

◀ 2020 ▶
BUDGET

VOTE
23

DEFENCE



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



Estimates of National Expenditure

2020

**National Treasury
Republic of South Africa**



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The 2020 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 at www.treasury.gov.za. Compared to the abridged Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities, transfers and subsidies and information on programme specific personnel expenditure.

Foreword

The Estimates of National Expenditure (ENE) publications remain an integral part of the annual budgeting process. In light of the prevailing economic climate, which requires careful consideration around the management of public funds, it has become necessary to focus our efforts on reprioritising existing government resources to areas where the most value can be derived for the benefit of all South Africans. To alleviate fiscal pressures, reductions have been effected on the baseline budgets of departments and public entities. The budgets unpacked in this document reflect the outcome of a robust negotiation process, which was led by a committee of senior officials in central government departments under the political guidance of the Ministers' Committee on the Budget. There was also wide-ranging intergovernmental consultation on budgets in the provincial and local spheres of government. Ultimately, the budgetary proposals emanating from these negotiations and consultations were considered and approved by Cabinet.

The abridged ENE provides a comprehensive account of the priorities, spending plans and service delivery commitments of the 41 national government votes, and for selected public entities. The e-publications for each vote, which are available on National Treasury's website, contain further details on goods and services, transfers and subsidies, other public entities, and lower-level spending information on service delivery. In addition, the Vulekamali online portal serves as a transparent, user-friendly source of information that includes supplementary detailed data as contained in the ENE publications. The portal is a valuable resource for anyone to learn about how government compiles its budget and spends public funds.

The Open Budget Survey, which is published biannually by the International Budget Partnership, assesses and ranks countries based on the availability of 8 key budget documents and the comprehensiveness of the data presented in these documents. In the latest survey, published in 2017, South Africa ranked joint first out of 102 countries with a score of 89 per cent. The next survey is expected to be published in 2020/21 and hopefully South Africa will retain that first position.

All information presented in the ENE publications and Vulekamali promotes a culture of public engagement, accountability in state institutions, and the appropriate spending of public funds to achieve the outcomes as envisaged in the National Development Plan.

A special thanks is extended to all contributors and government colleagues who assisted in making this possible, especially the political leadership shown by the executive and the spirited efforts of the National Treasury team.



Dondo Mogajane
Director-General: National Treasury

Introduction

Estimates of National Expenditure publications

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 2020 MTEF period is from 2020/21 to 2022/23.

The ENE publications contain detailed information regarding the allocations set out in the Appropriation Bill, for the current financial year. Government's proposed spending plans for the full MTEF period, are shown. Information on how government institutions have spent their budgets in previous years is also included. Explanations are provided on how institutions intend to use their allocations over the medium term to achieve their goals, and the outputs and outcomes to which their spending is expected to lead. Tables present non-financial performance indicators and targets, departmental receipts, and detailed expenditure trends and estimates by programme, subprogramme and economic classification, and programme personnel data tables for each vote and all entities. Brief explanatory narratives set out the institution's purpose (and that of its programmes), mandate, programme-level objectives and descriptions of subprogrammes. An in-depth narrative analyses the institution's expected expenditure over the MTEF period.

Additional data tables containing information on provincial and municipal conditional grants, public-private partnerships, donor funding, infrastructure spending and information at the level of site service delivery, where applicable, are available on the National Treasury website and the Vulekamali online portal.

A separate 2020 ENE Overview publication is also available on the National Treasury website and summarises the ENE information across all votes. The 2020 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.

Defence

National Treasury

Republic of South Africa



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Vote 23

Defence

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	5 731.9	5 648.7	54.3	28.9	5 980.6	6 276.9
Force Employment	3 671.1	3 334.9	231.0	105.2	3 625.7	3 699.2
Landward Defence	17 421.9	15 360.0	2 035.1	26.8	16 427.6	17 405.6
Air Defence	7 405.3	6 301.2	1 076.2	28.0	6 667.1	6 928.5
Maritime Defence	4 915.6	3 579.0	1 315.5	21.1	4 841.1	4 836.1
Military Health Support	5 656.0	5 527.1	76.4	52.5	5 971.8	6 281.5
Defence Intelligence	1 187.5	528.0	659.3	0.2	836.4	990.3
General Support	6 449.3	4 295.0	1 643.3	511.1	6 502.2	6 575.4
Total expenditure estimates	52 438.6	44 573.9	7 091.0	773.7	50 852.5	52 993.6

Executive authority: Minister of Defence and Military Veterans
 Accounting officer: Secretary for Defence
 Website: www.dod.mil.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Defend and protect the Republic of South Africa, its territorial integrity and its people, in accordance with the Constitution and the principles of international law regulating the use of force.

Mandate

The Department of Defence derives its mandate from section 200 of the Constitution; the Defence Act (2002), as amended by the Defence Amendment Act (2010); the 1996 White Paper on Defence; and the 2015 South African Defence Review. The department is required to provide, manage, prepare and employ defence capabilities that are commensurate with the needs of South Africa.

Selected performance indicators

Table 23.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Total number of defence attaché offices	Administration	Priority 7: A better Africa and world	44	44	44	44	44	44	44
Total number of military skills development members in the system	Administration	Priority 5: Social cohesion and safe communities	3 759	3 476	3 554	3 510	3 604	4 484	4 534
Number of reserve force man days per year	Administration		2 679 142	2 425 899	2 574 127	2 693 048	2 695 963	2 552 645	2 553 554
Percentage compliance with the Southern African Development Community standby force pledge per year	Force Employment	Priority 7: A better Africa and world	100% (32/32)	100% (32/32)	100% (32/32)	100%	100%	100%	100%
Percentage compliance with number of ordered commitments (external operations) per year	Force Employment		100% (2/2)	100% (2/2)	100% (2/2)	100%	100%	100%	100%

Table 23.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage compliance with number of ordered commitments (internal operations) per year	Force Employment	Priority 5: Social cohesion and safe communities	100% (4/4)	100% (4/4)	100% (4/4)	100%	100%	100%	100%
Number of joint, interdepartmental, interagency and multinational military exercises conducted per year	Force Employment		4	3	3	1	5	2	3
Number of landward subunits deployed on border safeguarding per year	Force Employment		15	15	15	15	15	15	15
Number of hours flown per year	Air Defence		- ¹	- ¹	17 870	17 200	17 100	17 100	17 100
Number of hours at sea per year	Maritime Defence		8 132	6 047	7 704	10 000	10 000	10 000	10 000

1. No historical data available.

Expenditure analysis

The National Development Plan calls for an integrated, holistic approach to safety and security that tackles the root causes of crime and ensures South Africa's long-term stability, as well as peace and stability in Africa. This vision is supported by priority 5 (social cohesion and safe communities) and priority 7 (a better Africa and world) of government's 2019-2024 medium-term strategic framework. In its efforts to give expression to these key policies over the medium term, the Department of Defence will focus on creating a sustainable defence force, enhancing border safeguarding and territorial integrity, participating in peace support operations in Africa, and participating in internal operations through collaboration with other departments.

Due to the labour-intensive nature of the department's work, almost 62.1 per cent (R99 billion) of its total budget of R156.3 billion over the medium term is allocated to compensation of employees. For the department to meet its ordered commitments, and targets for military operations, missions and exercises, its number of personnel is expected to remain at an average of 75 000 over the medium term. In its efforts to remain within the expenditure ceiling for compensation of employees over this period, the department will review the composition of its personnel and military capabilities in its aim to strike the most appropriate balance between its regular force, reserve force and civilian components to ensure that it can contain costs while executing its ordered commitments and priority missions effectively.

Cabinet has approved reductions to the department's baseline of R749.7 million in 2020/21, R756.3 million in 2021/22 and R583.5 million in 2022/23. This includes reductions of R30.9 million in 2020/21, R32.5 million in 2021/22 and R33.8 million in 2022/23 on transfers to the Armaments Corporation of South Africa. These reductions will be effected proportionally across all programmes, mainly on goods and services items such as fuel, oil and gas; travel and subsistence; and food and food supplies.

Creating a sustainable defence force

The department aims to respond to the constrained fiscal environment by focusing on measures to create a defence force that is more efficient, sustainable and capable. These measures include using internal personnel for basic maintenance and repairs; introducing measures to enhance revenue, such as the leasing and selling of defence assets; and maximising reimbursements from the United Nations as part of South Africa's peace support operations in the Democratic Republic of the Congo. Over the medium term, the use of internal maintenance and repair capabilities is expected to lead to a decrease in planned expenditure of R209.8 million; the disposal and leasing of redundant assets and military equipment is expected to generate R3 billion; and reimbursements from the United Nations are projected to amount to R1.9 billion. These funds are expected to sustain capabilities in the *Landward Defence*, *Air Defence* and *Maritime Defence* programmes.

Enhancing border safeguarding and territorial integrity

Securing South Africa's borders remains a key priority for the South African National Defence Force. Over the medium term, the department will maintain its deployment of 15 landward subunits to patrol a targeted 4 471 kilometres of South Africa's land borders. To ensure the integrity of the country's borders and enhance the capacity of landward subunits through the acquisition of military equipment and technology, an additional R225 million over the MTEF period has been allocated in the *Force Employment* programme. This equipment and technology is expected to serve as a "force multiplier" to enable soldiers to increase the range of the borderline under protection.

Participating in peace support operations in Africa

Over the medium term, the department will continue to participate in peace support operations in the Democratic Republic of the Congo under the auspices of the United Nations stabilisation mission. In this deployment, the South African National Defence Force participates in the Force Intervention Brigade, and deploys an infantry battalion supported by a composite helicopter unit, a tactical intelligence unit and military observers. To maintain these deployment activities, R3.5 billion over the medium term is provided in the *Force Employment* programme. This amount includes an estimated R480.4 million per year earmarked for the compensation of 2 059 employees per year over this period, many of whom will be deployed in the Democratic Republic of the Congo.

Participating in internal operations

The department contributes to domestic safety and security by conducting various internal operations, including operations in support of other government departments. Over the MTEF period, the department aims to comply with all ordered commitments for internal operations by conducting operations in support of the South African Police Service; and providing disaster aid and relief, and search and rescue operations upon request. To ensure these activities are ably carried out, R48.5 million over the medium term is allocated in the *Force Employment* programme.

Expenditure trends and estimates

Table 23.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Force Employment											
3. Landward Defence											
4. Air Defence											
5. Maritime Defence											
6. Military Health Support											
7. Defence Intelligence											
8. General Support											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	5 143.0	4 883.3	5 065.7	5 524.6	2.4%	10.7%	5 731.9	5 980.6	6 276.9	4.3%	11.4%
Programme 2	3 431.0	3 208.1	3 168.7	3 620.7	1.8%	7.0%	3 671.1	3 625.7	3 699.2	0.7%	7.1%
Programme 3	15 557.8	16 691.5	16 427.5	16 527.0	2.0%	33.8%	17 421.9	16 427.6	17 405.6	1.7%	32.8%
Programme 4	6 782.6	6 753.4	6 257.4	6 979.6	1.0%	13.9%	7 405.3	6 667.1	6 928.5	-0.2%	13.5%
Programme 5	4 298.4	4 613.9	4 503.9	4 838.5	4.0%	9.5%	4 915.6	4 841.1	4 836.1	0.0%	9.4%
Programme 6	4 448.7	4 852.9	5 090.6	5 375.3	6.5%	10.2%	5 656.0	5 971.8	6 281.5	5.3%	11.3%
Programme 7	881.3	888.0	938.2	1 020.5	5.0%	1.9%	1 187.5	836.4	990.3	-1.0%	2.0%
Programme 8	6 056.7	6 463.9	6 413.0	6 349.5	1.6%	13.1%	6 449.3	6 502.2	6 575.4	1.2%	12.5%
Total	46 599.5	48 355.1	47 865.0	50 235.6	2.5%	100.0%	52 438.6	50 852.5	52 993.6	1.8%	100.0%
Change to 2019 Budget estimate				(277.4)			(684.7)	(681.3)	(498.5)		

Table 23.2 Vote expenditure trends and estimates by programme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
R million											
Current payments	38 780.7	38 826.4	40 382.8	42 126.3	2.8%	82.9%	44 573.9	46 984.3	48 943.7	5.1%	88.4%
Compensation of employees	27 059.7	28 040.9	30 012.0	29 193.7	2.6%	59.2%	31 177.7	33 204.2	34 648.4	5.9%	62.1%
Goods and services ¹	11 721.0	10 785.5	10 370.8	12 932.6	3.3%	23.7%	13 396.2	13 780.1	14 295.3	3.4%	26.3%
<i>of which:</i>											
<i>Computer services</i>	921.5	917.7	623.9	1 031.1	3.8%	1.8%	1 034.1	1 148.6	1 148.0	3.6%	2.1%
<i>Contractors</i>	2 114.8	2 022.4	1 714.9	2 121.5	0.1%	4.1%	2 229.4	2 180.1	2 104.1	-0.3%	4.2%
<i>Inventory: Food and food supplies</i>	949.3	1 034.7	1 188.9	1 099.3	5.0%	2.2%	1 428.8	1 439.4	1 561.1	12.4%	2.7%
<i>Operating leases</i>	1 507.1	1 759.1	1 589.0	1 591.3	1.8%	3.3%	1 636.1	1 726.3	1 797.7	4.1%	3.3%
<i>Property payments</i>	1 555.2	656.0	843.0	1 606.9	1.1%	2.4%	1 809.0	1 982.3	1 997.3	7.5%	3.6%
<i>Travel and subsistence</i>	1 102.7	1 062.7	1 054.9	1 010.0	-2.9%	2.2%	1 054.4	886.6	903.1	-3.7%	1.9%
Transfers and subsidies¹	6 869.2	7 885.3	6 027.9	7 344.9	2.3%	14.6%	7 091.0	3 123.0	3 217.4	-24.1%	10.1%
Provinces and municipalities	2.1	0.2	15.6	0.9	-24.1%	0.0%	0.6	0.6	0.6	-12.1%	0.0%
Departmental agencies and accounts	5 654.2	6 377.6	4 296.7	5 699.6	0.3%	11.4%	5 376.9	1 342.5	1 431.9	-36.9%	6.7%
Public corporations and private enterprises	1 067.7	1 298.5	1 423.4	1 468.0	11.2%	2.7%	1 513.0	1 594.8	1 621.6	3.4%	3.0%
Non-profit institutions	9.3	8.7	9.1	9.7	1.6%	0.0%	10.0	10.0	10.4	2.3%	0.0%
Households	135.9	200.3	283.2	166.7	7.0%	0.4%	190.5	175.1	152.9	-2.8%	0.3%
Payments for capital assets	947.3	1 633.8	1 442.9	762.8	-7.0%	2.5%	773.7	745.1	832.4	3.0%	1.5%
Buildings and other fixed structures	147.9	697.3	614.9	351.3	33.4%	0.9%	449.9	470.9	502.3	12.7%	0.9%
Machinery and equipment	696.9	830.7	573.2	262.8	-27.8%	1.2%	278.7	271.1	328.8	7.8%	0.6%
Specialised military assets	7.6	-	0.0	1.8	-38.1%	0.0%	1.8	2.1	0.2	-53.7%	0.0%
Biological assets	-	0.1	0.4	-	0.0%	0.0%	-	-	-	0.0%	0.0%
Software and other intangible assets	95.0	105.8	254.5	146.9	15.6%	0.3%	43.3	1.1	1.1	-80.3%	0.1%
Payments for financial assets	2.3	9.6	11.4	1.6	-12.1%	0.0%	-	-	-	-100.0%	0.0%
Total	46 599.5	48 355.1	47 865.0	50 235.6	2.5%	100.0%	52 438.6	50 852.5	52 993.6	1.8%	100.0%

1. Tables that detail expenditure trends, annual budget, adjusted appropriation and audited outcome are available at www.treasury.gov.za and www.vulekamali.gov.za.

Transfers and subsidies expenditure trends and estimates

Table 23.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2019/20	2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23
R thousand											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	5 654 160	6 377 577	4 296 682	5 699 626	0.3%	78.4%	5 376 947	1 342 517	1 431 882	-36.9%	66.7%
Safety and Security Sector	20 677	27 006	25 993	23 070	3.7%	0.3%	24 049	24 049	25 011	2.7%	0.5%
Education and Training Authority											
Communication	4	469	8	477	392.2%	-	148	145	158	-30.8%	-
Claims against the state	-	-	9	-	-	-	-	-	-	-	-
Special defence account	5 633 479	6 350 102	4 270 672	5 676 079	0.3%	78.0%	5 352 750	1 318 323	1 406 713	-37.2%	66.2%
Households											
Social benefits											
Current	133 255	186 109	168 770	166 661	7.7%	2.3%	190 461	175 065	152 941	-2.8%	3.3%
Employee social benefits	133 255	186 109	168 770	166 661	7.7%	2.3%	190 461	175 065	152 941	-2.8%	3.3%
Households											
Other transfers to households											
Current	2 635	14 178	114 460	-	-100.0%	0.5%	-	-	-	-	-
Claims against the state	2 635	14 178	114 460	-	-100.0%	0.5%	-	-	-	-	-
Non-profit institutions											
Current	9 303	8 701	9 073	9 744	1.6%	0.1%	10 026	10 026	10 427	2.3%	0.2%
Reserve Force Council	8 620	7 929	8 326	8 742	0.5%	0.1%	8 995	8 995	9 354	2.3%	0.2%
St John Ambulance Brigade	683	772	747	1 002	13.6%	-	1 031	1 031	1 073	2.3%	-
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	312	25	2	-	-100.0%	-	-	-	-	-	-
Claims against the state	312	25	2	-	-100.0%	-	-	-	-	-	-
Public corporations and private enterprises											
Other transfers to public corporations											
Current	24 014	1 591	632	-	-100.0%	0.1%	-	-	-	-	-
Claims against the state	24 014	1 591	632	-	-100.0%	0.1%	-	-	-	-	-

Table 23.3 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 (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
Public corporations and private enterprises											
Subsidies on products and production											
Current	1 043 387	1 296 901	1 422 725	1 467 968	12.1%	18.6%	1 512 968	1 594 792	1 621 562	3.4%	29.8%
Armaments Corporation of South Africa	1 043 387	1 296 901	1 422 725	1 467 968	12.1%	18.6%	1 512 968	1 594 792	1 621 562	3.4%	29.8%
Total	6 867 066	7 885 082	6 012 344	7 343 999	2.3%	100.0%	7 090 402	3 122 400	3 216 812	-24.1%	100.0%

Personnel information

Table 23.4 Vote personnel numbers and cost by salary level and programme¹

Programmes		Number and cost ² of personnel posts filled/planned for on funded establishment															Number		
Number of posts estimated for 31 March 2020	Number of funded posts	Number of posts additional to the establishment	Medium-term expenditure estimate															Average growth rate (%)	Average: Salary level/ Total (%)
			Actual 2018/19			Revised estimate 2019/20			2020/21			2021/22			2022/23				
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Defence																			
Salary level	74 901	–	74 508	30 012.0	0.4	74 901	29 193.7	0.4	75 000	31 177.7	0.4	75 000	33 204.2	0.4	75 000	34 648.4	0.5	0.0%	100.0%
1 – 6	50 333	–	49 021	13 452.2	0.3	49 340	12 663.6	0.3	49 439	13 672.5	0.3	49 439	14 739.5	0.3	49 439	15 876.1	0.3	0.1%	65.9%
7 – 10	22 869	–	23 832	12 364.7	0.5	23 879	12 050.0	0.5	23 879	12 948.4	0.5	23 879	13 916.2	0.6	23 879	14 943.5	0.6	–	31.8%
11 – 12	1 315	–	1 286	1 041.3	0.8	1 313	1 213.9	0.9	1 313	1 295.9	1.0	1 313	1 383.5	1.1	1 313	1 475.5	1.1	–	1.8%
13 – 16	382	–	367	466.7	1.3	367	465.8	1.3	367	497.3	1.4	367	530.9	1.4	367	566.2	1.5	–	0.5%
Other	2	–	2	2 687.0	1 343.5	2	2 800.4	1 400.2	2	2 763.6	1 381.8	2	2 634.2	1 317.1	2	1 787.0	893.5	–	0.0%
Programme	74 901	–	74 508	30 012.0	0.4	74 901	29 193.7	0.4	75 000	31 177.7	0.4	75 000	33 204.2	0.4	75 000	34 648.4	0.5	0.0%	100.0%
Programme 1	3 878	–	3 714	2 053.7	0.6	3 876	2 150.2	0.6	3 876	2 229.0	0.6	3 876	2 364.5	0.6	3 876	2 450.2	0.6	–	5.2%
Programme 2	1 989	–	2 059	2 093.1	1.0	2 059	2 102.9	1.0	2 059	2 198.7	1.1	2 059	2 299.4	1.1	2 059	2 384.2	1.2	–	2.7%
Programme 3	37 590	–	38 217	12 823.2	0.3	38 448	12 251.7	0.3	38 547	13 178.0	0.3	38 547	14 046.4	0.4	38 547	14 672.7	0.4	0.1%	51.4%
Programme 4	9 935	–	9 836	3 930.7	0.4	9 836	3 678.9	0.4	9 836	3 964.0	0.4	9 836	4 268.5	0.4	9 836	4 462.8	0.5	–	13.1%
Programme 5	7 076	–	6 816	2 434.9	0.4	6 816	2 486.9	0.4	6 816	2 599.1	0.4	6 816	2 792.5	0.4	6 816	2 895.5	0.4	–	9.1%
Programme 6	7 730	–	7 389	3 783.7	0.5	7 389	3 754.5	0.5	7 389	4 018.8	0.5	7 389	4 274.5	0.6	7 389	4 480.6	0.6	–	9.9%
Programme 7	876	–	852	421.4	0.5	852	445.4	0.5	852	478.3	0.6	852	500.5	0.6	852	520.9	0.6	–	1.1%
Programme 8	5 827	–	5 625	2 471.2	0.4	5 625	2 323.2	0.4	5 625	2 511.8	0.4	5 625	2 657.9	0.5	5 625	2 781.5	0.5	–	7.5%

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

2. Rand million.

Departmental receipts

Table 23.5 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 (%)
	2016/17	2017/18	2018/19					2019/20	2020/21	2021/22		
Departmental receipts	1 387 310	959 369	814 391	1 145 250	1 145 250	-6.2%	100.0%	1 202 886	1 207 696	1 231 850	2.5%	100.0%
Sales of goods and services produced by department	806 472	578 864	366 268	436 547	436 547	-18.5%	50.8%	458 776	460 611	469 824	2.5%	38.1%
Administrative fees	9	11	12	26	26	42.4%	–	27	27	28	2.5%	–
of which:												
Request for information: Receipt	9	11	12	26	26	42.4%	–	27	27	28	2.5%	–
Other sales	806 463	578 853	366 256	436 521	436 521	-18.5%	50.8%	458 749	460 584	469 796	2.5%	38.1%
of which:												
Rental capital assets	84 909	–	122 583	97 254	97 254	4.6%	7.1%	102 130	102 539	104 590	2.5%	8.5%
Sale of goods	12 161	126 300	18 957	13 194	13 194	2.8%	4.0%	13 847	13 902	14 180	2.4%	1.2%
Services rendered	709 393	452 553	224 716	326 073	326 073	-22.8%	39.8%	342 772	344 143	351 026	2.5%	28.5%

Table 23.5 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 (%)
	2016/17	2017/18	2018/19					2019/20	2020/21	2021/22		
Sales of scrap, waste, arms and other used current goods	747	711	1 334	1 497	1 497	26.1%	0.1%	1 542	1 548	1 579	1.8%	0.1%
<i>of which:</i>												
<i>Sales: Scrap and waste</i>	747	711	1 334	1 497	1 497	26.1%	0.1%	1 542	1 548	1 579	1.8%	0.1%
Transfers received	441 660	274 670	320 609	599 810	599 810	10.7%	38.0%	629 801	632 320	644 966	2.4%	52.4%
Fines, penalties and forfeits	1 164	1 709	2 227	1 274	1 274	3.1%	0.1%	1 333	1 338	1 365	2.3%	0.1%
Interest, dividends and rent on land	3 928	4 493	4 622	4 154	4 154	1.9%	0.4%	4 372	4 389	4 477	2.5%	0.4%
Interest	3 928	4 493	4 622	4 154	4 154	1.9%	0.4%	4 372	4 389	4 477	2.5%	0.4%
Sales of capital assets	31 858	19 064	18 924	28 901	28 901	-3.2%	2.3%	30 345	30 466	31 075	2.4%	2.5%
Transactions in financial assets and liabilities	101 481	79 858	100 407	73 067	73 067	-10.4%	8.2%	76 717	77 024	78 564	2.4%	6.4%
Total	1 387 310	959 369	814 391	1 145 250	1 145 250	-6.2%	100.0%	1 202 886	1 207 696	1 231 850	2.5%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 23.6 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 (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million											
Ministry	111.1	130.1	125.6	137.8	7.4%	2.4%	132.3	139.5	146.9	2.2%	2.4%
Departmental Direction	70.8	41.2	41.6	51.9	-9.9%	1.0%	53.4	53.6	55.7	2.4%	0.9%
Policy and Planning	103.9	108.4	106.8	123.4	5.9%	2.1%	127.6	135.3	143.5	5.1%	2.3%
Financial Services	620.6	371.4	397.7	435.6	-11.1%	8.9%	447.6	487.9	517.3	5.9%	8.0%
Human Resources Support Services	791.5	821.2	851.0	958.8	6.6%	16.6%	998.8	1 001.5	1 094.4	4.5%	17.2%
Legal Services	291.3	303.9	314.4	364.2	7.7%	6.2%	371.6	393.7	418.3	4.7%	6.6%
Inspection and Audit Services	116.4	123.9	123.7	154.6	9.9%	2.5%	158.3	165.6	175.7	4.4%	2.8%
Acquisition Services	150.7	152.0	206.9	89.8	-15.9%	2.9%	77.6	80.0	81.7	-3.1%	1.4%
Communication Services	100.7	116.3	107.5	129.9	8.8%	2.2%	132.7	127.3	133.6	1.0%	2.2%
South African National Defence Force Command and Control	148.0	153.3	166.3	185.8	7.9%	3.2%	191.6	204.1	216.6	5.2%	3.4%
Religious Services	14.5	19.2	14.9	20.1	11.3%	0.3%	20.8	22.1	23.3	5.1%	0.4%
Defence Reserve Direction	28.1	26.5	29.2	35.0	7.6%	0.6%	36.5	39.0	40.9	5.4%	0.6%
Defence Foreign Relations	312.1	265.0	316.0	303.3	-0.9%	5.8%	309.0	309.9	295.0	-0.9%	5.2%
Office Accommodation	2 283.2	2 250.9	2 263.9	2 534.7	3.5%	45.3%	2 674.1	2 821.2	2 934.0	5.0%	46.6%
Total	5 143.0	4 883.3	5 065.7	5 524.6	2.4%	100.0%	5 731.9	5 980.6	6 276.9	4.3%	100.0%
Change to 2019 Budget estimate				(662.6)			(113.9)	(207.5)	(145.6)		
Economic classification											
Current payments	5 063.6	4 742.2	4 907.6	5 441.3	2.4%	97.8%	5 648.7	5 905.2	6 193.0	4.4%	98.6%
Compensation of employees	2 105.2	1 883.8	2 053.7	2 150.2	0.7%	39.7%	2 229.0	2 364.5	2 450.2	4.5%	39.1%
Goods and services ¹	2 958.4	2 858.4	2 853.9	3 291.1	3.6%	58.0%	3 419.7	3 540.6	3 742.8	4.4%	59.5%
<i>of which:</i>											
<i>Advertising</i>	94.2	73.9	66.5	89.2	-1.8%	1.6%	89.9	79.9	83.8	-2.1%	1.5%
<i>Computer services</i>	86.7	73.5	62.5	113.9	9.5%	1.6%	111.0	100.4	106.2	-2.3%	1.8%
<i>Operating leases</i>	1 478.1	1 743.6	1 573.9	1 529.4	1.1%	30.7%	1 615.2	1 707.0	1 777.5	5.1%	28.2%
<i>Property payments</i>	853.9	551.5	736.6	1 126.6	9.7%	15.9%	1 183.8	1 253.8	1 341.6	6.0%	20.9%
<i>Travel and subsistence</i>	152.3	150.6	144.9	142.7	-2.1%	2.9%	137.0	138.4	149.0	1.4%	2.4%
<i>Training and development</i>	39.5	38.6	39.2	51.9	9.5%	0.8%	53.3	48.7	51.0	-0.6%	0.9%
Transfers and subsidies¹	50.1	64.0	63.4	60.8	6.7%	1.2%	54.3	50.5	51.6	-5.3%	0.9%
Provinces and municipalities	0.0	0.0	0.0	0.0	7.3%	-	0.1	0.1	0.1	7.3%	-
Departmental agencies and accounts	20.7	27.0	26.0	23.1	3.7%	0.5%	24.1	24.1	25.0	2.7%	0.4%
Public corporations and private enterprises	0.1	0.0	-	-	-100.0%	-	-	-	-	-	-
Non-profit institutions	8.6	7.9	8.3	8.7	0.5%	0.2%	9.0	9.0	9.4	2.3%	0.2%
Households	20.6	29.0	29.0	28.9	11.9%	0.5%	21.2	17.4	17.2	-15.9%	0.4%

Table 23.6 Administration 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 (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million											
Payments for capital assets	29.1	76.7	90.5	22.3	-8.5%	1.1%	28.9	25.0	32.3	13.1%	0.5%
Buildings and other fixed structures	0.2	0.3	0.4	–	-100.0%	–	–	–	–	–	–
Machinery and equipment	28.9	49.3	32.5	22.3	-8.3%	0.6%	28.8	24.9	32.2	13.2%	0.5%
Software and other intangible assets	–	27.0	57.7	0.1	–	0.4%	0.0	0.0	0.0	-15.7%	–
Payments for financial assets	0.2	0.4	4.1	0.2	7.0%	–	–	–	–	-100.0%	–
Total	5 143.0	4 883.3	5 065.7	5 524.6	2.4%	100.0%	5 731.9	5 980.6	6 276.9	4.3%	100.0%
Proportion of total programme expenditure to vote expenditure	11.0%	10.1%	10.6%	11.0%	–	–	10.9%	11.8%	11.8%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	20.7	26.6	28.4	28.8	11.7%	0.5%	21.0	17.2	17.1	-15.9%	0.4%
Employee social benefits	20.7	26.6	28.4	28.8	11.7%	0.5%	21.0	17.2	17.1	-15.9%	0.4%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	20.7	27.0	26.0	23.1	3.7%	0.5%	24.0	24.0	25.0	2.7%	0.4%
Safety and Security Sector	20.7	27.0	26.0	23.1	3.7%	0.5%	24.0	24.0	25.0	2.7%	0.4%
Education and Training Authority											
Non-profit institutions											
Current	8.6	7.9	8.3	8.7	0.5%	0.2%	9.0	9.0	9.4	2.3%	0.2%
Reserve Force Council	8.6	7.9	8.3	8.7	0.5%	0.2%	9.0	9.0	9.4	2.3%	0.2%

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

Personnel information

Table 23.7 Administration personnel numbers and cost by salary level¹

Administration	Number of posts estimated for 31 March 2020		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 (%)					
			2018/19	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23											
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	3 878	–	3 714	2 053.7	0.6	3 876	2 150.2	0.6	3 876	2 229.0	0.6	3 876	2 364.5	0.6	3 876	2 450.2	0.6	–	100.0%
1 – 6	1 419	–	1 336	380.0	0.3	1 424	400.4	0.3	1 424	431.5	0.3	1 424	465.2	0.3	1 424	501.1	0.4	–	36.7%
7 – 10	1 792	–	1 749	930.8	0.5	1 796	923.9	0.5	1 796	992.4	0.6	1 796	1 066.1	0.6	1 796	1 144.3	0.6	–	46.3%
11 – 12	523	–	492	471.1	1.0	519	469.8	0.9	519	501.5	1.0	519	535.4	1.0	519	571.0	1.1	–	13.4%
13 – 16	142	–	135	175.6	1.3	135	177.9	1.3	135	189.9	1.4	135	202.8	1.5	135	216.3	1.6	–	3.5%
Other	2	–	2	96.2	48.1	2	178.3	89.1	2	113.7	56.9	2	95.1	47.6	2	17.6	8.8	–	0.1%

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

2. Rand million.

Programme 2: Force Employment

Programme purpose

Provide and employ defence capabilities, including an operational capability, to successfully conduct all operations as well as joint, interdepartmental, interagency and multinational military exercises.

Objectives

- Ensure successful joint force employment by:
 - providing and employing a special operations capability in accordance with national requirements by March 2023
 - ensuring full participation in the number of peace missions, as instructed by the president, by March 2023
 - conducting 10 joint, interdepartmental, interagency and multinational military force preparation exercises, excluding special forces exercises, by March 2023

- conducting internal operations in the interest of protecting the territorial integrity and sovereignty of South Africa on an ongoing basis
- supporting other government departments and complying with international obligations on an ongoing basis.

Subprogrammes

- *Strategic Direction* formulates and controls strategies, policies and plans for the employment of forces to promote peace, stability and security in the region and on the continent.
- *Operational Direction* provides operational direction to joint and multinational task forces and joint tactical headquarters through an operational-level headquarters.
- *Special Operations* provides and employs a special operations capability within the approved special forces mandate for the South African National Defence Force.
- *Regional Security* provides for the external deployment of forces in support of South Africa's commitment to regional, continental and global security.
- *Support to the People* provides for the internal deployment of forces in support of the South African Police Service and other government departments. This includes safeguarding borders, assisting during disasters, and conducting search and rescue missions.

Expenditure trends and estimates

Table 23.8 Force Employment expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Strategic Direction	152.0	157.4	159.4	191.3	8.0%	4.9%	209.5	200.4	209.5	3.1%	5.5%
Operational Direction	288.4	360.9	356.6	378.2	9.5%	10.3%	400.1	383.6	407.2	2.5%	10.7%
Special Operations	810.1	848.3	834.3	936.4	4.9%	25.5%	954.5	927.5	933.2	-0.1%	25.7%
Regional Security	1 068.8	929.4	852.2	1 021.2	-1.5%	28.8%	985.1	1 012.7	977.3	-1.5%	27.3%
Support to the People	1 111.7	912.1	966.3	1 093.6	-0.5%	30.4%	1 122.0	1 101.5	1 172.1	2.3%	30.7%
Total	3 431.0	3 208.1	3 168.7	3 620.7	1.8%	100.0%	3 671.1	3 625.7	3 699.2	0.7%	100.0%
Change to 2019							26.5	13.5	(51.5)		
Budget estimate											
Economic classification											
Current payments	2 885.7	2 784.8	2 854.7	3 323.8	4.8%	88.2%	3 334.9	3 249.7	3 383.1	0.6%	90.9%
Compensation of employees	1 948.6	1 935.8	2 093.1	2 102.9	2.6%	60.2%	2 198.7	2 299.4	2 384.2	4.3%	61.5%
Goods and services ¹	937.1	849.0	761.6	1 220.9	9.2%	28.1%	1 136.2	950.2	998.9	-6.5%	29.5%
<i>of which:</i>											
Contractors	212.7	229.3	115.4	346.6	17.7%	6.7%	286.6	247.5	215.1	-14.7%	7.5%
Fleet services (including government motor transport)	27.0	23.8	21.3	46.6	20.0%	0.9%	65.7	59.2	68.2	13.6%	1.6%
Inventory: Food and food supplies	113.1	168.4	168.3	215.7	24.0%	5.0%	225.4	187.5	199.9	-2.5%	5.7%
Inventory: Fuel, oil and gas	63.6	49.3	48.3	93.6	13.7%	1.9%	87.9	76.1	74.6	-7.3%	2.3%
Travel and subsistence	214.2	208.8	167.1	227.8	2.1%	6.1%	169.3	148.0	179.4	-7.7%	5.0%
Operating payments	112.5	33.2	127.6	106.3	-1.9%	2.8%	98.5	67.1	71.6	-12.3%	2.3%
Transfers and subsidies¹	257.3	288.5	213.9	260.8	0.5%	7.6%	231.0	280.8	204.6	-7.8%	6.7%
Provinces and municipalities	0.1	0.0	0.1	0.0	-69.3%	–	0.0	0.0	0.0	35.7%	–
Departmental agencies and accounts	241.3	256.6	191.9	241.8	0.1%	6.9%	213.5	263.2	186.9	-8.2%	6.2%
Public corporations and private enterprises	8.4	9.1	9.3	9.8	5.2%	0.3%	10.3	10.3	11.0	3.8%	0.3%
Households	7.5	22.8	12.5	9.2	7.3%	0.4%	7.2	7.2	6.8	-9.8%	0.2%
Payments for capital assets	288.1	134.7	100.1	36.1	-50.0%	4.2%	105.2	95.3	111.5	45.7%	2.4%
Buildings and other fixed structures	5.9	9.2	5.8	1.0	-44.3%	0.2%	67.1	77.1	87.5	340.3%	1.6%
Machinery and equipment	282.1	125.5	94.2	34.0	-50.6%	4.0%	37.5	17.6	23.9	-11.1%	0.8%
Specialised military assets	–	–	–	1.0	–	–	0.6	0.6	0.1	-53.9%	–
Payments for financial assets	0.0	0.0	0.1	–	-100.0%	–	–	–	–	–	–
Total	3 431.0	3 208.1	3 168.7	3 620.7	1.8%	100.0%	3 671.1	3 625.7	3 699.2	0.7%	100.0%
Proportion of total programme expenditure to vote expenditure	7.4%	6.6%	6.6%	7.2%	–	–	7.0%	7.1%	7.0%	–	–

Table 23.8 Force Employment expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies				Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome			2019/20		2016/17	2019/20	2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Households											
Social benefits											
Current	7.4	16.1	12.5	9.2	7.5%	0.3%	7.2	7.2	6.8	-9.8%	0.2%
Employee social benefits	7.4	16.1	12.5	9.2	7.5%	0.3%	7.2	7.2	6.8	-9.8%	0.2%
Households											
Other transfers to households											
Current	0.0	6.7	0.1	-	-100.0%	0.1%	-	-	-	-	-
Claims against the state	0.0	6.7	0.1	-	-100.0%	0.1%	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	241.3	256.6	191.9	241.7	0.1%	6.9%	213.4	263.1	186.7	-8.2%	6.2%
Special defence account	241.3	256.6	191.9	241.7	0.1%	6.9%	213.4	263.1	186.7	-8.2%	6.2%
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	8.4	8.9	9.3	9.8	5.2%	0.3%	10.3	10.3	11.0	3.8%	0.3%
Armaments Corporation of South Africa	8.4	8.9	9.3	9.8	5.2%	0.3%	10.3	10.3	11.0	3.8%	0.3%

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

Personnel information

Table 23.9 Force Employment personnel numbers and cost by salary level¹

Force Employment	Number of posts estimated for 31 March 2020		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 (%)			
			2018/19	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23											
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	1 989	-	2 059	2 093.1	1.0	2 059	2 102.9	1.0	2 059	2 198.7	1.1	2 059	2 299.4	1.1	2 059	2 384.2	1.2	-	100.0%
1 – 6	1 046	-	1 076	328.5	0.3	1 076	346.8	0.3	1 076	373.8	0.3	1 076	403.0	0.4	1 076	434.0	0.4	-	52.3%
7 – 10	858	-	903	483.4	0.5	903	508.6	0.6	903	546.5	0.6	903	587.3	0.7	903	630.5	0.7	-	43.9%
11 – 12	66	-	65	59.8	0.9	65	62.5	1.0	65	66.8	1.0	65	71.3	1.1	65	76.0	1.2	-	3.2%
13 – 16	19	-	15	18.8	1.3	15	19.6	1.3	15	20.9	1.4	15	22.4	1.5	15	23.8	1.6	-	0.7%
Other	-	-	-	1 202.7	-	-	1 165.4	-	-	1 190.7	-	-	1 215.6	-	-	1 219.8	-	-	-

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

2. Rand million.

Programme 3: Landward Defence

Programme purpose

Provide prepared and supported landward defence capabilities for the defence and protection of South Africa.

Objectives

- Defend and protect South Africa and its territory over the medium term by:
 - providing 1 infantry capability for external deployment and for internal safety and security, including border safeguarding
 - exercising 1 tank and armoured car capability, and providing 1 squadron for internal deployment per year
 - exercising 1 composite artillery capability and providing 1 battery for internal deployment per year
 - exercising 1 air defence artillery capability and providing 1 battery for internal deployment per year
 - providing 1 sustained composite engineer capability for external deployment, and for internal safety and security; and exercising 1 field engineer capability per year
 - providing 1 signal capability for external deployment and for internal signal support, and exercising 1 composite signal capability per year.

Subprogrammes

- *Strategic Direction* directs, orchestrates and controls the South African Army in achieving its mission to prepare and provide supported landward capabilities for the defence and protection of South Africa.
- *Infantry Capability* provides combat-ready infantry capabilities through training, preparing, exercising and supporting mechanised, motorised, specialised and airborne infantry units.
- *Armour Capability* provides combat-ready armour capabilities through training, preparing, exercising and supporting tank and armoured car units.
- *Artillery Capability* provides combat-ready artillery capabilities through training, preparing, exercising and supporting composite and light artillery units.
- *Air Defence Artillery Capability* provides combat-ready air defence artillery capabilities through training, preparing, exercising and supporting air defence artillery units.
- *Engineering Capability* provides combat-ready engineering capabilities to ensure mobility and establish infrastructure during exercises and deployments through training, preparing, exercising and supporting field and construction engineering units.
- *Operational Intelligence* provides combat-ready operational intelligence capabilities to enable the successful planning and execution of operations through training, preparing, exercising and supporting intelligence units.
- *Command and Control Capability* provides combat-ready tactical command and control capabilities for integrated forces during force preparation and force employment.
- *Support Capability* provides first-line, second-line and third-line support capabilities to units and bases, and ensures support to deployed combat units through training, preparing, exercising and supporting first-line and second-line maintenance units and workshops.
- *General Training Capability* provides general training capabilities through basic military training, junior leader training, common landward training, and command and management training at the training depot and decentralised units, the South African Army gymnasium, the combat training centre and the South African Army College.
- *Signal Capability* provides combat-ready signal capabilities to ensure command, control and communications during exercises and deployments through training, preparing, exercising and supporting signal units.

Expenditure trends and estimates

Table 23.10 Landward Defence 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 (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million					2016/17 - 2019/20					2019/20 - 2022/23	
Strategic Direction	458.9	462.8	494.1	395.1	-4.9%	2.8%	458.4	594.4	583.2	13.9%	3.0%
Infantry Capability	6 208.9	6 915.0	6 803.8	6 357.4	0.8%	40.3%	6 739.5	6 416.3	6 768.6	2.1%	38.8%
Armour Capability	446.6	480.9	504.9	497.0	3.6%	3.0%	511.4	542.4	561.4	4.1%	3.1%
Artillery Capability	471.6	509.7	498.5	718.5	15.1%	3.4%	872.8	546.6	551.0	-8.5%	4.0%
Air Defence Artillery Capability	571.4	698.1	538.6	494.3	-4.7%	3.5%	554.7	402.1	416.4	-5.6%	2.8%
Engineering Capability	755.4	803.7	835.2	814.0	2.5%	4.9%	858.3	884.5	916.1	4.0%	5.1%
Operational Intelligence	206.4	204.6	215.7	246.4	6.1%	1.3%	252.7	267.1	276.6	3.9%	1.5%
Command and Control Capability	199.0	211.4	221.4	235.1	5.7%	1.3%	240.0	253.4	262.7	3.8%	1.5%
Support Capability	4 531.2	4 664.0	4 455.8	4 816.4	2.1%	28.3%	4 921.4	4 449.4	4 937.7	0.8%	28.2%
General Training Capability	413.1	382.3	415.0	544.6	9.6%	2.7%	558.5	550.9	567.4	1.4%	3.3%
Signal Capability	1 295.5	1 359.0	1 444.5	1 408.1	2.8%	8.4%	1 454.0	1 520.5	1 564.4	3.6%	8.8%
Total	15 557.8	16 691.5	16 427.5	16 527.0	2.0%	100.0%	17 421.9	16 427.6	17 405.6	1.7%	100.0%
Change to 2019				62.7			15.4	(588.7)	(251.9)		
Budget estimate											

Table 23.10 Landward Defence 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 (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million											
Current payments	13 179.4	13 469.1	14 465.7	14 485.5	3.2%	85.3%	15 360.0	16 134.3	17 098.4	5.7%	93.1%
Compensation of employees	11 470.7	11 973.0	12 823.2	12 251.7	2.2%	74.4%	13 178.0	14 046.4	14 672.7	6.2%	79.9%
Goods and services ¹	1 708.7	1 496.1	1 642.4	2 233.8	9.3%	10.9%	2 182.1	2 087.9	2 425.7	2.8%	13.2%
<i>of which:</i>											
Contractors	197.4	177.1	139.4	297.9	14.7%	1.2%	228.5	292.5	268.2	-3.4%	1.6%
Inventory: Food and food supplies	588.2	526.4	670.8	562.2	-1.5%	3.6%	742.9	796.6	859.2	15.2%	4.4%
Inventory: Fuel, oil and gas	164.5	152.3	193.7	244.2	14.1%	1.2%	138.2	138.7	150.9	-14.8%	1.0%
Inventory: Materials and supplies	18.0	13.7	11.3	11.1	-14.9%	0.1%	9.6	33.0	367.5	221.3%	0.6%
Travel and subsistence	339.6	315.0	339.1	342.0	0.2%	2.0%	439.1	333.5	293.1	-5.0%	2.1%
Training and development	41.8	47.3	48.1	78.3	23.2%	0.3%	88.0	88.1	63.6	-6.7%	0.5%
Transfers and subsidies¹	2 225.1	3 116.0	1 882.0	2 008.4	-3.4%	14.2%	2 035.1	267.5	282.1	-48.0%	6.8%
Provinces and municipalities	0.1	0.1	0.0	0.0	-64.8%	-	0.0	0.0	0.0	14.5%	-
Departmental agencies and accounts	2 144.8	3 031.3	1 711.3	1 935.7	-3.4%	13.5%	1 939.1	177.5	203.9	-52.8%	6.3%
Public corporations and private enterprises	38.7	35.2	27.8	21.7	-17.6%	0.2%	14.9	7.9	7.9	-28.6%	0.1%
Households	41.5	49.4	142.8	51.0	7.1%	0.4%	81.1	82.2	70.3	11.3%	0.4%
Payments for capital assets	152.6	105.8	78.7	32.6	-40.2%	0.6%	26.8	25.8	25.1	-8.3%	0.2%
Buildings and other fixed structures	34.5	9.3	6.1	2.5	-58.1%	0.1%	1.9	2.0	2.2	-4.8%	-
Machinery and equipment	118.1	96.6	72.6	29.3	-37.2%	0.5%	23.6	22.3	22.8	-8.0%	0.1%
Specialised military assets	-	-	-	0.8	-	-	1.2	1.4	0.1	-53.8%	-
Software and other intangible assets	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Payments for financial assets	0.8	0.7	1.2	0.5	-13.4%	-	-	-	-	-100.0%	-
Total	15 557.8	16 691.5	16 427.5	16 527.0	2.0%	100.0%	17 421.9	16 427.6	17 405.6	1.7%	100.0%
Proportion of total programme expenditure to vote expenditure	33.4%	34.5%	34.3%	32.9%	-	-	33.2%	32.3%	32.8%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	40.0	48.5	61.1	51.0	8.4%	0.3%	81.1	82.2	70.3	11.3%	0.4%
Employee social benefits	40.0	48.5	61.1	51.0	8.4%	0.3%	81.1	82.2	70.3	11.3%	0.4%
Households											
Other transfers to households											
Current	1.5	0.9	81.7	-	-100.0%	0.1%	-	-	-	-	-
Claims against the state	1.5	0.9	81.7	-	-100.0%	0.1%	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	2 144.8	3 031.2	1 711.3	1 935.7	-3.4%	13.5%	1 939.1	177.5	203.9	-52.8%	6.3%
Special defence account	2 144.8	3 031.2	1 711.3	1 935.7	-3.4%	13.5%	1 939.1	177.5	203.9	-52.8%	6.3%
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	0.3	-	-	-	-100.0%	-	-	-	-	-	-
Claims against the state	0.3	-	-	-	-100.0%	-	-	-	-	-	-
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	38.4	35.2	27.8	21.7	-17.4%	0.2%	14.9	7.9	7.9	-28.6%	0.1%
Armaments Corporation of South Africa	38.4	35.2	27.8	21.7	-17.4%	0.2%	14.9	7.9	7.9	-28.6%	0.1%

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

Personnel information

Table 23.11 Landward Defence personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2020		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 (%)						
		2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23					
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Landward Defence		37 590			38 217	12 823.2	0.3	38 448	2 251.7	0.3	38 547	13 178.0	0.3	38 547	14 046.4	0.4	38 547	14 672.7	0.4	0.1%	100.0%
1 – 6	29 892	–	30 058	8 055.1	0.3	30 289	7 466.8	0.2	30 388	8 071.1	0.3	30 388	8 700.9	0.3	30 388	9 371.9	0.3	0.1%	78.8%		
7 – 10	7 512	–	7 975	3 699.9	0.5	7 975	3 711.7	0.5	7 975	3 989.5	0.5	7 975	4 288.9	0.5	7 975	4 606.8	0.6	–	20.7%		
11 – 12	154	–	154	84.4	0.5	154	136.6	0.9	154	145.8	0.9	154	155.6	1.0	154	166.0	1.1	–	0.4%		
13 – 16	32	–	30	34.8	1.2	30	37.7	1.3	30	40.3	1.3	30	43.0	1.4	30	45.8	1.5	–	0.1%		
Other	–	–	–	949.0	–	–	899.0	–	–	931.3	–	–	857.9	–	–	482.2	–	–	–		

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

2. Rand million.

Programme 4: Air Defence

Programme purpose

Provide prepared and supported air defence capabilities for the defence and protection of South Africa.

Objectives

- Defend and protect South Africa and its airspace over the medium term by providing:
 - 4 helicopter squadrons and 1 combat support helicopter squadron per year
 - 3 medium transport squadrons (1 VIP squadron, 1 maritime and transport squadron, and 1 light transport squadron) and 9 reserve squadrons per year
 - 1 air combat squadron per year
 - 24-hour air command and control capability.

Subprogrammes

- Strategic Direction* provides strategic direction to the programme by formulating and controlling strategies, policies and plans through the air force office to prepare and provide the capabilities required by the Chief of the South African National Defence Force.
- Operational Direction* provides operational direction to the programme through air command.
- Helicopter Capability* provides and sustains operationally ready light utility helicopters, medium transport helicopters and combat support helicopters crewed by appropriately qualified personnel.
- Transport and Maritime Capability* provides and sustains operationally ready transport and maritime aircraft crewed by appropriately qualified personnel.
- Air Combat Capability* provides and sustains operationally ready fighter aircraft crewed by appropriately qualified personnel.
- Operational Support and Intelligence Capability* prepares, develops, provides and supports protection and intelligence systems, and counterintelligence to the South African Air Force through protection squadrons, intelligence subsystems and intelligence training unique to the air force.
- Command and Control Capability* supplies and maintains operationally ready command and control elements in support of air battle space operations.
- Base Support Capability* provides air base infrastructure facilities to squadrons and resident units on bases, including the maintenance of all relevant systems and personnel, to support flying operations.
- Command Post* renders command and control over all missions flown.
- Training Capability* provides for the general education, training and development of air force personnel.

- *Technical Support Services* establishes, maintains and prepares optimised technical and tactical logistic support capabilities to provide support to system groups and manage air service units.

Expenditure trends and estimates

Table 23.12 Air Defence expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
R million											
Strategic Direction	24.1	19.4	19.3	32.0	9.9%	0.4%	31.8	32.7	32.8	0.9%	0.5%
Operational Direction	225.8	263.3	141.7	189.0	-5.8%	3.1%	149.6	93.5	115.8	-15.1%	2.0%
Helicopter Capability	728.4	1 099.9	928.3	702.3	-1.2%	12.9%	819.3	776.8	793.9	4.2%	11.1%
Transport and Maritime Capability	594.1	521.8	565.8	1 156.0	24.8%	10.6%	1 071.4	779.0	784.4	-12.1%	13.5%
Air Combat Capability	1 230.1	783.4	519.7	726.7	-16.1%	12.2%	871.3	392.6	440.7	-15.4%	8.7%
Operational Support and Intelligence Capability	322.8	343.0	354.5	370.1	4.7%	5.2%	418.0	445.5	465.1	7.9%	6.1%
Command and Control Capability	606.2	536.0	426.3	876.6	13.1%	9.1%	629.1	412.3	431.6	-21.0%	8.4%
Base Support Capability	1 947.3	2 036.0	2 140.6	1 763.8	-3.2%	29.5%	2 238.2	2 405.1	2 523.3	12.7%	31.9%
Command Post	62.6	67.2	65.5	73.7	5.6%	1.0%	74.6	80.3	83.3	4.2%	1.1%
Training Capability	480.5	487.3	463.7	509.1	1.9%	7.2%	522.7	558.4	573.9	4.1%	7.7%
Technical Support Services	560.8	596.2	632.3	580.3	1.1%	8.9%	579.2	690.8	683.7	5.6%	9.1%
Total	6 782.6	6 753.4	6 257.4	6 979.6	1.0%	100.0%	7 405.3	6 667.1	6 928.5	-0.2%	100.0%
Change to 2019 Budget estimate				1.8			(269.6)	98.2	113.4		
Economic classification											
Current payments	5 569.9	5 765.1	5 741.4	5 657.0	0.5%	84.9%	6 301.2	6 514.6	6 773.1	6.2%	90.2%
Compensation of employees	3 539.4	3 723.8	3 930.7	3 678.9	1.3%	55.6%	3 964.0	4 268.5	4 462.8	6.7%	58.5%
Goods and services ¹	2 030.5	2 041.2	1 810.7	1 978.1	-0.9%	29.4%	2 337.1	2 246.1	2 310.3	5.3%	31.7%
<i>of which:</i>											
Contractors	1 322.3	1 231.7	1 075.3	1 047.3	-7.5%	17.5%	1 250.6	1 084.0	1 085.1	1.2%	16.0%
Inventory: Clothing material and accessories	18.7	18.5	20.4	25.4	10.8%	0.3%	35.6	156.3	171.2	88.9%	1.4%
Inventory: Food and food supplies	93.2	105.4	96.0	15.9	-44.5%	1.2%	100.1	147.4	158.7	115.2%	1.5%
Inventory: Fuel, oil and gas	189.9	212.1	129.0	208.6	3.2%	2.8%	272.9	193.1	224.2	2.4%	3.2%
Property payments	15.6	17.9	13.0	82.1	73.9%	0.5%	101.6	104.0	87.9	2.3%	1.3%
Operating payments	162.0	151.3	164.6	171.7	2.0%	2.4%	167.8	140.9	154.0	-3.6%	2.3%
Transfers and subsidies¹	1 139.0	897.6	461.0	1 296.3	4.4%	14.2%	1 076.2	124.0	126.6	-53.9%	9.4%
Provinces and municipalities	0.0	0.0	0.0	0.0	14.5%	-	0.0	0.0	0.0	18.6%	-
Departmental agencies and accounts	1 120.6	876.5	440.6	1 256.9	3.9%	13.8%	1 048.9	98.4	102.6	-56.6%	9.0%
Households	18.4	21.1	20.4	39.4	28.9%	0.4%	27.3	25.5	24.1	-15.2%	0.4%
Payments for capital assets	73.3	90.5	54.6	26.1	-29.1%	0.9%	28.0	28.5	28.8	3.4%	0.4%
Buildings and other fixed structures	1.4	1.9	2.1	-	-100.0%	-	0.0	0.0	0.0	-	-
Machinery and equipment	71.7	88.7	52.0	26.1	-28.6%	0.9%	27.9	28.4	28.8	3.4%	0.4%
Software and other intangible assets	0.2	-	0.5	-	-100.0%	-	-	-	-	-	-
Payments for financial assets	0.3	0.2	0.6	0.1	-23.0%	-	-	-	-	-100.0%	-
Total	6 782.6	6 753.4	6 257.4	6 979.6	1.0%	100.0%	7 405.3	6 667.1	6 928.5	-0.2%	100.0%
Proportion of total programme expenditure to vote expenditure	14.6%	14.0%	13.1%	13.9%	-	-	14.1%	13.1%	13.1%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	18.3	20.6	20.3	39.4	29.2%	0.4%	27.3	25.5	24.1	-15.2%	0.4%
Employee social benefits	18.3	20.6	20.3	39.4	29.2%	0.4%	27.3	25.5	24.1	-15.2%	0.4%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 120.6	876.5	440.6	1 256.9	3.9%	13.8%	1 048.9	98.4	102.6	-56.6%	9.0%
Special defence account	1 120.6	876.5	440.6	1 256.9	3.9%	13.8%	1 048.9	98.4	102.6	-56.6%	9.0%

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

Personnel information

Table 23.13 Air Defence personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2020		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 (%)					
		2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost			2022/23		Unit cost		
Air Defence	Salary level	9 935	–	9 836	3 930.7	0.4	9 836	3 678.9	0.4	9 836	3 964.0	0.4	9 836	4 268.5	0.4	9 836	4 462.8	0.5	–	100.0%
1 – 6	5 896	–	5 677	1 542.4	0.3	5 677	1 470.0	0.3	5 677	1 584.4	0.3	5 677	1 708.1	0.3	5 677	1 839.8	0.3	–	57.7%	
7 – 10	3 886	–	4 006	2 173.0	0.5	4 006	1 941.4	0.5	4 006	2 086.1	0.5	4 006	2 241.9	0.6	4 006	2 407.3	0.6	–	40.7%	
11 – 12	127	–	127	93.2	0.7	127	127.1	1.0	127	135.6	1.1	127	144.8	1.1	127	154.4	1.2	–	1.3%	
13 – 16	26	–	26	37.3	1.4	26	33.2	1.3	26	35.4	1.4	26	37.8	1.5	26	40.3	1.6	–	0.3%	
Other	–	–	–	84.7	–	–	107.3	–	–	122.5	–	–	135.9	–	–	20.9	–	–	–	

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

2. Rand million.

Programme 5: Maritime Defence

Programme purpose

Provide prepared and supported maritime defence capabilities for the defence and protection of South Africa.

Objectives

- Defend and protect South Africa and its maritime zones over the medium term by providing:
 - a surface combat and patrol capability of 3 frigates, 1 combat support vessel, 2 offshore patrol vessels and 3 inshore patrol vessels in each annual operational cycle
 - a subsurface combat capability of 2 submarines in each annual operational cycle
 - a mine warfare capability of 2 vessels in each annual operational cycle to ensure safe access to South Africa's harbours and mine clearance where required
 - a maritime reaction squadron capability, comprising an operational boat division, an operational diving division and a naval reaction division in each annual operational cycle
 - a hydrographic survey capability to ensure safe navigation by charting areas and to meet international obligations.

Subprogrammes

- Maritime Direction* provides strategic direction to the programme by formulating and controlling strategies, policies, plans and advice to prepare and provide maritime defence capabilities.
- Maritime Combat Capability* provides mission-ready and supported maritime combat capabilities in accordance with the approved force design of the department.
- Maritime Logistic Support Capability* sustains the availability of force structure elements in the naval force design to ensure compliance with ordered operational commitments.
- Maritime Human Resources and Training Capability* ensures that maritime combat and support capability requirements are met in terms of qualified personnel.
- Base Support Capability* provides a general base support capability to ships and submarines, shore units and other identified clients to ensure that the fleet complies with specified operational readiness levels.

Expenditure trends and estimates

Table 23.14 Maritime Defence expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Maritime Direction	607.3	657.1	657.4	594.9	-0.7%	13.8%	690.8	627.3	608.1	0.7%	13.0%
Maritime Combat Capability	1 694.7	1 850.5	1 758.1	1 770.2	1.5%	38.7%	1 737.7	1 551.7	1 637.9	-2.6%	34.5%
Maritime Logistic Support Capability	841.8	924.2	957.0	1 184.2	12.1%	21.4%	1 198.5	1 408.4	1 334.5	4.1%	26.4%
Maritime Human Resources and Training Capability	529.6	518.0	531.9	570.1	2.5%	11.8%	610.2	637.2	660.6	5.0%	12.8%
Base Support Capability	625.1	664.1	599.5	719.1	4.8%	14.3%	678.5	616.5	594.9	-6.1%	13.4%
Total	4 298.4	4 613.9	4 503.9	4 838.5	4.0%	100.0%	4 915.6	4 841.1	4 836.1	-	100.0%
Change to 2019 Budget estimate				320.6			(118.2)	473.1	299.1		
Economic classification											
Current payments	2 889.5	2 986.6	3 056.6	3 333.1	4.9%	67.2%	3 579.0	4 007.6	3 995.2	6.2%	76.8%
Compensation of employees	2 235.1	2 350.2	2 434.9	2 486.9	3.6%	52.1%	2 599.1	2 792.5	2 895.5	5.2%	55.4%
Goods and services ¹	654.4	636.4	621.7	846.2	8.9%	15.1%	979.9	1 215.0	1 099.7	9.1%	21.3%
<i>of which:</i>											
Contractors	238.2	246.5	249.1	229.9	-1.2%	5.3%	260.7	295.6	305.6	10.0%	5.6%
Inventory: Food and food supplies	56.1	124.0	90.9	123.7	30.2%	2.2%	127.0	138.4	144.0	5.2%	2.7%
Inventory: Fuel, oil and gas	85.2	46.1	52.8	97.5	4.6%	1.5%	45.4	214.2	46.4	-21.9%	2.1%
Inventory: Other supplies	34.9	29.2	62.9	94.0	39.1%	1.2%	196.4	250.1	284.7	44.7%	4.2%
Travel and subsistence	77.3	75.2	63.7	59.4	-8.4%	1.5%	63.8	47.6	51.7	-4.6%	1.1%
Operating payments	47.7	18.0	2.0	51.6	2.7%	0.7%	81.2	52.0	56.4	3.0%	1.2%
Transfers and subsidies¹	1 383.1	1 598.2	1 435.2	1 494.7	2.6%	32.4%	1 315.5	827.1	834.2	-17.7%	23.0%
Provinces and municipalities	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts	1 123.0	1 284.0	1 134.7	1 187.2	1.9%	25.9%	979.9	496.5	500.8	-25.0%	16.3%
Public corporations and private enterprises	244.3	270.0	283.7	298.4	6.9%	6.0%	313.4	313.4	325.9	3.0%	6.4%
Households	15.8	44.2	16.8	9.0	-17.1%	0.5%	22.2	17.3	7.5	-5.9%	0.3%
Payments for capital assets	25.6	28.8	10.0	10.7	-25.2%	0.4%	21.1	6.4	6.7	-14.5%	0.2%
Buildings and other fixed structures	0.3	0.1	0.0	-	-100.0%	-	-	-	-	-	-
Machinery and equipment	15.8	28.3	9.9	10.0	-14.2%	0.4%	20.5	5.8	6.0	-15.5%	0.2%
Specialised military assets	7.6	-	-	-	-100.0%	-	-	-	-	-	-
Software and other intangible assets	2.0	0.4	0.1	0.7	-28.3%	-	0.6	0.6	0.7	-3.5%	-
Payments for financial assets	0.1	0.3	2.1	0.1	-13.0%	-	-	-	-	-100.0%	-
Total	4 298.4	4 613.9	4 503.9	4 838.5	4.0%	100.0%	4 915.6	4 841.1	4 836.1	-	100.0%
Proportion of total programme expenditure to vote expenditure	9.2%	9.5%	9.4%	9.6%	-	-	9.4%	9.5%	9.1%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	15.8	44.0	13.6	9.0	-17.0%	0.5%	22.2	17.3	7.5	-5.9%	0.3%
Employee social benefits	15.8	44.0	13.6	9.0	-17.0%	0.5%	22.2	17.3	7.5	-5.9%	0.3%
Households											
Other transfers to households											
Current	0.0	0.2	3.2	-	-100.0%	-	-	-	-	-	-
Claims against the state	0.0	0.2	3.2	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 123.0	1 284.0	1 134.7	1 187.2	1.9%	25.9%	979.9	496.5	500.8	-25.0%	16.3%
Special defence account	1 123.0	1 284.0	1 134.7	1 187.2	1.9%	25.9%	979.9	496.5	500.8	-25.0%	16.3%
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	244.3	270.0	283.7	298.4	6.9%	6.0%	313.4	313.4	325.9	3.0%	6.4%
Armaments Corporation of South Africa	244.3	270.0	283.7	298.4	6.9%	6.0%	313.4	313.4	325.9	3.0%	6.4%

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

Personnel information

Table 23.15 Maritime Defence personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2020		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 (%)				
		2018/19			2019/20			2020/21		2021/22		2022/23							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost	
Maritime Defence																			
Salary level	7 076	–	6 816	2 434.9	0.4	6 816	2 486.9	0.4	6 816	2 599.1	0.4	6 816	2 792.5	0.4	6 816	2 895.5	0.4	–	100.0%
1 – 6	4 844	–	4 485	1 236.6	0.3	4 485	1 189.8	0.3	4 485	1 282.4	0.3	4 485	1 382.5	0.3	4 485	1 489.1	0.3	–	65.8%
7 – 10	2 117	–	2 226	1 099.1	0.5	2 226	1 027.8	0.5	2 226	1 104.8	0.5	2 226	1 187.8	0.5	2 226	1 276.0	0.6	–	32.7%
11 – 12	97	–	86	54.8	0.6	86	78.0	0.9	86	83.3	1.0	86	88.9	1.0	86	94.8	1.1	–	1.3%
13 – 16	18	–	19	23.0	1.2	19	23.7	1.2	19	25.3	1.3	19	27.0	1.4	19	28.8	1.5	–	0.3%
Other	–	–	–	21.3	–	–	167.6	–	–	103.3	–	–	106.3	–	–	6.8	–	–	–

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

2. Rand million.

Programme 6: Military Health Support

Programme purpose

Provide prepared and supported health capabilities and services for the defence and protection of South Africa.

Objectives

- Ensure prepared and supported health capabilities and services over the medium term by providing:
 - a health support capability of 5 medical battalion groups and 1 specialist medical battalion group for deployed and contingency forces
 - a comprehensive, multidisciplinary military health service to a projected patient population of 302 000 members per year.

Subprogrammes

- *Strategic Direction* formulates strategy, policies and plans; and provides advice from the surgeon-general's office to prepare and provide the capabilities required by the Chief of the South African National Defence Force.
- *Mobile Military Health Support* provides health support for deployed and contingency forces, and health services to provincial hospitals and the Department of Health, as and when ordered.
- *Area Military Health Service* provides a comprehensive, self-supporting, multidisciplinary geographic military health service through a formation headquarters, and commanding and controlling 9 area military health units to ensure a healthy military community. The military hospitals also attend to health care activities, medical support and health activities in the specialist aviation environment.
- *Specialist/Tertiary Health Service* provides a specialist health service to develop and maintain tertiary military health capabilities within the parameters of relevant legislation, as contained in the South African military health service strategy.
- *Military Health Product Support Capability* provides for the warehousing of pharmaceuticals, sundries, military health mobilisation equipment and unique stock; the procurement of unique military health products, materials and services; an asset management service; military health product systems; and cooperative common military health logistics.
- *Military Health Maintenance Capability* provides general base support services to identified military health service units to sustain and maintain the approved force design and structure.
- *Military Health Training Capability* provides a military health training service to develop and maintain military health training capabilities within the parameters of relevant legislation and policies.

Expenditure trends and estimates

Table 23.16 Military Health Support expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Strategic Direction	184.3	186.7	218.4	206.7	3.9%	4.0%	229.1	232.9	241.3	5.3%	3.9%
Mobile Military Health Support	120.9	140.3	163.4	260.5	29.2%	3.5%	270.3	221.4	230.8	-4.0%	4.2%
Area Military Health Service	1 672.3	1 809.6	1 922.8	1 956.1	5.4%	37.2%	1 941.4	2 139.8	2 189.3	3.8%	35.3%
Specialist/Tertiary Health Service	1 718.5	1 884.5	2 045.8	2 049.4	6.0%	38.9%	2 334.8	2 350.4	2 425.3	5.8%	39.3%
Military Health Product Support Capability	182.0	181.3	192.1	302.5	18.5%	4.3%	320.5	334.0	396.9	9.5%	5.8%
Military Health Maintenance Capability	235.7	309.3	196.1	221.4	-2.1%	4.9%	174.9	260.8	349.7	16.5%	4.3%
Military Health Training Capability	335.1	341.2	352.1	378.7	4.2%	7.1%	384.9	432.6	448.2	5.8%	7.1%
Total	4 448.7	4 852.9	5 090.6	5 375.3	6.5%	100.0%	5 656.0	5 971.8	6 281.5	5.3%	100.0%
Change to 2019 Budget estimate				-			(121.6)	(64.0)	18.9		
Economic classification	4 374.0	4 740.0	4 966.7	5 249.6	6.3%	97.8%	5 527.1	5 897.7	6 199.0	5.7%	98.2%
Current payments											
Compensation of employees	3 328.8	3 523.7	3 783.7	3 754.5	4.1%	72.8%	4 018.8	4 274.5	4 480.6	6.1%	71.0%
Goods and services ¹	1 045.2	1 216.3	1 183.0	1 495.1	12.7%	25.0%	1 508.3	1 623.3	1 718.4	4.7%	27.2%
<i>of which:</i>											
Contractors	40.1	41.4	38.8	70.3	20.6%	1.0%	81.0	82.3	86.5	7.1%	1.4%
Agency and support/outsourced services	422.0	531.6	462.5	428.2	0.5%	9.3%	261.7	412.2	394.6	-2.7%	6.4%
Inventory: Food and food supplies	54.4	64.8	86.2	65.6	6.5%	1.4%	122.2	93.3	98.2	14.4%	1.6%
Inventory: Medical supplies	59.9	63.9	84.7	158.9	38.5%	1.9%	142.3	159.6	169.6	2.2%	2.7%
Inventory: Medicine	198.0	244.6	247.7	352.1	21.2%	5.3%	404.0	405.1	423.3	6.3%	6.8%
Travel and subsistence	84.9	76.9	76.0	91.3	2.4%	1.7%	107.6	79.0	85.0	-2.3%	1.6%
Transfers and subsidies¹	15.5	27.6	59.0	77.5	70.9%	0.9%	76.4	13.6	14.5	-42.7%	0.8%
Provinces and municipalities	1.9	0.0	15.4	0.8	-24.3%	0.1%	0.5	0.5	0.5	-14.9%	-
Departmental agencies and accounts	-	11.1	0.0	62.7	-	0.4%	62.7	0.0	0.0	-92.7%	0.5%
Non-profit institutions	0.7	0.8	0.7	1.0	13.6%	-	1.0	1.0	1.1	2.3%	-
Households	13.0	15.7	42.8	13.0	-	0.4%	12.2	12.1	12.9	-0.1%	0.2%
Payments for capital assets	58.6	85.1	64.4	47.6	-6.7%	1.3%	52.5	60.5	68.0	12.6%	1.0%
Buildings and other fixed structures	0.3	1.8	0.1	-	-100.0%	-	-	0.2	0.2	-	-
Machinery and equipment	58.3	83.3	63.9	47.6	-6.5%	1.3%	52.5	60.3	67.8	12.5%	1.0%
Biological assets	-	0.1	0.4	-	-	-	-	-	-	-	-
Payments for financial assets	0.7	0.2	0.5	0.5	-9.3%	-	-	-	-	-100.0%	-
Total	4 448.7	4 852.9	5 090.6	5 375.3	6.5%	100.0%	5 656.0	5 971.8	6 281.5	5.3%	100.0%
Proportion of total programme expenditure to vote expenditure	9.5%	10.0%	10.6%	10.7%	-	-	10.8%	11.7%	11.9%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	12.0	12.5	16.8	13.0	2.7%	0.3%	12.2	12.1	12.9	-0.1%	0.2%
Employee social benefits	12.0	12.5	16.8	13.0	2.7%	0.3%	12.2	12.1	12.9	-0.1%	0.2%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	1.9	0.0	15.4	0.8	-24.3%	0.1%	0.5	0.5	0.5	-14.9%	-
Vehicle licences	1.9	0.0	15.4	0.8	-24.3%	0.1%	0.5	0.5	0.5	-14.9%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	11.1	-	62.7	-	0.4%	62.7	0.0	0.0	-96.8%	0.5%
Special defence account	-	11.1	-	62.7	-	0.4%	62.7	0.0	0.0	-96.8%	0.5%
Non-profit institutions											
Current	0.7	0.8	0.7	1.0	13.6%	-	1.0	1.0	1.1	2.3%	-
St John Ambulance Brigade	0.7	0.8	0.7	1.0	13.6%	-	1.0	1.0	1.1	2.3%	-

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

Personnel information

Table 23.17 Military Health Support personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2020		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 (%)			
		2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
Military Health Support		7 730	3 783.7	0.5	7 389	3 754.5	0.5	7 389	4 018.8	0.5	7 389	4 274.5	0.6	7 389	4 480.6	0.6	-	100.0%
Salary level																		
1 – 6	3 439	2 903	830.3	0.3	2 903	787.6	0.3	2 903	848.9	0.3	2 903	915.2	0.3	2 903	985.8	0.3	-	39.3%
7 – 10	3 999	4 177	2 565.7	0.6	4 177	2 491.9	0.6	4 177	2 676.9	0.6	4 177	2 876.1	0.7	4 177	3 087.6	0.7	-	56.5%
11 – 12	186	208	168.5	0.8	208	202.4	1.0	208	216.0	1.0	208	230.6	1.1	208	246.0	1.2	-	2.8%
13 – 16	106	101	128.6	1.3	101	124.1	1.2	101	132.4	1.3	101	141.4	1.4	101	150.8	1.5	-	1.4%
Other	-	-	90.5	-	-	148.6	-	-	144.6	-	-	111.2	-	-	10.6	-	-	-

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

Programme 7: Defence Intelligence

Programme purpose

Provide defence intelligence and counterintelligence capabilities.

Objective

- Ensure prepared and supported intelligence services by providing intelligence, counterintelligence and defence foreign relations capabilities by March 2023.

Subprogrammes

- *Operations* provides timely defence prediction, intelligence and counterintelligence capabilities and services.
- *Defence Intelligence Support Services* provides human resources, logistics, planning, security, labour relations, and training and information support services to the defence intelligence community.

Expenditure trends and estimates

Table 23.18 Defence Intelligence 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 (%)
	2016/17	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million												
Operations	472.4	459.9	478.5	542.5	4.7%	52.4%	655.1	281.5	412.7	-8.7%	46.9%	
Defence Intelligence Support Services	408.9	428.1	459.7	477.9	5.3%	47.6%	532.4	554.9	577.6	6.5%	53.1%	
Total	881.3	888.0	938.2	1 020.5	5.0%	100.0%	1 187.5	836.4	990.3	-1.0%	100.0%	
Change to 2019					-		104.8	15.4	137.7			
Budget estimate												
Economic classification												
Current payments	422.7	433.4	457.7	495.5	5.4%	48.5%	528.0	551.7	574.6	5.1%	53.3%	
Compensation of employees	379.2	400.7	421.4	445.4	5.5%	44.2%	478.3	500.5	520.9	5.4%	48.2%	
Goods and services ¹	43.5	32.7	36.2	50.1	4.8%	4.4%	49.8	51.2	53.7	2.4%	5.1%	
<i>of which:</i>												
<i>Fleet services (including government motor transport)</i>	0.0	0.1	0.0	0.4	121.6%	-	6.0	6.4	6.7	164.9%	0.5%	
<i>Inventory: Food and food supplies</i>	11.9	7.0	14.9	14.4	6.6%	1.3%	8.3	8.7	9.1	-14.1%	1.0%	
<i>Inventory: Fuel, oil and gas</i>	2.1	2.5	3.2	3.5	19.5%	0.3%	6.6	6.9	7.2	27.3%	0.6%	
<i>Property payments</i>	0.5	1.0	1.0	0.9	23.9%	0.1%	3.9	3.9	4.1	64.0%	0.3%	
<i>Travel and subsistence</i>	6.9	7.2	7.3	9.3	10.6%	0.8%	11.9	12.1	12.8	11.2%	1.1%	
<i>Training and development</i>	1.6	1.5	1.8	2.8	19.7%	0.2%	2.6	2.6	2.7	-1.4%	0.3%	
Transfers and subsidies¹	457.7	449.2	476.9	520.9	4.4%	51.1%	659.3	284.5	415.5	-7.3%	46.6%	
Provinces and municipalities	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-	
Departmental agencies and accounts	452.1	444.2	472.2	519.1	4.7%	50.6%	655.1	281.5	412.7	-7.4%	46.3%	
Households	5.6	5.0	4.6	1.7	-32.3%	0.5%	4.2	2.9	2.8	17.2%	0.3%	

Table 23.18 Defence Intelligence expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2016/17	2019/20	2020/21	2021/22	2022/23		
	R million				2019/20	2019/20	2020/21	2021/22	2022/23		
Payments for capital assets	0.9	5.3	3.6	4.1	66.0%	0.4%	0.2	0.2	0.2	-61.1%	0.1%
Machinery and equipment	0.9	5.3	3.6	4.1	66.0%	0.4%	0.2	0.2	0.2	-61.1%	0.1%
Total	881.3	888.0	938.2	1 020.5	5.0%	100.0%	1 187.5	836.4	990.3	-1.0%	100.0%
Proportion of total programme expenditure to vote expenditure	1.9%	1.8%	2.0%	2.0%	-	-	2.3%	1.6%	1.9%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	5.6	5.0	4.6	1.7	-32.3%	0.5%	4.2	2.9	2.8	17.2%	0.3%
Employee social benefits	5.6	5.0	4.6	1.7	-32.3%	0.5%	4.2	2.9	2.8	17.2%	0.3%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	452.1	444.2	472.2	519.1	4.7%	50.6%	655.1	281.5	412.7	-7.4%	46.3%
Communication	-	0.3	-	0.4	-	-	-	-	-	-100.0%	-
Special defence account	452.1	443.9	472.2	518.7	4.7%	50.6%	655.1	281.5	412.7	-7.3%	46.3%

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

Personnel information

Table 23.19 Defence Intelligence personnel numbers and cost by salary level¹

Defence Intelligence	Number of posts estimated for 31 March 2020		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 (%)			
			2018/19		2019/20		2020/21		2021/22		2022/23								
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	876	-	852	421.4	0.5	852	445.4	0.5	852	478.3	0.6	852	500.5	0.6	852	520.9	0.6	-	100.0%
1-6	250	-	221	60.5	0.3	221	58.0	0.3	221	62.6	0.3	221	67.5	0.3	221	72.7	0.3	-	25.9%
7-10	558	-	563	308.3	0.5	563	293.3	0.5	563	314.9	0.6	563	338.2	0.6	563	362.8	0.6	-	66.1%
11-12	51	-	51	22.7	0.4	51	44.3	0.9	51	47.3	0.9	51	50.5	1.0	51	53.9	1.1	-	6.0%
13-16	17	-	17	20.5	1.2	17	20.1	1.2	17	21.5	1.3	17	22.9	1.3	17	24.4	1.4	-	2.0%
Other	-	-	-	9.5	-	-	29.6	-	-	32.0	-	-	21.4	-	-	7.0	-	-	-

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

2. Rand million.

Programme 8: General Support

Programme purpose

Provide general support capabilities and services to the department.

Objectives

- Provide ongoing general support capabilities and services through effective and efficient centralised common logistics support of ordered commitments, in accordance with defence policy and strategy, by providing:
 - appropriate, ready and sustained centralised common matériel management to the department
 - appropriate, ready and sustained centralised facilities management to the department
 - appropriate, ready and sustained centralised common logistics services and movement management to the department
 - sound logistics strategic direction to the department.
- Provide ICT prime systems integration and strategic direction to the department over the medium term by providing:
 - strategic direction and staff support services to the division
 - integrated ICT solutions and enablers

- an information warfare strategic direction capability
- maintenance and support for information systems.
- Provide a military policing capability to the department over the medium term by:
 - investigating backlog criminal cases
 - investigating new criminal cases reported
 - conducting crime prevention operations
 - sustaining 4 regional headquarters, 22 area offices and 22 detachments for crime prevention and the investigation of criminal cases
 - sustaining 2 military correctional facilities for detention and rehabilitation.
- Provide a military policing capability to the department by sustaining a provost company for operational deployment on an ongoing basis.

Subprogrammes

- *Joint Logistic Services* provides logistics services to the department for warehousing for ammunition, main equipment and stores. It also provides the defence works capability, the capital works programme and the defence facility refurbishment programme.
- *Command and Management Information Systems* provides command and management information systems and related services to the department.
- *Military Police* provides a military policing capability to the department.
- *Technology Development* provides for establishing and sustaining selected science and technology capabilities in the defence industry.
- *Departmental Support* provides for the payment of corporate departmental obligations such as transfer payments to public entities, legal fees, external audits and bank charges.

Expenditure trends and estimates

Table 23.20 General Support 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 (%)
	2016/17	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million												
Joint Logistic Services	2 925.3	3 316.0	3 335.8	2 905.5	-0.2%	49.4%	2 954.8	3 255.7	3 216.4	3.4%	47.7%	
Command and Management Information Systems	1 143.7	980.0	906.0	1 048.0	-2.9%	16.1%	1 053.1	1 084.8	1 131.1	2.6%	16.7%	
Military Police	589.5	633.8	655.3	704.6	6.1%	10.2%	728.2	776.3	824.1	5.4%	11.7%	
Technology Development	515.9	441.1	296.8	487.7	-1.9%	6.9%	467.3	28.0	29.4	-60.8%	3.9%	
Departmental Support	882.3	1 093.1	1 219.1	1 203.7	10.9%	17.4%	1 245.9	1 357.4	1 374.4	4.5%	20.0%	
Total	6 056.7	6 463.9	6 413.0	6 349.5	1.6%	100.0%	6 449.3	6 502.2	6 575.4	1.2%	100.0%	
Change to 2019 Budget estimate				–			(208.0)	(421.2)	(618.5)			
Economic classification	4 395.9	3 905.2	3 932.4	4 140.4	-2.0%	64.8%	4 295.0	4 723.6	4 727.3	4.5%	69.1%	
Current payments												
Compensation of employees	2 052.7	2 249.8	2 471.2	2 323.2	4.2%	36.0%	2 511.8	2 657.9	2 781.5	6.2%	39.7%	
Goods and services ¹	2 343.2	1 655.4	1 461.2	1 817.3	-8.1%	28.8%	1 783.1	2 065.7	1 945.8	2.3%	29.4%	
of which:												
Minor assets	201.5	21.2	13.7	50.0	-37.2%	1.1%	96.8	76.9	79.3	16.7%	1.2%	
Audit costs: External	50.6	61.6	57.8	73.4	13.2%	1.0%	77.0	77.0	80.1	3.0%	1.2%	
Computer services	682.1	688.6	447.2	689.6	0.4%	9.9%	714.7	832.7	830.4	6.4%	11.9%	
Contractors	96.1	86.4	87.3	120.3	7.8%	1.5%	112.5	168.5	133.4	3.5%	2.1%	
Inventory: Food and food supplies	24.0	28.4	51.7	68.2	41.7%	0.7%	69.9	43.9	67.1	-0.5%	1.0%	
Property payments	599.8	19.6	25.1	252.0	-25.1%	3.5%	341.7	461.3	395.8	16.2%	5.6%	

Table 23.20 General Support expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2019/20	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2016/17	2019/20	2020/21	2021/22	2022/23		
	R million										
Transfers and subsidies¹	1 341.4	1 444.1	1 436.8	1 625.6	6.6%	23.1%	1 643.3	1 275.1	1 288.2	-7.5%	22.5%
Provinces and municipalities	0.0	0.0	0.1	0.1	8.7%	-	0.1	0.1	0.1	-1.7%	-
Departmental agencies and accounts	551.6	446.8	320.0	473.1	-5.0%	7.1%	453.6	1.3	0.0	-98.0%	3.6%
Public corporations and private enterprises	776.2	984.2	1 102.5	1 138.1	13.6%	15.8%	1 174.4	1 263.2	1 276.8	3.9%	18.8%
Households	13.5	13.1	14.2	14.4	2.1%	0.2%	15.2	10.5	11.4	-7.6%	0.2%
Payments for capital assets	319.1	1 106.8	1 041.1	583.3	22.3%	12.1%	511.1	503.5	559.8	-1.4%	8.3%
Buildings and other fixed structures	105.3	674.8	600.3	347.7	48.9%	6.8%	380.8	391.5	412.3	5.8%	5.9%
Machinery and equipment	121.0	353.7	244.5	89.4	-9.6%	3.2%	87.7	111.6	147.0	18.0%	1.7%
Software and other intangible assets	92.8	78.3	196.2	146.1	16.3%	2.0%	42.6	0.4	0.4	-85.6%	0.7%
Payments for financial assets	0.3	7.8	2.7	0.1	-20.6%	-	-	-	-	-100.0%	-
Total	6 056.7	6 463.9	6 413.0	6 349.5	1.6%	100.0%	6 449.3	6 502.2	6 575.4	1.2%	100.0%
Proportion of total programme expenditure to vote expenditure	13.0%	13.4%	13.4%	12.6%	-	-	12.3%	12.8%	12.4%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	13.2	12.8	11.3	14.4	2.8%	0.2%	15.2	10.5	11.4	-7.6%	0.2%
Employee social benefits	13.2	12.8	11.3	14.4	2.8%	0.2%	15.2	10.5	11.4	-7.6%	0.2%
Households											
Other transfers to households											
Current	0.3	0.3	3.0	-	-100.0%	-	-	-	-	-	-
Claims against the state	0.3	0.3	3.0	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	551.6	446.8	320.0	473.1	-5.0%	7.1%	453.6	1.3	-	-100.0%	3.6%
Special defence account	551.6	446.8	320.0	473.1	-5.0%	7.1%	453.6	1.3	-	-100.0%	3.6%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	23.9	1.3	0.6	-	-100.0%	0.1%	-	-	-	-	-
Claims against the state	23.9	1.3	0.6	-	-100.0%	0.1%	-	-	-	-	-
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	752.3	982.9	1 101.9	1 138.1	14.8%	15.7%	1 174.4	1 263.2	1 276.8	3.9%	18.8%
Armaments Corporation of South Africa	752.3	982.9	1 101.9	1 138.1	14.8%	15.7%	1 174.4	1 263.2	1 276.8	3.9%	18.8%

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

Personnel information

Table 23.21 General Support personnel numbers and cost by salary level¹

General Support	Number of posts estimated for 31 March 2020		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 (%) 2019/20 - 2022/23	Average Salary level/ Total (%)						
			2018/19		2019/20		2020/21		2021/22		2022/23								
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost			
Salary level	5 827	-	5 625	2 471.2	0.4	5 625	2 323.2	0.4	5 625	2 511.8	0.4	5 625	2 657.9	0.5	5 625	2 781.5	0.5	-	100.0%
1-6	3 547	-	3 265	1 018.8	0.3	3 265	944.3	0.3	3 265	1 017.8	0.3	3 265	1 097.2	0.3	3 265	1 181.8	0.4	-	58.0%
7-10	2 147	-	2 233	1 104.6	0.5	2 233	1 151.4	0.5	2 233	1 237.4	0.6	2 233	1 329.9	0.6	2 233	1 428.2	0.6	-	39.7%
11-12	111	-	103	86.8	0.8	103	93.3	0.9	103	99.6	1.0	103	106.3	1.0	103	113.4	1.1	-	1.8%
13-16	22	-	24	28.0	1.2	24	29.5	1.2	24	31.5	1.3	24	33.7	1.4	24	35.9	1.5	-	0.4%
Other	-	-	-	233.1	-	-	104.6	-	-	125.6	-	-	90.8	-	-	22.2	-	-	-

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

2. Rand million.

Entities

Armaments Corporation of South Africa

Selected performance indicators

Table 23.22 Armaments Corporation of South Africa performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of capital requirements from the Department of Defence converted into orders placed per year	Management of defence matériel acquisition		100% (R597.9m/ R597.9m)	100% (R1.9bn/ R1.9bn)	100% (R1.4bn/ R1.4bn)	95%	95%	95%	95%
Percentage of technology requirements executed per year	Management of strategic facilities: Research and development	Priority 5: Social cohesion and safe communities	96.7% (R219.7m/ R227.3m)	97.2% (R288m/ R296.4m)	100% (R231.1m/ R231.1m)	95%	95%	95%	95%
Defence industrial participation credits (amount) awarded in terms of contractually agreed milestones per year	Management of defence matériel acquisition		R135.5m	R157m	R53m	R107m	R41.8m	R83.8m	R99.9m

Entity overview

The Armaments Corporation of South Africa is mandated to meet the acquisition, maintenance and disposal needs of the Department of Defence and other clients in terms of defence matériel and related products and services. The corporation maintains strategic capabilities and technologies, and promotes the local defence-related industry, ensuring that the South African National Defence Force receives quality equipment to carry out its mandate. The focus of the corporation over the medium term will be on meeting the department's defence matériel requirements, providing support to the local defence industry, and expanding its revenue sources.

To meet the department's defence matériel requirements over the medium term, the corporation plans to spend R418 million. In its efforts to meet these requirements more effectively, the corporation will continue to improve its internal controls to ensure greater compliance with procurement regulations, and streamline the tendering process for urgent requirements, especially the acquisition of existing military equipment.

The corporation will continue to provide support to the South African defence industry over the medium term. It intends to improve its contracting processes to increase the participation of the local defence industry, especially small, medium and micro enterprises, and companies compliant with broad-based black economic empowerment regulations. The corporation will also facilitate these organisations' participation in the international defence exhibitions. It plans to promote the industry, and manage requests from the private sector to use South African National Defence Force equipment, personnel and facilities for marketing purposes. An estimated R89.4 million will be spent on these activities over the medium term.

The corporation expects to derive an estimated 70.9 per cent (R4.7 billion) of its revenue over the MTEF period through transfers from the department. These payments are expected to increase at an annual average rate of 3.4 per cent, from R1.5 billion in 2019/20 to R1.6 billion in 2022/23. To supplement this, in an endeavour to ensure that it remains sustainable in a constrained fiscal environment, the corporation expects to generate an additional R540 million over the medium term through the commercialisation of intellectual property, commercial income from strategic facilities, and the brokering of defence sector deals in Africa.

Programmes/Objectives/Activities

Table 23.23 Armaments Corporation of South Africa expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average Expenditure/ Total (%) 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average Expenditure/ Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	423.0	439.9	551.3	832.3	25.3%	29.8%	785.1	824.3	865.5	1.3%	37.7%
Quality assurance	101.9	108.6	108.8	110.3	2.7%	5.8%	115.1	120.8	126.9	4.8%	5.4%
Management of defence matériel acquisition	337.1	359.1	320.3	324.5	-1.3%	18.2%	339.7	356.7	374.5	4.9%	15.9%
Logistics support	215.5	228.4	223.0	218.5	0.5%	12.0%	247.0	259.3	272.3	7.6%	11.3%
Management of strategic facilities: Armscor dockyard	250.5	266.9	295.2	299.0	6.1%	15.0%	313.4	329.1	345.5	4.9%	14.7%
Management of strategic facilities: Research and development	386.2	411.2	306.3	307.6	-7.3%	19.2%	321.5	337.6	354.5	4.8%	15.0%
Total	1 714.2	1 814.1	1 804.8	2 092.1	6.9%	100.0%	2 121.7	2 227.8	2 339.2	3.8%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 23.24 Armaments Corporation of South Africa statements of historical financial performance, cash flow and financial position

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Revised estimate		Average: Outcome/ Budget (%) 2016/17 - 2019/20
	Budget	2016/17	Budget	2017/18	Budget	2018/19	Budget estimate	2019/20	
Revenue									
Non-tax revenue	453.6	545.2	554.3	610.0	681.9	745.5	624.3	624.3	109.1%
Sale of goods and services other than capital assets	353.0	403.3	370.9	467.4	525.5	381.2	472.6	472.6	100.1%
<i>of which:</i>									
<i>Sales by market establishment</i>	353.0	403.3	370.9	467.4	525.5	381.2	472.6	472.6	100.1%
Other non-tax revenue	100.6	141.9	183.4	142.6	156.4	364.3	151.7	151.7	135.2%
Transfers received	1 042.1	1 042.1	1 325.4	1 205.8	1 399.3	1 304.2	1 468.0	1 468.0	95.9%
Total revenue	1 495.7	1 587.4	1 879.7	1 815.8	2 081.3	2 049.7	2 092.3	2 092.3	99.9%
Expenses									
Current expenses	1 704.4	1 714.2	1 905.2	1 814.1	2 081.1	1 804.8	2 092.1	2 092.1	95.4%
Compensation of employees	1 049.0	1 049.0	1 202.5	1 118.0	1 251.9	1 125.2	1 145.8	1 145.8	95.5%
Goods and services	576.5	586.3	620.8	610.6	746.8	593.4	854.6	854.6	94.5%
Depreciation	78.9	78.9	81.9	85.6	82.4	86.2	91.7	91.7	102.2%
Total expenses	1 704.4	1 714.2	1 905.2	1 814.1	2 081.1	1 804.8	2 092.1	2 092.1	95.4%
Surplus/(Deficit)	(208.6)	(126.9)	(25.5)	1.7	0.2	244.8	0.2	0.2	
Cash flow statement									
Cash flow from operating activities	(147.0)	74.4	91.2	148.8	48.1	250.7	133.4	133.4	482.7%
Receipts									
Non-tax receipts	312.9	538.4	578.2	593.5	681.9	519.7	624.3	624.3	103.6%
Sales of goods and services other than capital assets	212.3	403.3	394.3	467.4	525.5	397.2	472.6	472.6	108.5%
<i>Sales by market establishment</i>	212.3	403.3	394.3	467.4	525.5	397.2	472.6	472.6	108.5%
Other tax receipts	100.6	135.1	184.0	126.0	156.4	122.5	151.7	151.7	90.3%
Transfers received	918.5	1 043.4	1 296.9	1 057.7	1 422.7	1 105.1	1 468.0	1 468.0	91.5%
Total receipts	1 231.4	1 581.8	1 875.1	1 681.7	2 104.7	1 624.8	2 092.3	2 092.3	95.6%
Payment									
Current payments	1 378.4	1 506.0	1 783.9	1 532.9	2 056.5	1 373.0	1 958.8	1 958.8	88.8%
Compensation of employees	1 049.0	990.3	1 202.5	1 141.5	1 251.9	1 115.7	1 145.8	1 145.8	94.5%
Goods and services	329.4	515.1	581.3	391.4	804.7	257.4	813.1	813.1	78.2%
Interest and rent on land	-	0.5	-	-	-	-	-	-	-
Total payments	1 378.4	1 507.4	1 783.9	1 532.9	2 056.5	1 374.1	1 958.8	1 958.8	88.8%
Net cash flow from investing activities	(104.5)	(30.9)	(117.5)	(284.9)	(135.2)	(542.7)	(163.9)	(163.9)	196.2%
Acquisition of property, plant, equipment and intangible assets	(100.9)	(26.5)	(111.8)	(53.3)	(129.0)	(34.1)	(161.9)	(161.9)	54.8%
Acquisition of software and other intangible assets	(3.6)	(6.9)	(5.7)	(3.5)	(6.2)	(5.1)	(2.0)	(2.0)	99.5%
Proceeds from the sale of property, plant, equipment and intangible assets	-	0.1	-	0.5	-	0.2	-	-	-
Other flows from investing activities	-	2.4	-	(228.7)	-	(503.7)	-	-	-
Net increase/(decrease) in cash and cash equivalents	(251.5)	43.5	(26.3)	(136.2)	(87.1)	(292.0)	(30.4)	(30.4)	

Table 23.24 Armaments Corporation of South Africa statements of historical financial performance, cash flow and financial position

Statement of financial position									
R million	2016/17		2017/18		2018/19		2019/20		Average: Outcome/Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
Carrying value of assets	1 654.6	1 548.9	1 586.4	1 532.4	1 631.6	1 954.6	1 703.7	1 703.7	102.5%
Acquisition of assets	(100.9)	(26.5)	(111.8)	(53.3)	(129.0)	(34.1)	(161.9)	(161.9)	54.8%
Investments	0.1	3.1	0.1	–	0.1	1.5	0.1	0.1	1 178.0%
Inventory	8.0	29.6	8.8	8.4	13.3	8.8	12.7	12.7	138.8%
Receivables and prepayments	211.8	162.7	196.2	148.4	110.0	255.9	117.7	117.7	107.7%
Cash and cash equivalents	615.5	764.9	743.1	628.7	769.5	336.7	659.0	659.0	85.7%
Non-current assets held for sale	–	0.4	–	0.4	–	1.0	–	–	–
Taxation	–	26.0	–	9.5	–	–	–	–	–
Derivatives financial instruments	–	131.4	–	368.2	–	877.6	–	–	–
Total assets	2 490.0	2 667.0	2 534.7	2 696.1	2 524.5	3 436.1	2 493.1	2 493.1	112.4%
Accumulated surplus/(deficit)	(208.6)	(126.9)	(25.5)	553.6	(18.1)	441.0	0.2	0.2	-344.4%
Capital and reserves	2 042.2	2 200.6	1 930.5	1 506.7	1 905.0	2 321.7	1 886.9	1 886.9	101.9%
Deferred income	101.2	78.6	65.9	88.2	87.8	79.7	70.8	70.8	97.4%
Trade and other payables	295.2	251.8	289.7	174.3	254.7	183.9	247.0	247.0	78.9%
Taxation	–	5.0	–	11.1	–	49.2	–	–	–
Provisions	260.0	257.8	274.1	362.2	295.1	360.6	288.2	288.2	113.5%
Total equity and liabilities	2 490.0	2 667.0	2 534.7	2 696.1	2 524.5	3 436.1	2 493.1	2 493.1	112.4%

Statements of estimates of financial performance, cash flow and financial position**Table 23.25 Armaments Corporation of South Africa statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
R million	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
				2019/20	2016/17 - 2019/20	2020/21			2021/22
Revenue									
Non-tax revenue	624.3	4.6%	33.5%	609.5	639.9	671.9	2.5%	29.1%	
Sale of goods and services other than capital assets	472.6	5.4%	23.1%	438.2	460.1	483.1	0.7%	21.2%	
<i>Sales by market establishment</i>	472.6	5.4%	23.1%	438.2	460.1	483.1	0.7%	21.2%	
Other non-tax revenue	151.7	2.3%	10.5%	171.3	179.9	188.9	7.6%	7.9%	
Transfers received	1 468.0	12.1%	66.5%	1 513.0	1 594.8	1 621.6	3.4%	70.9%	
Total revenue	2 092.3	9.6%	100.0%	2 122.4	2 234.7	2 293.5	3.1%	100.0%	
Current expenses	2 092.1	6.9%	100.0%	2 121.7	2 227.8	2 339.2	3.8%	100.0%	
Compensation of employees	1 145.8	3.0%	60.0%	1 221.6	1 282.6	1 346.8	5.5%	56.9%	
Goods and services	854.6	13.4%	35.4%	811.6	852.2	894.8	1.5%	38.9%	
Depreciation	91.7	5.1%	4.6%	88.6	93.0	97.6	2.1%	4.2%	
Total expenses	2 092.1	6.9%	100.0%	2 121.7	2 227.8	2 339.2	3.8%	100.0%	
Surplus/(Deficit)	0.2			0.7	6.9	(45.7)			
Cash flow statement									
Cash flow from operating activities	133.4	21.5%	83.0%	89.3	99.9	51.9	4.0%	71.6%	
Receipts									
Non-tax receipts	624.3	5.1%	32.8%	609.5	639.9	671.9	2.5%	29.1%	
Sales of goods and services other than capital assets	472.6	5.4%	25.1%	438.2	460.1	483.1	0.7%	21.2%	
<i>Sales by market establishment</i>	472.6	5.4%	25.1%	438.2	460.1	483.1	0.7%	21.2%	
Other tax receipts	151.7	3.9%	7.7%	171.3	179.9	188.9	7.6%	7.9%	
Transfers received	1 468.0	12.1%	66.8%	1 513.0	1 594.8	1 621.6	3.4%	70.9%	
Total receipts	2 092.3	9.8%	100.0%	2 122.4	2 234.7	2 293.5	3.1%	100.0%	
Current payments	1 958.8	9.2%	85.5%	2 033.2	2 134.8	2 241.6	4.6%	100.0%	
Compensation of employees	1 145.8	5.0%	59.3%	1 221.6	1 282.6	1 346.8	5.5%	59.7%	
Goods and services	813.1	16.4%	26.2%	811.6	852.2	894.8	3.2%	40.3%	
Total payment	1 958.8	9.1%	100.0%	2 033.2	2 134.8	2 241.6	4.6%	100.0%	
Net cash flow from investing activities	(163.9)	74.4%	100.0%	(246.4)	(157.6)	(110.3)	-12.4%	100.0%	
Acquisition of property, plant, equipment and intangible assets	(161.9)	82.8%	52.4%	(238.3)	(147.2)	(95.8)	-16.0%	93.9%	
Acquisition of software and other intangible assets	(2.0)	-33.7%	6.4%	(8.1)	(10.4)	(14.5)	93.5%	6.1%	
Net increase/(decrease) in cash and cash equivalents	(30.4)	-188.8%	100.0%	(157.2)	(57.7)	(58.4)	24.3%	100.0%	
Statement of financial position									
Carrying value of assets	1 703.7	3.2%	60.0%	2 158.6	2 223.2	2 237.9	9.5%	67.3%	
Acquisition of assets	(161.9)	82.8%	-2.6%	(238.3)	(147.2)	(95.8)	-16.0%	-5.3%	
Investments	0.1	-68.1%	0.0%	0.1	0.1	0.1	–	0.0%	
Inventory	12.7	-24.7%	0.5%	11.9	11.3	11.8	-2.2%	0.4%	

Table 23.25 Armaments Corporation of South Africa statements of estimates of financial performance, cash flow and financial position

Statement of financial position	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2019/20	2016/17 - 2019/20	2020/21		
R million								
Receivables and prepayments	117.7	-10.2%	5.9%	314.1	336.1	352.9	44.2%	8.8%
Cash and cash equivalents	659.0	-4.8%	22.1%	812.6	723.7	699.2	2.0%	23.6%
Total assets	2 493.1	-2.2%	100.0%	3 297.2	3 294.3	3 301.9	9.8%	100.0%
Accumulated surplus/(deficit)	0.2	-111.1%	7.2%	295.4	412.3	633.5	1 438.4%	10.2%
Capital and reserves	1 886.9	-5.0%	70.4%	2 319.8	2 203.8	1 983.5	1.7%	68.3%
Deferred income	70.8	-3.4%	2.8%	62.4	49.4	45.3	-13.8%	1.9%
Trade and other payables	247.0	-0.6%	7.8%	217.6	206.7	196.4	-7.4%	7.2%
Provisions	288.2	3.8%	11.3%	402.0	422.1	443.2	15.4%	12.5%
Total equity and liabilities	2 493.1	-2.2%	100.0%	3 297.2	3 294.3	3 301.9	9.8%	100.0%

Personnel information

Table 23.26 Armaments Corporation of South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020		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						2019/20 - 2022/23	Average growth rate (%)	Average: Salary level/ Total (%)			
		2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost				2022/23		Unit cost
Armaments Corporation of South Africa		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	1 705	1 705	1 643	1 125.2	0.7	1 705	1 145.8	0.7	1 611	1 221.6	0.8	1 611	1 282.6	0.8	1 611	1 346.8	0.8	5.5%	100.0%
1 – 6	386	386	358	59.6	0.2	386	62.9	0.2	369	70.2	0.2	369	73.8	0.2	369	77.4	0.2	7.2%	22.8%
7 – 10	771	771	754	366.6	0.5	771	373.0	0.5	708	381.0	0.5	708	400.1	0.6	708	420.1	0.6	4.0%	44.3%
11 – 12	237	237	223	210.7	0.9	237	223.4	0.9	237	249.6	1.1	237	262.1	1.1	237	275.2	1.2	7.2%	14.5%
13 – 16	300	300	294	445.2	1.5	300	452.8	1.5	286	483.0	1.7	286	507.1	1.8	286	532.5	1.9	5.5%	17.7%
17 – 22	11	11	14	43.1	3.1	11	33.7	3.1	11	37.7	3.4	11	39.6	3.6	11	41.6	3.8	7.2%	0.7%

1. Rand million.

Castle Control Board

Selected performance indicators

Table 23.27 Castle Control Board performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Gross revenue generated per year	Increased public profile and positive perception across all sectors of the community	Priority 5: Social cohesion and safe communities	R4m	R5.8m	R7.9m	R8.4m	R8.9m	R9.4m	R9.8m
Number of visitors to the Castle of Good Hope per year	Maximising the tourist potential of the Castle of Good Hope		195 445	160 000	165 000	170 000	180 000	185 000	190 000
Number of interns hosted at the Castle of Good Hope per year	Increased public profile and positive perception across all sectors of the community	Priority 1: Economic transformation and job creation	25	30	15	12	12	12	10

Entity overview

The Castle Control Board derives its mandate from the Castle Management Act (1993), which requires it to preserve and protect the military and cultural heritage of the Castle of Good Hope to optimise its tourism potential and public accessibility. Aspects of the board's mandate are also derived from the Defence Endowment Property and Account Act (1922), and the National Heritage Resources Act (1999).

Over the medium term, the board aims to optimise the heritage tourism potential of the Castle of Good Hope and increase the castle's accessibility to the broader public. This is expected to be achieved by implementing the board's revenue optimisation strategy to, among other things, provide a comprehensive range of visitor services, host better curated events, and upgrade the site's security system and visitor centre. The board anticipates spending R590 000 over the medium term on activities that are expected to enhance its capacity to generate revenue.

Expenditure and revenue are expected to increase at an average annual rate of 3.8 per cent, from R9 million in 2019/20 to R10 million in 2022/23. The board generates all of its revenue itself.

Programmes/Objectives/Activities

Table 23.28 Castle Control Board expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	8.0	7.6	6.3	8.0	0.1%	87.1%	8.0	8.5	9.0	3.7%	89.6%
Ensure the preservation, interpretation and showcasing the history of the castle	0.2	0.6	0.5	0.7	40.6%	5.9%	0.6	0.7	0.7	1.9%	7.1%
Maximising the tourist potential of the Castle of Good Hope	0.0	0.0	0.0	0.0	-32.1%	0.3%	0.1	0.1	0.1	81.7%	0.7%
Increased public profile and positive perception across all sectors of the community	1.6	0.3	0.3	0.3	-46.6%	6.7%	0.2	0.2	0.3	1.1%	2.6%
Total	9.9	8.5	7.1	9.0	-3.4%	100.0%	8.9	9.4	10.0	3.8%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 23.29 Castle Control Board statements of historical financial performance, cash flow and financial position

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%) 2016/17 - 2019/20
	Budget	2016/17	Budget	2017/18	Budget	2018/19			
Revenue									
Non-tax revenue	8.2	4.0	8.5	5.8	7.9	5.7	8.4	9.0	74.3%
Sale of goods and services other than capital assets	7.6	3.4	8.3	5.3	7.1	5.6	7.6	8.3	73.7%
<i>of which:</i>									
<i>Sales by market establishment</i>	7.6	3.4	8.3	5.3	7.1	5.6	7.6	8.3	73.7%
Other non-tax revenue	0.6	0.6	0.2	0.6	0.7	0.1	0.7	0.6	82.1%
Transfers received	-	-	-	-	-	3.3	-	-	-
Total revenue	8.2	4.0	8.5	5.8	7.9	9.1	8.4	9.0	84.5%
Expenses									
Current expenses	8.2	9.9	8.5	8.5	7.9	7.1	8.4	9.0	104.4%
Compensation of employees	4.3	5.4	6.0	5.8	5.7	4.9	6.1	6.1	100.3%
Goods and services	3.9	4.4	2.4	2.6	2.1	2.0	2.2	2.1	102.7%
Depreciation	-	0.2	0.1	0.1	0.0	0.2	0.1	0.8	637.1%
Total expenses	8.2	9.9	8.5	8.5	7.9	7.1	8.4	9.0	104.4%
Surplus/(Deficit)	-	(5.9)	-	(2.6)	-	2.0	-	-	
Cash flow statement									
Cash flow from operating activities	-	(5.6)	0.4	(2.8)	0.4	(0.7)	0.4	1.3	-678.8%
Receipts									
Non-tax receipts	8.2	4.1	8.5	5.5	7.9	5.6	8.4	9.0	73.5%
Sales of goods and services other than capital assets	7.6	3.6	4.4	4.9	5.4	5.5	5.9	8.3	95.9%
<i>Sales by market establishment</i>	7.6	3.6	4.4	4.9	5.4	5.5	5.9	8.3	95.9%
<i>Other sales</i>	-	0.0	-	-	-	-	-	-	-
Other tax receipts	0.6	0.6	4.1	0.6	2.5	0.1	2.5	0.6	19.6%
Total receipts	8.2	4.1	8.5	5.5	7.9	5.6	8.4	9.0	73.5%
Payment									
Current payments	8.2	9.8	8.2	8.3	7.5	6.4	8.0	7.6	100.7%
Compensation of employees	4.3	5.3	6.0	5.7	5.7	4.7	6.1	6.1	98.6%
Goods and services	3.9	4.5	2.1	2.5	1.8	1.7	1.9	1.6	105.5%
Total payments	8.2	9.8	8.2	8.3	7.5	6.4	8.0	7.6	100.7%
Net cash flow from investing activities	(0.4)	(0.3)	(0.2)	(0.2)	(0.2)	(0.0)	(0.2)	(0.2)	67.2%
Acquisition of property, plant, equipment and intangible assets	(0.3)	(0.3)	(0.2)	(0.2)	(0.2)	(0.0)	(0.2)	(0.2)	74.8%
Acquisition of software and other intangible assets	(0.1)	(0.0)	-	-	-	-	-	-	7.7%

Table 23.29 Castle Control Board statements of historical financial performance, cash flow and financial position

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Proceeds from the sale of property, plant, equipment and intangible assets	–	0.0	–	–	–	–	–	–	–
Net increase/(decrease) in cash and cash equivalents	(0.4)	(5.9)	0.2	(3.0)	0.2	(0.7)	0.2	1.2	
Statement of financial position									
Carrying value of assets	2.3	1.7	1.9	1.8	2.0	4.7	2.1	2.1	124.7%
Acquisition of assets	(0.3)	(0.3)	(0.2)	(0.2)	(0.2)	(0.0)	(0.2)	(0.2)	74.8%
Inventory	0.1	–	0.1	0.0	0.0	0.0	0.0	0.0	15.8%
Receivables and prepayments	0.1	0.1	0.1	0.2	0.2	0.0	0.2	0.2	88.6%
Cash and cash equivalents	11.9	3.8	4.2	0.9	0.9	0.1	1.0	1.0	32.5%
Total assets	14.3	5.7	6.3	2.8	3.1	4.8	3.3	3.3	61.5%
Accumulated surplus/(deficit)	14.2	4.2	5.4	1.5	1.9	3.5	2.0	2.0	48.0%
Trade and other payables	0.1	0.9	0.3	0.6	1.0	0.6	1.0	1.0	136.2%
Provisions	0.1	0.6	0.6	0.6	0.3	0.7	0.3	0.3	182.2%
Total equity and liabilities	14.3	5.7	6.3	2.8	3.1	4.8	3.3	3.3	61.5%

Statements of estimates of financial performance, cash flow and financial position**Table 23.30 Castle Control Board statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
R million	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
Revenue									
Non-tax revenue	9.0	30.9%	90.8%	8.9	9.4	10.0	3.8%	100.0%	
Sale of goods and services other than capital assets	8.3	34.3%	82.7%	8.1	8.6	9.1	3.1%	91.6%	
<i>Sales by market establishment</i>	8.3	34.3%	82.7%	8.1	8.6	9.1	3.1%	91.6%	
Other non-tax revenue	0.6	4.1%	8.1%	0.8	0.8	0.9	12.0%	8.4%	
Total revenue	9.0	30.9%	100.0%	8.9	9.4	10.0	3.8%	100.0%	
Current expenses	9.0	-3.4%	100.0%	8.9	9.4	10.0	3.8%	100.0%	
Compensation of employees	6.1	4.0%	65.0%	6.5	6.9	7.3	6.2%	71.5%	
Goods and services	2.1	-22.1%	31.2%	2.4	2.5	2.7	9.0%	25.7%	
Depreciation	0.8	64.6%	3.8%	0.1	0.1	0.1	-57.4%	2.8%	
Total expenses	9.0	-3.4%	100.0%	8.9	9.4	10.0	3.8%	100.0%	
Surplus/(Deficit)	–			–	–	–			
Cash flow statement									
Cash flow from operating activities	1.3	-161.7%	283.2%	0.4	0.4	0.5	-6.6%	252.9%	
Receipts									
Non-tax receipts	9.0	29.6%	100.0%	8.9	9.4	10.0	3.8%	100.0%	
Sales of goods and services other than capital assets	8.3	32.7%	91.6%	6.3	6.7	7.1	-5.2%	76.4%	
<i>Sales by market establishment</i>	8.3	32.7%	91.6%	6.3	6.7	7.1	-5.2%	76.4%	
Other tax receipts	0.6	4.1%	8.4%	2.6	2.7	2.9	66.2%	23.6%	
Total receipts	9.0	29.6%	100.0%	8.9	9.4	10.0	3.8%	100.0%	
Current payments	7.6	-7.9%	92.9%	8.5	9.0	9.5	7.7%	100.0%	
Compensation of employees	6.1	4.7%	63.9%	6.5	6.9	7.3	6.2%	77.2%	
Goods and services	1.6	-29.7%	29.0%	2.0	2.1	2.3	13.1%	22.8%	
Total payment	7.6	-7.9%	100.0%	8.5	9.0	9.5	7.7%	100.0%	
Net cash flow from investing activities	(0.2)	-18.9%	100.0%	(0.2)	(0.2)	(0.2)	6.9%	100.0%	
Acquisition of property, plant, equipment and intangible assets	(0.2)	-18.4%	99.5%	(0.2)	(0.2)	(0.2)	6.9%	100.0%	
Net increase/(decrease) in cash and cash equivalents	1.2	-158.3%	100.0%	0.3	0.3	0.3	-37.0%	100.0%	
Carrying value of assets	2.1	6.7%	63.2%	2.1	2.2	2.2	2.4%	61.9%	
Acquisition of assets	(0.2)	-18.4%	-3.9%	(0.2)	(0.2)	(0.2)	6.9%	-4.8%	
Inventory	0.0	–	0.3%	0.0	0.1	0.1	20.9%	1.2%	
Receivables and prepayments	0.2	20.9%	3.5%	0.2	0.2	0.2	5.9%	5.9%	
Cash and cash equivalents	1.0	-36.3%	32.9%	1.0	1.1	1.2	6.0%	31.0%	
Total assets	3.3	-16.5%	100.0%	3.4	3.6	3.7	3.9%	100.0%	
Accumulated surplus/(deficit)	2.0	-21.5%	65.7%	2.2	2.3	2.4	5.6%	63.6%	
Trade and other payables	1.0	2.6%	20.3%	1.0	1.0	1.0	2.6%	28.6%	
Provisions	0.3	-19.7%	14.0%	0.3	0.3	0.3	-4.4%	7.8%	
Total equity and liabilities	3.3	-16.5%	100.0%	3.4	3.6	3.7	3.9%	100.0%	

Personnel information

Table 23.31 Castle Control Board personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020		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 (%)	
		2018/19			2019/20			2020/21			2021/22			2022/23					
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23		
Castle Control Board																			
Salary level	20	20	21	4.9	0.2	17	6.1	0.4	19	6.5	0.3	19	6.9	0.4	19	7.3	0.4	6.2%	100.0%
1-6	14	14	15	1.8	0.1	14	2.8	0.2	13	3.2	0.2	13	3.4	0.3	13	3.5	0.3	7.5%	71.9%
7-10	4	4	4	1.3	0.3	1	1.4	1.4	4	1.4	0.3	4	1.4	0.4	4	1.6	0.4	6.5%	17.3%
11-12	1	1	1	0.8	0.8	1	0.8	0.8	1	0.8	0.8	1	0.9	0.9	1	0.9	0.9	3.8%	5.4%
13-16	1	1	1	1.0	1.0	1	1.1	1.1	1	1.1	1.1	1	1.1	1.1	1	1.2	1.2	4.0%	5.4%

1. Rand million.

◀ 2020 ▶
BUDGET

ESTIMATES OF NATIONAL
EXPENDITURE



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA