

VOTE
03
COMMUNICATIONS



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



Estimates of National Expenditure

2018

National Treasury

Republic of South Africa



ISBN: 978-0-621-46019-3

RP: 02/2018

The 2018 Estimates of National Expenditure 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. Compared to this 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

When the Estimates of National Expenditure (ENE) publication was launched in 2001, we referred to it as “a significant step forward in national budget transparency”. Since then, even though the national budget has undergone many reforms, the ENE publications remain a key indicator and embodiment of the candour of the budgeting process.

The publications provide the media, civil society, the public, Parliament, departments, public entities and ministers with information about how taxpayers’ money is being spent: what it buys and for what purpose. Do not be concerned by the magnitude of this publication. Instead, let us use it as a reference to keep government institutions accountable and ensure that the expenditure of public funds achieves its intended policy outcomes to improve the welfare of citizens.

In the current economic climate, spending priorities and the sequencing of programme implementation are subject to a number of trade-offs. The focus of the 2018 Budget has solely been on the reprioritisation of existing baseline funding. The abridged ENE provides a coherent and summarised account of the priorities, spending plans and service delivery commitments of all 40 national votes and of government agencies. The e-publications for each vote contain more detail on, for example, goods and services, transfers and subsidies, donor funding, public entities, and lower-level spending information on service delivery.

The ENE’s presentation of the detailed expenditure estimates of departments are the result of a lengthy executive and administrative process involving wide-ranging intergovernmental consultation. This process is led by a committee of senior officials in central government departments, under the political guidance of the Ministers’ Committee on the Budget. A special word of thanks is due to all our colleagues from other departments for their contributions. I also wish to express my appreciation to the National Treasury team that worked tirelessly to produce a document of which we are rightly proud.

The independent Open Budget Survey assessment of budget transparency commenced in 2006. It is conducted every two years to measure the accessibility and comprehensiveness of key budget documents and information across the world. In 2010, South Africa was ranked first out of 94 countries surveyed, scoring 92 per cent. In the latest iteration of the survey, which measured 115 countries, South Africa was ranked first again, tied with New Zealand, with a score of 89 per cent. Our country is one of only 11 that publish comprehensive, timely information in all the required budget documents.

Budgets link the outcomes targeted by government with the services that are ultimately delivered. In addition to South African budgets having become more transparent, recent efforts to increase public participation in budgeting are gaining momentum. South Africans are invited to scrutinise budget information and provide opinions on government service delivery. We rely on this participation to strengthen our budgeting system and make it even more reliable.



Dondo Mogajane

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 2018 MTEF period is from 2018/19 to 2020/21.

The ENE publications contain information on how government institutions have spent their budgets in previous years. They explain how these institutions intend to use their allocations over the medium term to achieve their goals, and the outputs and outcomes their spending is expected to lead to. The publications include tables depicting non-financial performance indicators and targets, departmental receipts, personnel, significant as well as detailed expenditure trends and estimates by programme, subprogramme and economic classification for each department and for 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. A more in-depth narrative analyses the institution's expected expenditure over the MTEF period. Summary data tables at the end of each vote contain data on provincial and municipal conditional grants, public private partnerships, donor funding, infrastructure, and expenditure at the level of site service delivery, where applicable.

A separate 2018 ENE Overview publication is also available on www.treasury.gov.za and summarises the ENE information across all votes. The 2018 ENE Overview contains a narrative explanation and budget-wide summary tables; and it also has a write-up on how to interpret the information that is contained in each section of the publications.

Communications

National Treasury

Republic of South Africa



Contents

Budget summary	1
Vote purpose	1
Mandate	1
Selected performance indicators	2
Expenditure analysis	2
Expenditure trends	4
Expenditure estimates	4
Expenditure trends and estimates for significant spending items	5
Goods and services expenditure trends and estimates	5
Transfers and subsidies expenditure trends and estimates	5
Personnel information	6
Departmental receipts	7
Programme 1: Administration	7
Programme 2: Communications Policy, Research and Development	8
Programme 3: Industry and Capacity Development	9
Programme 4: Entity Oversight	11
Other departments within the vote	13
Government Communication and Information System	13
Entities	23

Vote 3

Communications

Budget summary

R million	2018/19				2019/20	2020/21
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	64.6	64.6	–	–	70.8	74.2
Communications Policy, Research and Development	11.5	11.5	–	–	13.5	15.4
Industry and Capacity Development	53.3	53.3	–	0.0	53.0	55.5
Entity Oversight	1 383.7	6.1	1 377.5	–	1 451.8	1 538.5
Total expenditure estimates	1 513.1	135.6	1 377.5	0.0	1 589.1	1 683.6
Executive authority	Minister of Communications					
Accounting officer	Director General of Communications					
Website address	www.doc.gov.za					

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

Vote purpose

Create an enabling environment for the provision of inclusive communication services to all South Africans in a manner that promotes socioeconomic development and investment through broadcasting, new media, print media and other new technologies, and brand the country locally and internationally.

Mandate

The Department of Communications is responsible for the national communications policy and strategy; information dissemination and publicity; and the branding of South Africa. Improved communication and marketing will promote an informed citizenry and assist the country in promoting investments, economic growth and job creation. The department's mandate is derived from section 192 of the Constitution, which provides for the independence of broadcasting regulation in the public interest, the International Telecommunications Union and the World Intellectual Property Organisation.

The department is responsible for the administration and implementation of:

- the Films and Publications Act (1996)
- the Broadcasting Act (1999)
- the Media Development and Diversity Agency Act (2002)
- the Independent Communications Authority of South Africa Act (2000), a joint responsibility with the Minister of Telecommunications and Postal Services
- the Electronic Communications and Transactions Act (2002), a joint responsibility with the Minister of Telecommunications and Postal Services
- the Electronic Communications and Transactions Act (2005), a joint responsibility with the Minister of Telecommunications and Postal Services.

Selected performance indicators

Table 3.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of digital broadcasting awareness campaigns hosted per year	Industry and Capacity Development	Outcome 14: Nation building and social cohesion	- ¹	- ¹	59 ²	10	10	10	10
Number of reports showing consumer access to digital broadcasting, particularly those supported with set-top boxes per year	Industry and Capacity Development		- ¹	4	4	4	4	4	4
Number of position papers tabled at multilateral engagements per year	Industry and Capacity Development		- ¹	- ¹	2	2	2	2	2
Number of stakeholder engagements coordinated per year	Industry and Capacity Development		- ¹	- ¹	10	10	10	10	10
Number of shareholder compact accountability instruments signed per year	Entity Oversight		- ¹	4	4	4	5	5	5

1. No historical data available.

2. Increase due to additional funds allocated for the digital migration project during the 2016/17 adjusted budget process.

Expenditure analysis

The National Development Plan (NDP) envisages an active citizenry that participates in the social, economic and political life of the country. This is given expression by outcome 14 (nation building and social cohesion) of government's 2014-2019 medium-term strategic framework, which is closely aligned with the work of the Department of Communications. Over the medium term, the department will continue to focus on transforming the communications sector through the rollout of the digital terrestrial television project, developing responsive communications policies and regulatory frameworks, and effectively overseeing public entity within the communications sector.

The number of personnel in the department is expected to increase by 22 over the medium term, mainly to provide capacity for the digital terrestrial television project, the implementation of communications policies such as the media transformation and diversity policy and the audiovisual and digital content policy, and the *Research and Development* and *Entity Oversight* programmes. As a result, spending on compensation of employees is set to increase at an average annual rate of 13.5 per cent, from R64.5 million in 2017/18 to R94.3 million in 2020/21. An estimated 9 per cent (R432.3 million) of the department's total budget over the MTEF period will be used for operational costs, of which R263.3 million is to be spent on compensation of employees, and 39.7 per cent on goods and services. An estimated 91 per cent (R4.4 billion) of the department's total budget over the same period is expected to be transferred to entities for the implementation of communications and broadcasting policies, and 27.9 per cent (R1.3 billion) will be transferred to the Government Communication and Information System to carry out its functions.

Cabinet has approved budget reductions of R36.3 million in 2018/19, R53.5 million in 2019/20 and R57.1 million in 2020/21, particularly on transfers to public entities, as well as the *Administration* programme, in line with government's fiscal consolidation objectives. These reductions will not negatively affect the department's planned outputs over the medium term.

Rolling out digital terrestrial television

Migration to digital terrestrial broadcasting is expected to have a positive impact on South African society as it will provide for an informed citizenry that is responsive to the needs, challenges and opportunities of the country. Once the migration is complete, high definition television telecast facilities will be available, along with expanded community, FM and satellite radio services to the entire population. In this regard, the implementation of the department's digital terrestrial migration project will be monitored to ensure that 1.5 million set-top boxes and other devices related to digital terrestrial television are installed over the MTEF period. To eliminate cross border interference during the migration process, provinces that border neighbouring countries (Mpumalanga, Limpopo, KwaZulu-Natal, Eastern Cape, Free State, Northern Cape and North West) will be targeted first. Over the medium term, the department plans to compile 12 reports on consumer access to digital broadcasting; coordinate 30 public awareness and registration campaigns in provinces; target non-subsidised households that rely on the retail market to acquire digital terrestrial devices;

and conduct national, provincial and regional road shows to raise awareness and communicate timelines associated with the rollout process.

To roll out the digital terrestrial television project, Cabinet has approved an additional allocation of R91.7 million over the medium term for these activities in the *Broadcasting Digital Migration* subprogramme in the *Industry and Capacity Development* programme. Spending is mainly on travel, accommodation, advertising and catering in relation to project management, awareness campaigns, media engagements, technology and engineering support, and performance monitoring and evaluation.

Developing a responsive communications policy and regulatory framework

Over the medium term, the department will continue to develop policies that improve government communications and the communications sector as a whole. It is within this context that the department plans to develop a media transformation and diversity charter that aims to transform the media sector and set equity targets. As such, over the MTEF period, the department will continue to develop and implement several policies and regulations to address transformation in the media industry, citizen participation and access, and new developments in the sector.

The media transformation and diversity policy is informed by the Media Development and Diversity Agency Act (2002), and aims to encourage diversity in media content and the transformation of media ownership. The audiovisual and digital content policy aims to maintain and strengthen citizen participation and access to the community media sector. The department has successfully submitted the White Paper on Audiovisual and Digital Content for South Africa to Cabinet for approval towards the development of a draft audiovisual and digital content bill over the medium term. Once Cabinet approves the White Paper on Audiovisual and Digital Content for South Africa, the department will amend the Independent Communications Authority of South Africa Act (2000) to align it with the white paper, which outlines a new mandate for the authority. The department will commence with the implementation of the Independent Communications Authority of South Africa Amendment Bill in 2020/21.

In promoting the growth and development of creative industries, the department plans to develop an audiovisual content strategy over the medium term to ensure that the sector has adequate content for a multiplatform digital environment. This will inform the implementation of the audiovisual and digital content policy. The department also plans to continue to support parliamentary processes on the finalisation and implementation of the Films and Publications Amendment Bill, and the Broadcasting Amendment Bill.

Over the MTEF period, the department plans to continue strengthening and supporting the South African Broadcast Production Advisory Body, the function of which is to advise the Minister of Communications on how the development, production and display of local television and radio content can be supported. The board will produce 2 reports on policies related to children's content and funding for sport development. Other policy work relates to the regulation of broadcasting and content services such as audio, video and other, mainly internet, media products without specific broadcast operators.

Spending on activities related to the development of regulatory frameworks is projected to be R2.8 million in 2018/19, R2.9 million in 2019/20 and R3 million in 2020/21 in the *Broadcasting Policy* subprogramme in the *Communications Policy, Research and Development* programme.

Driving effective entity oversight

The department is required to oversee planning, budgeting and reporting processes in the public entities within its portfolio to enable them to meet government's policy objectives in a financially sustainable manner. To ensure that the department's entities are well managed, the entity oversight unit plans to compile 30 annual reviews of these entities' corporate plans, and 60 quarterly reports over the medium term to assess their compliance with the Public Finance Management Act (1999), the Companies Act (2008) and National Treasury Regulations on public entities. Funding for these activities is provided through the *Entity Oversight* programme, which has an allocation of R4.4 billion over the medium term.

Expenditure trends

Table 3.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Communications Policy, Research and Development														
3. Industry and Capacity Development														
4. Entity Oversight														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2014/15			2015/16			2016/17			2017/18			2014/15 - 2017/18	
Programme 1	12.8	24.8	24.4	42.4	42.4	48.2	45.1	57.1	57.3	62.8	67.4	60.8	116.9%	99.5%
Programme 2	6.5	6.5	6.5	7.9	7.9	4.9	8.4	7.7	6.3	8.5	6.9	6.9	78.7%	84.8%
Programme 3	9.3	9.3	9.3	10.2	20.2	20.4	10.9	47.7	35.2	22.3	28.2	28.2	176.5%	88.3%
Programme 4	1 193.0	1 226.6	1 246.9	1 220.4	1 220.4	1 214.6	1 281.0	1 237.2	1 237.0	1 331.5	1 325.9	1 325.9	100.0%	100.3%
Total	1 221.6	1 267.2	1 287.2	1 280.9	1 290.9	1 288.0	1 345.4	1 349.7	1 335.7	1 425.1	1 428.3	1 421.7	101.1%	99.9%
Change to 2017 Budget estimate												3.2		
Economic classification														
Current payments	32.0	44.0	43.7	70.1	80.1	76.3	75.1	114.0	99.8	100.2	104.4	97.8	114.5%	92.7%
Compensation of employees	28.1	40.1	39.8	56.0	56.0	47.6	59.2	68.2	65.5	76.7	71.2	64.5	98.8%	92.3%
Goods and services	3.9	3.9	3.9	14.1	24.1	28.7	16.0	45.8	34.4	23.5	33.2	33.2	174.5%	93.6%
Transfers and subsidies	1 189.3	1 222.9	1 243.2	1 210.2	1 210.2	1 210.2	1 270.2	1 231.9	1 232.1	1 324.9	1 322.3	1 322.3	100.3%	100.4%
Departmental agencies and accounts	1 024.1	1 057.7	1 016.0	1 037.2	1 037.2	1 037.2	1 088.1	1 049.8	1 049.8	1 151.1	1 147.8	1 147.8	–	–
Public corporations and private enterprises	165.2	165.2	227.2	172.9	172.9	172.9	182.1	182.1	182.1	173.8	173.8	173.8	108.9%	108.9%
Households	–	–	–	–	–	0.0	–	0.1	0.2	–	0.7	0.7	–	124.2%
Payments for capital assets	0.3	0.3	0.3	0.7	0.7	1.6	0.1	3.8	3.8	0.0	1.6	1.6	650.0%	113.6%
Machinery and equipment	0.3	0.3	0.3	0.7	0.7	1.6	0.1	3.8	3.8	0.0	1.6	1.6	650.0%	113.6%
Total	1 221.6	1 267.2	1 287.2	1 280.9	1 290.9	1 288.0	1 345.4	1 349.7	1 335.7	1 425.1	1 428.3	1 421.7	101.1%	99.9%

Expenditure estimates

Table 3.3 Vote expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Communications Policy, Research and Development									
3. Industry and Capacity Development									
4. Entity Oversight									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21		
Programme 1	60.8	34.8%	3.6%	64.6	70.8	74.2	6.9%	4.4%	
Programme 2	6.9	1.8%	0.5%	11.5	13.5	15.4	30.8%	0.8%	
Programme 3	28.2	44.5%	1.7%	53.3	53.0	55.5	25.4%	3.1%	
Programme 4	1 325.9	2.6%	94.2%	1 383.7	1 451.8	1 538.5	5.1%	91.8%	
Total	1 421.7	3.9%	100.0%	1 513.1	1 589.1	1 683.6	5.8%	100.0%	
Change to 2017 Budget estimate				(7.5)	(23.2)	(24.6)			
Economic classification									
Current payments	97.8	30.4%	6.0%	135.6	143.6	153.1	16.1%	8.5%	
Compensation of employees	64.5	17.2%	4.1%	81.3	87.7	94.3	13.5%	5.3%	
Goods and services	33.2	103.6%	1.9%	54.3	55.9	58.9	21.0%	3.3%	
Transfers and subsidies	1 322.3	2.6%	93.9%	1 377.5	1 445.5	1 530.5	5.0%	91.4%	
Departmental agencies and accounts	1 147.8	2.8%	79.7%	1 190.1	1 246.5	1 320.5	4.8%	79.0%	
Public corporations and private enterprises	173.8	1.7%	14.2%	187.4	199.0	210.0	6.5%	12.4%	
Households	0.7	–	0.0%	–	–	–	-100.0%	0.0%	
Payments for capital assets	1.6	71.0%	0.1%	0.0	0.0	0.0	-68.7%	0.0%	
Machinery and equipment	1.6	71.0%	0.1%	0.0	0.0	0.0	-68.7%	0.0%	
Total	1 421.7	3.9%	100.0%	1 513.1	1 589.1	1 683.6	5.8%	100.0%	

Expenditure trends and estimates for significant spending items

Table 3.4 Expenditure trends and estimates for significant spending items

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total Vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total Vote (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Government Communication and Information System	371 392	365 476	385 256	401 450	2.6%	28.6%	420 485	441 683	471 442	5.5%	28.0%
Independent Communications Authority of South Africa	376 221	393 619	373 071	430 383	4.6%	29.5%	443 961	461 241	486 609	4.2%	29.4%
Brand South Africa	167 686	173 160	181 186	194 300	5.0%	13.4%	200 430	211 654	223 294	4.7%	13.4%
Film and Publication Board	78 901	82 359	86 472	91 684	5.1%	6.4%	94 577	99 873	105 366	4.7%	6.3%
Total	994 200	1 014 614	1 025 985	1 117 817	17.3%	77.9%	1 159 453	1 214 451	1 286 711	19.1%	77.1%

Goods and services expenditure trends and estimates

Table 3.5 Vote goods and services expenditure trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total Vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total Vote (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Administrative fees	–	280	556	807	–	1.6%	883	987	1 302	17.3%	2.0%
Advertising	–	3 163	1 462	192	–	4.8%	12 050	10 907	11 251	288.4%	17.0%
Minor assets	–	89	136	84	–	0.3%	66	68	74	-4.1%	0.1%
Audit costs: External	–	–	790	880	–	1.7%	750	792	834	-1.8%	1.6%
Bursaries: Employees	–	62	32	4	–	0.1%	20	21	22	82.2%	–
Catering: Departmental activities	–	1 085	2 519	724	–	4.3%	107	113	119	-45.2%	0.5%
Communication	28	1 887	5 675	1 242	254.0%	8.8%	1 894	2 161	2 278	22.4%	3.7%
Computer services	684	34	253	261	-27.5%	1.2%	4	4	4	-75.1%	0.1%
Consultants: Business and advisory services	–	31	39	141	–	0.2%	1 650	1 768	1 754	131.7%	2.6%
Legal services	–	2 416	2 149	1 967	–	6.5%	1 960	2 078	2 191	3.7%	4.1%
Contractors	2 413	342	104	123	-62.9%	3.0%	210	222	234	23.9%	0.4%
Agency and support/outsourced services	–	98	32	128	–	0.3%	126	136	143	3.8%	0.3%
Entertainment	–	11	9	53	–	0.1%	57	60	64	6.5%	0.1%
Fleet services (including government motor transport)	–	2 317	3 924	2 794	–	9.0%	2 613	3 068	3 238	5.0%	5.8%
Inventory: Other supplies	–	–	–	–	–	–	–	–	6	–	–
Consumable supplies	–	139	99	311	–	0.5%	365	380	403	9.1%	0.7%
Consumables: Stationery, printing and office supplies	–	967	703	529	–	2.2%	1 910	2 013	2 124	59.0%	3.2%
Operating leases	–	201	219	293	–	0.7%	365	389	411	11.9%	0.7%
Rental and hiring	–	279	1 122	2 000	–	3.4%	5 141	5 449	5 749	42.2%	9.1%
Property payments	–	–	–	–	–	–	2 849	3 020	3 188	–	4.5%
Travel and subsistence	808	14 454	13 602	19 976	191.3%	48.7%	20 504	21 648	22 805	4.5%	42.0%
Training and development	–	207	106	31	–	0.3%	–	10	11	-29.2%	–
Operating payments	–	625	654	572	–	1.8%	779	643	680	5.9%	1.3%
Venues and facilities	–	–	177	100	–	0.3%	–	–	–	-100.0%	–
Total	3 933	28 687	34 362	33 211	103.6%	100.0%	54 303	55 937	58 885	21.0%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 3.6 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total Vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total Vote (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Households											
Social benefits											
Current	–	49	199	733	–	–	–	–	–	-100.0%	–
Households	–	49	199	733	–	–	–	–	–	-100.0%	–

Table 3.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Public corporations and private enterprises											
Other transfers to public corporations											
Current	227 168	172 927	182 093	173 766	-8.5%	15.1%	187 421	199 016	209 963	6.5%	13.6%
South African Broadcasting Corporation: Channel Africa	47 413	49 640	52 271	54 885	5.0%	4.1%	58 068	61 320	64 693	5.6%	4.2%
South African Broadcasting Corporation: Public broadcaster	97 199	101 785	107 180	105 947	2.9%	8.2%	115 669	123 246	130 025	7.1%	8.4%
South African Broadcasting Corporation: Community radio stations	9 373	9 804	10 324	–	-100.0%	0.6%	–	–	–	–	–
South African Broadcasting Corporation: Programme productions	11 183	11 698	12 318	12 934	5.0%	1.0%	13 684	14 450	15 245	5.6%	1.0%
South African Broadcasting Corporation: Broadcasting digital migration	62 000	–	–	–	-100.0%	1.2%	–	–	–	–	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 016 015	1 037 229	1 049 799	1 147 822	4.1%	84.9%	1 190 122	1 246 466	1 320 487	4.8%	86.4%
Media Development and Diversity Agency	21 815	22 615	23 814	30 005	11.2%	2.0%	30 669	32 015	33 776	4.0%	2.2%
Brand South Africa	167 686	173 160	181 186	194 300	5.0%	14.3%	200 430	211 654	223 294	4.7%	14.6%
Government Communication and Information System	371 392	365 476	385 256	401 450	2.6%	30.4%	420 485	441 683	471 442	5.5%	30.6%
Independent Communications Authority of South Africa	376 221	393 619	373 071	430 383	4.6%	31.4%	443 961	461 241	486 609	4.2%	32.1%
Film and Publication Board	78 901	82 359	86 472	91 684	5.1%	6.8%	94 577	99 873	105 366	4.7%	6.9%
Total	1 243 183	1 210 205	1 232 091	1 322 321	2.1%	100.0%	1 377 543	1 445 482	1 530 450	5.0%	100.0%

Personnel information

Table 3.7 Vote personnel numbers and cost by salary level and programme¹

Programmes																				
1. Administration																				
2. Communications Policy, Research and Development																				
3. Industry and Capacity Development																				
4. Entity Oversight																				
Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment												Number						
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		2016/17		2017/18		2018/19		2019/20		2020/21		2017/18 - 2020/21								
		Number	Unit Cost cost	Number	Unit Cost cost	Number	Unit Cost cost	Number	Unit Cost cost	Number	Unit Cost cost	Number	Unit Cost cost							
Communications		70	26	100	65.5	0.7	89	64.5	0.7	107	81.3	0.8	108	87.7	0.8	111	94.3	0.8	7.6%	100.0%
Salary level	70	26	100	65.5	0.7	89	64.5	0.7	107	81.3	0.8	108	87.7	0.8	111	94.3	0.8	7.6%	100.0%	
1 – 6	13	11	27	5.9	0.2	16	4.3	0.3	21	5.7	0.3	21	5.9	0.3	23	7.0	0.3	12.9%	19.5%	
7 – 10	23	–	23	8.4	0.4	21	8.8	0.4	25	11.6	0.5	27	13.3	0.5	29	15.3	0.5	11.4%	24.6%	
11 – 12	15	3	19	11.4	0.6	19	10.8	0.6	24	14.8	0.6	23	15.7	0.7	23	16.9	0.7	6.6%	21.4%	
13 – 16	17	12	29	35.7	1.2	31	36.6	1.2	35	44.7	1.3	35	48.0	1.4	34	49.9	1.5	3.1%	32.5%	
Other	2	–	2	4.2	2.1	2	4.2	2.1	2	4.5	2.2	2	4.8	2.4	2	5.1	2.5	–	1.9%	
Programme	70	26	100	65.5	0.7	89	64.5	0.7	107	81.3	0.8	108	87.7	0.8	111	94.3	0.8	7.6%	100.0%	
Programme 1	55	5	64	42.6	0.7	67	40.0	0.6	81	49.9	0.6	81	53.0	0.7	81	55.4	0.7	6.5%	74.7%	
Programme 2	6	–	7	4.8	0.7	6	5.2	0.9	9	8.5	0.9	10	10.4	1.0	11	11.6	1.1	22.4%	8.7%	
Programme 3	5	20	24	13.4	0.6	11	15.5	1.4	12	18.9	1.6	12	20.2	1.7	12	21.6	1.8	2.9%	11.3%	
Programme 4	4	1	5	4.7	0.9	5	3.8	0.8	5	4.0	0.8	5	4.1	0.8	7	5.7	0.8	11.9%	5.3%	

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

2. Rand million.

Departmental receipts

Table 3.8 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 (%)
	2014/15	2015/16	2016/17					2017/18	2018/19	2019/20		
Departmental receipts	2 527	3 486	2 579	2 712	2 712	2.4%	100.0%	2 625	2 745	2 896	2.2%	100.0%
Sales of goods and services produced by department	381	12	61	74	74	-42.1%	4.7%	88	92	97	9.4%	3.2%
Sales by market establishments	374	5	50	62	62	-45.1%	4.3%	73	76	80	8.9%	2.7%
of which:												
Market Establishment: Rental parking (covered and open)	374	5	50	62	62	-45.1%	4.3%	73	76	80	8.9%	2.7%
Other sales	7	7	11	12	12	19.7%	0.3%	15	16	17	12.3%	0.5%
of which:												
Commission on insurance	7	7	11	12	12	19.7%	0.3%	15	16	17	12.3%	0.5%
Interest, dividends and rent on land	1 885	3 406	2 239	2 462	2 462	9.3%	88.4%	2 352	2 458	2 593	1.7%	89.9%
Interest	1 885	3 406	2 239	2 462	2 462	9.3%	88.4%	2 352	2 458	2 593	1.7%	89.9%
Transactions in financial assets and liabilities	261	68	279	176	176	-12.3%	6.9%	185	195	206	5.4%	6.9%
Total	2 527	3 486	2 579	2 712	2 712	2.4%	100.0%	2 625	2 745	2 896	2.2%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 3.9 Administration 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Ministry	12 000	12 032	8 376	10 375	-4.7%	21.7%	10 017	10 700	11 394	3.2%	15.3%
Departmental Management	867	28 725	31 611	34 008	239.8%	48.3%	27 214	26 720	27 027	-7.4%	41.5%
Internal Audit	-	-	854	967	-	0.9%	832	2 445	2 610	39.2%	2.5%
Corporate Services	6 777	4 881	9 903	11 986	20.9%	17.0%	15 682	17 233	18 487	15.5%	22.9%
Financial Management	4 797	2 568	6 511	10 049	28.0%	12.1%	10 892	13 686	14 703	13.5%	17.8%
Total	24 441	48 206	57 255	67 385	40.2%	100.0%	64 637	70 784	74 221	3.3%	100.0%
Change to 2017 Budget estimate				67 385			64 637	70 784	74 221		
Economic classification											
Current payments	24 432	47 325	55 968	65 197	38.7%	97.8%	64 637	70 784	74 221	4.4%	99.2%
Compensation of employees	24 404	29 337	42 643	46 646	24.1%	72.5%	49 876	52 999	55 393	5.9%	74.0%
Goods and services ¹	28	17 988	13 325	18 551	771.8%	25.3%	14 761	17 785	18 828	0.5%	25.2%
of which:											
Audit costs: External	-	-	790	880	-	0.8%	750	792	834	-1.8%	1.2%
Communication	28	1 124	1 164	974	226.4%	1.7%	1 249	1 472	1 550	16.8%	1.9%
Legal services	-	576	155	1 693	-	1.2%	1 460	1 548	1 632	-1.2%	2.3%
Fleet services (including government motor transport)	-	2 317	3 324	2 729	-	4.2%	2 210	2 641	2 788	0.7%	3.7%
Property payments	-	-	-	-	-	-	2 849	3 020	3 188	-	3.3%
Travel and subsistence	-	11 722	6 063	9 938	-	14.1%	4 532	6 657	6 823	-11.8%	10.1%
Transfers and subsidies ¹	-	49	-	589	-	0.3%	-	-	-	-100.0%	0.2%
Households	-	49	-	589	-	0.3%	-	-	-	-100.0%	0.2%
Payments for capital assets	9	832	1 271	1 599	462.2%	1.9%	-	-	-	-100.0%	0.6%
Machinery and equipment	9	832	1 271	1 599	462.2%	1.9%	-	-	-	-100.0%	0.6%
Payments for financial assets	-	-	16	-	-	-	-	-	-	-	-
Total	24 441	48 206	57 255	67 385	40.2%	100.0%	64 637	70 784	74 221	3.3%	100.0%
Proportion of total programme expenditure to vote expenditure	1.9%	3.7%	4.3%	4.7%	-	-	4.3%	4.5%	4.4%	-	-

Table 3.9 Administration expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies		Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
		2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21		
R thousand												
Households												
Social benefits												
Current		-	49	-	589	-	0.3%	-	-	-	-100.0%	0.2%
Households		-	49	-	589	-	0.3%	-	-	-	-100.0%	0.2%

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

Personnel information

Table 3.10 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2016/17		2017/18		2018/19		2019/20		2020/21		2017/18 - 2020/21							
		Number	Unit	Cost	cost	Number	Unit	Cost	cost	Number	Unit	Cost	cost	Number	Unit	Cost	cost		
Administration																			
Salary level	55	5	64	42.6	0.7	67	40.0	0.6	81	49.9	0.6	81	53.0	0.7	81	55.4	0.7	6.5%	100.0%
1 – 6	13	1	17	3.6	0.2	16	4.3	0.3	20	5.4	0.3	20	5.6	0.3	22	6.6	0.3	11.2%	25.2%
7 – 10	18	-	17	5.9	0.3	17	7.0	0.4	22	10.2	0.5	23	11.4	0.5	23	12.3	0.5	10.6%	27.4%
11 – 12	11	-	12	7.5	0.6	16	9.0	0.6	20	12.2	0.6	20	13.5	0.7	20	14.5	0.7	7.7%	24.5%
13 – 16	11	4	16	21.5	1.3	16	15.6	1.0	17	17.7	1.0	16	17.8	1.1	14	16.8	1.2	-4.4%	20.3%
Other	2	-	2	4.2	2.1	2	4.2	2.1	2	4.5	2.2	2	4.8	2.4	2	5.1	2.5	-	2.6%

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

2. Rand million.

Programme 2: Communications Policy, Research and Development

Programme purpose

Conduct research and develop communications and broadcasting policies.

Objectives

- Improve universal access to broadcasting services by conducting research on the number of South African households with access to television and radio services by March 2019.
- Broaden access to information to all citizens by conducting research on the number of South African households with access to information, to develop appropriate media policies by March 2019.
- Ensure the equitable allocation of broadcasting spectrum to public, private and community stakeholders by conducting research on broadcaster requirements and developing the appropriate casting spectrum policy by March 2019.
- Promote socioeconomic development and investment by conducting research to assess South African and international stakeholder views on the reputation of South Africa, and developing appropriate branding policies by March 2019.

Subprogrammes

- *Broadcasting Policy* oversees the development and implementation of public and community broadcasting policies and strategies, policies and strategies to promote the commercial broadcasting tier; and facilitates the implementation of policies by regulatory institutions in the sector.
- *Technology and Engineering Services* conducts research and develops broadcasting spectrum policy and plans, develops standards, and manages technology and engineering services.

Expenditure trends and estimates

Table 3.11 Communications Policy, Research and 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand					2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Broadcasting Policy	6 547	4 883	6 324	5 517	-5.5%	94.3%	9 074	12 092	13 879	36.0%	85.7%
Technology and Engineering Services	–	13	–	1 382	–	5.7%	2 422	1 442	1 546	3.8%	14.3%
Total	6 547	4 896	6 324	6 899	1.8%	100.0%	11 496	13 534	15 425	30.8%	100.0%
Change to 2017 Budget estimate				(55 872)			(54 798)	(64 556)	(68 188)		
Economic classification											
Current payments	6 452	4 282	6 238	6 899	2.3%	96.8%	11 496	13 534	15 425	30.8%	100.0%
Compensation of employees	5 407	3 764	4 766	5 215	-1.2%	77.6%	8 471	10 400	11 568	30.4%	75.3%
Goods and services ¹	1 045	518	1 472	1 684	17.2%	19.1%	3 025	3 134	3 857	31.8%	24.7%
of which:											
Communication	–	10	1 001	64	–	4.4%	110	117	123	24.3%	0.9%
Consultants: Business and advisory services	–	–	–	50	–	0.2%	100	106	–	-100.0%	0.5%
Agency and support/outsourced services	–	3	–	–	–	–	126	134	141	–	0.8%
Consumables: Stationery, printing and office supplies	–	122	12	68	–	0.8%	280	297	313	66.3%	2.0%
Travel and subsistence	–	257	215	907	–	5.6%	2 012	2 008	2 785	45.3%	16.3%
Operating payments	–	–	26	150	–	0.7%	170	180	190	8.2%	1.5%
Transfers and subsidies ¹	–	–	61	–	–	0.2%	–	–	–	–	–
Households	–	–	61	–	–	0.2%	–	–	–	–	–
Payments for capital assets	95	614	25	–	-100.0%	3.0%	–	–	–	–	–
Machinery and equipment	95	614	25	–	-100.0%	3.0%	–	–	–	–	–
Total	6 547	4 896	6 324	6 899	1.8%	100.0%	11 496	13 534	15 425	30.8%	100.0%
Proportion of total programme expenditure to vote expenditure	0.5%	0.4%	0.5%	0.5%	–	–	0.8%	0.9%	0.9%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	–	–	61	–	–	0.2%	–	–	–	–	–
Households	–	–	61	–	–	0.2%	–	–	–	–	–

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

Personnel information

Table 3.12 Communications Policy, Research and Development personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018	Number and cost ² of personnel posts filled / planned for on funded establishment												Number						
	Number of funded posts		Actual		Revised estimate		Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)					
	Number	Number of posts additional to the establishment	2016/17		2017/18		2018/19		2019/20		2020/21				2017/18 - 2020/21				
Communications Policy, Research and Development			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	6	–	7	4.8	0.7	6	5.2	0.9	9	8.5	0.9	10	10.4	1.0	11	11.6	1.1	22.4%	100.0%
1–6	–	–	–	–	–	–	–	–	1	0.3	0.3	1	0.3	0.3	1	0.3	0.3	–	8.3%
7–10	2	–	2	0.8	0.4	2	0.8	0.4	1	0.4	0.4	1	0.5	0.5	2	0.9	0.5	–	16.7%
11–12	2	–	3	1.9	0.6	1	0.6	0.6	2	1.4	0.7	2	1.5	0.8	2	1.6	0.8	26.0%	19.4%
13–16	2	–	2	2.0	1.0	3	3.8	1.3	5	6.4	1.3	6	8.1	1.4	6	8.7	1.4	26.0%	55.6%

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

2. Rand million.

Programme 3: Industry and Capacity Development

Programme purpose

Manage enterprise development, broadcasting digital migration, and industry research and analysis. Implement a structured programme of engagement with stakeholders in support of the department's programmes and projects.

Objectives

- Build a competitive communications industry through the implementation of targeted interventions to support the growth and development of creative industries by March 2019.
- Manage digital broadcasting migration through the registration of households, and the distribution and installation of various devices to ensure the successful migration from analogue to digital television in South Africa by September 2019.
- Conduct industry research and analysis to ensure evidence-based policy making through the provision of qualitative and quantitative analysis on an ongoing basis.
- Develop and implement structured programmes of intergovernmental and stakeholder engagement by hosting bilateral meetings with all spheres of government, as well as statutory and non-statutory bodies, to leverage support for the department's strategic priorities by March 2019.

Subprogrammes

- *Enterprise Development* manages enterprise development; implements policy; manages and supports creative industries and media transformation; compiles skills profiles; and develops skills development programmes. This subprogramme also develops and implements strategies and plans to develop the broadcasting industry.
- *Broadcasting Digital Migration* manages broadcasting digital migration with the aim of migrating from analogue to digital broadcasting, and plays an important role in creating and supporting small, medium and micro enterprises in the digital domain.
- *Industry Research and Analysis* manages industry research and analysis.
- *Intergovernmental Relations and Stakeholder Management* manages intergovernmental relations and stakeholder relations.

Expenditure trends and estimates

Table 3.13 Industry and Capacity 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Enterprise Development	6 000	2 389	207	2 754	-22.9%	12.2%	–	–	–	-100.0%	1.4%
Broadcasting Digital Migration	3 323	15 260	27 868	20 540	83.5%	72.0%	47 892	47 196	49 254	33.8%	86.7%
Industry Research and Analysis	–	1 734	5 394	2 922	–	10.8%	3 289	3 530	3 786	9.0%	7.1%
Intergovernmental Relations and Stakeholder Management	–	1 002	1 697	1 940	–	5.0%	2 163	2 321	2 491	8.7%	4.7%
Total	9 323	20 385	35 166	28 156	44.5%	100.0%	53 344	53 047	55 531	25.4%	100.0%
Change to 2017 Budget estimate				19 664			43 365	41 153	42 818		
Economic classification											
Current payments	9 181	20 315	32 615	28 012	45.0%	96.9%	53 300	53 001	55 482	25.6%	99.9%
Compensation of employees	7 129	11 008	13 391	15 536	29.6%	50.6%	18 865	20 191	21 611	11.6%	40.1%
Goods and services ¹	2 052	9 307	19 224	12 476	82.5%	46.3%	34 435	32 810	33 871	39.5%	59.8%
of which:											
Administrative fees	–	19	264	177	–	0.5%	607	644	680	56.6%	1.1%
Advertising	–	3 045	1 342	–	–	4.7%	12 000	10 852	11 193	–	17.9%
Consultants: Business and advisory services	–	18	3	20	–	–	1 500	1 590	1 677	337.7%	2.5%
Consumables: Stationery, printing and office supplies	–	416	373	100	–	1.0%	992	1 044	1 100	122.4%	1.7%
Rental and hiring	–	194	1 122	2 000	–	3.6%	5 141	5 449	5 749	42.2%	9.6%
Travel and subsistence	–	2 208	7 129	8 898	–	19.6%	12 782	11 738	11 890	10.1%	23.8%
Transfers and subsidies ¹	–	–	56	144	–	0.2%	–	–	–	-100.0%	0.1%
Households	–	–	56	144	–	0.2%	–	–	–	-100.0%	0.1%
Payments for capital assets	142	70	2 488	–	-100.0%	2.9%	44	46	49	–	0.1%
Machinery and equipment	142	70	2 488	–	-100.0%	2.9%	44	46	49	–	0.1%
Payments for financial assets	–	–	7	–	–	–	–	–	–	–	–
Total	9 323	20 385	35 166	28 156	44.5%	100.0%	53 344	53 047	55 531	25.4%	100.0%
Proportion of total programme expenditure to vote expenditure	0.7%	1.6%	2.6%	2.0%	–	–	3.5%	3.3%	3.3%	–	–

Table 3.13 Industry and Capacity Development expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21		
	R thousand										
Households											
Social benefits											
Current			56	144		0.2%				-100.0%	0.1%
Households			56	144		0.2%				-100.0%	0.1%

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

Personnel information

Table 3.14 Industry and Capacity Development personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment										Number							
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate				Average growth rate (%)	Average Salary level/Total (%)						
		2016/17		2017/18		2018/19		2019/20		2020/21				2017/18 - 2020/21					
Industry and Capacity Development		Number	Unit	Cost	cost	Number	Unit	Cost	cost	Number	Unit	Cost	cost	Number	Unit	Cost	cost		
Salary level	5	20	24	13.4	0.6	11	15.5	1.4	12	18.9	1.6	12	20.2	1.7	12	21.6	1.8	2.9%	100.0%
1-6	-	9	9	2.1	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7-10	3	-	4	1.6	0.4	2	0.9	0.5	2	1.0	0.5	2	1.1	0.6	2	1.2	0.6	-	17.0%
11-12	-	3	2	0.6	0.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13-16	2	8	9	9.1	1.0	9	14.6	1.6	10	17.8	1.8	10	19.1	1.9	10	20.4	2.0	3.6%	83.0%

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

2. Rand million.

Programme 4: Entity Oversight

Programme purpose

Monitor the implementation of policies by state-owned entities and regulatory institutions, and provide guidance and oversight on their governance matters.

Objectives

- Ensure strategic alignment with departmental priorities by monitoring the implementation of communications and branding policies by state-owned entities on an ongoing basis.
- Ensure strategic alignment with the department's priorities by continually issuing policy directives to regulatory institutions as and when required.
- Ensure the viability and sustainability of state-owned entities by providing funding on an ongoing basis.

Subprogrammes

- *Programme Management for Entity Oversight* strengthens the capacity of the department and its state-owned entities to deliver effectively on their mandates.
- *Broadcasting and Community Media* monitors the implementation of broadcasting and community media policies, and provides guidance in and oversight of the governance matters of state-owned entities.
- *Communication and Branding* monitors the implementation of communications and branding policies, and provides guidance in and oversight of the governance matters of state-owned entities.
- *Regulatory Institutions* monitors the implementation of policies, and provides guidance in and oversight of the governance matters of regulatory institutions.

Expenditure trends and estimates

Table 3.15 Entity Oversight expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/ Total (%) 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
R thousand											
Programme Management for Entity Oversight	–	2 559	4 139	1 500	–	0.2%	1 788	1 675	3 075	27.0%	0.1%
Broadcasting and Community Media	252 699	196 875	206 870	205 121	-6.7%	17.1%	219 886	232 942	245 782	6.2%	15.9%
Communication and Branding	539 078	539 136	566 442	595 750	3.4%	44.6%	621 435	653 886	695 315	5.3%	45.0%
Regulatory Institutions	455 122	475 978	459 546	523 489	4.8%	38.1%	540 560	563 279	594 291	4.3%	39.0%
Strategy and Policy Alignment	–	7	–	–	–	–	–	–	–	–	–
Total	1 246 899	1 214 555	1 236 997	1 325 860	2.1%	100.0%	1 383 669	1 451 782	1 538 463	5.1%	100.0%
Change to 2017 Budget estimate				1 303 570			1 354 443	1 429 648	1 514 865		
Economic classification											
Current payments	3 642	4 357	5 023	4 272	5.5%	0.3%	6 126	6 300	8 013	23.3%	0.4%
Compensation of employees	2 834	3 483	4 682	3 772	10.0%	0.3%	4 044	4 092	5 684	14.6%	0.3%
Goods and services ¹	808	874	341	500	-14.8%	0.1%	2 082	2 208	2 329	67.0%	0.1%
of which:											
Communication	–	46	69	112	–	–	300	321	341	44.9%	–
Consumable supplies	–	–	4	22	–	–	20	20	23	1.5%	–
Consumables: Stationery, printing and office supplies	–	23	14	15	–	–	300	320	339	182.7%	–
Operating leases	–	–	–	40	–	–	144	154	164	60.1%	–
Travel and subsistence	808	267	195	233	-33.9%	–	1 178	1 245	1 307	77.7%	0.1%
Operating payments	–	–	–	10	–	–	128	136	144	143.3%	–
Transfers and subsidies¹	1 243 183	1 210 156	1 231 974	1 321 588	2.1%	99.7%	1 377 543	1 445 482	1 530 450	5.0%	99.6%
Departmental agencies and accounts	1 016 015	1 037 229	1 049 799	1 147 822	4.1%	84.6%	1 190 122	1 246 466	1 320 487	4.8%	86.1%
Public corporations and private enterprises	227 168	172 927	182 093	173 766	-8.5%	15.0%	187 421	199 016	209 963	6.5%	13.5%
Households	–	–	82	–	–	–	–	–	–	–	–
Payments for capital assets	74	42	–	–	-100.0%	–	–	–	–	–	–
Machinery and equipment	74	42	–	–	-100.0%	–	–	–	–	–	–
Total	1 246 899	1 214 555	1 236 997	1 325 860	2.1%	100.0%	1 383 669	1 451 782	1 538 463	5.1%	100.0%
Proportion of total programme expenditure to vote expenditure	96.9%	94.3%	92.6%	92.8%	–	–	91.4%	91.4%	91.4%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	–	–	82	–	–	–	–	–	–	–	–
Households	–	–	82	–	–	–	–	–	–	–	–
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	227 168	172 927	182 093	173 766	-8.5%	15.0%	187 421	199 016	209 963	6.5%	13.5%
South African Broadcasting Corporation: Channel Africa	47 413	49 640	52 271	54 885	5.0%	4.1%	58 068	61 320	64 693	5.6%	4.2%
South African Broadcasting Corporation: Public broadcaster	97 199	101 785	107 180	105 947	2.9%	8.2%	115 669	123 246	130 025	7.1%	8.3%
South African Broadcasting Corporation: Community radio stations	9 373	9 804	10 324	–	-100.0%	0.6%	–	–	–	–	–
South African Broadcasting Corporation: Programme productions	11 183	11 698	12 318	12 934	5.0%	1.0%	13 684	14 450	15 245	5.6%	1.0%
South African Broadcasting Corporation: Broadcasting digital migration	62 000	–	–	–	-100.0%	1.2%	–	–	–	–	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 016 015	1 037 229	1 049 799	1 147 822	4.1%	84.6%	1 190 122	1 246 466	1 320 487	4.8%	86.1%
Media Development and Diversity Agency	21 815	22 615	23 814	30 005	11.2%	2.0%	30 669	32 015	33 776	4.0%	2.2%
Brand South Africa	167 686	173 160	181 186	194 300	5.0%	14.3%	200 430	211 654	223 294	4.7%	14.6%
Government Communication and Information System	371 392	365 476	385 256	401 450	2.6%	30.3%	420 485	441 683	471 442	5.5%	30.4%
Independent Communications Authority of South Africa	376 221	393 619	373 071	430 383	4.6%	31.3%	443 961	461 241	486 609	4.2%	32.0%
Film and Publication Board	78 901	82 359	86 472	91 684	5.1%	6.8%	94 577	99 873	105 366	4.7%	6.9%

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

Personnel information

Table 3.16 Entity Oversight personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost			2020/21		Unit cost	
Entity Oversight		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2017/18 - 2020/21		
Salary level	4	1	5	4.7	0.9	5	3.8	0.8	5	4.0	0.8	5	4.1	0.8	7	5.7	0.8	11.9%	100.0%
1 – 6	–	1	1	0.3	0.3	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7 – 10	–	–	–	–	–	–	–	–	–	–	–	1	0.4	0.4	2	0.9	0.5	–	13.6%
11 – 12	2	–	2	1.4	0.7	2	1.2	0.6	2	1.3	0.6	1	0.7	0.7	1	0.8	0.8	-20.6%	27.3%
13 – 16	2	–	2	3.1	1.5	3	2.6	0.9	3	2.8	0.9	3	3.0	1.0	4	4.0	1.0	10.1%	59.1%

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

2. Rand million.

Other departments within the vote

Government Communication and Information System

Budget summary

R million	2018/19				2019/20	2020/21
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	164.2	163.4	0.0	0.7	171.9	182.4
Content Processing and Dissemination	145.0	143.6	–	1.4	152.5	162.9
Intergovernmental Coordination and Stakeholder Management	111.3	110.2	0.0	1.1	117.3	126.1
Total expenditure estimates	420.5	417.2	0.1	3.2	441.7	471.4

Executive authority Minister of Communications

Accounting officer Director General of Government Communication and Information System

Website address www.gcis.gov.za

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

Department purpose

Provide a comprehensive communication service on behalf of government to facilitate the involvement of the majority of South Africans in governance, reconstruction and development, nation building, and reconciliation.

Mandate

The mandate of the Government Communication and Information System is derived from section 195(g) of the Constitution, which stipulates that the public should be provided with information that is timely, accurate and accessible. This is in support of the constitutional principles of freedom of expression, transparency and openness of government. The department is responsible for providing strategic leadership and coordinating government communication to ensure that the public are informed and have access to government programmes and policies that benefit them.

Selected performance indicators

Table 3.17 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of cluster reports issued on perceptions of government delivery and performance reports per year	Content Processing and Dissemination	Outcome 14: Nation building and social cohesion	14	14	10	10	10	10	10
Number of copies of Vuk'uzenzele newspaper published per year	Content Processing and Dissemination		18.7 million	18.7 million	21.4 million	18.7 million	18.7 million	18.7 million	18.7 million
Number of radio advertisements and dramas produced per year	Content Processing and Dissemination		80	41	48	48	48	48	20
Number of video programmes produced per year	Content Processing and Dissemination		92	183	120	120	120	120	200
Number of requests for photographic coverage handled per year ¹	Content Processing and Dissemination		884	564	500	500	500	500	500
Number of live broadcasts on community radio stations per year	Content Processing and Dissemination		80	66	54	54	54	54	48
Number of government and national events covered by video per year ¹	Content Processing and Dissemination		783	572	400	400	400	400	500
Number of graphic designs produced per year ¹	Content Processing and Dissemination		584	294	160	160	160	160	400
Number of requests for media briefings received from government departments per year	Intergovernmental Coordination and Stakeholder Management		100	21	100	100	100	100	100
Number of community and stakeholder liaison visits per year	Intergovernmental Coordination and Stakeholder Management		2 750	2 170	2 127	1 800	1 800	1 800	1 800
Number of development communication projects aligned with the government communication programme per year ¹	Intergovernmental Coordination and Stakeholder Management		2 184	1 920	1 839	1 200	1 200	1 200	1 200
Number of reports on rapid response facilitated per year ¹	Intergovernmental Coordination and Stakeholder Management		311	23	311	24	24	24	24
Number of marketing events per Thusong service centre per year	Intergovernmental Coordination and Stakeholder Management		484	580	555	486	486	486	486

1. Fluctuations in targets due to indicator being driven by demand.

Expenditure analysis

Chapter 15 of the NDP emphasises the need to unite all South Africans around a common goal, ensure that citizens are active in their own development, and build a capable and developmental state. This is given expression by outcome 12 (an efficient, effective and development oriented public service) and outcome 14 (nation building and social cohesion) of government's 2014-2019 medium-term strategic framework, with which the work of the Government Communication and Information System is closely aligned. Over the medium term, the department will continue to focus on providing strategic communications and facilitating active citizen participation by conducting research on government communications strategies and compiling government communications products such as the Vuk'uzenzele newspaper.

Cabinet has approved budget reductions of R10.8 million in 2018/19, R18.8 million in 2019/20 and R19.8 million in 2020/21 in the department's *Administration* programme in line with fiscal consolidation objectives. The department will accommodate these reductions by revising its operational outputs, projects and programmes. As the department's work is labour intensive, spending on compensation of employees, for 441 personnel, is expected to account for 60.6 per cent of its total budget over the MTEF period.

Providing and facilitating strategic government communications

The department is responsible for informing the public about government policies, plans, programmes and activities. Over the medium term, the department plans to publish 111 editions of communication products. This includes the production and distribution of 18.7 million copies of 24 editions of the Vuk'uzenzele newspaper in the 11 official languages, as well as 9 600 copies in braille each year. Information published in Vuk'uzenzele focuses on key government priorities, such as issues affecting the youth, service delivery, rural development and advertisements for vacancies in government. The production and distribution of the newspaper is funded through the *Products and Platforms* subprogramme in the *Content Processing and Dissemination* programme, with a budget allocation of R95.2 million over the medium term.

The department collects public opinion, research and analysis, and media content to understand the communications environment and inform government messages. As such, over the medium term, the department plans to facilitate a rapid response mechanism through its media engagement facility to hasten government's response to issues arising in the media, as well as greater coordination with its parliamentary office. The media engagement facility also manages the interface between government and commercial and community media, and coordinates support across government departments for key communications projects of the president and the deputy president, as well as cluster media programmes. To foster and build relationships between government and the media, the department also plans to hold 33 engagements over the medium term between state officials and senior journalists.

The department plans to produce 90 research advisory reports over the MTEF period, including for various national departments and premiers' offices, to aid government communicators in developing communication strategies. In partnership with the National School of Government, the department will continue to expand the coordination of the emerging in-house initiative to build capacity and professionalism among government communicators to equip them with skills and techniques for communicating government messages.

Other communications activities include compiling annual online editions of the South Africa Yearbook and Pocket Guide to South Africa, providing daily government news and updates on sanews.gov.za, updating content on government's website (www.gov.za), and producing 12 annual reports on the performance of government's social media accounts. These activities are expected to be funded through the *Content Processing and Dissemination* programme, which has a total budget of R460.4 million over the medium term. An estimated 38.9 per cent (R179.3 million) of the programme's budget over the medium term will be spent on operational costs such as research (R18.6 million), and travel and subsistence for videographers and photographers to cover the domestic and foreign engagements of the president and deputy president (R24.4 million).

Over the MTEF period, the department plans to provide media production and bulk buying services for other government departments to reduce government's advertising costs in mainstream media. The department aims to provide more than 2 000 communication services over the medium term. These include advertisements, the hosting of talk shows, the compilation of voiceovers, and video and photographic services to client departments and public entities. These services are funded through the communications budget allocation of client departments and entities.

The department expects to compile 30 cluster reports over the MTEF period to provide strategic communication advice, coordination and support to departments; and hold 4 engagements with national department heads of communications and 10 internal communicator forums to share best practices and content on government programmes.

To cater for the provision and facilitation of strategic government communications, the *Intergovernmental Coordination and Stakeholder Management* programme has a total budget of R354.7 million over the medium term. 83.5 per cent (R300.4 million) of this allocation is for spending on compensation of employees, while 15.3 per cent (R54.3 million) is for operational expenditure.

Facilitating active citizen participation

The department will work to improve and strengthen campaign management, support project management practices, and improve the coherence and alignment of government messages over the medium term. This will enable the department to conduct a planned 10 458 outreach campaigns to improve public participation in the development and implementation of government policies, plans and programmes. The department also plans to conduct 1 200 development communication campaigns and 1 800 community and stakeholder liaison visits per year over the medium term. These initiatives are expected to deliver information to more than 1 million people per month through direct and indirect communication with citizens, community radio talk shows, community newspapers and awareness campaigns. R6 million has been allocated for communication development projects, R3 million for community and stakeholder liaison visits, and R2.5 million for the marketing of Thusong service centres per year in the *Provincial and Local Liaison* subprogramme in the

Intergovernmental Coordination and Stakeholder Management programme. The department expects to spend a further R1 million per year over the MTEF period on the imbizo programme, which facilitates interactions between political principals and the public; and develop content for print and electronic communications products, including leaflets for the state of the nation address.

Expenditure trends

Table 3.18 Departmental expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Content Processing and Dissemination														
3. Intergovernmental Coordination and Stakeholder Management														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2014/15			2015/16			2016/17			2017/18			2014/15 - 2017/18	
Programme 1	141.4	134.6	133.6	139.8	139.8	144.9	143.1	144.2	147.4	154.3	150.7	157.6	100.8%	102.5%
Programme 2	150.0	145.6	137.3	130.9	130.9	126.9	133.6	136.1	134.8	140.4	143.6	139.3	97.0%	96.8%
Programme 3	121.7	99.3	93.9	94.7	94.7	93.5	105.5	104.9	97.9	110.1	107.2	104.5	90.2%	96.0%
Total	413.1	379.5	364.9	365.5	365.5	365.2	382.2	385.3	380.1	404.8	401.5	401.4	96.6%	98.7%
Change to 2017 Budget estimate												(3.3)		
Economic classification														
Current payments	388.0	374.8	356.2	364.5	363.9	362.9	381.0	384.1	377.0	403.5	399.7	399.6	97.3%	98.2%
Compensation of employees	200.1	188.3	181.6	210.0	209.4	202.5	222.8	222.8	216.5	236.8	229.9	229.9	95.5%	97.7%
Goods and services	187.9	186.5	174.6	154.5	154.5	160.4	158.2	161.3	160.4	166.7	169.8	169.8	99.7%	99.0%
Transfers and subsidies	21.8	0.6	1.0	0.1	0.7	1.0	0.1	0.1	1.2	0.1	0.5	0.5	17.0%	195.2%
Departmental agencies and accounts	21.8	0.6	0.6	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1	0.1	-	-
Households	-	0.0	0.4	-	0.6	1.0	-	-	1.2	-	0.5	0.5	-	256.3%
Payments for capital assets	3.3	4.0	7.6	0.9	0.9	1.2	1.1	1.1	1.6	1.2	1.2	1.2	180.1%	160.9%
Buildings and other fixed structures	-	-	0.5	-	-	0.1	-	-	0.0	-	-	-	-	-
Machinery and equipment	3.0	3.8	7.1	0.7	0.7	1.1	0.9	0.9	1.5	1.2	1.2	1.2	190.8%	168.3%
Software and other intangible assets	0.3	0.3	-	0.2	0.2	-	0.3	0.3	0.1	(0.0)	(0.0)	(0.0)	7.4%	7.4%
Payments for financial assets	-	-	0.0	-	-	0.2	-	-	0.3	-	-	-	-	-
Total	413.1	379.5	364.9	365.5	365.5	365.2	382.2	385.3	380.1	404.8	401.5	401.4	96.6%	98.7%

Expenditure estimates

Table 3.19 Departmental expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Content Processing and Dissemination									
3. Intergovernmental Coordination and Stakeholder Management									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2017/18	2014/15 - 2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2017/18 - 2020/21	
Programme 1	157.6	5.4%	38.6%	164.2	171.9	182.4	5.0%	39.0%	
Programme 2	139.3	-1.5%	35.6%	145.0	152.5	162.9	5.4%	34.6%	
Programme 3	104.5	1.7%	25.8%	111.3	117.3	126.1	6.4%	26.5%	
Total	401.4	1.9%	100.0%	420.5	441.7	471.4	5.5%	100.0%	
Change to 2017 Budget estimate				(10.8)	(18.8)	(19.8)			

Table 3.19 Departmental 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 (%)
	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
R million								
Current payments	399.6	2.2%	98.9%	417.2	439.4	469.1	5.5%	99.4%
Compensation of employees	229.9	6.9%	54.9%	254.0	273.3	293.8	8.5%	60.6%
Goods and services	169.8	-3.1%	44.0%	163.2	166.1	175.3	1.1%	38.9%
Transfers and subsidies	0.5	-4.1%	0.2%	0.1	0.1	0.1	-50.1%	0.0%
Departmental agencies and accounts	0.1	-52.9%	0.0%	0.1	0.1	0.1	4.3%	0.0%
Households	0.5	121.0%	0.2%	-	-	-	-100.0%	0.0%
Payments for capital assets	1.2	-33.3%	0.8%	3.2	2.2	2.2	23.2%	0.5%
Machinery and equipment	1.2	-31.8%	0.7%	3.2	2.2	2.2	23.2%	0.5%
Software and other intangible assets	(0.0)	-115.9%	0.0%	-	-	-	-100.0%	0.0%
Total	401.4	1.9%	100.0%	420.5	441.7	471.4	5.5%	100.0%

Expenditure trends and estimates for significant spending items**Table 3.20 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total Vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total Vote (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Compensation of employees	181 649	202 461	216 536	229 939	8.2%	54.9%	253 983	273 302	293 800	8.5%	60.6%
Computer services	16 009	15 129	14 604	14 289	-3.7%	4.0%	16 013	17 129	18 149	8.3%	3.8%
Operating leases	43 465	47 556	51 688	50 775	5.3%	12.8%	54 602	56 038	59 423	5.4%	12.7%
Operating payments	35 808	30 833	36 811	39 352	3.2%	9.4%	34 156	34 937	36 971	-2.1%	8.4%
Travel and subsistence	20 577	21 137	17 486	18 671	-3.2%	5.2%	17 474	16 568	17 350	-2.4%	4.0%
Total	297 508	317 116	337 125	353 026	9.8%	86.3%	376 228	397 974	425 693	17.7%	89.5%

Goods and services expenditure trends and estimates**Table 3.21 Departmental 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Administrative fees	663	478	537	652	-0.6%	0.4%	641	668	681	1.5%	0.4%
Advertising	7 827	5 078	2 645	5 529	-10.9%	3.2%	3 635	3 533	3 546	-13.8%	2.4%
Minor assets	693	156	282	128	-43.1%	0.2%	99	38	31	-37.7%	-
Audit costs: External	2 077	2 349	2 467	2 030	-0.8%	1.3%	2 511	2 661	2 650	9.3%	1.5%
Bursaries: Employees	350	460	702	450	8.7%	0.3%	450	450	450	-	0.3%
Catering: Departmental activities	1 350	679	891	938	-11.4%	0.6%	460	340	367	-26.9%	0.3%
Communication	12 550	9 988	8 628	8 927	-10.7%	6.0%	7 944	8 250	8 445	-1.8%	5.0%
Computer services	16 009	15 129	14 604	14 289	-3.7%	9.0%	16 013	17 129	18 149	8.3%	9.7%
Consultants: Business and advisory services	2 098	2 349	84	2 132	0.5%	1.0%	515	170	745	-29.6%	0.5%
Laboratory services	2	-	5	-	-100.0%	-	-	-	-	-	-
Legal services	945	740	796	432	-23.0%	0.4%	432	538	538	7.6%	0.3%
Contractors	5 571	3 895	3 294	3 607	-13.5%	2.5%	2 526	2 195	2 574	-10.6%	1.6%
Agency and support/outsourced services	6 323	3 460	4 718	6 616	1.5%	3.2%	5 796	6 250	6 628	0.1%	3.7%
Fleet services (including government motor transport)	2 505	2 000	1 423	1 129	-23.3%	1.1%	978	1 057	1 056	-2.2%	0.6%
Consumable supplies	986	709	523	649	-13.0%	0.4%	662	651	596	-2.8%	0.4%
Consumables: Stationery, printing and office supplies	6 164	3 118	2 782	3 671	-15.9%	2.4%	3 379	3 576	3 684	0.1%	2.1%
Operating leases	43 465	47 556	51 688	50 775	5.3%	29.1%	54 602	56 038	59 423	5.4%	32.7%
Rental and hiring	115	109	141	148	8.8%	0.1%	78	63	99	-12.5%	0.1%
Property payments	6 543	8 799	9 302	7 056	2.5%	4.8%	9 571	10 242	10 670	14.8%	5.6%
Travel and subsistence	20 577	21 137	17 486	18 671	-3.2%	11.7%	17 474	16 568	17 350	-2.4%	10.4%
Training and development	1 692	827	617	1 927	4.4%	0.8%	1 227	727	646	-30.5%	0.7%
Operating payments	35 808	30 833	36 811	39 352	3.2%	21.5%	34 156	34 937	36 971	-2.1%	21.6%
Venues and facilities	246	545	17	660	39.0%	0.2%	50	60	35	-62.4%	0.1%
Total	174 559	160 394	160 443	169 768	-0.9%	100.0%	163 199	166 141	175 334	1.1%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 3.22 Departmental transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/Total (%) 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	568	56	45	60	-52.7%	19.4%	60	64	68	4.3%	34.1%
Communication	39	56	45	60	15.4%	5.3%	60	64	68	4.3%	34.1%
Public Service Sector Education and Training Authority	529	-	-	-	-100.0%	14.1%	-	-	-	-	-
Households											
Social benefits											
Current	413	963	1 160	486	5.6%	80.6%	-	-	-	-100.0%	65.9%
Employee social benefits	413	963	1 160	486	5.6%	80.6%	-	-	-	-100.0%	65.9%
Total	981	1 019	1 205	546	-17.7%	100.0%	60	64	68	-50.1%	100.0%

Personnel information

Table 3.23 Departmental personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Content Processing and Dissemination																			
3. Intergovernmental Coordination and Stakeholder Management																			
Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment														Number			
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%) 2017/18 - 2020/21	Average: Salary level/Total (%) 2017/18 - 2020/21				
		2016/17	2017/18	2018/19	2019/20	2020/21													
Government Communication and Information System		Unit			Unit			Unit			Unit								
Salary level		Number	Cost	cost	Number	Cost	cost	Number	Cost	cost	Number	Cost	cost	Number	Cost	cost			
	429	31	430	216.5	0.5	435	229.9	0.5	441	254.0	0.6	440	273.3	0.6	437	293.8	0.7	0.2%	100.0%
1 – 6	114	18	111	26.0	0.2	112	28.2	0.3	112	30.5	0.3	111	32.6	0.3	108	34.3	0.3	-1.2%	25.3%
7 – 10	199	9	201	85.9	0.4	201	93.5	0.5	203	101.9	0.5	203	110.1	0.5	203	118.9	0.6	0.3%	46.2%
11 – 12	76	3	77	54.1	0.7	77	57.4	0.7	77	61.9	0.8	77	66.9	0.9	77	72.3	0.9	-	17.6%
13 – 16	40	1	41	46.9	1.1	45	50.7	1.1	49	59.6	1.2	49	63.8	1.3	49	68.3	1.4	2.9%	11.0%
Other	-	-	-	3.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Programme	429	31	430	216.5	0.5	435	229.9	0.5	441	254.0	0.6	440	273.3	0.6	437	293.8	0.7	0.2%	100.0%
Programme 1	138	19	132	60.2	0.5	133	65.2	0.5	136	74.5	0.5	135	79.8	0.6	132	85.3	0.6	-0.3%	30.6%
Programme 2	130	8	134	77.6	0.6	136	80.1	0.6	137	86.8	0.6	137	93.5	0.7	137	100.8	0.7	0.2%	31.2%
Programme 3	161	4	164	78.7	0.5	166	84.5	0.5	168	92.7	0.6	168	100.0	0.6	168	107.7	0.6	0.4%	38.2%

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

2. Rand million.

Departmental receipts

Table 3.24 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate 2017/18	Revised estimate 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Receipt item/Total (%) 2017/18	Medium-term receipts estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Receipt item/Total (%) 2017/18 - 2020/21
	2014/15	2015/16	2016/17					2018/19	2019/20	2020/21		
Departmental receipts	747	4 203	3 995	4 773	4 773	85.6%	100.0%	1 269	1 339	1 413	-33.4%	100.0%
Sales of goods and services produced by department	379	3 537	3 389	3 384	3 384	107.5%	77.9%	299	316	333	-53.8%	49.3%
Sales by market establishments of which:	146	141	136	132	132	-3.3%	4.0%	139	147	155	5.5%	6.5%
Market establishment: Rental parking: Covered and open	146	141	136	132	132	-3.3%	4.0%	139	147	155	5.5%	6.5%
Other sales of which:	233	3 396	3 253	3 252	3 252	140.8%	73.9%	160	169	178	-62.0%	42.7%
Services rendered: Commission on insurance and garnishee	129	73	75	116	116	-3.5%	2.9%	122	129	136	5.4%	5.7%
Sales: Departmental publications and production	104	3 323	3 178	3 136	3 136	211.3%	71.0%	38	40	42	-76.3%	37.0%

Table 3.24 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 (%)
	2014/15	2015/16	2016/17					2017/18	2018/19	2019/20		
Sales of scrap, waste, arms and other used current goods	2	1	2	4	4	26.0%	0.1%	4	4	4	-	0.2%
<i>of which:</i>												
<i>Sales: Waste paper</i>	2	1	2	4	4	26.0%	0.1%	4	4	4	-	0.2%
Interest, dividends and rent on land	105	224	255	257	257	34.8%	6.1%	271	286	302	5.5%	12.7%
Interest	105	224	255	257	257	34.8%	6.1%	271	286	302	5.5%	12.7%
Sales of capital assets	-	-	7	-	-	-	0.1%	-	-	-	-	-
Transactions in financial assets and liabilities	261	441	342	1 128	1 128	62.9%	15.8%	695	733	774	-11.8%	37.9%
Total	747	4 203	3 995	4 773	4 773	85.6%	100.0%	1 269	1 339	1 413	-33.4%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 3.25 Administration 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Departmental Management	5 380	6 479	5 643	6 634	7.2%	4.2%	8 174	8 770	9 386	12.3%	4.9%
Corporate Services	49 136	50 829	47 177	52 382	2.2%	34.6%	54 177	57 280	60 441	4.9%	33.5%
Financial Administration	26 555	29 754	32 325	31 763	6.2%	20.9%	37 498	39 634	42 239	10.0%	22.6%
Internal Audit	7 041	7 719	7 871	8 086	4.7%	5.3%	8 638	9 255	9 902	7.0%	5.4%
Office Accommodation	45 503	50 139	54 343	51 826	4.4%	35.0%	55 670	56 942	60 479	5.3%	33.6%
Total	133 615	144 920	147 359	150 691	4.1%	100.0%	164 157	171 881	182 447	6.6%	100.0%
Change to 2017 Budget estimate				(3 625)			747	(1 233)	(1 743)		
Economic classification											
Current payments	128 179	144 045	146 445	149 990	5.4%	98.6%	163 364	171 163	181 668	6.6%	99.6%
Compensation of employees	50 977	59 506	60 203	65 212	8.6%	40.9%	74 473	79 816	85 250	9.3%	45.5%
Goods and services ¹	77 202	84 539	86 242	84 778	3.2%	57.7%	88 891	91 347	96 418	4.4%	54.0%
<i>of which:</i>											
<i>Audit costs: External</i>	2 077	2 349	2 467	2 030	-0.8%	1.5%	2 511	2 661	2 650	9.3%	1.5%
<i>Computer services</i>	9 097	12 062	11 050	11 375	7.7%	7.6%	12 243	13 155	13 850	6.8%	7.6%
<i>Operating leases</i>	42 785	46 685	50 865	49 742	5.2%	33.0%	53 528	54 892	58 186	5.4%	32.3%
<i>Property payments</i>	6 470	8 747	9 233	6 944	2.4%	5.4%	9 464	10 121	10 544	14.9%	5.5%
<i>Travel and subsistence</i>	3 257	3 674	2 166	2 671	-6.4%	2.0%	2 645	2 788	2 873	2.5%	1.6%
<i>Operating payments</i>	2 604	2 993	3 074	3 208	7.2%	2.1%	1 806	1 413	1 711	-18.9%	1.2%
Transfers and subsidies¹	845	150	263	373	-23.9%	0.3%	48	51	54	-47.5%	0.1%
Departmental agencies and accounts	564	46	42	48	-56.0%	0.1%	48	51	54	4.0%	-
Households	281	104	221	325	5.0%	0.2%	-	-	-	-100.0%	-
Payments for capital assets	4 572	683	627	328	-58.4%	1.1%	745	667	725	30.3%	0.4%
Buildings and other fixed structures	481	81	31	-	-100.0%	0.1%	-	-	-	-	-
Machinery and equipment	4 091	602	596	328	-56.9%	1.0%	745	667	725	30.3%	0.4%
Payments for financial assets	19	42	24	-	-100.0%	-	-	-	-	-	-
Total	133 615	144 920	147 359	150 691	4.1%	100.0%	164 157	171 881	182 447	6.6%	100.0%
Proportion of total programme expenditure to vote expenditure	36.6%	39.7%	38.8%	37.5%	-	-	39.0%	38.9%	38.7%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	281	104	221	325	5.0%	0.2%	-	-	-	-100.0%	-
Employee social benefits	281	104	221	325	5.0%	0.2%	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	564	46	42	48	-56.0%	0.1%	48	51	54	4.0%	-
Communication	35	46	42	48	11.1%	-	48	51	54	4.0%	-
Public Service Sector Education and Training Authority	529	-	-	-	-100.0%	0.1%	-	-	-	-	-

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

Personnel information

Table 3.26 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018			Number and cost ² of personnel posts filled / planned for on funded establishment												Number				
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2016/17			2017/18			2018/19		2019/20		2020/21						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost
Administration			132	60.2	0.5	133	65.2	0.5	136	74.5	0.5	135	79.8	0.6	132	85.3	0.6		
Salary level	138	19																-0.3%	100.0%
1 – 6	59	13	56	12.1	0.2	57	13.1	0.2	57	14.2	0.2	56	15.0	0.3	53	15.3	0.3	-2.4%	41.6%
7 – 10	46	4	44	19.1	0.4	44	20.8	0.5	44	22.5	0.5	44	24.2	0.6	44	26.2	0.6	–	32.8%
11 – 12	20	2	18	12.9	0.7	18	14.0	0.8	18	15.1	0.8	18	16.3	0.9	18	17.7	1.0	–	13.4%
13 – 16	13	–	14	16.1	1.1	14	17.2	1.2	17	22.7	1.3	17	24.3	1.4	17	26.0	1.5	6.7%	12.1%

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

2. Rand million.

Programme 2: Content Processing and Dissemination

Programme purpose

Provide strategic leadership in government communication to ensure coherence, coordination, consistency, quality, impact and responsiveness.

Objectives

- Provide strategic leadership and support in government communications by conducting research on public opinion and analysis of media coverage to understand the communications environment and inform government messages over the medium term.
- Grow the share of government's voice and messages in the public domain by producing government's communications products and services over the medium term.
- Improve the dissemination of information by providing effective and efficient marketing and distribution services, cost effective media bulk buying services, and media products and services for government on an ongoing basis.
- Maintain a positive image of government through the management of government's corporate identity by conducting identity workshops per year over the medium term.

Subprogrammes

- *Programme Management for Content Processing and Dissemination* coordinates strategic planning for communications in the department and other government departments, and ensures adherence to government communications standards.
- *Policy and Research* conducts research through independent service providers to assess how government should address the public's information needs; monitors media coverage of issues affecting government and the country; provides analyses on how the media interprets government policies and programmes; formulates policy proposals where they are required; and assesses public perceptions in relation to government performance.
- *Products and Platforms* develops content for the department; provides language services for products that require translation, editing and proofreading; manages the development of the websites of national and provincial government departments; produces government publications; and develops the national communications strategy.
- *Communications Service Agency* provides media bulk buying services and media production services to all spheres of government; develops distribution strategies for all government communications; oversees the outsourcing of distribution services to service providers; manages government's corporate identity; and provides marketing services for the department and other government departments.

Expenditure trends and estimates**Table 3.27 Content Processing and Dissemination expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/Total (%) 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
R thousand											
Programme Management for Content Processing and Dissemination	3 395	2 984	2 778	3 633	2.3%	2.4%	3 846	4 084	4 378	6.4%	2.6%
Policy and Research	29 818	29 566	31 548	35 041	5.5%	23.2%	36 254	38 325	41 085	5.4%	25.0%
Products and Platforms	49 035	42 395	44 413	50 733	1.1%	34.4%	50 464	52 482	56 555	3.7%	34.8%
Communication Service Agency	55 097	51 909	56 091	54 154	-0.6%	40.0%	54 442	57 591	60 920	4.0%	37.6%
Total	137 345	126 854	134 830	143 561	1.5%	100.0%	145 006	152 482	162 938	4.3%	100.0%
Change to 2017 Budget estimate				3 194			(4 342)	(7 304)	(7 484)		
Economic classification											
Current payments	134 855	126 020	133 958	143 059	2.0%	99.1%	143 620	151 581	162 006	4.2%	99.4%
Compensation of employees	62 406	70 390	77 608	79 287	8.3%	53.4%	86 781	93 535	100 814	8.3%	59.7%
Goods and services ¹	72 449	55 630	56 350	63 772	-4.2%	45.7%	56 839	58 046	61 192	-1.4%	39.7%
of which:											
Advertising	5 507	3 813	1 844	3 769	-11.9%	2.8%	2 237	2 062	1 977	-19.4%	1.7%
Communication	5 714	3 524	2 688	2 406	-25.0%	2.6%	2 697	2 710	2 730	4.3%	1.7%
Computer services	6 911	3 064	3 536	2 914	-25.0%	3.0%	3 770	3 974	4 299	13.8%	2.5%
Agency and support/outsourced services	6 259	3 421	4 689	6 516	1.4%	3.8%	5 796	6 250	6 628	0.6%	4.2%
Travel and subsistence	8 890	9 548	7 651	8 202	-2.6%	6.3%	7 866	8 066	8 422	0.9%	5.4%
Operating payments	31 069	26 690	33 064	34 858	3.9%	23.2%	31 187	32 286	33 929	-0.9%	21.9%
Transfers and subsidies ¹	91	587	85	94	1.1%	0.2%	-	-	-	-100.0%	-
Households	91	587	85	94	1.1%	0.2%	-	-	-	-100.0%	-
Payments for capital assets	2 380	230	515	408	-44.4%	0.7%	1 386	901	932	31.7%	0.6%
Machinery and equipment	2 380	230	462	409	-44.4%	0.6%	1 386	901	932	31.6%	0.6%
Software and other intangible assets	-	-	53	(1)	-	-	-	-	-	-100.0%	-
Payments for financial assets	19	17	272	-	-100.0%	0.1%	-	-	-	-	-
Total	137 345	126 854	134 830	143 561	1.5%	100.0%	145 006	152 482	162 938	4.3%	100.0%
Proportion of total programme expenditure to vote expenditure	37.6%	34.7%	35.5%	35.8%	-	-	34.5%	34.5%	34.6%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	91	587	85	94	1.1%	0.2%	-	-	-	-100.0%	-
Employee social benefits	91	587	85	94	1.1%	0.2%	-	-	-	-100.0%	-

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

Personnel information**Table 3.28 Content Processing and Dissemination personnel numbers and cost by salary level¹**

Salary level	Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%) 2017/18 - 2020/21	Average: Salary level/Total (%) 2017/18 - 2020/21			
			2016/17	2017/18	2018/19	2019/20	2020/21	2017/18	2018/19	2019/20	2020/21								
Content Processing and Dissemination	130	8	134	77.6	0.6	136	80.1	0.6	137	86.8	0.6	137	93.5	0.7	137	100.8	0.7	0.2%	100.0%
1 - 6	22	3	22	6.1	0.3	22	6.6	0.3	22	7.1	0.3	22	7.7	0.4	22	8.3	0.4	-	16.1%
7 - 10	64	4	67	29.9	0.4	67	32.5	0.5	68	35.6	0.5	68	38.4	0.6	68	41.5	0.6	0.5%	49.5%
11 - 12	32	-	32	23.4	0.7	32	24.0	0.7	32	25.8	0.8	32	27.9	0.9	32	30.1	0.9	-	23.4%
13 - 16	12	1	13	14.8	1.1	15	17.1	1.1	15	18.2	1.2	15	19.5	1.3	15	20.9	1.4	-	11.0%
Other	-	-	-	3.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

2. Rand million.

Programme 3: Intergovernmental Coordination and Stakeholder Management**Programme purpose**

Implement development communication through mediated and unmediated communication channels, and

foster sound stakeholder relations and partnerships.

Objectives

- Improve interdepartmental coordination to ensure that all government messages are coherent and aligned by jointly planning and sharing communications messages across the three spheres of government over the medium term.
- Ensure an informed and empowered citizenry on government’s policies, plans, programmes and achievements; and increase public participation in government’s activities through engaging with stakeholders over the medium term.
- Implement a proactive and reactive media engagement system by building, maintaining and improving relations with the media, and driving government’s communications agenda over the medium term.

Subprogrammes

- *Programme Management for Intergovernmental Coordination and Stakeholder Management* ensures a well functioning communication system that proactively informs and engages the public, and manages and oversees roles regarding the implementation of development communication. It does this by building sound stakeholder relations and partnerships, and ensuring that the public is informed about government policies and programmes.
- *Provincial and Local Liaison* ensures that the national communications strategy framework is aligned with provincial and local communications strategies, procures time on media channels and platforms to promote government messages to the public at the local government level, promotes the Thusong service centres to the public, and coordinates the imbizo programme of government.
- *Media Engagement* leads and drives interaction and communication between government and the media; ensures effective liaison between ministers and the media; manages ongoing media liaison services to government by providing government information; establishes, strengthens and maintains relationships with foreign and independent media; and establishes relations with South African missions with the view of disseminating government information and key targeted messages.
- *Cluster Supervision (Human Development, Social Protection and Governance and Administration)* provides strategic cluster communications advice and support to national departments and leadership on key cluster communications issues and campaigns; and coordinates Cabinet cluster communications and the development of the government communications programme. This subprogramme also develops communications strategies and key messages for the campaigns of the departments in these clusters.
- *Cluster Supervision (Economic and Infrastructure, Justice and International)* provides strategic cluster communications advice and support to national departments and leadership on key cluster communications issues and campaigns; and coordinates Cabinet cluster communications and the development of the government communications programme. This subprogramme also develops communications strategies and key messages for the campaigns of the departments in these clusters.

Expenditure trends and estimates

Table 3.29 Intergovernmental Coordination and Stakeholder Management 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand					2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Programme Management for Intergovernmental Coordination and Stakeholder Management	2 659	2 856	1 956	2 123	-7.2%	2.4%	2 958	3 211	3 475	17.9%	2.5%
Provincial and Local Liaison	70 042	68 043	70 058	76 330	2.9%	72.5%	78 621	81 786	87 801	4.8%	70.3%
Media Engagement	12 843	13 200	12 174	12 393	-1.2%	12.9%	13 295	14 633	15 802	8.4%	12.2%
Cluster Supervision (Human Development, Social Protection and Governance and Administration)	4 561	5 482	6 627	8 670	23.9%	6.5%	8 685	9 325	10 021	4.9%	7.9%
Cluster Supervision (Economic and Infrastructure, Justice and International)	3 788	3 886	7 126	7 682	26.6%	5.7%	7 763	8 365	8 958	5.3%	7.1%
Total	93 893	93 467	97 941	107 198	4.5%	100.0%	111 322	117 320	126 057	5.6%	100.0%
Change to 2017 Budget estimate				(2 869)			(7 187)	(10 236)	(10 578)		

Table 3.29 Intergovernmental Coordination and Stakeholder Management 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 (%)
	2014/15	2015/16	2016/17				2017/18	2014/15 - 2017/18	2018/19		
R thousand											
Current payments	93 174	92 790	96 576	106 658	4.6%	99.2%	110 198	116 699	125 460	5.6%	99.4%
Compensation of employees	68 266	72 565	78 725	85 440	7.8%	77.7%	92 729	99 951	107 736	8.0%	83.5%
Goods and services ¹	24 908	20 225	17 851	21 218	-5.2%	21.5%	17 469	16 748	17 724	-5.8%	15.8%
of which:											
Advertising	1 715	754	600	1 195	-11.3%	1.1%	988	1 061	1 143	-1.5%	0.9%
Communication	4 947	4 858	4 440	5 061	0.8%	4.9%	4 066	4 389	4 538	-3.6%	3.9%
Consumables: Stationery, printing and office supplies	712	750	496	943	9.8%	0.7%	806	910	965	0.8%	0.8%
Operating leases	465	568	498	743	16.9%	0.6%	807	868	937	8.0%	0.7%
Travel and subsistence	8 430	7 915	7 669	7 798	-2.6%	8.1%	6 963	5 714	6 055	-8.1%	5.7%
Operating payments	2 135	1 150	673	1 286	-15.5%	1.3%	1 163	1 238	1 331	1.2%	1.1%
Transfers and subsidies¹	45	282	857	79	20.6%	0.3%	12	13	14	-43.8%	-
Departmental agencies and accounts	4	10	3	12	44.2%	-	12	13	14	5.3%	-
Households	41	272	854	67	17.8%	0.3%	-	-	-	-100.0%	-
Payments for capital assets	666	303	485	461	-11.5%	0.5%	1 112	608	583	8.1%	0.6%
Machinery and equipment	666	303	485	461	-11.5%	0.5%	1 112	608	583	8.1%	0.6%
Payments for financial assets	8	92	23	-	-100.0%	-	-	-	-	-	-
Total	93 893	93 467	97 941	107 198	4.5%	100.0%	111 322	117 320	126 057	5.6%	100.0%
Proportion of total programme expenditure to vote expenditure	25.7%	25.6%	25.8%	26.7%	-	-	26.5%	26.6%	26.7%	-	-

Details of transfers and subsidies

Households											
Social benefits											
Current	41	272	854	67	17.8%	0.3%	-	-	-	-100.0%	-
Employee social benefits	41	272	854	67	17.8%	0.3%	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	4	10	3	12	44.2%	-	12	13	14	5.3%	-
Communication	4	10	3	12	44.2%	-	12	13	14	5.3%	-

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

Personnel information**Table 3.30 Intergovernmental Coordination and Stakeholder Management personnel numbers and cost by salary level¹**

Salary level	Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2016/17	Unit		2017/18	Unit		2018/19		Unit		2019/20				Unit		2020/21
			Number	Cost	cost	Number	Cost	cost	Number	Cost	cost	Number	Cost	cost	Number	Cost	cost		
Intergovernmental Coordination and Stakeholder Management	161	4	164	78.7	0.5	166	84.5	0.5	168	92.7	0.6	168	100.0	0.6	168	107.7	0.6	0.4%	100.0%
1 – 6	33	2	33	7.8	0.2	33	8.5	0.3	33	9.2	0.3	33	9.9	0.3	33	10.7	0.3	-	19.7%
7 – 10	89	1	90	37.0	0.4	90	40.2	0.4	91	43.9	0.5	91	47.4	0.5	91	51.2	0.6	0.4%	54.2%
11 – 12	24	1	27	17.9	0.7	27	19.4	0.7	27	21.0	0.8	27	22.6	0.8	27	24.4	0.9	-	16.1%
13 – 16	15	-	14	16.1	1.1	16	16.4	1.0	17	18.7	1.1	17	20.0	1.2	17	21.4	1.3	2.0%	10.0%

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

2. Rand million.

Entities¹**Independent Communications Authority of South Africa****Mandate**

The Independent Communications Authority of South Africa was established by the Independent

¹ This section has been compiled with the latest available information from the entities concerned.

Communications Authority of South Africa Act (2000) to regulate the South African communications, broadcasting and postal services sectors. The regulator's mandate is defined in the Electronic Communications Act (2005) as licensing and regulating electronic communications and broadcasting services, and in the Postal Services Act (1998) as regulating the postal services sector. Enabling legislation also empowers the regulator to monitor licensee compliance with licence terms and conditions, develop regulations for the three sectors, plan and manage the radio frequency spectrum, and protect consumers in relation to these services.

Selected performance indicators

Table 3.31 Independent Communications Authority of South Africa performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Access to high demand spectrum from 566.695MHz to 890.305MHz per year ¹	Licensing	Outcome 14: Nation building and social cohesion	566.695MHz	566.695MHz	810MHz	850.305MHz	890.305MHz	890.305MHz	890.305MHz
Number of electronic communication services per year	Licensing		77	475	515	545	595	595	595
Number of new spectrum licences issued per year	Licensing		2 972	5 022	7 072	9 172	12 272	12 272	12 272
Number of community television licences issued per year	Licensing		- ²	5	11	11	27	27	27
Number of community radio broadcasters per year	Licensing		40	279	279	285	- ³	- ³	- ³
Number of channel authorisations per year	Licensing		12	633	673	650	- ³	- ³	- ³
Number of electronic communications network services per year	Licensing		75	546	596	636	- ³	- ³	- ³
Percentage of consumer complaints resolved per year	Compliance and consumer affairs		- ²	91% (4 095/ 4 500)	92% (4 324/ 4 700)	85%	85%	85%	85%
Number of broadcasting licensees monitored per year	Compliance and consumer affairs		- ²	64	69	50	50	50	50
Number of economic communications network service licensees monitored per year	Compliance and consumer affairs		- ²	55	94	50	50	50	50
Number of high site investigations conducted per year	Regions		- ²	1 220	1 748	1 250	1 300	1 350	1 400

1. Old indicator selected for publication in the Estimates of National Expenditure.

2. No historical data available.

3. Indicator discontinued.

Expenditure analysis

The NDP recognises the need for universal access to and the availability of a wide range of services at a cost and quality at least equal to South Africa's main peers and competitors. Over the medium term, the Independent Communications Authority of South Africa will focus on increasing access to wireless broadband services to meet the demand for them; protecting consumers against harmful practices employed by operators in the use of premium rated services; increasing competition in the telecommunications and broadcasting sector; and developing a framework for dynamic spectrum management. The authority contributes to outcome 14 (nation building and social cohesion), and indirectly to outcome 6 (an efficient, competitive and responsive economic infrastructure network) and outcome 12 (an efficient, effective and development oriented public service), of government's 2014-2019 medium-term strategic framework.

The authority plans to increase competition in the telecommunications and broadcast sector by regulating the industry and making sure that all licensees have equal opportunities. The authority plans to protect consumers against harmful practices employed by operators in the use of premium rated services by reviewing the number of portability regulations in the telecommunications sector. In the commercial broadcasting sector,

the authority is set to license the multiplex 3 frequency spectrum and free to air television services. These activities are budgeted for in the licensing programme with an allocation of R168.3 million over the medium term. To promote competition in the sector, the authority seeks to increase access of the high demand spectrum from the current 566.695MHz to 890.305MHz by 2020/21. Access to spectrum will enable the authority to rollout wireless broadband infrastructure by licences.

To meet the demand for wireless broadband services, the authority is set to increase mobile network coverage by 15 per cent and extend network traffic measurements to include data as well as voice calls. The authority also plans to obtain inputs from the 5G Forum global network, and update the national radio frequency plan and radio frequency migration strategy. A projected R58.5 million is allocated in the engineering and technology programme over the medium term to facilitate effective competition in the ICT sector by 2020/21.

The number of personnel in the authority is expected to increase from 328 in 2017/18 to 356 in 2020/21. Additional personnel will provide support to broadcasting licensees in Limpopo, Northern Cape and North West, and will assist in implementing the broadcasting programmes of the authority. Spending on compensation of employees accounts for 64.6 per cent of the authority's total budget of R1.5 billion over the medium term, and is set to increase from R285.2 million in 2017/18 to R335.4 million in 2020/21, at an average annual rate of 5.6 per cent.

The authority expects to derive 93.9 per cent of its revenue over the medium term through transfers from the department and 6.1 per cent from licence fees. Revenue is expected to increase from R457.4 million in 2017/18 to R518.4 million in 2020/21, at an average annual rate of 4.3 per cent.

Programmes/objectives/activities

Table 3.32 Independent Communications Authority 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Administration	212 854	294 984	325 347	271 315	8.4%	67.5%	274 994	282 812	298 367	3.2%	58.6%
Licensing	38 629	42 673	48 094	50 180	9.1%	11.0%	53 090	56 063	59 146	5.6%	11.3%
Engineering and technology	45 690	11 823	27 898	19 464	-24.8%	6.6%	17 281	18 249	22 942	5.6%	4.0%
Policy research and analysis	33 219	15 412	15 844	22 799	-11.8%	5.5%	17 819	18 817	26 873	5.6%	4.5%
Compliance and consumer affairs	22 476	19 973	24 677	23 727	1.8%	5.6%	27 753	29 307	27 967	5.6%	5.6%
Regions	–	–	–	70 535	–	3.8%	74 626	78 805	83 139	5.6%	15.9%
Total	352 868	384 865	441 860	458 020	9.1%	100.0%	465 563	484 053	518 434	4.2%	100.0%

Statements of historical financial performance and position

Table 3.33 Independent Communications Authority of South Africa statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17			
Revenue									
Non-tax revenue	5 512	14 367	10 000	22 084	11 000	24 393	11 000	27 000	234.2%
Other non-tax revenue	5 512	14 367	10 000	22 084	11 000	24 393	11 000	27 000	234.2%
Transfers received	376 221	386 672	393 619	418 816	414 481	443 898	430 383	430 383	104.0%
Total revenue	381 733	401 039	403 619	440 900	425 481	468 291	441 383	457 383	107.0%
Expenses									
Current expenses	384 103	352 868	392 262	384 865	414 490	441 860	440 188	458 020	100.4%
Compensation of employees	232 007	235 959	253 685	221 569	242 288	254 668	257 310	285 185	101.2%
Goods and services	133 314	101 752	120 577	147 788	155 685	169 778	165 337	154 651	99.8%
Depreciation	18 782	15 157	18 000	15 503	16 517	17 251	17 541	18 184	93.3%
Interest, dividends and rent on land	–	–	–	5	–	163	–	–	–
Total expenses	384 103	352 868	392 262	384 865	414 490	441 860	440 188	458 020	100.4%
Surplus/(Deficit)	(2 370)	48 171	11 357	56 035	10 991	26 431	1 195	(637)	

Table 3.33 Independent Communications Authority of South Africa statements of historical financial performance and position

Statement of financial position	Audited outcome		Audited outcome		Audited outcome		Budget estimate		Average: Outcome/Budget (%)
	Budget		Budget		Budget		Budget estimate	Revised estimate	
R thousand	2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18
Carrying value of assets	208 000	109 335	203 000	120 893	197 300	141 387	209 138	171 760	66.5%
<i>of which:</i>									
Acquisition of assets	(31 412)	(25 865)	(9 300)	(28 203)	(9 839)	(40 617)	(10 410)	(32 997)	209.4%
Inventory	530	492	550	580	560	490	594	509	92.7%
Receivables and prepayments	8 100	754 742	8 300	756 005	8 600	822 375	9 116	853 625	9 340.9%
Cash and cash equivalents	23 000	574 602	23 500	711 180	23 500	754 960	24 910	783 648	2 975.9%
Total assets	239 630	1 439 171	235 350	1 588 658	229 960	1 719 212	243 758	1 809 542	691.1%
Accumulated surplus/(deficit)	207 006	227 445	198 900	282 495	190 560	301 675	201 994	313 139	140.9%
Capital reserve fund	-	93 309	-	-	-	-	-	-	-
Finance lease	324	324	2 250	1 048	1 400	2 244	1 484	2 329	108.9%
Trade and other payables	4 000	24 436	4 500	1 287 510	5 000	1 395 600	5 300	1 473 633	22 240.3%
Provisions	28 300	2 582	29 700	17 605	33 000	19 693	34 980	20 441	47.9%
Managed funds (e.g. poverty alleviation fund)	-	1 091 075	-	-	-	-	-	-	-
Total equity and liabilities	239 630	1 439 171	235 350	1 588 658	229 960	1 719 212	243 758	1 809 542	691.1%

Statements of estimates of financial performance and position**Table 3.34 Independent Communications Authority 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 expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
				2018/19	2019/20	2020/21		
R thousand	2017/18	2014/15 - 2017/18		2017/18 - 2020/21				
Revenue								
Non-tax revenue	27 000	23.4%	4.9%	28 566	30 166	31 825	5.6%	6.1%
Other non-tax revenue	27 000	23.4%	4.9%	28 566	30 166	31 825	5.6%	6.1%
Transfers received	430 383	3.6%	95.1%	443 961	461 241	486 609	4.2%	93.9%
Total revenue	457 383	4.5%	100.0%	472 527	491 407	518 434	4.3%	100.0%
Expenses								
Current expenses	458 020	9.1%	100.0%	465 563	484 053	518 434	4.2%	100.0%
Compensation of employees	285 185	6.5%	61.1%	298 704	314 055	335 397	5.6%	64.0%
Goods and services	154 651	15.0%	34.9%	147 621	149 682	161 604	1.5%	31.9%
Depreciation	18 184	6.3%	4.0%	19 238	20 316	21 433	5.6%	4.1%
Total expenses	458 020	9.1%	100.0%	465 563	484 053	518 434	4.2%	100.0%
Surplus/(Deficit)	(637)			6 964	7 354	-		
Statement of financial position								
Carrying value of assets	171 760	16.2%	8.2%	181 722	166 898	176 078	0.8%	8.9%
<i>of which:</i>								
Acquisition of assets	(32 997)	8.5%	-1.9%	(33 645)	(11 631)	(12 270)	-28.1%	-1.2%
Inventory	509	1.1%	0.0%	538	568	600	5.6%	0.0%
Receivables and prepayments	853 625	4.2%	48.8%	903 136	953 711	1 006 165	5.6%	47.5%
Cash and cash equivalents	783 648	10.9%	43.0%	829 100	875 530	923 684	5.6%	43.6%
Total assets	1 809 542	7.9%	100.0%	1 914 495	1 996 707	2 106 526	5.2%	100.0%
Accumulated surplus/(deficit)	313 139	11.2%	17.1%	331 301	349 854	369 095	5.6%	17.4%
Finance lease	2 329	93.0%	0.1%	2 464	2 602	2 746	5.6%	0.1%
Trade and other payables	1 473 633	292.2%	61.3%	1 559 104	1 621 413	1 710 591	5.1%	81.3%
Provisions	20 441	99.3%	0.9%	21 627	22 838	24 094	5.6%	1.1%
Total equity and liabilities	1 809 542	7.9%	100.0%	1 914 495	1 996 707	2 106 526	5.2%	100.0%

Personnel information

Table 3.35 Independent Communications Authority of South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2018		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)				
		2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost			2020/21		Unit cost	
The Independent Communications Authority of South Africa		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2017/18 - 2020/21		
Salary level	356	356	327	254.7	0.8	328	285.2	0.9	355	298.7	0.8	356	314.1	0.9	356	335.4	0.9	5.6%	100.0%
1 – 6	1	1	–	–	–	–	–	–	1	0.2	0.2	1	0.2	0.2	1	0.3	0.3	–	0.2%
7 – 10	206	206	187	101.7	0.5	193	113.9	0.6	206	116.7	0.6	206	123.2	0.6	206	131.4	0.6	4.9%	58.1%
11 – 12	74	74	71	58.2	0.8	66	65.2	1.0	73	69.9	1.0	74	73.4	1.0	74	78.6	1.1	6.4%	20.6%
13 – 16	74	74	68	92.3	1.4	68	103.4	1.5	74	109.1	1.5	74	114.4	1.5	74	122.2	1.7	5.7%	20.8%
17 – 22	1	1	1	2.5	2.5	1	2.8	2.8	1	2.7	2.7	1	2.9	2.9	1	3.0	3.0	2.8%	0.3%

1. Rand million.

South African Broadcasting Corporation

Mandate

The South African Broadcasting Corporation is listed as a schedule 2 public entity in terms of the Public Finance Management Act (1999). Its mandate is set out in its charter and in the Broadcasting Act (1999), and requires it to provide radio and television broadcasting services to South Africa.

Selected performance indicators

Table 3.36 South African Broadcasting Corporation performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Percentage of television audience share achieved per year	Local content delivery: Television	Outcome 12: An efficient, effective and development oriented public service	51%	52%	50%	50%	50%	50%	50%
Percentage of radio share achieved per year	Local content delivery: Radio		69%	70%	70%	70%	70%	70%	70%
Number of new/additional programmes broadcast with sign language per year	Local content delivery: Television		2	3	3	3	3	4	4
Number of companies controlled/owned by people with disabilities from which content was procured per year	Local content delivery: Television		3	3	2	3	3	3	3
Number of provincial programmes and inserts broadcast per year	Local content delivery: Television		26	26	100	200 ¹	200	200	200

1. More provincial programmes were broadcast than anticipated, hence the 100 per cent increase from the current plan.

Expenditure analysis

Over the medium term, the South African Broadcasting Corporation will focus on improving the quality, diversity and accessibility of content, and embracing diversity by acquiring and/or producing content from various demographic groups. The corporation contributes towards the NDP's vision of developing South Africa into an informed and literate nation. Its work is aligned with outcome 12 (an efficient, effective and development oriented public service) of government's 2014-2019 medium-term strategic framework.

The corporation plans to facilitate diverse programming by producing content that represents all demographic groups within the country, as well as content in marginalised languages. The corporation projects to spend R184.1 million over the MTEF period in the administration programme on producing multilingual broadcasts on Channel Africa in Southern Africa, East Africa and West Africa. An estimated R412 million will be spent over the medium term to produce educational programmes on all channels.

Over the medium term, the corporation will continue to improve the quality, diversity and accessibility of content by producing news and current affairs content, and acquiring television and radio programmes. An estimated R7.9 billion is allocated over the MTEF period in the local content delivery: television programme for this. The corporation plans to spend a further R1.8 billion in the sports programme over the same period to broadcast all sporting codes of national interest, and buy film and sports rights for the 2019 rugby and cricket

world cups.

As at 31 October 2017, the corporation had 3 588 filled posts and 129 vacant posts, which are expected to be filled by 2020/21. Spending on compensation of employees accounts for 39.8 per cent (R9.5 billion) of the corporation's total budget of R23.9 billion over the medium term.

The corporation expects to generate 97.2 per cent of its revenue over the medium term from licence fees, commercial revenue from advertising, and sport sponsorship across television, radio and online platforms. Revenue is expected to increase from R7.6 billion in 2017/18 to R8.5 billion in 2020/21, at an average annual rate of 3.8 per cent. Investment in capital expenditure on broadcasting infrastructure, such as production studios and outside broadcast equipment, will be reduced from R407 million to an estimated R350 million over the MTEF period to ensure that the corporation maintains its financial sustainability.

Programmes/objectives/activities

Table 3.37 South African Broadcasting Corporation 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 (%)
	2014/15	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administration	1 285 006	1 845 328	1 900 020	1 740 868		10.7%	21.0%	1 750 975	1 808 988	1 955 323	3.9%	23.2%
Local content delivery:	2 604 426	2 729 279	3 041 963	2 488 314		-1.5%	33.7%	2 539 840	2 596 909	2 804 796	4.1%	33.3%
Television												
Local content delivery: Radio	990 518	1 098 156	1 141 273	893 032		-3.4%	12.8%	944 810	973 103	1 051 025	5.6%	12.3%
Universal access transmitter rollout news	803 951	875 802	818 937	766 519		-1.6%	10.2%	781 333	805 195	869 769	4.3%	10.3%
Sports of national interest and mandate	811 835	885 430	857 815	565 322		-11.4%	9.6%	570 141	582 557	629 164	3.6%	7.5%
Digital terrestrial migration and technology	1 009 082	1 135 679	954 128	988 785		-0.7%	12.7%	999 221	1 054 807	1 142 211	4.9%	13.4%
Total	7 504 817	8 569 674	8 714 136	7 442 839		-0.3%	100.0%	7 586 320	7 821 558	8 452 287	4.3%	100.0%

Statements of historical financial performance and position

Table 3.38 South African Broadcasting Corporation statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate		Average: Outcome/ Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17	Budget estimate	Revised estimate	
Revenue									
Non-tax revenue	7 023 136	7 438 832	8 266 470	7 945 947	9 032 443	7 560 156	9 869 313	7 357 994	88.6%
Sale of goods and services other than capital assets	6 969 220	6 873 053	7 341 591	7 287 771	8 317 783	7 103 683	9 088 056	6 887 225	88.8%
<i>of which:</i>									
Administrative fees	1 106 676	986 241	1 040 749	986 361	1 147 000	915 090	1 208 938	1 055 000	87.5%
Sales by market establishment	5 862 544	5 886 812	6 300 842	6 301 410	7 170 783	6 188 593	7 879 118	5 832 225	89.0%
Other non-tax revenue	53 916	565 779	924 879	658 176	714 660	456 473	781 257	470 769	86.9%
Transfers received	744 412	203 874	194 663	212 122	233 045	253 501	180 358	233 354	66.8%
Total revenue	7 767 548	7 642 707	8 461 133	8 158 069	9 265 488	7 737 279	10 049 671	7 591 348	87.6%
Expenses									
Current expenses	7 806 520	7 916 709	8 367 755	8 724 152	9 255 693	8 714 126	9 878 153	7 440 839	92.9%
Compensation of employees	2 320 550	2 928 368	2 676 035	3 264 774	2 999 808	3 169 372	3 210 195	2 983 900	110.2%
Goods and services	5 145 823	4 742 197	5 406 995	5 203 613	6 005 279	5 364 408	6 411 589	4 178 152	84.8%
Depreciation	324 997	211 084	270 146	201 573	237 473	172 469	251 721	233 295	75.5%
Interest, dividends and rent on land	15 150	35 060	14 578	54 191	13 133	7 878	4 648	45 492	300.2%
Transfers and subsidies	57 806	-	74 201	7 934	6 374	6 384	7 030	2 000	11.2%
Total expenses	7 864 326	7 504 819	8 441 956	8 569 674	9 262 067	8 714 136	9 885 183	7 442 839	90.9%
Surplus/(Deficit)	(96 778)	137 888	19 177	(411 605)	3 421	(976 857)	164 488	148 509	
Statement of financial position									
Carrying value of assets	1 242 437	1 609 811	1 489 255	1 694 529	1 812 248	1 782 520	1 965 261	1 873 757	106.9%
<i>of which:</i>									
Acquisition of assets	(350 000)	(190 677)	(650 217)	(323 894)	(432 155)	(313 471)	(450 000)	(240 000)	56.7%
Investments	896 826	36 220	156 893	11 135	158 737	9 652	175 087	10 891	4.9%
Inventory	677 016	696 080	652 731	761 794	786 174	773 801	866 720	841 533	103.0%
Receivables and prepayments	1 055 816	1 290 796	1 599 899	1 248 857	1 476 930	865 275	1 620 457	894 001	74.7%
Cash and cash equivalents	20 000	1 014 249	1 200 671	874 652	900 032	81 742	895 637	48	65.3%
Defined benefit plan assets	-	75 435	-	805 420	-	1 333 672	-	1 600 520	-
Taxation	-	266 257	-	113 913	-	-	-	-	-
Derivatives financial instruments	6 759	11 227	8 243	9 812	13 833	-	15 327	-	47.6%
Total assets	3 898 854	5 000 075	5 107 692	5 520 112	5 147 954	4 846 662	5 538 489	5 220 749	104.5%

Table 3.38 South African Broadcasting Corporation statements of historical financial performance and position

Statement of financial position	Audited		Audited		Audited		Budget		Average: Outcome/ Budget (%)
	Budget	outcome	Budget	outcome	Budget	outcome	estimate	Revised estimate	
R thousand	2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18
Accumulated surplus/(deficit)	1 206 410	2 011 534	1 962 024	2 448 474	2 001 331	2 139 402	2 051 075	2 287 911	123.1%
Capital and reserves	5 765	9 408	6 976	8 257	11 805	8 133	13 299	10 167	95.0%
Capital reserve fund	326 650	461 332	341 494	400 327	270 706	328 568	237 032	368 203	132.5%
Borrowings	-	-	-	2 636	32 155	-	52 155	330 200	394.8%
Finance lease	224	22 614	-	736	-	56 519	-	43 288	54 980.9%
Deferred income	115 370	93 037	204 089	49 106	105 992	56 250	116 910	102 983	55.6%
Trade and other payables	899 616	600 996	1 134 544	852 838	737 275	685 106	793 047	768 012	81.6%
Taxation	-	282 073	-	281 390	-	19 836	-	(112 846)	-
Provisions	1 317 194	1 491 691	257 252	1 448 958	1 961 300	1 525 458	2 247 581	1 402 034	101.5%
Managed funds (e.g. poverty alleviation fund)	-	-	1 173 923	-	-	-	-	-	-
Derivatives financial instruments	27 625	27 390	27 390	27 390	27 390	27 390	27 390	20 798	93.8%
Total equity and liabilities	3 898 854	5 000 075	5 107 692	5 520 112	5 147 954	4 846 662	5 538 489	5 220 749	104.5%

Statements of estimates of financial performance and position**Table 3.39 South African Broadcasting Corporation statements of estimates of financial performance and position**

Statement of financial performance	Revised estimate	Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
				2017/18	2014/15 - 2017/18	2018/19		
R thousand								
Revenue								
Non-tax revenue	7 357 994	-0.4%	97.3%	7 638 051	7 931 560	8 287 764	4.0%	97.4%
Sale of goods and services other than capital assets	6 887 225	0.1%	90.4%	7 143 519	7 412 065	7 742 295	4.0%	91.1%
<i>of which:</i>								
Administrative fees	1 055 000	2.3%	12.7%	1 072 935	1 091 175	1 105 360	1.6%	13.5%
Sales by market establishment	5 832 225	-0.3%	77.8%	6 070 584	6 320 890	6 636 934	4.4%	77.6%
Other non-tax revenue	470 769	-5.9%	6.9%	494 532	519 495	545 470	5.0%	6.3%
Transfers received	233 354	4.6%	2.9%	187 421	199 016	209 963	-3.5%	2.6%
Total revenue	7 591 348	-0.2%	100.0%	7 825 472	8 130 576	8 497 727	3.8%	100.0%
Expenses								
Current expenses	7 440 839	-2.0%	101.8%	7 586 320	7 821 558	8 452 287	4.3%	100.0%
Compensation of employees	2 983 900	0.6%	38.4%	3 013 907	3 099 907	3 347 900	3.9%	39.8%
Goods and services	4 178 152	-4.1%	60.4%	4 373 336	4 471 426	4 829 140	4.9%	57.0%
Depreciation	233 295	3.4%	2.6%	199 077	250 225	275 248	5.7%	3.1%
Interest, dividends and rent on land	45 492	9.1%	0.5%	-	-	-	-100.0%	0.2%
Transfers and subsidies	2 000	-	0.0%	-	-	-	-100.0%	0.0%
Total expenses	7 442 839	-0.3%	100.0%	7 586 320	7 821 558	8 452 287	4.3%	100.0%
Surplus/(Deficit)	148 509			239 152	309 018	45 440		
Statement of financial position								
Carrying value of assets	1 873 757	5.2%	33.9%	1 920 645	1 899 432	2 024 185	2.6%	34.9%
<i>of which:</i>								
Acquisition of assets	(240 000)	8.0%	-5.2%	(350 000)	(350 000)	(400 000)	18.6%	-6.0%
Investments	10 891	-33.0%	0.3%	12 089	13 419	14 761	10.7%	0.2%
Inventory	841 533	6.5%	15.0%	930 418	980 020	950 522	4.1%	16.7%
Receivables and prepayments	894 001	-11.5%	20.9%	936 213	989 552	1 027 396	4.7%	17.4%
Cash and cash equivalents	48	-96.4%	9.5%	(1 476)	321 409	439 133	1 991.2%	3.3%
Defined benefit plan assets	1 600 520	176.8%	18.6%	1 490 526	1 490 526	1 490 526	-2.3%	27.5%
Total assets	5 220 749	1.5%	100.0%	5 288 415	5 694 357	5 946 522	4.4%	100.0%
Accumulated surplus/(deficit)	2 287 911	4.4%	43.1%	2 527 062	2 836 080	2 881 520	8.0%	47.5%
Capital and reserves	10 167	2.6%	0.2%	11 306	12 549	13 891	11.0%	0.2%
Capital reserve fund	368 203	-7.2%	7.6%	307 098	317 257	317 256	-4.8%	5.9%
Borrowings	330 200	-	1.6%	69 200	-	-	-100.0%	1.9%
Finance lease	43 288	24.2%	0.6%	30 057	16 826	3 901	-55.2%	0.4%
Deferred income	102 983	3.4%	1.5%	134 412	142 138	353 293	50.8%	3.2%
Trade and other payables	768 012	8.5%	14.1%	546 181	338 695	359 694	-22.3%	9.3%
Taxation	(112 846)	-173.7%	2.2%	57 846	113 846	-	-100.0%	0.2%
Provisions	1 402 034	-2.0%	28.6%	1 587 397	1 902 053	2 002 053	12.6%	31.0%
Derivatives financial instruments	20 798	-8.8%	0.5%	17 856	14 913	14 913	-10.5%	0.3%
Total equity and liabilities	5 220 749	1.5%	100.0%	5 288 415	5 694 357	5 946 522	4.4%	100.0%

Personnel information

Table 3.40 South African Broadcasting Corporation personnel numbers and cost by salary level

Number of posts estimated for 31 March 2018		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number						
Number of funded posts	Number of posts on approved establishment	Actual 2016/17			Revised estimate 2017/18			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		Number	Cost	Unit cost	Number	Cost	Unit cost	2018/19		2019/20		2020/21								
South African Broadcasting Corporation Limited		3 717	3 717	3 752	3 169.4	0.8	3 599	2 983.9	0.8	3 599	3 013.9	0.8	3 599	3 099.9	0.9	3 599	3 347.9	0.9	3.9%	100.0%
Salary level																				
1-6	81	81	82	12.0	0.1	81	11.2	0.1	81	11.9	0.1	81	12.6	0.2	81	13.4	0.2	6.0%	2.2%	
7-10	2 440	2 440	2 463	2 057.4	0.8	2 323	1 947.1	0.8	2 323	1 914.9	0.8	2 323	1 934.9	0.8	2 323	2 113.0	0.9	2.8%	64.5%	
11-12	899	899	907	684.4	0.8	897	638.2	0.7	897	676.5	0.8	897	717.1	0.8	897	760.1	0.8	6.0%	24.9%	
13-16	282	282	284	363.9	1.3	284	339.3	1.2	284	359.6	1.3	284	381.2	1.3	284	404.1	1.4	6.0%	7.9%	
17-22	15	15	15	51.6	3.4	14	48.1	3.5	14	51.0	3.7	14	54.1	3.9	14	57.3	4.2	6.0%	0.4%	

1. Rand million.

Brand South Africa

Mandate

Brand South Africa was established as a trust in 2002 and gazetted as a schedule 3A public entity in accordance with the Public Finance Management Act (1999) in 2006. Its purpose is to develop and implement a proactive and coordinated international marketing and communications strategy for South Africa, contribute to job creation and poverty reduction; and attract inward investment, trade and tourism.

Selected performance indicators

Table 3.41 Brand South Africa performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
South Africa's ranking on the global competitiveness index (out of 140 countries)	Brand strategy development and management	Outcome 11: Create a better South Africa, a better Africa and a better world	56	48	47	47	46	46	46
South Africa's ranking on the brand ranking index (out of 50 countries)	Brand strategy development and management		38	38	35	35	35	35	35
Number of national perception studies conducted per year	Brand strategy development and management		73	80	81	81	82	82	82
South Africa's index ranking on the measurement of pride and patriotism among South Africans and global South Africans (out of 100 countries)	Brand strategy development and management		58	70	75	75	80	80	80
South Africa's ranking on the ease of doing business internationally (out of 185 countries)	Brand strategy development and management		43	43	43	43	43	43	43
South Africa's ranking on the Ibrahim index of African governance (out of 52 countries)	Brand strategy development and management		4	4	4	4	4	4	4
South Africa's ranking on the index of economic freedom (out of 185 countries)	Brand strategy development and management		75	75	73	73	73	73	73
South Africa's ranking on the human development index (out of 185 countries)	Brand strategy development and management		118	118	119	117	117	117	117
South Africa's ranking on the Institute for Management Development competitiveness index (out of 60 countries)	Brand strategy development and management		52	52	51	51	51	51	51

Expenditure analysis

Brand South Africa works to improve South Africa's global competitiveness index ranking, boost business confidence in the country, and improve the country's reputation in the region and the world. The entity's activities over the medium term will be focused on promoting pride, patriotism and active citizenship; strengthening the South Africa brand; and boosting and maintaining a positive, cohesive image of South Africa as a competitive business and tourism destination among targeted international and domestic audiences. This is in line with the NDP's vision of improving South Africa's status in the global context, outcome 11 (create a

better South Africa, a better Africa and a better world) and outcome 14 (nation building and social cohesion) of government's 2014-2019 medium-term strategic framework.

Over the medium term, Brand South Africa plans to ensure that a coherent message is conveyed to the public and that government, in collaboration with the private sector and civil society, is clear on what needs to be done to rebound from the country's downgrade to sub-investment grade. In this regard, the entity expects to finalise the downgrade recovery plan over the MTEF period by convening roundtable discussions with economists, facilitating intergovernmental collaboration and the determination of roles and responsibilities for different aspects of the recovery plan; and developing a user-friendly dashboard to track the journey towards recovery. To support the plan, the entity will aim to make better use of insights from research indexes such as the doing business index, global competitive index research, and the transparency international corruption perceptions index. As a result, research expenditure is expected to increase from R10 million in 2017/18 to R12 million in 2020/21.

Due to an increase in reported drug and substance abuse, high crime rates, and gender-based violence and violence against children, the entity plans to increase awareness for the Play Your Part movement, an important outreach initiative for inspiring, empowering and celebrating active citizenry. As a result, expenditure in the brand marketing subprogramme in the administration programme is expected to increase from R10 million in 2017/18 to R15 million in 2020/21, mainly due to an increase in the production costs for the Play Your Part television series, and activation costs and marketing activities such as advertisements. The entity aims to achieve greater awareness by rolling out the campaign to international and strategic platforms such as the World Economic Forum and the Brazil-Russia-India-China-South Africa group of countries. The entity also aims to strengthen the use of strategic platforms to engage with the media and business on matters that could potentially have a negative impact on the South Africa brand.

The entity's staff complement is expected to remain constant at 72 over the medium term. Spending on compensation of employees is expected to increase from R62.1 million in 2017/18 to R76.1 million in 2020/21 at an average annual rate of 7 per cent, accounting for an estimated 33.2 per cent of the allocated budget.

Brand South Africa is funded by transfers from the department, which are expected to increase at an average annual rate of 4.7 per cent, from R194.3 million in 2017/18 to R223.3 million in 2020/21.

Programmes/objectives/activities

Table 3.42 Brand South Africa 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Administration	173 868	150 716	162 672	194 300	3.8%	100.0%	200 430	211 654	223 294	4.7%	100.0%
Total	173 868	150 716	162 672	194 300	3.8%	100.0%	200 430	211 654	223 294	4.7%	100.0%

Statements of historical financial performance and position

Table 3.43 Brand South Africa statements of historical financial performance and position

Statement of financial performance	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17			
R thousand									
Revenue									
Non-tax revenue	8 759	2 492	–	905	–	6 421	–	–	112.1%
Other non-tax revenue	8 759	2 492	–	905	–	6 421	–	–	112.1%
Transfers received	167 686	167 686	173 160	173 160	181 186	181 186	194 300	194 300	100.0%
Total revenue	176 445	170 178	173 160	174 065	181 186	187 607	194 300	194 300	100.1%
Expenses									
Current expenses	176 202	173 868	173 160	150 716	181 186	162 672	194 300	194 300	94.0%
Compensation of employees	33 633	34 405	51 627	52 401	68 582	57 966	73 382	62 140	91.1%
Goods and services	141 366	138 396	120 125	96 688	111 173	103 381	119 272	130 603	95.4%
Depreciation	1 203	1 028	1 371	1 422	1 403	1 313	1 543	1 543	96.1%
Interest, dividends and rent on land	–	39	37	205	28	12	103	14	161.1%
Total expenses	176 202	173 868	173 160	150 716	181 186	162 672	194 300	194 300	94.0%
Surplus/(Deficit)	243	(3 690)	–	23 349	–	24 935	–	–	

Table 3.43 Brand South Africa statements of historical financial performance and position

Statement of financial position									
	Audited		Audited		Audited		Budget		Average: Outcome/ Budget (%)
	Budget	outcome	Budget	outcome	Budget	outcome	estimate	Revised estimate	
R thousand	2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18
Carrying value of assets	3 524	3 324	3 910	3 719	4 250	11 697	4 554	15 276	209.5%
<i>of which:</i>									
Acquisition of assets	(1 607)	(1 516)	(2 346)	(1 831)	(2 699)	(9 364)	(2 861)	(7 412)	211.5%
Investments	–	719	50	892	–	1 224	–	–	5 670.0%
Receivables and prepayments	1 250	4 382	1 465	1 628	1 566	19 396	1 674	9 700	589.5%
Cash and cash equivalents	14 104	5 655	5 000	21 114	5 500	22 575	6 050	20 000	226.2%
Total assets	18 878	14 080	10 425	27 353	11 316	54 892	12 278	44 976	267.1%
Accumulated surplus/(deficit)	6 645	(9 132)	1 378	14 217	1 378	39 152	1 378	27 467	665.2%
Finance lease	511	455	659	224	560	489	420	1 165	108.5%
Trade and other payables	10 547	18 519	6 895	6 155	5 256	7 264	6 067	6 067	132.1%
Provisions	1 175	3 992	1 293	6 680	3 922	7 924	4 214	10 214	271.7%
Derivatives financial instruments	–	246	200	77	200	63	200	63	74.8%
Total equity and liabilities	18 878	14 080	10 425	27 353	11 316	54 892	12 279	44 976	267.1%

Statements of estimates of financial performance and position**Table 3.44 Brand South Africa statements of estimates of financial performance and position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
				2018/19	2019/20	2020/21			
R thousand	2017/18	2014/15 - 2017/18		2017/18 - 2020/21					
Revenue									
Transfers received	194 300	5.0%	98.6%	200 430	211 654	223 294	4.7%	100.0%	
Total revenue	194 300	4.5%	100.0%	200 430	211 654	223 294	4.7%	100.0%	
Expenses									
Current expenses	194 300	3.8%	100.0%	200 430	211 654	223 293	4.7%	100.0%	
Compensation of employees	62 140	21.8%	30.5%	66 490	71 144	76 124	7.0%	33.2%	
Goods and services	130 603	-1.9%	68.6%	132 334	138 814	145 380	3.6%	66.0%	
Depreciation	1 543	14.5%	0.8%	1 592	1 681	1 773	4.7%	0.8%	
Interest, dividends and rent on land	14	-28.9%	0.0%	15	15	16	4.8%	0.0%	
Total expenses	194 300	3.8%	100.0%	200 430	211 654	223 293	4.7%	100.0%	
Surplus/(Deficit)	–			–	–	–			
Statement of financial position									
Carrying value of assets	15 276	66.3%	23.1%	14 303	14 165	13 165	-4.8%	32.4%	
<i>of which:</i>									
Acquisition of assets	(7 412)	69.7%	-12.7%	(3 061)	(3 274)	(3 274)	-23.8%	-9.6%	
Receivables and prepayments	9 700	30.3%	23.5%	9 700	9 700	9 700	–	22.1%	
Cash and cash equivalents	20 000	52.4%	50.7%	20 000	20 000	20 000	–	45.5%	
Total assets	44 976	47.3%	100.0%	44 003	43 865	42 865	-1.6%	100.0%	
Accumulated surplus/(deficit)	27 467	-244.3%	29.9%	25 467	25 610	24 610	-3.6%	58.7%	
Finance lease	1 165	36.8%	1.9%	1 399	220	220	-42.6%	1.7%	
Trade and other payables	6 067	-31.1%	45.2%	6 687	7 155	7 155	5.7%	15.4%	
Provisions	10 214	36.8%	22.5%	10 410	10 800	10 800	1.9%	24.0%	
Derivatives financial instruments	63	-36.5%	0.6%	40	80	80	8.3%	0.1%	
Total equity and liabilities	44 976	47.3%	100.0%	44 003	43 865	42 865	-1.6%	100.0%	

Personnel information**Table 3.45 Brand South Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018		Number and cost ¹ of personnel posts filled / planned for on funded establishment														Number			
Number of funded posts	Number of posts approved on establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2016/17	Unit cost		2017/18	Unit cost		2018/19		Unit cost		2019/20				Unit cost		2020/21	
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost
Brand South Africa																			
Salary level	72	72	80	58.0	0.7	72	62.1	0.9	72	66.5	0.9	72	71.1	1.0	72	76.1	1.1	7.0%	100.0%
1 – 6	8	8	8	1.0	0.1	8	1.1	0.1	8	1.2	0.1	8	1.2	0.2	8	1.3	0.2	7.0%	11.1%
7 – 10	19	19	23	9.6	0.4	19	10.3	0.5	19	11.1	0.6	19	11.8	0.6	19	12.7	0.7	7.0%	26.4%
11 – 12	15	15	11	8.6	0.8	15	11.0	0.7	15	11.8	0.8	15	12.6	0.8	15	13.5	0.9	7.0%	20.8%
13 – 16	20	20	19	27.7	1.5	20	30.9	1.5	20	33.0	1.7	20	35.3	1.8	20	37.8	1.9	7.0%	27.8%
17 – 22	10	10	19	11.0	0.6	10	8.8	0.9	10	9.4	0.9	10	10.1	1.0	10	10.8	1.1	7.0%	13.9%

1. Rand million.

Film and Publication Board

Mandate

The Film and Publication Board was established as a schedule 3A public entity in accordance with the Public Finance Management Act (1999). The board regulates and controls the creation, production, possession and distribution of films, interactive computer games and certain publications in terms of the Films and Publications Act (1996). The board is responsible for monitoring age restricted business premises for compliance with their licence and registration terms.

Selected performance indicators

Table 3.46 Film and Publication Board performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Percentage of applications for the classification of content classified and labelled per year	Industry compliance	Outcome 14: Nation building and social cohesion	100%	100%	100%	100%	100%	100%	100%
Number of convergence surveys conducted per year	Industry compliance		7 500	- ¹	1 000	3 000	3 000	3 000	3 000
Number of unregistered distributors identified per year	Industry compliance		2 000	2 703	2 000	2 000	2 000	2 000	2 000
Number of new distributors identified per year ²	Industry compliance		400	2 600	2 500	2 500	2 500	2 500	2 500
Number of raids conducted in provinces per year	Industry compliance		36	24	24	24	24	24	24
Number of inspections conducted on existing distributors per year	Industry compliance		6 000	6 000	6 000	6 000	6 000	6 000	6 000
Number of stakeholder relation strategies developed and implemented per year	Public awareness and education		4	4	4	4	4	4	4
Number of outreach and awareness campaigns conducted per year	Public awareness and education		- ³	1	1	1	1	1	1
Number of educators trained on cyber safety per year	Online and mobile content regulation		- ³	266	300	300	300	300	300

1. Target not achieved due to budget constraints.

2. Online distributors included in the updated target from 2015/16.

3. No historical data available.

Expenditure analysis

The Film and Publication Board ensures that content that is distributed online, and on mobile devices and related platforms is regulated to protect children and sensitive viewers. This is achieved through the formulation of classification guidelines used to ensure films, games and publications are classified and appropriately labelled. The work of the board is in line with outcome 12 (an efficient, effective and development oriented public service) and outcome 14 (nation building and social cohesion) of government's 2014-2019 medium-term strategic framework and the NDP's goals of improving education, training and innovation, and building safer communities.

Over the medium term, the board intends to focus on ensuring industry compliance with legislation, raising public education and awareness, strengthening partnerships and collaborations with non-governmental organisations and other government institutions, and regulating online and mobile content. To enable the effective and innovative regulation of content distributed online, the board will focus on upgrading its ICT infrastructure.

The board plans to implement a content regulation framework in the industry compliance programme that ensures that all classifiable material is appropriately labelled and classified, and content is in line with societal norms and values. This framework will guide the board's planned 2 310 online compliance inspections and 690 internet service provider inspections over the medium term, and its initiatives geared towards ensuring at

least 75 per cent compliance through the value chain. Spending on these activities is expected to increase by 2.2 per cent over the MTEF period, from R10.9 million in 2018/19 to R11.8 million in 2020/21.

The board aims to create a positive public image and minimise negative reports through meaningful engagement with the industry, including non-governmental organisations, other departments and the media, through initiatives such as awareness programmes, and communications and marketing strategies. As part of the rollout of direct awareness programmes over the medium term, the board plans to train 900 educators and 3 000 parents and learners across the country on cyber safety. Spending on these activities is set to increase by 3.2 per cent over the MTEF period, from R6.2 million in 2018/19 to R6.4 million in 2020/21.

Another priority for the board includes adopting and applying advanced ICT technologies to automate some of its core functions required for the effective regulation of the online content distribution market. Spending on ICT infrastructure is expected to increase by 11.2 per cent over the medium term, from R10.7 million in 2018/19 to R11.9 million in 2020/21.

As at 31 October 2017, the board had 84 filled posts and 16 vacant posts. Spending on compensation of employees is expected to increase from R51 million in 2017/18 to R59.5 million in 2020/21 at an average annual rate of 5.3 per cent.

Programmes/objectives/activities

Table 3.47 Film and Publication 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 (%)
	2014/15	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administration	53 938	54 404	58 766	70 817		9.5%	66.2%	74 027	79 203	84 320	6.0%	72.1%
Industry compliance	10 541	10 891	10 252	11 033		1.5%	12.0%	10 913	11 446	11 788	2.2%	10.6%
Public awareness and education	4 985	5 483	6 551	6 158		7.3%	6.5%	5 970	6 442	6 214	0.3%	5.8%
Online and mobile content regulation	7 906	8 168	12 047	9 693		7.0%	10.5%	10 450	9 880	10 891	4.0%	9.6%
Partnerships and collaboration	6 149	6 353	2 399	1 814		-33.4%	4.8%	2 101	2 175	2 350	9.0%	2.0%
Total	83 519	85 299	90 015	99 515		6.0%	100.0%	103 461	109 146	115 563	5.1%	100.0%

Statements of historical financial performance and position

Table 3.48 Film and Publication Board statements of historical financial performance and position

Statement of financial performance										Average: Outcome/ Budget (%)
R thousand	2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18	
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
Revenue										
Non-tax revenue	11 904	7 941	6 133	6 650	7 785	7 861	7 833	7 833	90.0%	
Other non-tax revenue	11 904	7 941	6 133	6 650	7 785	7 861	7 833	7 833	90.0%	
Transfers received	78 901	78 901	82 359	82 359	86 472	86 472	91 684	91 684	100.0%	
Total revenue	90 805	86 842	88 492	89 009	94 257	94 333	99 517	99 517	99.1%	
Expenses										
Current expenses	176 202	83 519	173 160	85 299	98 222	90 015	99 516	99 515	65.5%	
Compensation of employees	33 633	36 503	51 627	41 238	45 226	46 532	47 462	51 012	98.5%	
Goods and services	141 366	43 833	120 125	41 847	52 996	40 814	52 054	48 503	47.7%	
Depreciation	1 203	3 183	1 371	2 214	-	2 669	-	-	313.4%	
Interest, dividends and rent on land	-	-	37	-	-	-	-	-	-	
Total expenses	176 202	83 519	173 160	85 299	98 222	90 015	99 516	99 515	65.5%	
Surplus/(Deficit)	(85 397)	3 323	(84 668)	3 710	(3 965)	4 318	1	2		
Statement of financial position										
Carrying value of assets of which:	2 822	4 891	3 800	9 988	4 250	15 839	4 600	18 300	316.8%	
Acquisition of assets	-	(2 571)	(2 828)	(2 296)	(3 111)	(8 670)	(1 087)	(1 087)	208.1%	
Receivables and prepayments	521	1 178	550	2 063	600	3 084	650	2 500	380.2%	
Cash and cash equivalents	5 648	9 167	3 538	6 878	2 700	8 555	2 850	3 200	188.7%	
Total assets	8 991	15 236	7 888	18 929	7 550	27 478	8 100	24 000	263.3%	
Accumulated surplus/(deficit)	2 546	4 595	1 096	10 995	495	15 312	720	15 500	95.4%	
Finance lease	1 185	947	388	2 207	300	1 497	300	1 770	295.5%	
Trade and other payables	2 882	7 303	3 884	3 304	4 005	7 873	4 080	3 950	151.0%	
Provisions	2 378	2 391	2 520	2 423	2 750	2 796	3 000	2 780	97.6%	
Total equity and liabilities	8 991	15 236	7 888	18 929	7 550	27 478	8 100	24 000	263.3%	

Statements of estimates of financial performance and position

Table 3.49 Film and Publication Board statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate		2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
R thousand		2017/18						
Revenue								
Non-tax revenue	7 833	-0.5%	8.2%	8 884	9 273	10 197	9.2%	8.4%
Other non-tax revenue	7 833	-0.5%	8.2%	8 884	9 273	10 197	9.2%	8.4%
Transfers received	91 684	5.1%	91.8%	94 577	99 873	105 366	4.7%	91.6%
Total revenue	99 517	4.6%	100.0%	103 461	109 146	115 563	5.1%	100.0%
Expenses								
Current expenses	99 515	6.0%	100.0%	103 461	109 146	115 563	5.1%	100.0%
Compensation of employees	51 012	11.8%	48.8%	51 961	55 703	59 483	5.3%	51.0%
Goods and services	48 503	3.4%	48.9%	51 500	53 443	56 080	5.0%	49.0%
Total expenses	99 515	6.0%	100.0%	103 461	109 146	115 563	5.1%	100.0%
Surplus/(Deficit)	2			-	-	-		
Statement of financial position								
Carrying value of assets	18 300	55.2%	54.7%	18 800	19 400	19 600	2.3%	76.9%
<i>of which:</i>								
Acquisition of assets	(1 087)	-24.9%	-16.3%	(1 070)	(1 002)	(1 115)	0.9%	-4.3%
Receivables and prepayments	2 500	28.5%	10.1%	2 700	2 800	2 900	5.1%	11.0%
Cash and cash equivalents	3 200	-29.6%	35.2%	3 000	2 800	3 000	-2.1%	12.1%
Total assets	24 000	16.4%	100.0%	24 500	25 000	25 500	2.0%	100.0%
Accumulated surplus/(deficit)	15 500	50.0%	52.1%	15 800	16 200	16 300	1.7%	64.4%
Finance lease	1 770	23.2%	7.7%	1 805	1 900	2 080	5.5%	7.6%
Trade and other payables	3 950	-18.5%	27.6%	3 845	3 450	3 580	-3.2%	15.0%
Provisions	2 780	5.2%	12.6%	3 050	3 450	3 540	8.4%	12.9%
Total equity and liabilities	24 000	16.4%	100.0%	24 500	25 000	25 500	2.0%	100.0%

Personnel information

Table 3.50 Film and Publication Board personnel numbers and cost by salary level

Number of posts estimated for 31 March 2018		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost			2020/21		Unit cost	
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Film and Publication Board																			
Salary level	105	105	106	46.5	0.4	95	51.0	0.5	104	52.0	0.5	102	55.7	0.5	100	59.5	0.6	5.3%	100.0%
1 – 6	16	16	16	1.8	0.1	16	1.9	0.1	16	2.1	0.1	16	2.2	0.1	16	2.4	0.1	7.2%	16.0%
7 – 10	65	65	64	24.4	0.4	59	27.4	0.5	65	28.4	0.4	63	30.6	0.5	61	32.8	0.5	6.1%	61.8%
11 – 12	12	12	13	10.3	0.8	9	11.4	1.3	12	11.2	0.9	12	11.8	1.0	12	12.6	1.0	3.2%	11.2%
13 – 16	7	7	8	7.9	1.0	6	7.8	1.3	6	7.8	1.3	6	8.3	1.4	6	8.8	1.5	3.9%	6.0%
17 – 22	5	5	5	2.2	0.4	5	2.4	0.5	5	2.5	0.5	5	2.7	0.5	5	2.9	0.6	7.6%	5.0%

1. Rand million.

Media Development and Diversity Agency

Mandate

The Media Development and Diversity Agency was set up in terms of the Media Development and Diversity Agency Act (2002) to enable historically disadvantaged communities and individuals to gain access to the media. The mandate of the agency is to create an enabling environment for media development and diversity to reflect the needs and aspirations of all South Africans; redress the exclusion and marginalisation of disadvantaged communities and people from access to the media and the media industry; and promote media development and diversity by providing support primarily to community and small commercial media projects. The overall objective of the agency is to ensure that all citizens can access information in a language of their choice, and to transform media access, ownership and control patterns in South Africa.

Selected performance indicators**Table 3.51 Media Development Diversity Agency performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of community broadcast projects supported per year	Community media and small commercial media	Outcome 14: Nation building and social cohesion	34	19	40	25	27	31	37
Number of marketing and communications strategies approved per year	Community media and small commercial media		1	1	1	1	1	1	1
Number of small commercial media projects approved by the board for strengthening per year ¹	Community media and small commercial media		3	10	18	12	12	12	12
Number of newsletters produced per year	Community media and small commercial media		- ²	1	2	4	4	4	4
Number of community print projects funded per year	Grant funding and non-financial support		4	10	16	20	- ³	- ³	- ³
Number of outreach programmes supported per year	Strategy, policy, advocacy, capacity building		- ²	15	16	16	18	20	20
Number of partnership agreements signed with accredited learning and training institutions per year	Capacity building and sector development		- ²	2	1	4	4	4	4
Number of training interventions conducted per year on financial management and governance	Strategy, policy, advocacy, capacity building		8	3	4	6	6	6	6
Number of media literacy workshops conducted per year	Strategy, policy, advocacy, capacity building	1	1	1	1	1	1	1	

1. Old indicator selected for publication in the Estimates of National Expenditure.

2. No historical data available.

3. Indicator discontinued.

Expenditure analysis

The Media Development and Diversity Agency places emphasis on making a contribution to community development and alleviating poverty and inequality. The agency's work is aligned with outcome 6 (an efficient, competitive and responsive economic infrastructure network), outcome 12 (an efficient, responsive and development oriented public service) and outcome 14 (nation building and social cohesion) of government's 2014-2019 medium-term strategic framework, as well as the NDP's vision of creating a society where opportunity is not determined by race or birth.

Over the MTEF period, the agency intends to focus on encouraging media diversity in a telecommunications environment that is changing rapidly due to technological advancements, and providing financial and non-financial support to small community broadcast and commercial print projects. This will be achieved by providing grant funding, amounting to a projected R133 million over the medium term, to strengthen the promotion of indigenous languages and secure funding for new and existing community projects to enhance their sustainability.

Over the medium term, the agency expects to ensure the sustainability of the community media sector by supporting content generation initiatives by community media and providing governance training for an estimated 120 community projects. These activities are budgeted for in the community media and small commercial media programme, which is allocated R7.4 million over the medium term.

As at 31 October 2017, the agency had 26 filled posts and 13 vacant posts, which are expected to be filled in 2018/19. Spending on compensation of employees is expected to increase from R16.9 million in 2017/18 to R21.6 million in 2020/21, at an average annual rate of 8.5 per cent.

Programmes/objectives/activities**Table 3.52 Media Development Diversity Agency 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 (%)
	2014/15	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand												
Administration	13 829	15 422	25 073	24 707		21.3%	27.8%	23 779	25 809	28 055	4.3%	35.0%
Community media and small commercial media	42 189	35 522	56 432	56 170		10.0%	68.1%	38 577	38 854	39 399	-11.1%	58.2%
Research, and monitoring and evaluation	–	1 808	4 472	3 438		–	3.1%	2 217	2 328	2 444	-10.7%	3.5%
Strategy, policy, advocacy, capacity building	–	–	1 191	2 250		–	1.0%	2 329	2 463	2 586	4.8%	3.3%
Total	56 018	52 752	87 168	86 565		15.6%	100.0%	66 902	69 454	72 485	-5.7%	100.0%

Statements of historical financial performance and position**Table 3.53 Media Development Diversity Agency statements of historical financial performance and position**

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17			
R thousand									
Revenue									
Non-tax revenue	7 378	4 624	27 229	4 646	4 291	4 816	4 548	4 548	42.9%
Other non-tax revenue	7 378	4 624	27 229	4 646	4 291	4 816	4 548	4 548	42.9%
Transfers received	50 318	54 028	47 017	55 116	58 201	69 429	62 113	82 017	119.7%
Total revenue	57 696	58 652	74 246	59 762	62 492	74 245	66 661	86 565	106.9%
Expenses									
Current expenses	15 683	20 438	26 971	25 825	33 956	31 588	33 875	31 557	99.0%
Compensation of employees	7 896	11 523	16 294	16 102	17 466	14 092	20 508	16 866	94.2%
Goods and services	7 601	8 710	10 482	9 421	16 238	17 095	13 021	13 631	103.2%
Depreciation	186	205	195	302	252	401	346	1 060	201.0%
Transfers and subsidies	42 013	35 580	47 275	26 927	28 536	55 580	32 786	55 008	114.9%
Total expenses	57 696	56 018	74 246	52 753	62 492	87 168	66 661	86 565	108.2%
Surplus/(Deficit)	–	2 634	–	7 009	–	(12 923)	–	–	
Statement of financial position									
Carrying value of assets	281	380	301	888	1 068	3 734	1 192	2 987	281.2%
<i>of which:</i>									
Acquisition of assets	(86)	(148)	–	(368)	–	(1 514)	(1 730)	(1 590)	199.3%
Inventory	–	19	10	7	–	–	–	–	260.0%
Accrued investment interest	–	148	–	–	–	–	–	–	–
Receivables and prepayments	8 005	8 562	8 005	908	456	1 420	510	510	67.2%
Cash and cash equivalents	13 268	78 340	14 500	93 467	79 879	99 698	76 366	73 424	187.4%
Total assets	21 554	87 449	22 816	95 270	81 403	104 852	78 068	76 921	178.8%
Accumulated surplus/(deficit)	2 810	79 202	20 951	85 764	79 635	72 839	71 000	62 443	172.2%
Capital reserve fund	16 478	6 571	–	6 479	–	25 631	4 500	11 000	236.8%
Finance lease	–	–	–	140	140	1 732	390	1 300	598.5%
Trade and other payables	2 038	1 639	1 500	2 637	1 507	1 348	1 467	1 467	108.9%
Provisions	228	37	365	250	–	694	250	250	146.0%
Derivatives financial instruments	–	–	–	–	121	2 608	461	461	527.5%
Total equity and liabilities	21 554	87 449	22 816	95 270	81 403	104 852	78 068	76 921	178.8%

Statements of estimates of financial performance and position**Table 3.54 Media Development Diversity Agency statements of estimates of financial performance and position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
				2018/19	2019/20	2020/21			2017/18 - 2020/21
R thousand									
Revenue									
Non-tax revenue	4 548	-0.6%	6.8%	4 821	5 110	5 418	6.0%	6.8%	
Other non-tax revenue	4 548	-0.6%	6.8%	4 821	5 110	5 418	6.0%	6.8%	
Transfers received	82 017	14.9%	93.2%	62 081	64 344	67 067	-6.5%	93.2%	
Total revenue	86 565	13.9%	100.0%	66 902	69 454	72 485	-5.7%	100.0%	

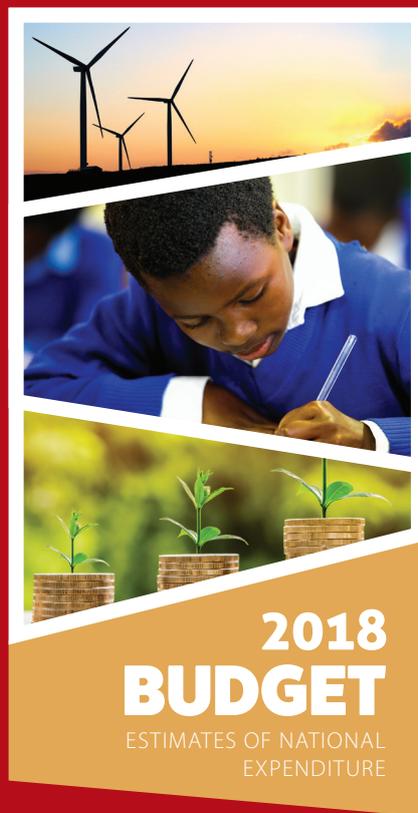
Table 3.54 Media Development Diversity Agency statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
R thousand								
Expenses								
Current expenses	31 557	15.6%	39.5%	34 284	36 846	39 643	7.9%	48.9%
Compensation of employees	16 866	13.5%	21.7%	20 587	21 680	21 571	8.5%	27.8%
Goods and services	13 631	16.1%	17.2%	12 397	14 877	17 769	9.2%	20.1%
Depreciation	1 060	72.9%	0.7%	1 300	288	303	-34.1%	1.0%
Transfers and subsidies	55 008	15.6%	60.5%	32 618	32 608	32 842	-15.8%	51.1%
Total expenses	86 565	15.6%	100.0%	66 902	69 454	72 485	-5.7%	100.0%
Surplus/(Deficit)	-			-	-	-		
Statement of financial position								
Carrying value of assets	2 987	98.8%	2.2%	2 390	1 912	1 529	-20.0%	3.3%
of which:								
Acquisition of assets	(1 590)	120.6%	-1.0%	(2 176)	(2 285)	(2 399)	14.7%	-3.3%
Receivables and prepayments	510	-60.9%	3.2%	510	510	510	-	0.8%
Cash and cash equivalents	73 424	-2.1%	94.6%	70 818	60 958	50 600	-11.7%	96.0%
Total assets	76 921	-4.2%	100.0%	73 718	63 380	52 639	-11.9%	100.0%
Accumulated surplus/(deficit)	62 443	-7.6%	82.8%	68 656	58 131	47 883	-8.5%	89.2%
Capital reserve fund	11 000	18.7%	13.3%	2 000	2 000	2 000	-43.3%	6.0%
Finance lease	1 300	-	0.9%	1 150	1 150	1 150	-4.0%	1.8%
Trade and other payables	1 467	-3.6%	2.0%	1 354	1 695	1 356	-2.6%	2.2%
Provisions	250	89.1%	0.3%	250	250	250	-	0.4%
Derivatives financial instruments	461	-	0.8%	307	154	-	-100.0%	0.3%
Total equity and liabilities	76 921	-4.2%	100.0%	73 718	63 380	52 639	-11.9%	100.0%

Personnel information**Table 3.55 Media Development and Diversity Agency personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost			2020/21		Unit cost	
Media Development and Diversity Agency		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	33	33	30	14.1	0.5	32	16.9	0.5	39	20.6	0.5	39	21.7	0.6	39	21.6	0.6	8.5%	100.0%
1-6	1	1	1	0.1	0.1	1	0.1	0.1	1	0.1	0.1	1	0.1	0.1	1	0.1	0.1	1.6%	2.7%
7-10	19	19	19	5.2	0.3	18	5.1	0.3	25	10.0	0.4	25	10.4	0.4	25	10.2	0.4	26.4%	62.1%
11-12	9	9	9	8.6	1.0	9	6.9	0.8	9	5.5	0.6	9	5.8	0.6	9	5.8	0.6	-5.8%	24.3%
13-16	4	4	1	0.2	0.2	4	4.8	1.2	4	5.0	1.3	4	5.4	1.3	4	5.4	1.4	4.4%	10.8%

1. Rand million.



Private Bag X115, Pretoria, 0001 | 40 Church Square, Pretoria, 0002

Tel +27 12 315 5944 | **Fax** +27 12 406 9055

Web: www.treasury.gov.za



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

