities

**Table 34.50 National Consumer Tribunal expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
Administration	–	22 550	20 160	29 498	–	40.7%	32 876	34 935	38 351	9.1%	48.5%
Adjudication	38 940	16 798	21 942	21 743	-17.7%	59.3%	30 418	42 384	59 507	39.9%	51.5%
<b>Total</b>	<b>38 940</b>	<b>39 348</b>	<b>42 102</b>	<b>51 241</b>	<b>9.6%</b>	<b>100.0%</b>	<b>63 294</b>	<b>77 319</b>	<b>97 858</b>	<b>24.1%</b>	<b>100.0%</b>

**Statements of historical financial performance and position****Table 34.51 National Consumer Tribunal statements of historical financial performance and position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R thousand	2013/14		2014/15		2015/16		2016/17		2013/14 - 2016/17
<b>Revenue</b>									
<b>Non-tax revenue</b>	795	1 378	5 725	1 953	6 802	3 703	5 090	5 090	65.8%
Sale of goods and services other than capital assets	255	528	648	903	1 260	2 230	2 710	2 710	130.7%
<i>of which:</i>									
Administrative fees	255	528	648	903	1 260	2 230	2 710	2 710	130.7%
Other non-tax revenue	540	850	5 077	1 050	5 542	1 473	2 380	2 380	42.5%
<b>Transfers received</b>	36 099	36 099	40 164	40 164	43 029	46 029	46 151	46 151	101.8%
<b>Total revenue</b>	36 894	37 477	45 889	42 117	49 831	49 732	51 241	51 241	98.2%
<b>Expenses</b>									
<b>Current expenses</b>	36 894	38 940	43 039	39 348	49 831	42 102	51 241	51 241	94.8%
Compensation of employees	23 079	18 460	23 038	20 178	26 065	18 336	28 398	28 398	84.9%
Goods and services	13 511	20 135	19 292	18 354	22 936	22 936	21 631	21 631	107.3%
Depreciation	249	300	614	763	730	730	1 212	1 212	107.1%
Interest, dividends and rent on land	55	45	95	53	100	100	-	-	79.2%
<b>Total expenses</b>	36 894	38 940	43 039	39 348	49 831	42 102	51 241	51 241	94.8%
<b>Surplus/(Deficit)</b>	-	(1 463)	2 850	2 769	-	7 630	-	-	
<b>Statement of financial position</b>									
Carrying value of assets	2 504	1 864	2 543	3 071	3 428	4 550	3 928	3 928	108.1%
<i>of which:</i>									
Acquisition of assets	(650)	(848)	(2 850)	(1 708)	(730)	(2 595)	(1 212)	(1 212)	116.9%
Inventory	30	65	30	26	32	49	34	34	138.1%
Receivables and prepayments	30	143	30	118	32	996	34	34	1 024.6%
Cash and cash equivalents	6 061	8 432	6 249	10 653	6 249	17 750	6 249	6 249	173.7%
<b>Total assets</b>	8 625	10 504	8 852	13 868	9 741	23 345	10 245	10 245	154.7%
Accumulated surplus/(deficit)	3 491	4 508	3 491	7 277	4 517	14 906	4 682	4 682	193.9%
Finance lease	349	241	242	376	255	218	269	269	99.0%
Trade and other payables	1 450	3 694	1 600	3 851	1 690	5 371	1 783	1 783	225.3%
Provisions	3 335	2 061	3 519	2 364	3 279	2 850	3 511	3 511	79.1%
<b>Total equity and liabilities</b>	8 625	10 504	8 852	13 868	9 741	23 345	10 245	10 245	154.7%

**Statements of estimates of financial performance and position****Table 34.52 National Consumer Tribunal statements of estimates of financial performance and position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R thousand	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20		
<b>Revenue</b>									
<b>Non-tax revenue</b>	5 090	54.6%	6.4%	14 835	26 049	43 717	104.8%	27.9%	
Sale of goods and services other than capital assets	2 710	72.5%	3.3%	13 882	24 988	42 480	150.3%	25.7%	
<i>of which:</i>									
Administrative fees	2 710	72.5%	3.3%	13 882	24 988	42 480	150.3%	25.7%	
Other non-tax revenue	2 380	40.9%	3.1%	953	1 061	1 237	-19.6%	2.2%	
<b>Transfers received</b>	46 151	8.5%	93.6%	48 459	51 270	54 141	5.5%	72.1%	
<b>Total revenue</b>	51 241	11.0%	100.0%	63 294	77 319	97 858	24.1%	100.0%	
<b>Expenses</b>									
<b>Current expenses</b>	51 241	9.6%	100.0%	63 294	77 319	97 858	24.1%	171.8%	
Compensation of employees	28 398	15.4%	49.4%	31 994	34 486	37 026	9.2%	47.1%	
Goods and services	21 631	2.4%	48.8%	30 278	42 565	58 968	39.7%	51.3%	
Depreciation	1 212	59.3%	1.7%	1 022	268	1 864	15.4%	1.6%	
<b>Total expenses</b>	51 241	9.6%	100.0%	63 294	77 319	97 858	24.1%	100.0%	
<b>Surplus/(Deficit)</b>	-	(1)		-	-	-	-		

**Table 34.52 National Consumer Tribunal statements of estimates of financial performance and position**

Statement of financial position	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2016/17	2013/14 - 2016/17	2017/18		
R thousand								
Carrying value of assets	3 928	28.2%	24.4%	4 203	4 705	4 705	6.2%	40.9%
of which:								
Acquisition of assets	(1 212)	12.6%	-10.8%	(1 022)	(268)	(1 864)	15.4%	-10.2%
Inventory	34	-19.4%	0.3%	35	40	40	5.6%	0.3%
Receivables and prepayments	34	-38.0%	1.7%	35	40	40	5.6%	0.3%
Cash and cash equivalents	6 249	-9.5%	73.5%	6 249	6 249	6 249	-	58.4%
<b>Total assets</b>	<b>10 245</b>	<b>-0.8%</b>	<b>100.0%</b>	<b>10 522</b>	<b>11 034</b>	<b>11 034</b>	<b>2.5%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	4 682	1.3%	51.2%	4 381	4 608	4 608	-0.5%	42.7%
Finance lease	269	3.7%	2.1%	283	300	300	3.7%	2.7%
Trade and other payables	1 783	-21.6%	25.8%	1 872	1 981	1 981	3.6%	17.8%
Provisions	3 511	19.4%	20.8%	3 986	4 145	4 145	5.7%	36.8%
<b>Total equity and liabilities</b>	<b>10 245</b>	<b>-0.8%</b>	<b>100.0%</b>	<b>10 522</b>	<b>11 034</b>	<b>11 034</b>	<b>2.5%</b>	<b>100.0%</b>

## Personnel information

**Table 34.53 National Consumer Tribunal personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2017		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 (%)	Average Salary level/Total (%)				
		2015/16		Unit cost	2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost			2019/20		Unit cost	
		Number	Cost		Number	Cost		Number	Cost		Number	Cost		Number	Cost	Number	Cost		Number
National Consumer Tribunal																			
Salary level	40	40	44	18.3	0.4	40	28.4	0.7	45	32.0	0.7	45	34.5	0.8	45	37.0	0.8	9.2%	100.0%
1 – 6	9	9	13	1.9	0.1	9	7.3	0.8	10	7.5	0.7	10	8.2	0.8	10	8.8	0.9	6.3%	22.3%
7 – 10	23	23	22	6.6	0.3	23	9.0	0.4	26	11.2	0.4	26	12.0	0.5	26	12.9	0.5	12.4%	57.7%
13 – 16	8	8	9	9.8	1.1	8	12.1	1.5	9	13.4	1.5	9	14.3	1.6	9	15.4	1.7	8.5%	20.0%

1. Rand million.

## National Credit Regulator

### Mandate

The National Credit Regulator was established in terms of the National Credit Act (2005) and is responsible for the regulation of the South African credit industry. It is tasked with carrying out education, research, policy development, the registration of industry participants and the investigation of complaints, and ensuring the enforcement of the act. The regulator is mandated to promote the development of an accessible credit market, particularly to address the needs of historically disadvantaged individuals, low-income individuals, and remote, isolated or low-density communities.

### Selected performance indicators

**Table 34.54 National Credit Regulator performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of provinces visited per year to monitor compliance	Promote increased access to credit through responsible credit granting	Entity mandate	-1	-1	9	9	9	9	9
Number of investigations conducted per year to enforce regulations	Promote increased access to credit through responsible credit granting		-1	-1	32	40	50	60	70
Number of credit providers investigated per year (enforcement action taken where necessary)	Protect consumers from abuse and unfair practices in the consumer credit market and address over-indebtedness		-1	-1	56	60	70	80	90

**Table 34.54 National Credit Regulator performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of credit bureaus monitored per year <sup>2</sup>	Continually enhance consumer credit market regulatory framework	Entity mandate	2	2	2	3	6	6	6
Number of credit bureau audited reports reviewed per year	Continually enhance consumer credit market regulatory framework		-1	-1	14	14	14	14	14
Number of workshops conducted with relevant stakeholders per year	Ensure the effective implementation of the National Credit Amendment Act (2014)		-1	30	43	45	50	55	60
Number of multimedia awareness campaigns conducted per year	Ensure the effective implementation of the National Credit Amendment Act (2014)		-1	18	58	50	55	60	65
Number of outreach programmes and exhibitions (mall activations/outside broadcasts/road shows/imbizos) per year	Ensure the effective implementation of the National Credit Amendment Act (2014)		-1	5	12	11	15	18	21
Number of raids conducted per year	Ensure the effective implementation of the National Credit Amendment Act (2014)		-1	2	3	4	4	4	4

1. No historical data available.

2. Indicator rephrased from, "Number of credit bureaus investigated and appropriate enforcement action taken per year where necessary".

### Expenditure analysis

The National Credit Regulator will continue to promote a credit consumer market that is fair, transparent and accessible, and contributes to South Africa's socioeconomic development by regulating the credit market. The regulator intends to promote responsible credit granting by credit providers, protect consumers from abuse and unfair practices, increase the accuracy and quality of credit bureau information, and improve the operational effectiveness and effective implementation of the National Credit Act (2005).

The amendment to the act introduces new affordability regulations, interest rate regulations, debt regulations and caps on credit life insurance; and prohibits collection on prescribed debt to reduce levels of consumer over-indebtedness. To monitor and enforce credit providers' compliance with regulations and promote responsible credit granting, the regulator plans to visit all nine provinces each year over the medium term to monitor compliance with the amended act. These activities are expected to account for 24.1 per cent of total expenditure over the medium term, increasing from R30.3 million in 2016/17 to R34.5 million in 2019/20.

The regulator plans to conduct 165 workshops over the medium term to protect credit providers and consumers against unfair practices. The regulator will also continue to strengthen strategic relations with major stakeholders, such as the Banking Association of South Africa, Microfinance South Africa, debt counselling associations, associations of payment distribution agencies, and the Credit Bureau Association.

To improve the accuracy and quality of credit bureau information, the regulator will conduct compliance inspections and investigations, and take appropriate enforcement action where applicable. The regulator expects to conduct 27 compliance inspections and 180 reckless credit investigations over the medium term to ensure responsible credit granting by credit providers. This is expected to lead to an increase in expenditure on goods and services from R44.8 million in 2016/17 to R46.9 million in 2019/20, and account for 33.9 per cent of total projected expenditure.

To ensure operational effectiveness, the number of personnel in the regulator is expected to remain constant at 193 over the medium term. Compensation of employees is expected to account for 61.7 per cent, or R253.3 million, of total expenditure over the period ahead.

The regulator derives 56.3 per cent, or R232 million, of its revenue over the medium term from transfers from the department. Other sources include interest earned on short-term investments, royalties earned on the national loans register, and fees from registrants, including credit providers, credit bureaus, debt counsellors, payment distribution agents and alternative dispute resolution agents.

**Programmes/objectives/activities****Table 34.55 National Credit Regulator expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Administration	34 635	45 456	34 693	49 414	5 461	12.6%	34.1%	48 287	49 207	49 876	0.3%	36.8%
Promote increased access to credit through responsible credit granting	18 597	4 902	7 310	5 461	5 461	-33.5%	7.6%	5 675	5 637	5 953	2.9%	4.2%
Protect consumers from abuse and unfair practices in the consumer credit market and address over-indebtedness	39 593	29 871	30 816	31 192	31 192	-7.6%	27.4%	30 703	33 418	35 290	4.2%	24.4%
Continually enhance consumer credit market regulatory framework	28 195	14 697	16 595	16 260	16 260	-16.8%	15.8%	17 014	17 543	18 525	4.4%	12.9%
Ensure effective implementation of the National Credit Amendment Act	-	22 495	24 783	24 857	24 857	-	15.1%	26 039	27 020	28 534	4.7%	19.9%
Registration of entities or persons	-	-	-	-	-	-	-	3 000	3 200	3 300	-	1.7%
<b>Total</b>	<b>121 020</b>	<b>117 421</b>	<b>114 197</b>	<b>127 184</b>	<b>127 184</b>	<b>1.7%</b>	<b>100.0%</b>	<b>130 718</b>	<b>136 025</b>	<b>141 479</b>	<b>3.6%</b>	<b>100.0%</b>

**Statements of historical financial performance and position****Table 34.56 National Credit Regulator statements of historical financial performance and position**

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	2013/14	2014/15	2014/15	2015/16	2015/16	2016/17	2016/17	2016/17	2013/14 - 2016/17
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>57 062</b>	<b>34 286</b>	<b>47 041</b>	<b>34 454</b>	<b>58 051</b>	<b>40 672</b>	<b>57 607</b>	<b>57 607</b>	<b>76.0%</b>
Sale of goods and services other than capital assets	33 708	30 465	44 041	31 202	55 051	32 900	55 107	55 107	79.7%
<i>of which:</i>									
Administrative fees	33 708	30 465	44 041	31 202	55 051	32 900	55 107	55 107	79.7%
Other non-tax revenue	23 354	3 821	3 000	3 252	3 000	7 772	2 500	2 500	54.5%
<b>Transfers received</b>	<b>60 691</b>	<b>60 691</b>	<b>63 845</b>	<b>68 845</b>	<b>66 727</b>	<b>66 727</b>	<b>69 577</b>	<b>69 577</b>	<b>101.9%</b>
<b>Total revenue</b>	<b>117 753</b>	<b>94 977</b>	<b>110 886</b>	<b>103 299</b>	<b>124 778</b>	<b>107 399</b>	<b>127 184</b>	<b>127 184</b>	<b>90.1%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>117 753</b>	<b>121 020</b>	<b>110 886</b>	<b>117 421</b>	<b>124 778</b>	<b>114 196</b>	<b>127 184</b>	<b>127 183</b>	<b>99.8%</b>
Compensation of employees	55 846	57 497	57 522	68 155	69 302	72 196	76 827	76 947	105.9%
Goods and services	58 598	63 523	48 031	45 001	50 275	35 600	44 895	44 777	93.6%
Depreciation	3 300	-	5 333	4 261	5 197	6 398	5 457	5 457	83.6%
Interest, dividends and rent on land	9	-	-	4	4	2	4	2	45.4%
<b>Total expenses</b>	<b>117 753</b>	<b>121 020</b>	<b>110 886</b>	<b>117 421</b>	<b>124 778</b>	<b>114 196</b>	<b>127 184</b>	<b>127 183</b>	<b>99.8%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>(26 043)</b>	<b>-</b>	<b>(14 122)</b>	<b>-</b>	<b>(6 798)</b>	<b>-</b>	<b>-</b>	
<b>Statement of financial position</b>									
Carrying value of assets	21 924	21 621	37 982	21 895	22 990	18 142	24 139	24 139	80.2%
<i>of which:</i>									
Acquisition of assets	(4 000)	(5 949)	(9 150)	(4 318)	(23 598)	(2 815)	(13 700)	(5 903)	37.6%
Investments	-	-	-	5	-	-	-	-	-
Receivables and prepayments	440	3 907	5 014	1 100	850	2 940	750	2 940	154.3%
Cash and cash equivalents	41 907	38 495	26 275	35 994	46 000	44 971	48 300	47 220	102.6%
<b>Total assets</b>	<b>64 271</b>	<b>64 023</b>	<b>69 271</b>	<b>58 994</b>	<b>69 840</b>	<b>66 053</b>	<b>73 189</b>	<b>74 299</b>	<b>95.2%</b>
Accumulated surplus/(deficit)	30 000	24 671	55 061	10 549	4 748	3 821	7 122	4 076	44.5%
Finance lease	-	28	40	37	27	8	34	34	105.4%
Deferred income	19 884	-	-	-	-	-	-	-	-
Trade and other payables	5 999	8 275	5 800	10 393	8 529	10 454	8 557	9 400	133.4%
Provisions	7 968	6 982	7 950	4 039	4 988	9 843	5 287	8 600	112.5%
Derivatives financial instruments	420	24 067	420	33 976	51 547	41 927	52 189	52 189	145.5%
<b>Total equity and liabilities</b>	<b>64 271</b>	<b>64 023</b>	<b>69 271</b>	<b>58 994</b>	<b>69 839</b>	<b>66 053</b>	<b>73 189</b>	<b>74 299</b>	<b>95.2%</b>

## Statements of estimates of financial performance and position

Table 34.57 National Credit Regulator statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17				2013/14 - 2016/17	2017/18	2018/19		
R thousand									
<b>Revenue</b>									
<b>Non-tax revenue</b>	57 607	18.9%	38.2%	57 662	58 732	59 857	1.3%	43.7%	
Sale of goods and services other than capital assets	55 107	21.8%	34.1%	55 162	56 232	57 357	1.3%	41.9%	
<i>of which:</i>									
Administrative fees	55 107	21.8%	34.1%	55 162	56 232	57 357	1.3%	41.9%	
Other non-tax revenue	2 500	-13.2%	4.1%	2 500	2 500	2 500	-	1.9%	
<b>Transfers received</b>	69 577	4.7%	61.8%	73 056	77 293	81 621	5.5%	56.3%	
<b>Total revenue</b>	127 184	10.2%	100.0%	130 718	136 025	141 478	3.6%	100.0%	
<b>Expenses</b>									
<b>Current expenses</b>	127 183	1.7%	100.0%	130 718	136 025	141 478	3.6%	113.1%	
Compensation of employees	76 947	10.2%	57.3%	81 810	83 256	88 241	4.7%	61.7%	
Goods and services	44 777	-11.0%	39.3%	43 176	46 750	46 881	1.5%	33.9%	
Depreciation	5 457	-	3.4%	5 730	6 017	6 354	5.2%	4.4%	
Interest, dividends and rent on land	2	-	0.0%	2	2	2	1.8%	0.0%	
<b>Total expenses</b>	127 183	1.7%	100.0%	130 718	136 025	141 478	3.6%	100.0%	
<b>Surplus/(Deficit)</b>	-	(1)		-	-	-	-		
<b>Statement of financial position</b>									
Carrying value of assets	24 139	3.7%	32.7%	25 346	26 614	26 614	3.3%	31.7%	
<i>of which:</i>									
Acquisition of assets	(5 903)	-0.3%	-7.2%	(5 520)	(5 641)	(5 765)	-0.8%	-7.1%	
Receivables and prepayments	2 940	-9.0%	4.1%	2 940	2 940	2 940	-	3.6%	
Cash and cash equivalents	47 220	7.0%	63.2%	49 581	52 060	61 644	9.3%	64.7%	
<b>Total assets</b>	74 299	5.1%	100.0%	77 867	81 613	91 198	7.1%	100.0%	
Accumulated surplus/(deficit)	4 076	-45.1%	16.9%	5 462	8 224	16 859	60.5%	10.3%	
Finance lease	34	6.7%	0.0%	40	43	43	8.2%	0.0%	
Trade and other payables	9 400	4.3%	14.8%	8 900	8 400	7 900	-5.6%	10.8%	
Provisions	8 600	7.2%	11.1%	8 905	9 225	9 562	3.6%	11.2%	
Derivatives financial instruments	52 189	29.4%	57.2%	54 561	55 721	56 835	2.9%	67.7%	
<b>Total equity and liabilities</b>	74 299	5.1%	100.0%	77 867	81 613	91 199	7.1%	100.0%	

## Personnel information

Table 34.58 National Credit Regulator personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		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 (%)	Average: Salary level/Total (%)				
		2015/16		Unit cost	2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost			2019/20		Unit cost	
National Credit Regulator		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2016/17 - 2019/20		
Salary level	193	193	177	72.2	0.4	193	76.9	0.4	193	81.8	0.4	193	83.3	0.4	193	88.2	0.5	4.7%	100.0%
1 - 6	66	66	66	9.6	0.1	66	9.0	0.1	66	9.3	0.1	66	9.6	0.1	66	10.3	0.2	4.6%	34.2%
7 - 10	103	103	88	38.5	0.4	103	43.1	0.4	103	45.9	0.4	103	46.6	0.5	103	49.0	0.5	4.4%	53.4%
11 - 12	17	17	18	15.0	0.8	17	13.9	0.8	17	14.8	0.9	17	15.1	0.9	17	16.1	0.9	5.1%	8.8%
13 - 16	6	6	4	6.4	1.6	6	8.3	1.4	6	8.9	1.5	6	9.1	1.5	6	9.7	1.6	5.5%	3.1%
17 - 22	1	1	1	2.8	2.8	1	2.6	2.6	1	2.8	2.8	1	2.8	2.8	1	3.1	3.1	5.1%	0.5%

1. Rand million.

## National Empowerment Fund

### Mandate

The National Empowerment Fund was established in terms of the National Empowerment Fund Act (1998) to promote and facilitate black economic equality and economic transformation. In providing financial and non-

financial support to black businesses and structuring accessible retail savings products for black people, the fund is mandated to implement the empowerment codes of good practice for BEE. The fund has five core divisions: SMMEs; rural development; venture capital; corporate finance; and women empowerment funds.

### Selected performance indicators

**Table 34.59 National Empowerment Fund performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Value of approvals by uMnotho Fund per year	Fund management	Outcome 4: Decent employment through inclusive growth	R153m	R244m	R355m	R250m	R326m	R362m	R471m
Value of approvals by Imbewu Fund per year	Fund management		R60m	R181m	R255m	R166m	R219m	R242m	R314m
Value of approvals by Rural and Community Development Fund per year	Fund management		R4m	R33m	R88m	R73m	R93m	R106m	R138m
Value of approvals by Strategic Projects Fund per year	Fund management		R193m	R166m	R121m	R75m	R75m	R75m	R75m
Value of approvals by Women Empowerment Fund per year	Fund management		- <sup>1</sup>	R271m	R252m	R186m	R237m	R261m	R333m
Number of job opportunities supported per year	Fund management		3 621	33 783	4 983	3 403	4 064	5 629	7 170

<sup>1</sup> No historical data available.

### Expenditure analysis

The promotion and the facilitation of black economic participation initiatives promoted by the National Empowerment Fund ensure greater participation of historically disadvantaged groups in the economy, and contribute to outcome 4 (decent employment through inclusive growth) of government's 2014-2019 medium-term strategic framework. The fund will continue to focus on providing funding for black-owned business ventures, investing in black businesses that have high potential to create employment opportunities, supporting the participation of black women in the economy, facilitating investment across all provinces, and encouraging and promoting a culture of saving.

The fund will increase its planned funding approvals from R750 million in 2016/17 to about R1.3 billion in 2019/20. It is envisaged that through providing financial support in labour absorbing industries, the fund will create as many as 16 863 job opportunities over the medium term.

The uMnotho Fund (which provides funding for acquisitions, new ventures and expansion finance) and the Women Empowerment Fund are expected to account for 60 per cent of total funding provided over the medium term. To finance the acquisition of white-owned businesses by black entrepreneurs and the expansion and working capital requirements of black-owned businesses, funding through the uMnotho Fund is expected to increase from R250 million in 2016/17 to R471 million in 2019/20. The Women Empowerment Fund is projected to support 4 215 job opportunities over the medium term by providing funding of R831 million to black women empowered businesses that have high potential to create employment. Over the medium term, the fund plans to host 32 seminars and workshops annually throughout the country aimed at promoting a culture of saving and investment among black South Africans.

The fund requires professionals skilled in fields such as commerce, finance, legal and engineering, and as a result, the number of personnel is expected to increase from 179 in 2016/17 to 199 in 2019/20. These personnel will mainly be involved in the fund's core activities of sourcing, packaging, appraising, evaluating, approving and monitoring the fund's investments. Expenditure on compensation of employees will thus remain one of the key cost drivers, contributing an estimated 47 per cent of the fund's total allocated budget of R1.5 billion over the medium term, increasing at an average annual rate of 10.2 per cent, from R180 million in 2016/17 to R240.6 million in 2019/20.

The fund generates its revenue from interest on investments and loans, dividend income from a portfolio of listed and unlisted shares, and interest on cash at banks. Projected revenue growth, from R476.2 million in 2016/17 to R533.3 million in 2019/20, is driven mainly by interest on investments.

## Programmes/objectives/activities

Table 34.60 National Empowerment Fund expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Administration	352 078	565 281	1 337 778	332 884	-1.9%	100.0%	470 339	494 600	532 726	17.0%	100.0%
<b>Total</b>	<b>352 078</b>	<b>565 281</b>	<b>1 337 778</b>	<b>332 884</b>	<b>-1.9%</b>	<b>100.0%</b>	<b>470 339</b>	<b>494 600</b>	<b>532 726</b>	<b>17.0%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

Table 34.61 National Empowerment Fund statements of historical financial performance and position

Statement of financial performance									
R thousand	2013/14		2014/15		2015/16		2016/17		Average: Outcome/ Budget (%) 2013/14 - 2016/17
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
<b>Revenue</b>									
Non-tax revenue	436 084	946 163	419 100	437 069	433 477	590 579	467 411	476 155	139.5%
Other non-tax revenue	436 084	946 163	419 100	437 069	433 477	590 579	467 411	476 155	139.5%
<b>Total revenue</b>	<b>436 084</b>	<b>946 163</b>	<b>419 100</b>	<b>437 069</b>	<b>433 477</b>	<b>590 579</b>	<b>467 411</b>	<b>476 155</b>	<b>139.5%</b>
<b>Expenses</b>									
Current expenses	375 501	352 078	403 559	565 281	428 449	1 337 778	461 684	332 884	155.0%
Compensation of employees	145 969	135 826	159 956	137 463	183 273	159 897	201 262	179 975	88.8%
Goods and services	222 603	212 641	240 640	425 327	241 949	1 176 482	256 513	150 925	204.4%
Depreciation	6 930	3 611	2 963	2 491	3 227	1 399	3 909	1 984	55.7%
<b>Total expenses</b>	<b>375 501</b>	<b>352 078</b>	<b>403 559</b>	<b>565 281</b>	<b>428 449</b>	<b>1 337 778</b>	<b>461 684</b>	<b>332 884</b>	<b>155.0%</b>
<b>Surplus/(Deficit)</b>	<b>60 583</b>	<b>594 085</b>	<b>15 541</b>	<b>(128 212)</b>	<b>5 028</b>	<b>(747 200)</b>	<b>5 727</b>	<b>143 271</b>	
<b>Statement of financial position</b>									
Carrying value of assets	8 999	4 979	8 799	3 255	7 529	2 113	9 121	5 630	46.4%
of which:									
Acquisition of assets	(3 500)	(673)	(3 500)	(1 053)	(7 500)	(1 172)	(5 500)	(5 500)	42.0%
Investments	1 827 933	3 034 074	2 198 428	2 791 061	2 860 735	2 435 805	3 052 077	2 201 809	105.3%
Loans	2 881 072	1 449 542	3 075 750	1 610 719	1 813 634	1 344 764	2 208 557	2 247 474	66.7%
Receivables and prepayments	-	70 079	103 802	47 640	110 783	87 583	144 396	1 462	57.6%
Cash and cash equivalents	655 739	1 480 032	94 836	1 467 447	1 113 495	1 418 767	497 753	850 092	220.9%
Non-current assets held for sale	-	8 100	8 100	2 066	-	3 000	-	-	162.5%
<b>Total assets</b>	<b>5 373 743</b>	<b>6 046 806</b>	<b>5 489 715</b>	<b>5 922 188</b>	<b>5 906 176</b>	<b>5 292 033</b>	<b>5 911 904</b>	<b>5 306 467</b>	<b>99.5%</b>
Accumulated surplus/(deficit)	1 613 822	3 504 299	2 971 284	3 376 087	3 387 745	2 635 517	3 393 473	2 778 787	108.2%
Capital and reserves	3 749 921	2 468 431	2 468 431	2 468 431	2 468 431	2 468 431	2 468 431	2 468 431	88.5%
Trade and other payables	10 000	56 363	50 000	63 105	50 000	178 835	50 000	50 000	217.7%
Derivatives financial instruments	-	17 713	-	14 565	-	9 249	-	9 249	-
<b>Total equity and liabilities</b>	<b>5 373 743</b>	<b>6 046 806</b>	<b>5 489 715</b>	<b>5 922 188</b>	<b>5 906 176</b>	<b>5 292 033</b>	<b>5 911 904</b>	<b>5 306 467</b>	<b>99.5%</b>

## Statements of estimates of financial performance and position

Table 34.62 National Empowerment Fund statements of estimates of financial performance and position

Statement of financial performance									
R thousand	Revised estimate 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%)	
				2017/18	2018/19	2019/20			
<b>Revenue</b>									
Non-tax revenue	476 155	-20.5%	100.0%	470 676	494 888	533 310	3.9%	100.0%	
Other non-tax revenue	476 155	-20.5%	100.0%	470 676	494 888	533 310	3.9%	100.0%	
<b>Total revenue</b>	<b>476 155</b>	<b>-20.5%</b>	<b>100.0%</b>	<b>470 676</b>	<b>494 888</b>	<b>533 310</b>	<b>3.9%</b>	<b>100.0%</b>	

Table 34.62 National Empowerment Fund statements of estimates of financial performance and position

	Revised estimate	Average growth rate (%)		Average: Expenditure/ Total (%)			Average: Expenditure/ Total (%)	
		2013/14 - 2016/17	2016/17	Medium-term estimate			2016/17 - 2019/20	2016/17 - 2019/20
R thousand	2016/17	2013/14 - 2016/17	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20
<b>Expenses</b>								
<b>Current expenses</b>	<b>332 884</b>	<b>-1.9%</b>	<b>100.0%</b>	<b>470 339</b>	<b>494 600</b>	<b>532 727</b>	<b>17.0%</b>	<b>81.8%</b>
Compensation of employees	179 975	9.8%	32.2%	200 553	228 871	240 584	10.2%	47.0%
Goods and services	150 925	-10.8%	67.2%	266 870	262 006	287 827	24.0%	52.3%
Depreciation	1 984	-18.1%	0.5%	2 916	3 723	4 316	29.6%	0.7%
<b>Total expenses</b>	<b>332 884</b>	<b>-1.9%</b>	<b>100.0%</b>	<b>470 339</b>	<b>494 600</b>	<b>532 727</b>	<b>17.0%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>143 271</b>	<b>-</b>	<b>-</b>	<b>337</b>	<b>288</b>	<b>583</b>	<b>-84.0%</b>	<b>-</b>
<b>Statement of financial position</b>								
Carrying value of assets	5 630	4.2%	0.1%	8 213	10 491	12 174	29.3%	0.1%
of which:								
Acquisition of assets	(5 500)	101.4%	-0.0%	(5 500)	(6 000)	(6 000)	2.9%	-0.1%
Investments	2 201 809	-10.1%	46.2%	2 531 877	2 890 283	3 281 355	14.2%	42.5%
Loans	2 247 474	15.7%	29.7%	3 011 902	3 868 571	4 838 950	29.1%	53.3%
Receivables and prepayments	1 462	-72.5%	0.9%	1 462	1 462	1 462	-	0.0%
Cash and cash equivalents	850 092	-16.9%	23.0%	-	-	-	-100.0%	4.0%
<b>Total assets</b>	<b>5 306 467</b>	<b>-4.3%</b>	<b>100.0%</b>	<b>5 553 454</b>	<b>6 770 807</b>	<b>8 133 941</b>	<b>15.3%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	2 778 787	-7.4%	54.3%	2 779 124	2 779 412	2 779 995	0.0%	44.4%
Capital and reserves	2 468 431	-	43.9%	2 468 431	2 468 431	2 468 431	-	39.4%
Borrowings	-	-	-	246 650	1 463 714	2 826 266	-	15.2%
Trade and other payables	50 000	-3.9%	1.6%	50 000	50 000	50 000	-	0.8%
Derivatives financial instruments	9 249	-19.5%	0.2%	9 249	9 249	9 249	-	0.1%
<b>Total equity and liabilities</b>	<b>5 306 467</b>	<b>-4.3%</b>	<b>100.0%</b>	<b>5 553 454</b>	<b>6 770 806</b>	<b>8 133 941</b>	<b>15.3%</b>	<b>100.0%</b>

## Personnel information

Table 34.63 National Empowerment Fund personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		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 (%)	Average Salary level/Total (%)				
		2015/16		2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
National Empowerment Fund																			
Salary level	179	199	165	159.9	1.0	179	180.0	1.0	189	200.6	1.1	199	228.9	1.2	199	240.6	1.2	10.2%	100.0%
1 - 6	12	14	12	13.9	1.2	12	10.3	0.9	13	11.1	0.9	14	16.0	1.1	14	14.6	1.0	12.2%	6.9%
7 - 10	89	101	84	52.4	0.6	89	61.3	0.7	95	70.3	0.7	101	78.9	0.8	101	78.5	0.8	8.6%	50.4%
11 - 12	54	60	47	50.5	1.1	54	59.6	1.1	57	68.2	1.2	60	77.2	1.3	60	84.6	1.4	12.4%	30.2%
13 - 16	22	22	20	34.5	1.7	22	39.5	1.8	22	40.6	1.8	22	45.2	2.1	22	50.1	2.3	8.2%	11.5%
17 - 22	2	2	2	8.6	4.3	2	9.2	4.6	2	10.5	5.2	2	11.6	5.8	2	12.8	6.4	11.5%	1.0%

1. Rand million.

## National Lotteries Commission

### Mandate

The National Lotteries Commission was established in terms of the Lotteries Act (1997), and is mandated to regulate the national lottery and other lotteries, including fundraising society lotteries and promotional competitions. The commission also advises the Minister of Trade and Industry on policy matters relating to the national lottery and other lotteries. The commission ensures the protection of all participants, maximises revenue for good causes in a responsible manner, administers the National Lotteries Distribution Trust Fund, and distributes funds for good causes to the distributing agencies in an equitable and expeditious manner.

## Selected performance indicators

**Table 34.64 National Lotteries Commission performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Value of lottery operator ticket sales per year	Grant funding	Outcome 11: Create a better South Africa and contribute to a better Africa and a better world	R4.6bn	R4.7bn	R4.4bn	R5.8bn	R7bn	R7.35bn	R7.7bn
Value of National Lottery Distribution Trust Fund grant commitments per year	Grant funding		R1.94bn	R2.2bn	R2.2bn	R1.5bn	R1.6bn	R1.68bn	R1.8bn
Actual cash disbursed per year	Grant funding		R1.86bn	R1.99bn	R2bn	R1.7bn	R1.6bn	R1.68bn	R1.8bn
Value of contribution to the National Lotteries Distribution Trust Fund per year	Grant funding		R1.57bn	R1.6bn	R1.1bn	R1.5bn	R1.83bn	R1.92bn	R2bn

## Expenditure analysis

The National Lotteries Commission aims to ensure that funds raised through the national lottery are distributed equitably and expeditiously across South Africa to advance the social upliftment of communities in need. The commission disburses funds according to approved lottery regulations, with charities receiving 47 per cent; sports and recreation activities 28 per cent; arts, culture and national heritage institutions 23 per cent; and 2 per cent going to miscellaneous activities. Over the medium term, the commission intends to increase cash disbursements from the National Lottery Distribution Trust Fund from R1.7 billion in 2016/17 to R1.8 billion in 2019/20, some of which will be directed towards infrastructure development for early childhood development centres in various provinces.

Over the medium term, the commission will focus on making funding accessible to organisations, and ensure that funds filter down into communities for good causes, through established provincial offices in all nine provinces. The provincial offices provide education and awareness, assistance with funding applications and general support with grant agreements, and monitoring and advice on projects that require oversight to ensure compliance with the Lotteries Amendment Act (2013).

Despite the pressure this increase in the commission's provincial footprint will put on expenditure on goods and services, cost containment measures will be put in place to lead to a decrease of 3.2 per cent in overall goods and services spending over the medium term, from R272.4 million in 2016/17 to R247 million in 2019/20. This will be driven mainly by the decrease in travel and accommodation costs, set to decrease by 34 per cent, and consulting fees, set to decrease by 37 per cent, because of the establishment of these provincial offices.

The commission receives 99.4 per cent, or R1.6 billion, of its funding over the medium term through a grant from the National Lottery Distribution Trust Fund, as approved by the Minister of Trade and Industry. Additional revenue is received through fees for regulating other South African lotteries, and from interest earned on bank accounts.

Expenditure on compensation of employees is expected to increase from R200 million in 2016/17 to R276.5 million in 2019/20, at an average annual rate of 11.4 per cent, because of annual salary adjustments to retain and incentivise core staff. This will allow the commission to improve service delivery, turnaround times, and the monitoring of funds disbursed through the provincial networks.

## Programmes/objectives/activities

**Table 34.65 National Lotteries Commission expenditure trends and estimates by programme/objective/activity**

	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand												
Administration	126 278	213 167	269 682	274 570	29.6%	65.6%	304 969	305 816	315 128	4.7%	59.6%	
Grant funding	58 466	66 058	85 542	167 875	42.1%	27.2%	154 609	162 340	170 457	0.5%	32.6%	
Compliance and regulation	16 517	17 669	26 462	36 542	30.3%	7.2%	38 603	40 532	42 560	5.2%	7.9%	
<b>Total</b>	<b>201 261</b>	<b>296 894</b>	<b>381 686</b>	<b>478 987</b>	<b>33.5%</b>	<b>100.0%</b>	<b>498 181</b>	<b>508 688</b>	<b>528 145</b>	<b>3.3%</b>	<b>100.0%</b>	

## Statements of historical financial performance and position

**Table 34.66 National Lotteries Commission statements of historical financial performance and position**

Statement of financial performance									
R thousand	2013/14		2014/15		2015/16		2016/17		Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
<b>Revenue</b>									
<b>Non-tax revenue</b>	1 698	12 667	3 186	2 281	1 838	1 838	2 903	2 903	204.6%
Sale of goods and services other than capital assets	1 308	1 308	2 800	1 308	1 440	1 440	2 500	2 500	81.5%
<i>of which:</i>									
Administrative fees	1 308	1 308	2 800	1 308	1 440	1 440	2 500	2 500	81.5%
Other non-tax revenue	390	11 359	386	973	398	398	403	403	832.8%
<b>Transfers received</b>	174 471	188 594	358 126	294 613	379 848	379 848	481 754	490 157	97.1%
<b>Total revenue</b>	176 169	201 261	361 312	296 894	381 686	381 686	484 657	493 060	97.8%
<b>Expenses</b>									
<b>Current expenses</b>	176 169	201 261	295 026	296 894	381 686	381 686	478 988	478 988	102.0%
Compensation of employees	97 124	104 459	165 428	136 940	165 999	165 999	200 042	200 042	96.6%
Goods and services	76 745	94 020	125 398	154 075	209 729	209 729	272 395	272 395	106.7%
Depreciation	2 300	2 782	4 200	5 879	5 957	5 957	6 550	6 550	111.4%
<b>Total expenses</b>	176 169	201 261	295 026	296 894	381 686	381 686	478 988	478 988	102.0%
<b>Surplus/(Deficit)</b>	-	-	66 286	-	-	-	5 669	14 072	
<b>Statement of financial position</b>									
Carrying value of assets	11 963	18 035	12 463	63 946	172 019	99 812	239 214	239 214	96.6%
<i>of which:</i>									
Acquisition of assets	(1 626 627)	(8 582)	(1 327 771)	(51 130)	(112 845)	(44 336)	(116 742)	(116 742)	6.9%
Receivables and prepayments	3 200	5 280	3 200	10 892	2 178	3 397	1 735	1 735	206.6%
Cash and cash equivalents	4 835	26 003	3 027	12 456	9 964	7 948	11 458	11 458	197.6%
<b>Total assets</b>	19 998	49 318	18 690	87 294	184 161	111 157	252 407	252 407	105.2%
Deferred income	1 498	1 498	190	20 190	20 000	17 917	17 500	17 500	145.7%
Trade and other payables	18 500	21 612	18 500	56 564	152 040	68 988	220 968	220 968	89.8%
Provisions	-	26 208	-	10 540	12 121	24 252	13 939	13 939	287.6%
<b>Total equity and liabilities</b>	19 998	49 318	18 690	87 294	184 161	111 157	252 407	252 407	105.2%

## Statements of estimates of financial performance and position

**Table 34.67 National Lotteries Commission statements of estimates of financial performance and position**

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)	
				2017/18	2018/19	2019/20			
<b>Revenue</b>									
<b>Non-tax revenue</b>	2 903	-38.8%	2.0%	3 152	3 188	3 222	3.5%	0.6%	
Sale of goods and services other than capital assets	2 500	24.1%	0.5%	2 500	2 500	2 500	-	0.5%	
<i>of which:</i>									
Administrative fees	2 500	24.1%	0.5%	2 500	2 500	2 500	-	0.5%	
Other non-tax revenue	403	-67.1%	1.5%	652	688	722	21.5%	0.1%	
<b>Transfers received</b>	490 157	37.5%	98.0%	510 538	517 640	537 239	3.1%	99.4%	
<b>Total revenue</b>	493 060	34.8%	100.0%	513 690	520 828	540 461	3.1%	100.0%	
<b>Expenses</b>									
<b>Current expenses</b>	478 988	33.5%	100.0%	498 181	508 688	528 144	3.3%	177.8%	
Compensation of employees	200 042	24.2%	45.8%	249 642	263 371	276 540	11.4%	49.0%	
Goods and services	272 395	42.6%	52.6%	244 353	240 901	246 967	-3.2%	50.0%	
Depreciation	6 550	33.0%	1.6%	4 186	4 416	4 637	-10.9%	1.0%	
<b>Total expenses</b>	478 988	33.5%	100.0%	498 181	508 688	528 144	3.3%	100.0%	
<b>Surplus/(Deficit)</b>	14 072	-		15 509	12 139	12 317	-4.3%		

**Table 34.67 National Lotteries Commission statements of estimates of financial performance and position**

Statement of financial position	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
				2017/18	2018/19	2019/20		
R thousand	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Carrying value of assets	239 214	136.7%	73.6%	287 718	296 341	312 936	9.4%	95.7%
of which:								
Acquisition of assets	(116 742)	138.7%	-40.5%	(32 400)	(17 504)	(11 598)	-53.7%	-16.6%
Receivables and prepayments	1 735	-31.0%	6.7%	1 218	909	960	-17.9%	0.4%
Cash and cash equivalents	11 458	-23.9%	19.7%	10 314	11 860	12 524	3.0%	3.9%
<b>Total assets</b>	<b>252 407</b>	<b>72.3%</b>	<b>100.0%</b>	<b>299 250</b>	<b>309 110</b>	<b>326 420</b>	<b>8.9%</b>	<b>100.0%</b>
Deferred income	17 500	126.9%	12.3%	15 000	12 500	13 200	-9.0%	5.0%
Trade and other payables	220 968	117.0%	64.6%	268 220	278 175	293 753	10.0%	89.3%
Provisions	13 939	-19.0%	23.1%	16 030	18 435	19 467	11.8%	5.7%
<b>Total equity and liabilities</b>	<b>252 407</b>	<b>72.3%</b>	<b>100.0%</b>	<b>299 250</b>	<b>309 110</b>	<b>326 420</b>	<b>8.9%</b>	<b>100.0%</b>

### Personnel information

**Table 34.68 National Lotteries Commission personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2017		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 (%)	Average: Salary level/Total (%)				
		2015/16		2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20							
National Lotteries Commission		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	333	333	319	166.0	0.5	321	200.0	0.6	319	249.6	0.8	319	263.4	0.8	319	276.5	0.9	11.4%	100.0%
1 – 6	40	40	46	5.3	0.1	40	5.7	0.1	21	4.2	0.2	21	4.5	0.2	21	4.7	0.2	-6.4%	8.1%
7 – 10	203	203	196	78.5	0.4	195	89.5	0.5	192	97.1	0.5	192	102.4	0.5	192	107.5	0.6	6.3%	60.3%
11 – 12	33	33	27	22.3	0.8	30	25.8	0.9	39	35.4	0.9	39	37.3	1.0	39	39.2	1.0	15.0%	11.5%
13 – 16	53	53	46	50.6	1.1	52	68.8	1.3	63	102.0	1.6	63	107.6	1.7	63	113.0	1.8	18.0%	18.9%
17 – 22	4	4	4	9.3	2.3	4	10.2	2.5	4	10.9	2.7	4	11.5	2.9	4	12.1	3.0	6.0%	1.3%

1. Rand million.

## National Metrology Institute of South Africa

### Mandate

The National Metrology Institute of South Africa is mandated by the Measurement Units and Measurement Standards Act (2006) to ensure that South Africa has a scientifically valid and internationally comparable and accepted measurement system, and that the international system of units is correctly applied. This is of paramount importance for manufacturing, trade, health and safety, and law enforcement. To fulfil this mandate, the institute:

- develops and maintains national measurement standards for South Africa
- ensures that these are traceable to the primary international system of units
- benchmarks these measurement standards against the measurement standards of other countries
- submits the calibration and measurement capabilities to the international database as the entry for South Africa
- disseminates the national capability through calibration and certified reference materials to calibration and testing laboratories in Southern Africa.

## Selected performance indicators

**Table 34.69 National Metrology Institute of South Africa performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of gazetted national measurement standards per year	Keep, maintain and disseminate national measurements	Outcome 11: Create a better South Africa and contribute to a better Africa and a better world	50	52	53	54	55	58	57
Number of improved national measurement standards and secondary standards, reference materials and methods developed per year	Keep, maintain and disseminate national measurements		10	13	15	15	17	21	20
Number of calibration and measurement capabilities published in the key comparison database per year	Keep, maintain and disseminate national measurements		382	411	411	417	425	425	475
Value of income generated per year through calibration, services, sales, consultation, research grants and donor projects	Keep, maintain and disseminate national measurements		R11m	R0.8m	R10m	R10m	R11m	R12.1m	R25m
Number of referenced and/or peer reviewed papers, manuscripts, articles, applications or technical notes, or book chapters accepted for publication in peer reviewed journals, books or appropriate media per year	Keep, maintain and disseminate national measurements		18	20	21	24	25	26	26
Number of industry and/or regional metrologists trained in accurate measurements per year	Keep, maintain and disseminate national measurements		49	55	58	59	63	67	70

## Expenditure analysis

The National Metrology Institute of South Africa ensures that the country maintains measurement standards equivalent with those of the international system of measurements, and works to improve the competitiveness of locally produced products. The activities of the institute are essential to the successful implementation of the industrial policy action plan. Over the medium term, the institute will invest in measurement infrastructure and skills development to improve its service delivery.

The institute aims by 2019/20 to have developed new national measurements standards, and maintained and improved the existing national measurement standards to the levels required by industry. In doing this, it will ensure that its equipment and facility infrastructure are maintained and upgraded where necessary. The institute will be assisted by the public-private partnership unit at National Treasury with a feasibility study to determine the best model for the building of new infrastructure, and to find a sustainable model for the continual upgrade and maintenance of the national measurements standards. Expenditure on infrastructure is expected to amount to R277.8 million over the medium term, accounting for 37.6 per cent of funds allocated to the institute. This investment will ensure that the institute is able to respond to the redefinition of four of the base units (kilogram, ampere, kelvin, mole) of the international system of units by 2018/19, and to support new free trade agreements and the removal of technical barriers to trade.

The number of national measurement standards maintained is expected to increase from 54 in 2016/17 to 57 in 2019/20, and the number of calibration and measurement capabilities published in the key comparison database and services accepted internationally is expected to increase from 425 to 475 over the medium term. Expenditure on goods and services used for the maintenance and dissemination of the national measurement standards is expected to account for 44 per cent, or R80.7 million, of total expenditure on goods and services over the period.

The institute will provide SMMEs with appropriate technology and skills transfer through training, assistance with measurements, and the provision of guides to improve measurement practices. An estimated 67 SMMEs will be assisted in 2018/19, increasing to 70 in 2019/20.

The institute will continue to invest significantly in developing the skills of its employees by allocating R13 million over the medium term for training. To ensure that the institute is equipped to meet stringent local and

international measurements requirements and provide SMMEs with appropriate technology and skills, the number of personnel is expected to grow from 154 in 2017/18 to 158 in 2019/20.

### Programmes/objectives/activities

Table 34.70 National Metrology Institute of South Africa expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Administration	46 404	59 090	63 521	72 888	16.2%	47.3%	61 749	66 071	70 697	-1.0%	38.4%
Keep, maintain and disseminate national measurements	52 783	54 173	77 727	88 333	18.7%	52.7%	109 309	116 961	125 148	12.3%	61.6%
<b>Total</b>	<b>99 187</b>	<b>113 263</b>	<b>141 248</b>	<b>161 221</b>	<b>17.6%</b>	<b>100.0%</b>	<b>171 058</b>	<b>183 032</b>	<b>195 845</b>	<b>6.7%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

Table 34.71 National Metrology Institute of South Africa statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2013/14	2014/15	2014/15	2015/16	2015/16	2016/17	2016/17	2013/14 - 2016/17	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>11 861</b>	<b>14 009</b>	<b>11 813</b>	<b>18 754</b>	<b>22 285</b>	<b>27 502</b>	<b>16 274</b>	<b>25 651</b>	<b>138.1%</b>
Sale of goods and services other than capital assets	–	10 083	8 667	9 803	9 135	11 928	9 774	13 151	163.1%
<i>of which:</i>									
Sales by market establishment	–	10 083	8 667	9 803	9 135	11 928	9 774	13 151	163.1%
Other non-tax revenue	11 861	3 926	3 146	8 951	13 150	15 574	6 500	12 500	118.2%
<b>Transfers received</b>	<b>145 942</b>	<b>145 942</b>	<b>202 565</b>	<b>202 565</b>	<b>250 895</b>	<b>250 895</b>	<b>264 193</b>	<b>264 193</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>157 803</b>	<b>159 951</b>	<b>214 378</b>	<b>221 319</b>	<b>273 180</b>	<b>278 397</b>	<b>280 467</b>	<b>289 844</b>	<b>102.6%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>157 803</b>	<b>99 187</b>	<b>214 378</b>	<b>113 263</b>	<b>131 661</b>	<b>141 248</b>	<b>137 760</b>	<b>161 221</b>	<b>80.3%</b>
Compensation of employees	64 039	50 534	71 510	58 808	79 774	72 336	82 241	90 228	91.4%
Goods and services	71 141	37 881	121 871	45 119	51 887	68 912	55 519	70 993	74.2%
Depreciation	22 623	10 772	20 997	9 336	–	–	–	–	46.1%
<b>Total expenses</b>	<b>157 803</b>	<b>99 187</b>	<b>214 378</b>	<b>113 263</b>	<b>131 661</b>	<b>141 248</b>	<b>137 760</b>	<b>161 221</b>	<b>80.3%</b>
<b>Surplus/(Deficit)</b>	<b>–</b>	<b>60 764</b>	<b>–</b>	<b>108 056</b>	<b>141 519</b>	<b>137 149</b>	<b>142 707</b>	<b>128 623</b>	
<b>Statement of financial position</b>									
Carrying value of assets	80 455	76 435	97 723	103 763	112 526	191 699	129 390	128 624	119.1%
<i>of which:</i>									
Acquisition of assets	(1 626 627)	(16 709)	(1 327 771)	(29 121)	(140 546)	(102 353)	(150 384)	(128 623)	8.5%
Inventory	–	–	–	–	–	273	–	–	–
Receivables and prepayments	574	4 062	382	3 111	420	14 328	462	–	1 169.8%
Cash and cash equivalents	11 118	95 054	15 319	190 549	16 851	229 904	18 536	–	833.8%
<b>Total assets</b>	<b>92 147</b>	<b>175 551</b>	<b>113 424</b>	<b>297 423</b>	<b>129 797</b>	<b>436 204</b>	<b>148 388</b>	<b>128 624</b>	<b>214.5%</b>
Accumulated surplus/(deficit)	90 296	167 069	111 921	283 871	125 897	421 021	144 098	128 624	211.9%
Deferred income	–	129	–	–	–	–	–	–	–
Trade and other payables	1 851	6 496	1 503	13 552	1 653	15 183	1 818	–	516.2%
Provisions	–	1 857	–	–	2 247	–	2 472	–	39.4%
<b>Total equity and liabilities</b>	<b>92 147</b>	<b>175 551</b>	<b>113 424</b>	<b>297 423</b>	<b>129 797</b>	<b>436 204</b>	<b>148 388</b>	<b>128 624</b>	<b>214.5%</b>

## Statements of estimates of financial performance and position

Table 34.72 National Metrology Institute of South Africa statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
					2016/17	2013/14 - 2016/17	2017/18		
R thousand									
<b>Revenue</b>									
<b>Non-tax revenue</b>		<b>25 651</b>	<b>22.3%</b>	<b>9.0%</b>	<b>27 841</b>	<b>30 223</b>	<b>32 339</b>	<b>8.0%</b>	<b>10.4%</b>
Sale of goods and services other than capital assets		13 151	9.3%	4.9%	14 466	15 912	17 026	9.0%	5.4%
of which:									
Sales by market establishment		13 151	9.3%	4.9%	14 466	15 912	17 026	9.0%	5.4%
Other non-tax revenue		12 500	47.1%	4.1%	13 375	14 311	15 313	7.0%	5.0%
<b>Transfers received</b>		<b>264 193</b>	<b>21.9%</b>	<b>91.0%</b>	<b>252 803</b>	<b>235 731</b>	<b>248 932</b>	<b>-2.0%</b>	<b>89.6%</b>
<b>Total revenue</b>		<b>289 844</b>	<b>21.9%</b>	<b>100.0%</b>	<b>280 644</b>	<b>265 954</b>	<b>281 271</b>	<b>-1.0%</b>	<b>100.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>		<b>161 221</b>	<b>17.6%</b>	<b>100.0%</b>	<b>171 058</b>	<b>183 032</b>	<b>195 845</b>	<b>6.7%</b>	<b>132.7%</b>
Compensation of employees		90 228	21.3%	52.5%	95 742	102 444	109 615	6.7%	56.0%
Goods and services		70 993	23.3%	42.7%	75 316	80 588	86 230	6.7%	44.0%
<b>Total expenses</b>		<b>161 221</b>	<b>17.6%</b>	<b>100.0%</b>	<b>171 058</b>	<b>183 032</b>	<b>195 845</b>	<b>6.7%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>		<b>128 623</b>	<b>-</b>	<b>-</b>	<b>109 586</b>	<b>82 922</b>	<b>85 426</b>	<b>-12.8%</b>	<b>-</b>
<b>Statement of financial position</b>									
Carrying value of assets		128 624	18.9%	55.6%	109 586	82 922	85 426	-12.8%	100.0%
of which:									
Acquisition of assets		(128 623)	97.4%	-35.7%	(109 586)	(82 922)	(85 426)	-12.8%	-100.0%
<b>Total assets</b>		<b>128 624</b>	<b>-9.8%</b>	<b>100.0%</b>	<b>109 586</b>	<b>82 922</b>	<b>85 426</b>	<b>-12.8%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)		128 624	-8.3%	96.8%	109 586	82 922	85 426	-12.8%	100.0%
<b>Total equity and liabilities</b>		<b>128 624</b>	<b>-9.8%</b>	<b>100.0%</b>	<b>109 586</b>	<b>82 922</b>	<b>85 426</b>	<b>-12.8%</b>	<b>100.0%</b>

## Personnel information

Table 34.73 National Metrology Institute of South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		Number and cost <sup>1</sup> of personnel posts filled / planned for on funded establishment														Number			
		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
Number of funded posts	Number of posts on approved establishment	2015/16		2016/17			2017/18		2018/19			2019/20			2016/17 - 2019/20				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
National Metrology Institute of South Africa		150			150	90.2	0.6	154	95.7	0.6	158	102.4	0.6	158	109.6	0.7	6.7%	100.0%	
Salary level																			
1 – 6	23	23	20	2.5	0.1	23	5.3	0.2	23	4.5	0.2	22	3.8	0.2	23	3.8	0.2	-10.6%	14.7%
7 – 10	73	73	76	31.9	0.4	73	36.9	0.5	78	40.2	0.5	79	42.3	0.5	78	46.3	0.6	7.8%	49.7%
11 – 12	43	43	40	28.7	0.7	43	34.2	0.8	42	37.0	0.9	46	39.2	0.9	46	41.8	0.9	7.0%	28.5%
13 – 16	11	11	9	9.3	1.0	11	13.9	1.3	11	14.1	1.3	11	17.1	1.6	11	17.7	1.6	8.6%	7.1%

1. Rand million.

## National Regulator for Compulsory Specifications

### Mandate

The National Regulator for Compulsory Specifications was established in terms of the Measurement Unit and Measurement Standards Act (2006) as a public entity that administers compulsory specifications, otherwise known as technical regulations, on behalf of the Minister of Trade and Industry. The regulator is mandated to protect the health and safety of the public and the environment by administering and maintaining compulsory specifications, implementing a regulatory and compliance system, and engaging in market surveillance to ensure compliance.

## Selected performance indicators

**Table 34.74 National Regulator for Compulsory Specifications performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of inspections performed in accordance with compulsory specifications and procedures per year	Maximise compliance with all specifications and technical regulations	Outcome 10: Protect and enhance our environmental assets and natural resources	20 954	18 601	17 910	20 361	22 242	23 033	23 033
Number of compulsory specifications/technical regulations (new and amended) submitted to the department per year	Develop, maintain and administer compulsory specifications and technical regulations		12	8	8	12	12	12	12

## Expenditure analysis

The work of the National Regulator for Compulsory Specifications ensures that businesses produce, import or export products or provide services that comply with prescribed safety and environmental requirements, and maintain fair trade by developing specifications and carrying out market surveillance. Over the medium term, the regulator will focus on developing compulsory specifications and technical regulations, and ensuring compliance with them. It will also form partnerships with institutions such as the South African Revenue Services, the South African Police Service and the National Consumer Commission to ensure the effective regulation of imports and exports, and compliance with safety and environmental requirements.

The regulator plans to conduct 70 per cent of its inspections at ports of entry and local manufacturers. This includes a projected 68 308 inspections on products traded in South Africa, and accounts for R269 million of the regulator's total estimated expenditure over the medium term. Because of the planned increase in regulatory activities, expenditure on compensation of employees is expected to increase from R272.9 million in 2016/17 to R333 million in 2019/20, constituting 73.8 per cent of total expenditure.

An amount of R45 million over the medium term has been allocated to modernising the regulator's ICT infrastructure to increase capacity and decrease delays in processing premarket approvals of regulated products. The regulator experienced a significant increase in volume of applications for letters of authority from 16 435 in 2014/15 to 20 629 in 2015/16, and this number is expected to increase by about 6.3 per cent per year over the medium term. Therefore, total expenditure is anticipated to increase by 7 per cent, from R374.4 million in 2016/17 to R403.2 million in 2019/20.

The regulator derives 28.9 per cent, or R407.7 million, of its revenue from transfers from the department. Other sources of revenue include applications for letters of authority, and levies. Because of the projected increase in the regulator's activities over the medium term, revenue is projected to grow by 8.1 per cent, from R374.6 million in 2016/17 to R473.3 million in 2019/20.

## Programmes/objectives/activities

**Table 34.75 National Regulator for Compulsory Specifications expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
Administration	41 231	34 584	36 746	45 221	3.1%	13.3%	55 778	58 902	62 200	11.2%	13.4%
Maximise compliance with all specifications and technical regulations	154 776	184 368	198 450	229 472	14.0%	63.7%	253 423	267 615	282 601	7.2%	62.5%
Develop, maintain and administer compulsory specifications and technical regulations	8 133	8 727	7 884	15 174	23.1%	3.3%	15 627	16 502	17 426	4.7%	3.9%
Inform and educate National Regulator for Compulsory Specifications stakeholders on the mandate of the regulator	7 583	4 640	9 099	9 387	7.4%	2.6%	8 709	9 197	9 712	1.1%	2.2%
Ensure an optimally capacitated institution	34 236	46 195	56 132	75 193	30.0%	17.2%	69 690	73 593	77 714	1.1%	18.0%
<b>Total</b>	<b>245 959</b>	<b>278 514</b>	<b>308 311</b>	<b>374 447</b>	<b>15.0%</b>	<b>100.0%</b>	<b>403 227</b>	<b>425 808</b>	<b>449 653</b>	<b>6.3%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

**Table 34.76 National Regulator for Compulsory Specifications statements of historical financial performance and position**

Statement of financial performance	Budget		Audited outcome		Budget		Audited outcome		Budget estimate		Revised estimate		Average: Outcome/Budget (%)
	2013/14		2014/15		2015/16		2016/17		2013/14 - 2016/17				
R thousand													
<b>Revenue</b>													
<b>Non-tax revenue</b>	<b>168 276</b>	<b>187 842</b>	<b>204 024</b>	<b>221 192</b>	<b>264 951</b>	<b>218 195</b>	<b>288 185</b>	<b>288 185</b>					<b>98.9%</b>
Sale of goods and services other than capital assets	162 913	177 757	192 792	210 169	223 866	201 613	236 383	236 383					101.2%
<i>of which:</i>													
<i>Sales by market establishment</i>	162 913	177 757	192 792	210 169	223 866	201 613	236 383	236 383					101.2%
Other non-tax revenue	5 363	10 085	11 232	11 022	41 085	16 582	51 801	51 801					81.7%
<b>Transfers received</b>	<b>103 000</b>	<b>103 000</b>	<b>109 734</b>	<b>109 734</b>	<b>91 732</b>	<b>91 732</b>	<b>86 418</b>	<b>86 422</b>					<b>100.0%</b>
<b>Total revenue</b>	<b>271 276</b>	<b>290 842</b>	<b>313 758</b>	<b>330 926</b>	<b>356 683</b>	<b>309 927</b>	<b>374 603</b>	<b>374 607</b>					<b>99.2%</b>
<b>Expenses</b>													
<b>Current expenses</b>	<b>271 276</b>	<b>245 959</b>	<b>313 414</b>	<b>278 514</b>	<b>356 388</b>	<b>308 311</b>	<b>374 447</b>	<b>374 447</b>					<b>91.8%</b>
Compensation of employees	181 902	178 279	218 252	217 186	254 842	239 843	272 924	272 924					97.9%
Goods and services	85 472	64 971	91 137	58 635	97 521	66 021	97 095	97 095					77.2%
Depreciation	3 902	2 697	4 025	2 693	4 025	2 447	4 428	4 428					74.9%
Interest, dividends and rent on land	1	12	-	-	-	-	-	-					1 212.1%
<b>Total expenses</b>	<b>271 276</b>	<b>245 959</b>	<b>313 414</b>	<b>278 514</b>	<b>356 388</b>	<b>308 311</b>	<b>374 447</b>	<b>374 447</b>					<b>91.8%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>44 883</b>	<b>344</b>	<b>52 412</b>	<b>295</b>	<b>1 616</b>	<b>156</b>	<b>160</b>					
<b>Statement of financial position</b>													
Carrying value of assets	19 441	19 308	60 766	17 791	44 166	29 369	167 670	167 670					80.2%
<i>of which:</i>													
<i>Acquisition of assets</i>	(22 158)	(2 458)	(27 021)	(1 274)	(30 400)	(14 896)	(86 268)	(21 268)					24.1%
Investments	101 879	328	325	328	328	328	328	328					1.3%
Receivables and prepayments	7 126	14 210	10 405	23 643	11 030	21 333	11 691	11 691					176.1%
Cash and cash equivalents	8 329	150 943	82 183	206 669	188 181	199 846	68 738	68 738					180.2%
<b>Total assets</b>	<b>136 775</b>	<b>184 789</b>	<b>153 680</b>	<b>248 431</b>	<b>243 705</b>	<b>250 876</b>	<b>248 427</b>	<b>248 427</b>					<b>119.2%</b>
Accumulated surplus/(deficit)	87 411	129 834	87 456	182 246	182 541	184 128	182 697	182 697					125.7%
Finance lease	-	42	-	-	-	-	-	-					-
Trade and other payables	24 613	22 249	31 898	20 238	25 580	21 012	28 012	28 012					83.1%
Provisions	24 751	32 664	34 326	45 947	35 583	45 736	37 718	37 718					122.4%
<b>Total equity and liabilities</b>	<b>136 775</b>	<b>184 789</b>	<b>153 680</b>	<b>248 431</b>	<b>243 705</b>	<b>250 876</b>	<b>248 427</b>	<b>248 427</b>					<b>119.2%</b>

## Statements of estimates of financial performance and position

**Table 34.77 National Regulator for Compulsory Specifications statements of estimates of financial performance and position**

Statement of financial performance	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
				2016/17	2013/14 - 2016/17	2017/18		
R thousand								
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>288 185</b>	<b>15.3%</b>	<b>69.7%</b>	<b>277 161</b>	<b>308 336</b>	<b>329 985</b>	<b>4.6%</b>	<b>71.1%</b>
Sale of goods and services other than capital assets	236 383	10.0%	63.2%	240 532	277 707	294 139	7.6%	61.8%
<i>of which:</i>								
<i>Sales by market establishment</i>	236 383	10.0%	63.2%	240 532	277 707	294 139	7.6%	61.8%
Other non-tax revenue	51 801	72.5%	6.5%	36 629	30 629	35 846	-11.5%	9.3%
<b>Transfers received</b>	<b>86 422</b>	<b>-5.7%</b>	<b>30.3%</b>	<b>128 745</b>	<b>135 683</b>	<b>143 281</b>	<b>18.4%</b>	<b>28.9%</b>
<b>Total revenue</b>	<b>374 607</b>	<b>8.8%</b>	<b>100.0%</b>	<b>405 906</b>	<b>444 019</b>	<b>473 266</b>	<b>8.1%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>374 447</b>	<b>15.0%</b>	<b>100.0%</b>	<b>403 227</b>	<b>425 808</b>	<b>449 653</b>	<b>6.3%</b>	<b>137.0%</b>
Compensation of employees	272 924	15.3%	75.3%	298 643	315 367	333 028	6.9%	73.8%
Goods and services	97 095	14.3%	23.7%	100 202	105 813	111 739	4.8%	25.1%
Depreciation	4 428	18.0%	1.0%	4 382	4 627	4 887	3.3%	1.1%
<b>Total expenses</b>	<b>374 447</b>	<b>15.0%</b>	<b>100.0%</b>	<b>403 227</b>	<b>425 808</b>	<b>449 653</b>	<b>6.3%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>160</b>	<b>(1)</b>		<b>2 679</b>	<b>18 211</b>	<b>23 614</b>	<b>428.5%</b>	

**Table 34.77 National Regulator for Compulsory Specifications statements of estimates of financial performance and position**

Statement of financial position		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17				2013/14 - 2016/17	2017/18	2018/19		
R thousand									
Carrying value of assets	167 670	105.5%	24.2%	203 018	197 324	197 324	5.6%	72.7%	
of which:									
Acquisition of assets	(21 268)	105.3%	-4.1%	(12 548)	(10 500)	(10 500)	-21.0%	-5.3%	
Investments	328	-	0.1%	328	328	328	-	0.1%	
Receivables and prepayments	11 691	-6.3%	7.6%	12 393	13 260	13 260	4.3%	4.8%	
Cash and cash equivalents	68 738	-23.1%	68.1%	42 604	55 832	67 523	-0.6%	22.3%	
<b>Total assets</b>	<b>248 427</b>	<b>10.4%</b>	<b>100.0%</b>	<b>258 343</b>	<b>266 744</b>	<b>278 435</b>	<b>3.9%</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	182 697	12.1%	72.6%	187 190	198 847	210 538	4.8%	74.0%	
Trade and other payables	28 012	8.0%	10.0%	31 171	29 450	29 450	1.7%	11.2%	
Provisions	37 718	4.9%	17.4%	39 981	38 447	38 447	0.6%	14.7%	
<b>Total equity and liabilities</b>	<b>248 427</b>	<b>10.4%</b>	<b>100.0%</b>	<b>258 343</b>	<b>266 744</b>	<b>278 435</b>	<b>3.9%</b>	<b>100.0%</b>	

## Personnel information

**Table 34.78 National Regulator for Compulsory Specifications personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2017		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 (%)	Average: Salary level/Total (%)				
		2015/16		2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20							
National Regulator for Compulsory Specifications		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	330	330	337	239.8	0.7	330	272.9	0.8	341	298.6	0.9	341	315.4	0.9	341	333.0	1.0	6.9%	100.0%
1 - 6	8	8	12	0.5	0.0	8	0.7	0.1	8	0.7	0.1	8	0.7	0.1	8	0.8	0.1	5.7%	2.4%
7 - 10	99	99	99	46.8	0.5	99	52.9	0.5	107	62.8	0.6	107	66.3	0.6	107	70.0	0.7	9.8%	31.0%
11 - 12	202	202	204	161.0	0.8	202	185.6	0.9	204	198.5	1.0	204	209.6	1.0	204	221.4	1.1	6.1%	60.2%
13 - 16	21	21	22	22.4	1.0	21	26.9	1.3	22	29.8	1.4	22	31.4	1.4	22	33.2	1.5	7.3%	6.4%
17 - 22	-	-	-	9.1	-	-	6.9	-	-	6.9	-	-	7.3	-	-	7.7	-	3.7%	-

1. Rand million.

## South African Bureau of Standards

### Mandate

The South African Bureau of Standards was established as a statutory body in terms of the Standards Act (2008), and is part of South Africa's standardisation, quality assurance, accreditation and metrology technical infrastructure. The bureau is mandated to provide standardisation and conformity assessment services to protect the integrity of the South African market, protect consumers, create a competitive advantage for South African industry, and facilitate access by South Africans to local and international markets. The bureau is the sole publisher of South African national standards, and is responsible for the technical work of the industrial policy action plan.

## Selected performance indicators

Table 34.79 South African Bureau of Standards performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Revenue generated from certifications per year	Conformity assessment	Outcome 4: Decent employment through inclusive growth	R275 730	R310 799	R337 903	R398 721	R323 141	R352 224	R383 924
Revenue generated from tests and services per year	Conformity assessment		R217 993	R220 944	R179 140	R198 724	R209 216	R228 045	R248 569
Number of new certificates issued on a new scheme per year	Conformity assessment		-1	2	3	5	7	9	0 <sup>2</sup>
Number of SMMEs and entrepreneurs developed per year	Conformity assessment		45	45	50	55	70	75	80
Revenue generated from standard sales per year	Development of South African national standards		R23 043	R25 588	R37 200	R37 420	R35 000	R38 150	R41 584
Percentage of standards development projects completed for the industrial policy action plan	Development of South African national standards		-1	-1	-1	-1	80%	80%	80%

1. No historical data available.

2. New schemes will no longer be developed from 2019/20.

## Expenditure analysis

The South African Bureau of Standards will continue over the medium term to increase local content verification; design solutions to support SMMEs; strengthen partnerships with industry organisations; improve its quality of service; and transform internal support processes through the modernisation of ICT infrastructure and technology innovation. The bureau will also continue to provide assessment and standardisation services by increasing testing and certification services.

The bureau plans to invest in ICT infrastructure, management information systems, the automation of certification processes, and the implementation of new enterprise resource planning systems in the coming period. Enhancing these capabilities is expected to account for about 22 per cent, or R122.3 million, of the total capital expenditure budget of R556 million over the medium term. Comprehensive training for employees is expected to increase expenditure on goods and services from R320.5 million in 2016/17 to R355.7 million in 2019/20. The number of personnel is expected to remain at 1 001 over the medium term, and expenditure on compensation of employees is expected account for a projected 61 per cent, or R1.9 billion, of total expenditure.

Through the bureau's design institute and training services programme, more than 225 SMMEs over the next three years are set to receive support and opportunities to enter the industry. Doing this requires addressing technical issues related to capacity and barriers to market access by new players in industry sectors that are perceived to be inaccessible to SMMEs. These activities are funded in the conformity assessment programme, in which total expenditure is expected to increase from R731.8 million in 2016/17 to R829 million in 2019/20.

The bureau derives 69 per cent, or R1.9 billion, of its revenue from fees for certification, testing, the sale of publications, services offered by its design institute, and training services; and is set to receive 29.3 per cent of its revenue over the medium term through transfers from the department. The bureau's total revenue is expected to increase from R950.4 million in 2016/17 to R1 billion in 2019/20, driven by an expected increase in testing and certification services.

## Programmes/objectives/activities

Table 34.80 South African Bureau of Standards expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2013/14	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Conformity assessment	569 715	618 413	630 608	731 842	8.7%	76.4%	741 024	782 398	828 982	4.2%	77.0%	
Development of South African national standards	171 524	184 721	214 916	218 602	8.4%	23.6%	221 344	233 703	247 618	4.2%	23.0%	
<b>Total</b>	<b>741 239</b>	<b>803 134</b>	<b>845 524</b>	<b>950 444</b>	<b>8.6%</b>	<b>100.0%</b>	<b>962 368</b>	<b>1 016 101</b>	<b>1 076 600</b>	<b>4.2%</b>	<b>100.0%</b>	

## Statements of historical financial performance and position

**Table 34.81 South African Bureau of Standards statements of historical financial performance and position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R thousand	2013/14		2014/15		2015/16		2016/17		2013/14 - 2016/17
<b>Revenue</b>									
<b>Non-tax revenue</b>	611 408	571 171	646 239	615 263	591 043	640 462	664 185	664 185	99.1%
Sale of goods and services other than capital assets	571 671	516 766	631 161	557 331	554 243	544 650	634 865	634 865	94.2%
<i>of which:</i>									
<i>Sales by market establishment</i>	571 671	516 766	631 161	557 331	554 243	544 650	634 865	634 865	94.2%
Other non-tax revenue	39 737	54 405	15 078	57 932	36 800	95 812	29 320	29 320	196.4%
<b>Transfers received</b>	214 962	191 392	227 023	220 077	227 339	227 417	219 235	222 739	97.0%
<b>Total revenue</b>	826 370	762 963	873 262	835 340	869 819	867 879	950 445	950 445	97.1%
<b>Expenses</b>									
<b>Current expenses</b>	799 396	741 239	866 586	802 645	869 818	845 524	950 444	950 444	95.8%
Compensation of employees	469 029	434 522	509 229	471 840	529 983	500 438	574 766	574 766	95.1%
Goods and services	285 304	264 497	311 916	282 864	287 232	301 462	320 452	320 452	97.0%
Depreciation	45 063	42 188	45 441	47 941	52 603	43 471	55 226	55 226	95.2%
Interest, dividends and rent on land	–	32	–	–	–	153	–	–	–
<b>Transfers and subsidies</b>	9 156	–	–	–	–	–	–	–	–
<b>Total expenses</b>	808 552	741 239	866 586	803 134	869 818	845 524	950 444	950 444	95.6%
<b>Surplus/(Deficit)</b>	17 818	21 724	6 676	32 206	–	22 355	–	–	
<b>Statement of financial position</b>									
Carrying value of assets	721 101	369 911	670 252	385 827	486 210	385 651	602 860	409 120	62.5%
<i>of which:</i>									
<i>Acquisition of assets</i>	(199 137)	(57 502)	(203 765)	(203 565)	(152 986)	(52 240)	(171 876)	(75 000)	53.4%
Investments	163 526	305 054	266 857	395 898	331 604	407 244	188 414	365 891	155.1%
Inventory	1 000	1 939	1 227	1 964	2 178	1 563	2 309	1 657	106.1%
Receivables and prepayments	86 810	117 707	129 112	137 194	164 633	139 310	197 560	124 859	89.8%
Cash and cash equivalents	52 737	283 458	76 006	200 107	127 171	162 775	125 791	103 617	196.5%
Taxation	22 732	20 860	22 000	20 371	20 371	20 371	20 371	20 371	95.9%
<b>Total assets</b>	1 047 906	1 098 929	1 165 454	1 141 361	1 132 167	1 116 914	1 137 305	1 025 515	97.8%
Accumulated surplus/(deficit)	440 989	462 461	458 972	494 666	494 523	517 021	494 523	407 866	99.6%
Capital and reserves	86 309	98 438	116 347	120 973	138 930	77 112	147 510	87 672	78.6%
Capital reserve fund	272 280	293 786	291 617	286 120	274 996	263 909	264 622	256 596	99.7%
Trade and other payables	143 239	127 207	191 838	121 069	109 098	131 458	114 313	151 119	95.1%
Taxation	–	5 365	–	7 215	–	5 780	–	–	–
Provisions	105 090	111 529	98 127	111 175	114 620	101 263	116 337	105 451	98.9%
Derivatives financial instruments	–	143	8 553	143	–	20 371	–	16 811	438.1%
<b>Total equity and liabilities</b>	1 047 907	1 098 929	1 165 454	1 141 361	1 132 167	1 116 914	1 137 305	1 025 515	97.8%

## Statements of estimates of financial performance and position

**Table 34.82 South African Bureau of Standards statements of estimates of financial performance and position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R thousand	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20		
<b>Revenue</b>									
<b>Non-tax revenue</b>	664 185	5.2%	73.0%	596 301	648 450	705 268	2.0%	69.0%	
Sale of goods and services other than capital assets	634 865	7.1%	66.0%	567 357	618 419	674 077	2.0%	65.9%	
<i>of which:</i>									
<i>Sales by market establishment</i>	634 865	7.1%	66.0%	567 357	618 419	674 077	2.0%	65.9%	
Other non-tax revenue	29 320	-18.6%	7.0%	28 944	30 031	31 191	2.1%	3.2%	
<b>Transfers received</b>	222 739	5.2%	25.3%	292 995	288 194	303 913	10.9%	29.3%	
<b>Total revenue</b>	950 445	7.6%	100.0%	889 296	936 644	1 009 181	2.0%	100.0%	

Table 34.82 South African Bureau of Standards statements of estimates of financial performance and position

	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2017/18	2018/19	2019/20		
R thousand	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
<b>Expenses</b>								
<b>Current expenses</b>	<b>950 444</b>	<b>8.6%</b>	<b>100.0%</b>	<b>962 368</b>	<b>1 016 101</b>	<b>1 076 600</b>	<b>4.2%</b>	<b>120.4%</b>
Compensation of employees	574 766	9.8%	59.3%	581 647	622 362	665 927	5.0%	61.0%
Goods and services	320 452	6.6%	35.1%	325 721	338 739	355 673	3.5%	33.5%
Depreciation	55 226	9.4%	5.7%	55 000	55 000	55 000	-0.1%	5.5%
<b>Total expenses</b>	<b>950 444</b>	<b>8.6%</b>	<b>100.0%</b>	<b>962 368</b>	<b>1 016 101</b>	<b>1 076 600</b>	<b>4.2%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>(1)</b>		<b>(73 072)</b>	<b>(79 457)</b>	<b>(67 419)</b>	<b>-</b>	
<b>Statement of financial position</b>								
Carrying value of assets	409 120	3.4%	35.5%	502 661	646 720	800 370	25.1%	55.3%
<i>of which:</i>								
Acquisition of assets	(75 000)	9.3%	-8.8%	(148 541)	(199 059)	(208 650)	40.6%	-14.8%
Investments	365 891	6.2%	33.6%	278 868	161 984	91 594	-37.0%	21.5%
Inventory	1 657	-5.1%	0.2%	1 740	1 740	1 740	1.6%	0.2%
Receivables and prepayments	124 859	2.0%	11.8%	158 789	148 039	151 247	6.6%	13.8%
Cash and cash equivalents	103 617	-28.5%	17.0%	90 195	59 384	55 565	-18.8%	7.3%
Taxation	20 371	-0.8%	1.9%	20 371	20 371	20 371	-	1.9%
<b>Total assets</b>	<b>1 025 515</b>	<b>-2.3%</b>	<b>100.0%</b>	<b>1 052 624</b>	<b>1 038 238</b>	<b>1 120 887</b>	<b>3.0%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	407 866	-4.1%	42.9%	334 793	255 337	187 917	-22.8%	28.2%
Capital and reserves	87 672	-3.8%	8.8%	95 649	100 265	102 875	5.5%	9.1%
Capital reserve fund	256 596	-4.4%	25.1%	309 095	301 594	294 092	4.7%	27.4%
Trade and other payables	151 119	5.9%	12.2%	188 900	255 014	408 023	39.2%	23.4%
Provisions	105 451	-1.9%	9.8%	106 978	108 597	110 313	1.5%	10.2%
Derivatives financial instruments	16 811	389.9%	0.9%	17 209	17 431	17 667	1.7%	1.6%
<b>Total equity and liabilities</b>	<b>1 025 515</b>	<b>-2.3%</b>	<b>100.0%</b>	<b>1 052 624</b>	<b>1 038 238</b>	<b>1 120 887</b>	<b>3.0%</b>	<b>100.0%</b>

## Personnel information

Table 34.83 South African Bureau of Standards personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		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 (%)	Average: Salary level/Total (%)			
		2015/16		2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20						
South African Bureau of Standards		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	-	1 001	500.4	0.5	1 001	574.8	0.6	1 001	581.6	0.6	1 001	622.4	0.6	1 001	665.9	0.7	5.0%	100.0%
1-6	-	192	42.7	0.2	192	49.0	0.3	192	49.6	0.3	192	53.1	0.3	192	57.3	0.3	5.3%	19.2%
7-10	-	421	155.0	0.4	421	177.8	0.4	421	180.0	0.4	421	192.6	0.5	421	210.6	0.5	5.8%	42.1%
11-12	-	358	240.5	0.7	358	276.6	0.8	358	280.0	0.8	358	299.5	0.8	358	320.0	0.9	5.0%	35.8%
13-16	-	20	34.7	1.7	20	39.8	2.0	20	40.2	2.0	20	43.0	2.2	20	41.8	2.1	1.6%	2.0%
17-22	-	10	27.6	2.8	10	31.5	3.2	10	31.9	3.2	10	34.1	3.4	10	36.2	3.6	4.7%	1.0%

1. Rand million.

## South African National Accreditation System

### Mandate

The South African National Accreditation System was established in terms of the Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act (2006). It is mandated to accredit or monitor good laboratory practice and ensure compliance with the official standards; promote accreditation as a means of facilitating international trade to enhance South Africa's economic performance and bring about economic transformation; promote the competence and equivalence of accredited bodies; and promote the competence and equivalence of good laboratory practice facilities, in line with the act.

## Selected performance indicators

**Table 34.84 South African National Accreditation System performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of registrations of previously disadvantaged assessors per year	Provision of accreditation services	Outcome 12: An efficient, effective and development-oriented public service	76	139	90	220	250	290	340
Number of reassessments of accredited organisations in the fields of testing, inspection, calibration, certification bodies and other conformity assessment services per year	Provision of accreditation services	Outcome 11: Create a better South Africa and contribute to a better Africa and a better world	- <sup>1</sup>	1 429	1 199	1 339	1 361	1 397	1 421
Percentage of inputs provided into the International Laboratory Accreditation Cooperation and International Accreditation Forum requirements per year	Marketing/Corporate services	Outcome 4: Decent employment through inclusive growth	93% <sup>2</sup>	94% (35/37)	100% (51)	95%	95%	95%	95%

1. No historical data available.

2. As mode of calculation was different in 2013/14, numerator/denominator could not be obtained.

## Expenditure analysis

The South African National Accreditation System is the national body responsible for accreditation in respect of conformity assessment, which includes the accreditation of calibration, testing and verification laboratories, certification bodies, inspection bodies, and ratings agencies. The focus of the organisation over the medium term will be on growing and maintaining accreditation services to contribute to industrial development, the protection of health and the environment, and the improvement of safety standards. By adhering to global standards and aligning local standards with those of global partners, the organisation promotes the attractiveness of South Africa's exports.

To diversify the pool of external assessors and contribute to an inclusive economy, the number of registrations of previously disadvantaged accreditation assessors is expected to increase from 250 in 2016/17 to 340 in 2019/20. As a result, the organisation's expenditure over the medium term will largely be in the provision of accreditation services programme, which accounts for 53.1 per cent, or R167.5 million, of total estimated expenditure.

The organisation will continue to roll out its restructuring and capacity building project to deliver on its mandate and grow its client base. It will invest in training employees and assessors, ICT infrastructure, and office space, which is set to increase expenditure from R90.9 million in 2016/17 to R113 million in 2019/20. With the resulting increased capacity and functioning, the organisation will be positioned to meet the growing expectations of industry, government and stakeholders. The number of accredited organisations that meet the requirements for accreditation is expected to increase from 1 339 in 2016/17 to 1 421 in 2019/20.

The organisation will also contribute to regional and international integration by participating in compulsory forums, and will aim to influence international accreditation requirements by providing input into industry documents and voting on accreditation matters. These activities are carried out in the administration programme, which has an allocation of R114.3 million over the medium term, comprising an estimated 37 per cent of the total budget.

The organisation expects to derive 29.1 per cent, or R95.8 million, of revenue over the medium term through transfers from the department. The balance is set to come from fees from accredited facilities and new applications, and income from training courses. Total revenue is expected to increase from R90.9 million in 2016/17 to R113 million in 2019/20, at an average annual rate of 7.5 per cent, due to the inclusion of industrial policy action plan programmes for priority sectors.

The services provided by the organisation are labour intensive, and expenditure on compensation of employees is expected to remain one of the key cost drivers, accounting for 51.2 per cent, or R160.7 million, of total expenditure over the medium term. The number of personnel is expected to grow from 76 in 2016/17 to 83 in 2019/20 because of the increased demand for accreditation services and the need to support government's industrial development health and safety projects.

**Programmes/objectives/activities****Table 34.85 South African National Accreditation System expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
Administration	17 224	28 205	31 375	34 843	26.5%	35.7%	37 379	35 990	40 979	5.6%	37.0%
Provision of accreditation services	30 694	36 845	43 044	47 306	15.5%	50.8%	52 387	54 206	60 899	8.8%	53.1%
International, regional and national responsibilities	2 096	-	-	-	-100.0%	0.8%	-	-	-	-	-
New programme development projects and related activities	3 109	3 351	2 876	3 836	7.3%	4.3%	4 113	4 254	4 653	6.6%	4.2%
Restructuring/Capacity building	9 888	-	-	-	-100.0%	3.7%	-	-	-	-	-
Knowledge transfer	1 254	-	-	-	-100.0%	0.5%	-	-	-	-	-
Marketing/Corporate services	2 536	3 301	2 652	4 925	24.8%	4.3%	6 234	5 725	6 463	9.5%	5.8%
<b>Total</b>	<b>66 801</b>	<b>71 702</b>	<b>79 947</b>	<b>90 910</b>	<b>10.8%</b>	<b>100.0%</b>	<b>100 113</b>	<b>100 175</b>	<b>112 994</b>	<b>7.5%</b>	<b>100.0%</b>

**Statements of historical financial performance and position****Table 34.86 South African National Accreditation System statements of historical financial performance and position**

Statement of financial performance									
R thousand	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/ Budget (%)
	2013/14	2014/15	2015/16	2016/17	2013/14 - 2016/17	Budget estimate	Revised estimate		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>43 574</b>	<b>47 541</b>	<b>46 719</b>	<b>50 038</b>	<b>58 806</b>	<b>56 061</b>	<b>68 702</b>	<b>68 702</b>	<b>102.1%</b>
Sale of goods and services other than capital assets	35 169	38 057	38 425	40 051	41 366	44 961	46 559	46 559	105.0%
<i>of which:</i>									
Administrative fees	35 169	38 057	38 425	40 051	41 366	44 961	46 559	46 559	105.0%
Other non-tax revenue	8 405	9 484	8 294	9 987	17 440	11 100	22 143	22 143	93.7%
<b>Transfers received</b>	<b>33 473</b>	<b>33 473</b>	<b>35 712</b>	<b>35 712</b>	<b>26 025</b>	<b>26 025</b>	<b>22 208</b>	<b>22 208</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>77 047</b>	<b>81 014</b>	<b>82 431</b>	<b>85 750</b>	<b>84 831</b>	<b>82 086</b>	<b>90 910</b>	<b>90 910</b>	<b>101.4%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>76 570</b>	<b>66 324</b>	<b>81 928</b>	<b>71 200</b>	<b>84 301</b>	<b>79 417</b>	<b>90 347</b>	<b>90 347</b>	<b>92.2%</b>
Compensation of employees	34 676	32 079	40 979	37 164	42 064	40 337	45 971	46 321	95.2%
Goods and services	40 916	33 411	40 125	33 054	41 427	38 090	43 167	42 817	89.0%
Depreciation	729	585	528	686	531	711	1 209	1 209	106.5%
Interest, dividends and rent on land	249	249	296	296	279	279	-	-	99.9%
<b>Transfers and subsidies</b>	<b>-</b>	<b>477</b>	<b>503</b>	<b>502</b>	<b>530</b>	<b>530</b>	<b>563</b>	<b>563</b>	<b>129.8%</b>
<b>Total expenses</b>	<b>76 570</b>	<b>66 801</b>	<b>82 431</b>	<b>71 702</b>	<b>84 831</b>	<b>79 947</b>	<b>90 910</b>	<b>90 910</b>	<b>92.4%</b>
<b>Surplus/(Deficit)</b>	<b>477</b>	<b>14 213</b>	<b>-</b>	<b>14 048</b>	<b>-</b>	<b>2 139</b>	<b>-</b>	<b>-</b>	
Statement of financial position									
Carrying value of assets	2 668	3 741	63 355	4 947	71 016	4 762	71 007	71 253	40.7%
<i>of which:</i>									
Acquisition of assets	(1 092)	(1 865)	(60 228)	(1 903)	(66 600)	(568)	(1 200)	(67 700)	55.8%
Receivables and prepayments	1 550	2 426	1 750	1 254	1 809	1 973	1 200	1 200	108.6%
Cash and cash equivalents	43 822	72 667	112	89 187	23 381	94 903	22 938	12 825	298.7%
<b>Total assets</b>	<b>48 040</b>	<b>78 834</b>	<b>65 217</b>	<b>95 388</b>	<b>96 206</b>	<b>101 638</b>	<b>95 145</b>	<b>85 278</b>	<b>118.6%</b>
Accumulated surplus/(deficit)	33 268	55 774	41 986	69 822	77 920	80 059	77 920	64 724	117.0%
Capital reserve fund	-	8 098	8 098	8 098	-	-	-	-	200.0%
Finance lease	713	2 090	1 986	1 987	1 840	2 182	1 642	-	101.3%
Deferred income	3 000	2 759	3 000	5 724	5 000	8 151	5 000	8 000	154.0%
Trade and other payables	9 560	8 579	8 647	8 224	9 896	9 702	9 133	11 104	101.0%
Provisions	1 500	1 534	1 500	1 533	1 550	1 544	1 450	1 450	101.0%
<b>Total equity and liabilities</b>	<b>48 040</b>	<b>78 834</b>	<b>65 217</b>	<b>95 388</b>	<b>96 206</b>	<b>101 638</b>	<b>95 145</b>	<b>85 278</b>	<b>118.6%</b>

## Statements of estimates of financial performance and position

**Table 34.87 South African National Accreditation System statements of estimates of financial performance and position**

Statement of financial performance		Revised estimate	Average growth rate (%)		Average Expenditure/ Total (%)			Average growth rate (%)		Average Expenditure/ Total (%)	
			2016/17	2013/14 - 2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20		
R thousand					Medium-term estimate						
<b>Revenue</b>											
<b>Non-tax revenue</b>		<b>68 702</b>	<b>13.1%</b>	<b>65.2%</b>	<b>69 800</b>	<b>68 348</b>	<b>79 383</b>	<b>4.9%</b>	<b>70.9%</b>		
Sale of goods and services other than capital assets		46 559	7.0%	49.9%	55 365	58 631	61 915	10.0%	55.0%		
of which:											
Administrative fees		46 559	7.0%	49.9%	55 365	58 631	61 915	10.0%	55.0%		
Other non-tax revenue		22 143	32.7%	15.3%	14 435	9 717	17 468	-7.6%	16.0%		
<b>Transfers received</b>		<b>22 208</b>	<b>-12.8%</b>	<b>34.8%</b>	<b>30 313</b>	<b>31 828</b>	<b>33 610</b>	<b>14.8%</b>	<b>29.1%</b>		
<b>Total revenue</b>		<b>90 910</b>	<b>3.9%</b>	<b>100.0%</b>	<b>100 113</b>	<b>100 176</b>	<b>112 993</b>	<b>7.5%</b>	<b>100.0%</b>		
<b>Expenses</b>											
<b>Current expenses</b>		<b>90 347</b>	<b>10.9%</b>	<b>99.3%</b>	<b>99 515</b>	<b>99 542</b>	<b>112 325</b>	<b>7.5%</b>	<b>128.7%</b>		
Compensation of employees		46 321	13.0%	50.3%	49 813	53 267	57 632	7.6%	51.2%		
Goods and services		42 817	8.6%	47.7%	48 965	45 494	53 868	8.0%	47.3%		
Depreciation		1 209	27.4%	1.0%	737	781	825	-12.0%	0.9%		
<b>Transfers and subsidies</b>		<b>563</b>	<b>5.7%</b>	<b>0.7%</b>	<b>598</b>	<b>633</b>	<b>669</b>	<b>5.9%</b>	<b>0.6%</b>		
<b>Total expenses</b>		<b>90 910</b>	<b>10.8%</b>	<b>100.0%</b>	<b>100 113</b>	<b>100 175</b>	<b>112 994</b>	<b>7.5%</b>	<b>100.0%</b>		
<b>Surplus/(Deficit)</b>		<b>-</b>	<b>(1)</b>		<b>-</b>	<b>1</b>	<b>(1)</b>	<b>-</b>			
<b>Statement of financial position</b>											
Carrying value of assets		71 253	167.1%	24.5%	71 836	71 305	70 730	-0.2%	85.8%		
of which:											
Acquisition of assets		(67 700)	231.1%	-21.1%	(1 320)	(250)	(250)	-84.5%	-20.4%		
Receivables and prepayments		1 200	-20.9%	1.9%	1 200	1 200	1 200	-	1.4%		
Cash and cash equivalents		12 825	-43.9%	73.5%	10 657	11 118	7 873	-15.0%	12.7%		
<b>Total assets</b>		<b>85 278</b>	<b>2.7%</b>	<b>100.0%</b>	<b>83 693</b>	<b>83 623</b>	<b>79 803</b>	<b>-2.2%</b>	<b>100.0%</b>		
Accumulated surplus/(deficit)		64 724	5.1%	74.7%	64 724	64 724	64 724	-	77.9%		
Deferred income		8 000	42.6%	6.7%	8 500	9 000	8 000	-	10.1%		
Trade and other payables		11 104	9.0%	10.5%	9 019	8 449	5 629	-20.3%	10.2%		
Provisions		1 450	-1.9%	1.7%	1 450	1 450	1 450	-	1.7%		
<b>Total equity and liabilities</b>		<b>85 278</b>	<b>2.7%</b>	<b>100.0%</b>	<b>83 693</b>	<b>83 623</b>	<b>79 803</b>	<b>-2.2%</b>	<b>100.0%</b>		

## Personnel information

**Table 34.88 South African National Accreditation System personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2017		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 (%)	Average: Salary level/Total (%)							
		2015/16	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20													
<b>South African National Accreditation System</b>		<b>77</b>	<b>83</b>	<b>73</b>	<b>40.3</b>	<b>0.6</b>	<b>76</b>	<b>46.3</b>	<b>0.6</b>	<b>83</b>	<b>49.8</b>	<b>0.6</b>	<b>83</b>	<b>53.3</b>	<b>0.6</b>	<b>83</b>	<b>57.6</b>	<b>0.7</b>	<b>7.6%</b>	<b>100.0%</b>
<b>Salary level</b>																				
1 – 6	3	3	3	0.5	0.2	3	0.6	0.2	3	0.6	0.2	3	0.7	0.2	3	0.7	0.2	5.8%	3.7%	
7 – 10	47	53	44	15.5	0.4	46	18.5	0.4	53	21.5	0.4	53	23.3	0.4	53	25.2	0.5	10.8%	63.0%	
11 – 12	19	19	18	13.6	0.8	19	15.8	0.8	19	16.1	0.8	19	17.0	0.9	19	18.4	1.0	5.2%	23.4%	
13 – 16	8	8	8	10.7	1.3	8	11.4	1.4	8	11.6	1.5	8	12.3	1.5	8	13.3	1.7	5.3%	9.9%	

1. Rand million.

## Additional tables

**Table 34.A Summary of departmental public private partnership projects<sup>1</sup>**

R thousand	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
			2016/17	2017/18	2018/19
<b>Projects signed in terms of Treasury Regulation 16</b>					
Public private partnership unitary charge <sup>1</sup>	–	209 691	220 266	225 716	238 356
<i>Of which:</i>					
Services provided by the operator	–	209 691	220 266	225 716	238 356
<b>Total</b>	<b>–</b>	<b>209 691</b>	<b>220 266</b>	<b>225 716</b>	<b>238 356</b>

1. Only payments that have received National Treasury approval.

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

Project name	Department of Trade and Industry public private partnership campus
Brief description	Department of Trade and Industry public private partnership campus Meintjies Street, Pretoria. Design, construct and provide facility management services over period of 25 years
Date public private partnership agreement was signed	01-Aug-03
Duration of public private partnership agreement	25 years
Variations and amendments to public private partnership agreement	Variation orders as per allowed schedules, but no formal amendment to date was signed on the public private partnership agreement
Cost implications of variations and amendments	Costed per each variation order. Strategic space strategy will inform over the medium term the quantum of variation orders to be executed.
Significant contingent fiscal obligations including termination payments, guarantees, warranties and indemnities and maximum estimated value of such liabilities	

**Table 34.B Summary of departmental public private partnership projects<sup>1</sup>**

R thousand	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
			2016/17	2017/18	2018/19
<b>Projects signed in terms of Treasury Regulation 16</b>					
Public private partnership unitary charge <sup>1</sup>	–	5 503	5 770	6 104	6 446
<i>Of which:</i>					
Services provided by the operator	–	5 503	5 770	6 104	6 446
<b>Total</b>	<b>–</b>	<b>5 503</b>	<b>5 770</b>	<b>6 104</b>	<b>6 446</b>

1. Only payments that have received National Treasury approval.

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

Project name	Phavis fleet services
Brief description	Disclosure notes for this project can be viewed in the public private partnership annexure table of the Department of Transport chapter

**Table 34.C Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2016/17	Medium-term expenditure estimate		
				2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
R thousand										
<b>Infrastructure transfers to other spheres, agencies and departments</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Coega Development Corporation	Development of infrastructure developments to enable investment in the zone	Various	5 689 043	308 195	-	-	-	-	-	-
East London industrial development zone	Development of infrastructure developments to enable investment in the zone	Various	1 817 535	100 000	-	-	-	-	-	-
Critical infrastructure programme	Development of infrastructure projects to supporting investment in mining, tourism, manufacturing and services	Various	1 473 171	139 968	81 269	74 203	290 000	209 500	211 071	222 891
Special economic zones: investment incentives	Development of infrastructure for special economic zone	Feasibility	3 719 450	449 200	608 243	735 600	1 310 000	605 421	1 300 000	1 457 280
<b>Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)</b>										
Richards Bay industrial development zone	Development of infrastructure to enable investment in the zone	Various	672 018	30 000	-	-	-	-	-	-
Centurion Aerospace Village	Construction of aerospace industry infrastructure	Construction	407 279	15 800	16 748	17 517	18 445	19 367	15 490	16 357
Industrial development zone: Other	Development of infrastructure for industrial zone	Feasibility	-	-	99 595	130 000	50 000	140 000	80 000	-
<b>Total</b>			<b>13 778 496</b>	<b>1 043 163</b>	<b>805 855</b>	<b>957 320</b>	<b>1 668 445</b>	<b>974 288</b>	<b>1 606 561</b>	<b>1 696 528</b>

**Table 34.D Summary of donor funding**

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate 2016/17	Medium-term expenditure estimate			
							2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	
R thousand														
Foreign In cash														
European Union	Sector-wide enterprise employment and equity programme	Industrial Development	2004-2009	477 286	Public corporations and private enterprises	Increase employment and facilitate greater social and economic equity and integration	17 320	919	-	-	-	-	-	-
European Union	Employment creation and sector policy support to the economic cluster's programme of action (4 departmental projects implemented)	Special Economic Zones and Economic Transformation	2009-2013	551 214	Public corporations and private enterprises	Create long-term sustainable employment and contribute to the national target of halving unemployment and poverty by 2014	4 063	30 809	-	-	-	-	-	-
African Development Bank	Enterprise Development Pilot Project	Special Economic Zones and Economic Transformation	2015-2018	20 000	Public corporations and private enterprises	Improve capacity of local municipalities in planning and implementing local economic development programmes. SMME access to innovative production technology in pilot districts. Increased SMME participation in manufacturing	-	-	-	829	9 585	9 586	-	-
Local In cash														
Development Bank of Southern Africa	Monyella	Industrial Development	2012-15	217 300	Departmental agencies and accounts	Promote employer-led skills	46 321	16 600	71 000	77 000	-	-	-	-
<b>Total</b>				<b>1 265 800</b>			<b>67 704</b>	<b>48 328</b>	<b>71 000</b>	<b>77 829</b>	<b>9 585</b>	<b>9 586</b>	<b>-</b>	<b>-</b>



# BUDGET 2017

## ESTIMATES OF NATIONAL EXPENDITURE

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**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

