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ESTIMATES OF NATIONAL EXPENDITURE **2011**



national treasury

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Estimates of National Expenditure

2011

National Treasury

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The *Estimates of National Expenditure 2011* e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision. More comprehensive coverage of goods and services, donor funding, transfers and subsidies, public entities and lower level institutional information, is provided in this publication where applicable.

The *Estimates of National Expenditure 2011* e-publications are available on www.treasury.gov.za

Foreword

When this publication was introduced in 2001, we stated that “The Estimates of National Expenditure represents a significant step forward in national budget transparency.” Since then, the national budget process has undergone continued reform. The Budget preparation for 2011 saw a shift from budgeting by department to budgeting by function of government, thus enabling a more strategic focus on a smaller number of key outcomes. Using the functional approach, there is better transparency and coordination in budgeting due to participation by stakeholders responsible for delivery across all spheres of government, including the various agencies. Ongoing efforts to reform non-financial performance information have led to a systematic improvement in the veracity of this information. These reforms will lead to greater accountability and control.

Budgets are the link between the outcomes targeted by government and the services that are ultimately delivered. Government’s adoption of the outcomes approach in 2009 started the process of closer cooperation and improved coordination across government departments and agencies towards the attainment of 12 clearly stated outcomes that are of considerable importance to the country’s development. This approach started with the re-organisation of national government departments and was further re-enforced by signed agreements concluded between the president and ministers of national departments.

Budgets proposed for each of the votes in this publication give consideration to the initiatives focused on the 12 outcomes. One of the outcomes warranting a special mention is that of job creation. 2011 has been declared the year of job creation. A key aim of the new growth path is to achieve job creation on a significant scale through economic transformation and inclusive growth.

There is a focus on the reprioritisation of existing budgets, in addition to the allocation of new money made available by the main Budget framework. This publication indicates details per vote of savings amounting to R30.6 billion over the period ahead. This year, specific detail has been included on: the outcomes which institutions contribute towards and the output and other performance measures supporting them; personnel budgets, employee numbers and spending trends; and the purpose and key activities of each sub-programme within a vote. Compared to the abridged version of the Estimates of National Expenditure, the e-publications for each vote contain more comprehensive coverage of goods and services, transfers and subsidies, public entities, lower level expenditure information and information on donor funding.

The independent Open Budget Index assessment of budget transparency began in 2006. It is conducted every two years to measure the availability and comprehensiveness of key budget documents. In 2010, South Africa achieved first place among all the 94 countries surveyed across the world, scoring 92 per cent. South Africa’s score on the index rose from 86 per cent in 2006 (when 59 countries were surveyed), and 87 per cent in 2008 (when 85 countries surveyed).

The detailed expenditure estimates of departments set out in this publication are the result of an arduous executive and administrative process. Executive approval of additional spending allocations and savings takes place under the political guidance of the ministers’ committee on the Budget and follows a wide ranging intergovernmental consultative process led by a committee of senior officials in central government departments.

A special word of thanks is due to all our colleagues from other departments for their contributions. I also wish to express my appreciation to the National Treasury team, which worked tirelessly to produce a document of which we are rightly proud.



Lesetja Kganyago
Director-General: National Treasury

Introduction

South Africa has once again achieved international recognition for meeting budget transparency and accountability standards. The International Budget Partnership ranks South Africa first among 94 countries in the 2010 Open Budget Survey. The quality and usability of budget documents such as the Estimates of National Expenditure have made a significant contribution to this achievement. Moreover, the Money Bills Amendment Procedure and Related Matters Act (2009) has increased Parliament's oversight over the Budget proposal as it sets out the procedure in terms of which the proposal must be considered for possible amendment. The parliamentary procedure involves canvassing the opinion of civil society groups and lends itself to more participatory budgeting. The increased transparency of budgets and the increased scrutiny make it possible for South African public servants to be held more accountable for their management of resources and performance over the period ahead.

The 2011 Estimates of National Expenditure is a comprehensive publication that provides details of the spending plans of all national departments and agencies for the next three financial years (2011/12 to 2013/14), expenditure outcomes for the past three years (2007/08 to 2009/10), and revised estimates for the current year (2010/11). Information is also provided on legislation, policies, outcomes and performance targets over the seven-year period. Any changes in these areas are explained in relation to trends in planned expenditure. The Estimates of National Expenditure e-publications per vote give more extensive coverage of transfers and subsidies, public entities, goods and services, donor funding and lower level institutional information than does the abridged version of the Estimates of National Expenditure. This more detailed information for each vote is available at www.treasury.gov.za.

In keeping with the ongoing budget reform improvements to the way that public finances are managed and reported, changes have also been made in the 2011 Estimates of National Expenditure. Information on the outcomes that departments and government agencies contribute to and the related outputs included in delivery agreements is briefly discussed in the strategic overview section. Departments will also provide more information on the key functions of each subprogramme on a vote, particularly regarding its transfers and subsidies, personnel complement, volume of work carried out and the composition of spending. A new section on personnel information has been introduced under the expenditure trends section, including a table that provides information on posts funded on budget, vacancies and the number of posts in the department by salary level, as well as by programme and unit cost.

Budgeting for outcomes

Over the past decade, strong growth in public spending has not always been matched with a concomitant improvement in service delivery. If government's development and economic objectives stipulated in the new growth path are to be met, it is stated in the new growth path framework that public service delivery must improve significantly. Better public services require a culture of efficiency, effectiveness and stewardship of public resources, obliging government to become more responsive to the needs of citizens.

This objective is supported by various reform initiatives which have been and continue to be undertaken. At the outset, in 2009 the national macro organisation of the state project effected the reorganisation of national government departments to enhance their efficiency and improve on service delivery. Following on from this, the outcomes approach was adopted and 12 outcome targets were agreed upon for government, and signed ministerial performance agreements and interdepartmental and interagency delivery agreements followed. The outcomes approach provides a platform for achieving greater efficiency in the public service as it is aimed at addressing the weaknesses identified in coordination and cooperation across government. The five major budget priorities over the medium term expenditure framework period are expressed in terms of the 12 government outcomes. Budget decisions are informed by an agreed set of outputs and activities to the extent that they are organised around the 12 government outcomes and elaborated upon in delivery agreements.

Government has taken a different approach in reviewing its spending baseline to realign expenditure with the government outcomes and to make existing resources work with greater efficiency. Government's consumption expenditure (including wages as well as goods and services) has to be managed more efficiently to obtain greater value for money. Over recent years, there have been significant increases in overall personnel costs,

although expenditure on frontline personnel has not increased markedly. Government is targeting the reduction of large administrative budgets in favour of increasing frontline personnel and infrastructure investment, to channel more resources towards the actual delivery of key services.

In developing the 2011 medium term expenditure framework there was a shift towards budgeting by function rather than by department. The functional approach focuses on the purpose (the function) for which funds are to be used, and groups together national, provincial and local government, and government agencies, in terms of the function of government they perform. In this way a consolidated functional expenditure amount can be calculated, and monies transferred from one sphere of government to another can be more easily offset against each other. In support of the reprioritisation of funds in line with outcomes, more effective comparison of allocations with service delivery trends, and assessment of spending proposals, including the trade-offs between different options, are carried out in a given function. This approach provides more transparency and better coordination in the budgeting process. The table below shows the functional classification and, for each function, the national department(s) involved and the outcomes each function supports.

Functional classification of national departments and related outcomes

| Functional Classification | Department(s) | Outcome(s) |
|---------------------------------|--|--|
| Economic affairs | Government Communication and Information System [9], Public Enterprises [11], Agriculture, Forestry and Fisheries [26], Economic Development [28], Energy [29], Environmental Affairs [30], Mineral Resources [32], Rural Development and Land Reform [33], Science and Technology [34], Tourism [35], Trade and Industry [36], Transport [37] | <p>Outcome 4: Decent employment through inclusive economic growth</p> <p>Outcome 5: A skilled and capable workforce to support an inclusive growth path</p> <p>Outcome 6: An efficient, competitive and responsive economic infrastructure network</p> <p>Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all</p> <p>Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced</p> |
| Housing and community amenities | Human Settlements [31], Water Affairs [38] | <p>Outcome 4: Decent employment through inclusive economic growth</p> <p>Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all</p> <p>Outcome 8: Sustainable human settlements and improved quality of household life</p> <p>Outcome 9: A responsive, accountable, effective and efficient local government system</p> |
| Education | Basic Education [15], Higher Education and Training [17] | <p>Outcome 1: Improved quality of basic education</p> <p>Outcome 5: A skilled and capable workforce to support an inclusive growth path</p> |
| Health | Health [16] | Outcome 2: A long and healthy life for all South Africans |
| Social protection | Women, Children and People with Disabilities [8], Labour [18], Social Development [19] | |
| Recreation, culture and sport | Arts and Culture [14], Sport and Recreation South Africa [20] | Outcome 12: An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship |
| Public order and safety | Correctional Services [21], Independent Complaints Directorate [23], Justice and Constitutional Development [24], Police [25] | <p>Outcome 3: All people in South Africa are and feel safe</p> <p>Outcome 11: Create a better South Africa and contribute to a better and safer Africa and World</p> <p>Outcome 12: An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship</p> |
| Defence | Defence and Military Veterans [22] | <p>Outcome 3: All people in South Africa are and feel safe</p> <p>Outcome 11: Create a better South Africa and contribute to a better and safer Africa and World</p> |
| General public service | Presidency [1], Parliament [2], Cooperative Governance and Traditional Affairs [3], Home Affairs [4], International Relations and Cooperation [5], Performance Monitoring and Evaluation [6], Public Works [7], National Treasury [10], Public Service and Administration [12], Statistics South Africa [13], Communications [27] | <p>Outcome 9: A responsive, accountable, effective and efficient local government system</p> <p>Outcome 11: Create a better South Africa and contribute to a better and safer Africa and World</p> <p>Outcome 12: An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship</p> |

The functional groups that have been used are derived from the Classification of the Functions of Government published by the United Nations, but are modified for the South African budgeting context. All decisions on savings and spending in relation to each function were reached as part of a broad consultative process between different stakeholders in the sector, including the medium term expenditure committee of senior officials in central government departments which leads this process, the provincial technical and executive forums, the ministers' committee on the budget, Cabinet and Parliament. These decisions comprise the Budget proposal tabled on Budget day for Parliament's consideration.

Savings and reprioritisation of budgets

While the global economy has been showing signs of recovery, international opinion on the economy is still cautious, on the grounds of perceived uncertainties. In addition to the macroeconomic situation, in line with achieving government's outcomes targets the composition of government expenditure needs to change to ensure that there is value for money. To sustain public expenditure in South African in the long run, a moderation in spending growth over the period ahead is necessary. This necessitates a rigorous review of budget baseline expenditure and an assessment of the:

- capacity of departments and public entities to spend and manage resources appropriately
- strength of the link between expenditure and the outcomes approach as well as with government departmental mandates
- expenditure trade-offs between the different budget options proposed
- non-performing/ underperforming projects/ programmes and entities
- sourcing of funds through savings and reprioritisation initiatives
- alternative revenue raising capacity, cost recovery efforts and donor funding availability.

This year's budget preparation focused extensively on finding savings within the departmental and agency budget baselines linked to a given functional grouping. Departments were able to decrease spending on non-core goods and services, restrict expenditure on low priority programmes, reschedule expenditure, effect savings on foreign exchange rate projections, reduce transfers to certain public entities, improve financial management and reduce expenditure on administration. Savings identified per function over the medium term in this exercise are presented in the table below.

Savings realised per function over the medium term

| R thousand | 2011/12 | 2012/13 | 2013/14 | Total |
|---------------------------------|------------------|------------------|------------------|-------------------|
| Economic affairs | 1 387 674 | 1 645 222 | 1 232 355 | 4 265 251 |
| Housing and community amenities | 1 970 233 | 2 618 510 | 2 314 474 | 6 903 217 |
| Education | 24 157 | 24 418 | 25 590 | 74 165 |
| Health | 44 000 | 44 000 | 544 000 | 632 000 |
| Social protection | 1 273 468 | 1 021 306 | 519 124 | 2 813 898 |
| Recreation, culture and sport | 28 222 | 25 571 | 56 858 | 110 652 |
| Public order and safety | 293 940 | 1 768 802 | 1 860 911 | 3 923 653 |
| Defence | 404 824 | 458 919 | 434 034 | 1 297 777 |
| General public service | 933 163 | 1 187 437 | 875 382 | 2 995 982 |
| Total | 6 359 682 | 8 794 185 | 7 862 728 | 23 016 595 |

Savings realised over the three years on national votes amounted to R23 billion, of which R6.4 billion is in 2011/12, R8.8 billion in 2012/13 and R7.9 billion in 2013/14. Of these savings, R21.6 billion is reprioritised within functional budget baselines towards meeting existing outcomes commitments. The remainder of R1.4 billion is added to the policy reserve for reallocation. The major savings and reprioritisation areas identified over the medium term are presented in the table below.

Major areas of savings and reprioritisation

| Function | Savings identified | Savings redirected |
|---------------------------------|---|--|
| Economic affairs | Non-core goods and services (R2 billion) Underperforming programmes (R1.3 billion) | Road maintenance (R950 million) Expansion of public transport infrastructure and system grant (R580 million) Rural development and land reform (R1.3 billion) |
| Housing and community amenities | Underperforming programmes (R600 million) Non-core goods and services (R478 million) Rescheduling of expenditure (R759 million) Expanded public works programme: Infrastructure (R688 million) | Completion of De Hoop Dam and a portion of bulk distribution system (R1 billion) Regional bulk infrastructure (R600 million) Expanded public works programme Social sector (R825 million) |
| Social protection | Non-essential items such as catering and consultation fees (R927 million) | Old age grants - means threshold increased (R280 million) Efficient and effective grant payment model (R535 million) |
| Public order and safety | Non-essential items (R555 million) | Anti-retroviral drugs for prisoners and additional police personnel (R465 million) |
| Defence | Non-core goods and services (R1.3 billion) | New remuneration dispensation (R1.3 billion) |

In addition to the initial exercise, a further reduction of 0.3 per cent on the budgets of provincial and national departments was also effected; this yielded an additional R6 billion in savings.

Policy reserve

In line with the change to functional budgeting, the additional allocation made available through the national Budget framework was divided per function and a policy reserve was also retained. In the 2011 Budget process the policy reserve was created to fund key government priorities over the next three years. Including the initial identified savings of R1.4 billion that was not reprioritised and the R6 billion identified later, a policy reserve amounting to R33 billion was created. The table below shows how the policy reserve was allocated.

Allocation of the policy reserve

| R thousand | 2011/12 | 2012/13 | 2013/14 | Total |
|--|------------------|-------------------|-------------------|-------------------|
| For various functions | | | | |
| Job creation and youth employment | 2 000 000 | 3 000 000 | 4 000 000 | 9 000 000 |
| Economic affairs | | | | |
| Economic regulatory capacity | 50 000 | 50 000 | 50 000 | 150 000 |
| Green economy: allocated | 200 000 | - | - | 200 000 |
| : unallocated | - | 300 000 | 500 000 | 800 000 |
| Broadband information and communication technology: universal access | 100 000 | 150 000 | 200 000 | 450 000 |
| Rural development and farmer support | 150 000 | 350 000 | 600 000 | 1 100 000 |
| Public transport | 200 000 | 400 000 | 600 000 | 1 200 000 |
| Agro-Processing Competitiveness Fund | 34 000 | 108 000 | 108 000 | 250 000 |
| Khula Direct | 55 000 | - | - | 55 000 |
| Housing and community amenities | | | | |
| Human settlement upgrading | 200 000 | 400 000 | 600 000 | 1 200 000 |
| Water infrastructure and quality | 50 000 | 150 000 | 200 000 | 400 000 |
| Education | | | | |
| School infrastructure | 700 000 | 1 500 000 | 2 300 000 | 4 500 000 |
| Further education and training colleges expansion and National Students Financial Aid Scheme | 1 949 990 | 2 714 188 | 3 075 595 | 7 739 773 |
| Health | | | | |
| Public health services | 600 000 | 1 400 000 | 2 000 000 | 4 000 000 |
| Public order and safety | | | | |
| Police capacity and border control | 100 000 | 400 000 | 900 000 | 1 400 000 |
| Defence | | | | |
| Border control | 100 000 | 200 000 | 300 000 | 600 000 |
| Total | 6 488 990 | 11 122 188 | 15 433 595 | 33 044 773 |

The largest allocation from the policy reserve amounts to R9 billion and targets job creation and youth employment, which is allocated on the National Treasury vote. It will be allocated to line departments that provide proposals for projects that meet the objectives of the fund. Of the R1 billion allocation for the green economy, R800 million is currently unallocated to any specific vote but will be announced in the 2011 Budget

as available for appropriation over the medium term. Other major allocations in the policy reserve include R7.7 billion for further education and training colleges and the National Student Financial Aid Scheme, R4.5 billion for school infrastructure and R4 billion for public health services.

Additional allocations

Including policy reserve funding, a total addition of R94.1 billion is allocated to government institutions in terms of the revised national Budget framework to fund government's key priorities over the next three years. Of the R94.1 billion, national departments receive R48.8 billion (51.9 per cent): R9.9 billion in 2011/12, R14.7 billion in 2012/13 and R24.2 billion in 2012/13. Provinces and municipalities receive the remainder: R40.2 billion (42.7 per cent) to provinces and R5.1 billion (5.4 per cent) to municipalities over the medium term. Conditional grants to provinces and municipalities are reflected on both national budgets and the budgets of provinces or municipalities, and are included in the discussion below.

A summary of additional allocations in line with government's policy priorities is provided below by national vote. It is important to note that the discussion on increases in the budget excludes all direct charges against the National Revenue Fund and the amounts of the local and provincial equitable share. Details are only provided for national votes receiving relatively large additional allocations for implementing new programmes or extending existing programmes. The amounts per vote in the discussion below correspond with those in table 2. They represent the gross additional allocations, before the baseline savings and reprioritisation have been effected. The total amounts may therefore be bigger than the overall net change in the budget of a specific vote. In the discussion below, these gross amounts will be referred to as the allocations received for the coming three year medium term expenditure framework period. In certain instances, the savings on a particular vote exceed the gross total allocation to that vote and the overall net change in the budget of that vote is actually negative.

Economic affairs

Taking into account the policy and practical budgeting considerations within this government function in the South African context, this function has been disaggregated broadly into four areas that are each discussed in turn.

Transport

For the **Department of Transport** for the medium term expenditure framework period, R2.7 billion is provided for the public transport infrastructure and systems conditional grant to municipalities to develop integrated public transport networks. The South African National Roads Agency is allocated R2.7 billion for the maintenance of roads and R1.4 billion is allocated to the Passenger Rail Agency South Africa to upgrade and replace Metrorail's signalling infrastructure.

Energy and environmental protection

Over the medium term, the **Department of Environmental Affairs** receives an additional R191 million to implement measures that will address wildlife trafficking, air quality, waste and coastline management, and oil spill disasters. For climate change mitigation and the establishment of a green fund for South Africa, R1 billion is provided. This will be announced in the 2011 Budget as an amount largely not appropriated to any specific vote, except for the R200 million in funding that is allocated to host the 2011 United Nations Conference on Climate Change in 2011/12.

Industrial development

An allocation to the **Economic Development Department** of R250 million is for the Competition Commission to group its work on anti-competitive practices in four priority sectors and to form a specialised cartel investigation unit.

Agriculture, forestry, fisheries and land affairs

An amount of R1.1 billion is the gross allocation to the **Department of Rural Development and Land Reform** for the comprehensive rural development programme.

The **Department of Agriculture, Forestry and Fisheries** receives R500 million for the comprehensive agriculture support programme grant and the land care programme grant.

Also, a gross allocation of R450 million is made available to the **Department of Communications** for broadband services information and communication technologies infrastructure, and universal access in underdeveloped or rural areas in the country.

Housing and community amenities

This function's budget is dominated by transfer payments. Over the MTEF period, an additional R2.1 billion is allocated to the **Department of Human Settlements** for informal settlements upgrading through the new urban settlements development grant. The Social Housing Regulatory Authority receives R972 million to increase the delivery of affordable rental housing.

The **Department of Water Affairs** is allocated a gross addition of R3.7 billion, of which R1 billion is for the completion of the De Hoop Dam and the provision of some bulk infrastructure pipelines, R952 million is for regional bulk infrastructure, R520 million for the completion of the Nandoni pipeline and R450 million for emergency drought relief in the Nelson Mandela Bay municipality.

Education

This function receives the biggest gross total allocation of R33.9 billion. The **Department of Basic Education** receives R8.2 billion, most of which is for transfers to provinces. The funds are mostly for school buildings for the eradication of inappropriate infrastructure structures and to ensure that more schools have water, sanitation and electricity. For bursaries for mathematics and science teachers, R596 million is allocated.

The **Department of Higher Education and Training** receives R3.6 billion for the National Student Financial Aid Scheme for funding higher education students, R300 million for establishing universities in Mpumalanga and Northern Cape, R3.9 billion for a state bursary scheme that will increase poor learners' access to further education and training colleges, and R1.4 billion to further education and training colleges to increase the number of students they enrol.

Health

The gross total allocation to the health function over the medium term is R18.5 billion. Most of this funding is allocated by means of the provincial equitable share. An amount of R1.4 billion is allocated to the national **Department of Health** towards increasing HIV counselling and circumcisions. To improve health facilities and medical equipment in preparation for national health insurance, the department receives a further R1.6 billion.

Social protection

The **Department of Social Development** is allocated R870 million for the South African Social Security Agency to implement a new grants application process that will reduce beneficiary waiting times and fraud.

Recreation, culture and sport

The **Department of Sport and Recreation South Africa** receives a gross allocation of R136 million to provide increased support to national sporting federations to enhance sports development and transformation, particularly in the participation of previously disadvantaged communities.

For the development of the local film industry R135 million is allocated to the National Film and Video Foundation under the **Department of Arts and Culture's** vote and R37 million is also allocated to capacitate the National Library of South Africa.

Public order and safety

Additional funding of R2.1 billion is made available to this function for the **Department of Police's** vote for the recruitment of additional policing personnel in the areas of visible policing, detective services and crime intelligence services. The number of police personnel will increase to 202 260 in 2013/14.

The **Department of Justice and Constitutional Development** receives additional funding of R490 million for the construction of two new high courts in Nelspruit and Polokwane, which will bring the total number of high courts to 16.

The **Department of Correctional Services** is allocated R460 million over the medium term for the upgrading of information technology that will enhance the functioning of the criminal justice system.

Defence

In this function, an amount of R600 million is allocated to the **Department of Defence** to deploy soldiers to the country's borders and upgrade and improve border facilities and equipment.

General public service

An amount of R500 million is added to the budget of **Statistics South Africa** for the 2011 Census, towards the costs of 120 000 field workers and to ensure greater coverage of the population than in the 2001 Census.

The **Department of Public Works** receives an additional R2.2 billion for municipal and accommodation charges payable.

To deal with the post recovery and reconstruction effects of the flooding disaster, R600 million has been allocated under the **National Treasury** vote. The National Treasury also receives R1.5 billion to fund increases in amounts payable to the Political Office Bearers' Pension Fund, as well as increases in costs related to post-retirement benefits and injury-on-duty benefits.

For the new conditional grants to deal with immediate disaster effects, R1.8 billion is allocated over the medium term under the **Cooperative Governance and Traditional Affairs**' vote. Of this, R675 million is for the provinces and R1.2 billion is allocated to municipalities.

Overview of expenditure

The main Budget, including state debt costs, provides for total expenditure of R888.9 billion in 2011/12, R968.1 billion in 2012/13 and R1.1 trillion in 2013/14, reflecting a nominal growth rate of approximately 9.1 per cent on average over the medium term expenditure framework period. Non-interest expenditure comprises on average 89.3 per cent of total main Budget expenditure, growing at an average annual rate of 7.6 per cent over the period. These budgeted estimates provide for a contingency reserve set aside to deal with unanticipated events, amounting to R4.1 billion in 2011/12, R11.4 billion in 2012/13 and R23.4 billion in 2013/14.

The allocations in the main Budget are detailed in the pages of this publication, with a high level overview provided in the summary tables below.

Summary tables

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Table 9: Personnel expenditure per vote 2007/08 to 2013/14

Table 10: Departmental receipts per vote 2007/08 to 2013/14

Table 1 Main budget framework 2007/08 to 2013/14

| R million | Audited outcome | | | Revised estimate | Medium-term estimates | | |
|---|--------------------|--------------------|--------------------|--------------------|-----------------------|--------------------|--------------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Revenue (National Revenue Fund) | | | | | | | |
| Tax revenue (gross) | 572 814.6 | 625 100.2 | 598 705.4 | 672 200.0 | 741 620.0 | 827 310.0 | 927 960.0 |
| Departmental and other receipts, and repayments | 12 693.0 | 12 616.0 | 8 889.0 | 12 254.0 | 10 000.9 | 11 540.0 | 12 351.1 |
| Less: Southern Africa Customs Union payments | -24 712.6 | -28 920.6 | -27 915.4 | -14 991.3 | -21 763.2 | -32 431.8 | -35 997.4 |
| Other adjustment ¹ | - | - | - | -2 900.0 | - | - | - |
| Total revenue | 560 795.1 | 608 795.5 | 579 679.0 | 666 562.7 | 729 857.6 | 806 418.2 | 904 313.7 |
| <i>Percentage of GDP</i> | <i>27.0%</i> | <i>26.3%</i> | <i>23.7%</i> | <i>25.0%</i> | <i>25.0%</i> | <i>25.2%</i> | <i>25.6%</i> |
| Expenditure | | | | | | | |
| State debt cost | 52 877.1 | 54 393.7 | 57 129.2 | 66 570.4 | 76 578.7 | 90 807.7 | 104 036.2 |
| <i>Percentage of GDP</i> | <i>2.5%</i> | <i>2.4%</i> | <i>2.3%</i> | <i>2.5%</i> | <i>2.6%</i> | <i>2.8%</i> | <i>2.9%</i> |
| Current payments ² | 88 512.0 | 103 376.4 | 117 130.0 | 135 313.3 | 147 760.3 | 156 210.6 | 166 884.0 |
| Transfers and subsidies | 391 929.9 | 458 702.2 | 532 182.3 | 578 332.9 | 648 496.9 | 695 554.1 | 740 738.6 |
| Payments for capital assets ² | 7 018.5 | 8 508.4 | 9 202.2 | 8 817.0 | 11 206.9 | 13 823.7 | 17 464.5 |
| Payments for financial assets | 1 105.9 | 10 972.6 | 31 553.0 | 20 889.7 | 750.1 | 0.1 | 0.1 |
| Unallocated | - | - | - | - | 40.0 | 330.0 | 530.0 |
| Contingency reserve | - | - | - | - | 4 090.4 | 11 405.4 | 23 375.2 |
| Total expenditure | 541 443.4 | 635 953.3 | 747 196.8 | 809 923.3 | 888 923.3 | 968 131.7 | 1 053 028.6 |
| <i>Percentage of GDP</i> | <i>26.0%</i> | <i>27.5%</i> | <i>30.6%</i> | <i>30.4%</i> | <i>30.5%</i> | <i>30.2%</i> | <i>29.8%</i> |
| Budget deficit³ | 19 351.6 | -27 157.8 | -167 517.7 | -143 360.6 | -159 065.7 | -161 713.5 | -148 714.9 |
| <i>Percentage of GDP</i> | <i>0.9%</i> | <i>-1.2%</i> | <i>-6.9%</i> | <i>-5.4%</i> | <i>-5.5%</i> | <i>-5.1%</i> | <i>-4.2%</i> |
| GDP | 2 078 822.0 | 2 312 965.0 | 2 442 593.0 | 2 666 893.9 | 2 914 861.7 | 3 201 299.3 | 3 536 001.5 |

1. Payment to SACU partners in respect of a previous error in calculation of the 1969 agreement.

2. Excludes conditional grants to provinces and local government, which are included in transfers and subsidies.

3. A positive number reflects a surplus and a negative number a deficit.

Table 2 Additional allocation to national votes 2011/12 to 2013/14¹

| R million | Medium-term expenditure estimates | | | Total |
|---|-----------------------------------|-----------------|-----------------|-----------------|
| | 2011/12 | 2012/13 | 2013/14 | |
| Central Government Administration | 1 948.2 | 2 277.4 | 2 923.5 | 7 149.1 |
| 1 The Presidency | 90.5 | 131.3 | 126.4 | 348.3 |
| 2 Parliament | 30.4 | 31.3 | 32.4 | 94.1 |
| 3 Cooperative Governance and Traditional Affairs | 964.1 | 873.0 | 1 250.8 | 3 087.9 |
| 4 Home Affairs | 176.9 | 444.8 | 600.2 | 1 221.9 |
| 5 International Relations and Cooperation | 145.2 | 162.2 | 170.1 | 477.4 |
| 6 Performance Monitoring and Evaluation | 37.4 | 97.5 | 114.5 | 249.3 |
| 7 Public Works | 493.7 | 522.3 | 609.1 | 1 625.1 |
| 8 Women, Children and People with Disabilities | 10.0 | 15.0 | 20.0 | 45.0 |
| Financial and Administrative Services | 4 067.9 | 4 190.0 | 5 261.1 | 13 519.0 |
| 9 Government Communication and Information System | 10.1 | 10.6 | 9.9 | 30.6 |
| 10 National Treasury | 3 442.3 | 4 048.0 | 5 097.8 | 12 588.1 |
| 11 Public Enterprises | 44.8 | 4.6 | 4.6 | 53.9 |
| 12 Public Service and Administration | 34.9 | 44.2 | 55.0 | 134.0 |
| 13 Statistics South Africa | 535.8 | 82.7 | 93.8 | 712.3 |
| Social Services | 4 043.4 | 7 691.7 | 14 993.2 | 26 728.2 |
| 14 Arts and Culture | 66.9 | 83.1 | 105.7 | 255.8 |
| 15 Basic Education | 826.4 | 2 574.4 | 5 649.7 | 9 050.4 |
| 16 Health | 442.0 | 692.0 | 2 236.0 | 3 370.0 |
| 17 Higher Education and Training | 2 215.3 | 3 560.3 | 4 403.6 | 10 179.2 |
| 18 Labour | 131.7 | 170.3 | 187.3 | 489.3 |
| 19 Social Development | 312.1 | 543.3 | 2 322.5 | 3 177.9 |
| 20 Sport and Recreation South Africa | 49.0 | 68.3 | 88.4 | 205.7 |
| Justice, Crime Prevention and Security | 3 740.6 | 5 760.1 | 7 583.9 | 17 084.7 |
| 21 Correctional Services | 579.9 | 1 046.7 | 1 147.8 | 2 774.3 |
| 22 Defence and Military Veterans | 1 180.2 | 1 552.8 | 1 863.6 | 4 596.6 |
| 23 Independent Complaints Directorate | 7.9 | 9.1 | 10.1 | 27.1 |
| 24 Justice and Constitutional Development | 477.0 | 1 098.6 | 1 196.9 | 2 772.4 |
| 25 Police | 1 495.7 | 2 052.9 | 3 365.5 | 6 914.2 |
| Economic Services and Infrastructure | 6 550.4 | 8 755.2 | 10 874.5 | 26 180.1 |
| 26 Agriculture, Forestry and Fisheries | 194.1 | 405.7 | 512.4 | 1 112.2 |
| 27 Communications | 105.7 | 155.9 | 206.1 | 467.7 |
| 28 Economic Development | 101.6 | 156.0 | 166.1 | 423.7 |
| 29 Energy | 307.9 | 29.2 | 32.6 | 369.7 |
| 30 Environmental Affairs | 297.9 | 146.0 | 186.4 | 630.3 |
| 31 Human Settlements | 657.5 | 1 215.8 | 1 757.2 | 3 630.6 |
| 32 Mineral Resources | 43.2 | 53.6 | 34.1 | 130.9 |
| 33 Rural Development and Land Reform | 610.4 | 838.5 | 1 113.9 | 2 562.8 |
| 34 Science and Technology | 14.6 | 139.9 | 404.1 | 558.6 |
| 35 Tourism | 52.5 | 42.4 | 44.9 | 139.8 |
| 36 Trade and Industry | 527.6 | 621.7 | 646.3 | 1 795.6 |
| 37 Transport | 2 180.8 | 3 689.9 | 4 786.2 | 10 656.9 |
| 38 Water Affairs | 1 456.6 | 1 260.4 | 984.2 | 3 701.2 |
| Total | 20 350.6 | 28 674.3 | 41 636.1 | 90 661.1 |

1. Excludes additional allocations on provincial equitable share and other direct charges against the National Revenue Fund.

Table 3 Expenditure by national vote 2007/08 to 2013/14

| R million | Audited outcome | | | Adjusted appropriation | |
|---|--|------------------|------------------|------------------------|------------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | |
| Central Government Administration | | | | | |
| 1 | The Presidency | 649.4 | 308.8 | 659.1 | 766.9 |
| 2 | Parliament | 849.8 | 1 071.5 | 1 009.0 | 1 201.6 |
| 3 | Cooperative Governance and Traditional Affairs | 28 359.9 | 33 386.0 | 33 661.6 | 41 748.5 |
| 4 | Home Affairs | 3 241.7 | 4 666.6 | 5 195.4 | 5 834.4 |
| 5 | International Relations and Cooperation | 4 069.7 | 5 472.3 | 5 417.4 | 4 715.8 |
| 6 | Performance Monitoring and Evaluation | 2.0 | 3.6 | 10.4 | 40.5 |
| 7 | Public Works | 3 402.3 | 4 197.0 | 5 533.6 | 7 364.8 |
| 8 | Women, Children and People with Disabilities | 52.5 | 61.9 | 77.5 | 106.2 |
| Financial and Administrative Services | | | | | |
| 9 | Government Communication and Information System | 380.9 | 427.5 | 495.4 | 550.2 |
| 10 | National Treasury | 12 569.3 | 23 762.8 | 53 240.6 | 38 704.9 |
| 11 | Public Enterprises | 4 604.0 | 3 265.1 | 3 983.3 | 555.5 |
| 12 | Public Service and Administration | 609.6 | 630.6 | 670.8 | 658.7 |
| 13 | Statistics South Africa | 1 054.3 | 1 323.1 | 1 555.8 | 2 101.4 |
| Social Services | | | | | |
| 14 | Arts and Culture | 1 585.8 | 2 114.5 | 2 224.9 | 2 441.2 |
| 15 | Basic Education | 4 799.5 | 6 384.0 | 7 854.3 | 10 924.3 |
| 16 | Health | 13 578.6 | 16 424.5 | 19 168.6 | 23 132.5 |
| 17 | Higher Education and Training | 15 999.1 | 18 767.8 | 20 684.4 | 23 776.2 |
| 18 | Labour | 1 431.5 | 1 507.2 | 1 698.7 | 1 835.8 |
| 19 | Social Development | 67 191.4 | 76 096.7 | 85 318.2 | 95 941.1 |
| 20 | Sport and Recreation South Africa | 5 048.0 | 4 871.4 | 2 866.4 | 1 255.5 |
| Justice, Crime Prevention and Security | | | | | |
| 21 | Correctional Services | 11 122.4 | 12 822.6 | 13 687.3 | 15 427.5 |
| 22 | Defence and Military Veterans | 25 180.1 | 27 801.3 | 31 324.2 | 30 442.6 |
| 23 | Independent Complaints Directorate | 80.9 | 99.3 | 106.2 | 131.4 |
| 24 | Justice and Constitutional Development | 7 194.0 | 8 244.4 | 9 653.5 | 10 787.3 |
| 25 | Police | 36 525.9 | 41 635.2 | 47 662.5 | 53 529.7 |
| Economic Services and Infrastructure | | | | | |
| 26 | Agriculture, Forestry and Fisheries | 3 957.2 | 3 564.9 | 3 961.8 | 4 003.9 |
| 27 | Communications | 1 911.8 | 2 328.6 | 2 301.9 | 2 138.0 |
| 28 | Economic Development | 245.1 | 220.4 | 314.6 | 449.8 |
| 29 | Energy | 2 229.8 | 2 961.7 | 3 690.9 | 5 648.7 |
| 30 | Environmental Affairs | 1 564.5 | 1 789.9 | 2 124.3 | 2 438.5 |
| 31 | Human Settlements | 10 503.0 | 13 269.5 | 16 407.4 | 19 305.9 |
| 32 | Mineral Resources | 717.5 | 768.3 | 853.8 | 995.8 |
| 33 | Rural Development and Land Reform | 5 896.6 | 6 669.8 | 5 863.8 | 7 293.4 |
| 34 | Science and Technology | 3 127.3 | 3 703.5 | 4 183.9 | 4 128.0 |
| 35 | Tourism | 1 056.0 | 1 202.2 | 1 145.6 | 1 183.8 |
| 36 | Trade and Industry | 5 050.2 | 4 836.7 | 5 923.3 | 6 194.2 |
| 37 | Transport | 19 155.9 | 28 161.7 | 28 664.0 | 30 380.8 |
| 38 | Water Affairs | 4 802.9 | 5 797.8 | 7 188.6 | 8 203.2 |
| Total appropriation by vote | | 309 800.8 | 370 620.6 | 436 383.5 | 466 338.6 |
| Plus: | | | | | |
| Direct charges against the National Revenue Fund | | | | | |
| | President and Deputy President salary (The Presidency) | 2.3 | 4.0 | 3.8 | 4.6 |
| | Members remuneration (Parliament) | 240.7 | 304.2 | 398.8 | 392.7 |
| | State debt costs (National Treasury) | 52 877.1 | 54 393.7 | 57 129.2 | 67 606.9 |
| | Provincial equitable share (National Treasury) | 171 053.7 | 201 795.6 | 236 890.8 | 265 139.4 |
| | General fuel levy sharing with metros (National Treasury) | - | - | 6 800.1 | 7 542.4 |
| | Skills levy and Setas (Higher Education and Training) | 6 284.3 | 7 234.1 | 7 815.6 | 8 424.2 |
| | Judges and magistrates salaries (Justice and Constitutional Development) | 1 184.5 | 1 601.1 | 1 774.9 | 1 929.9 |
| Total direct charges against the National Revenue Fund | | 231 642.6 | 265 332.8 | 310 813.2 | 351 040.0 |
| | Unallocated | - | - | - | - |
| | Contingency reserve | - | - | - | - |
| | Projected underspending | - | - | - | -1 700.0 |
| Total | | 541 443.4 | 635 953.3 | 747 196.8 | 815 678.6 |

Table 3 Expenditure by national vote 2007/08 to 2013/14

| Revised estimate | Medium-term expenditure estimates | | | R million |
|------------------|-----------------------------------|------------------|--------------------|--|
| | 2010/11 | 2011/12 | 2012/13 | |
| | | | | Central Government Administration |
| 766.9 | 815.0 | 887.5 | 924.2 | The Presidency |
| 1 201.6 | 1 265.3 | 1 315.9 | 1 387.6 | Parliament |
| 41 748.5 | 47 933.6 | 53 842.8 | 57 120.8 | Cooperative Governance and Traditional Affairs |
| 5 834.4 | 5 464.1 | 5 249.7 | 5 864.3 | Home Affairs |
| 4 715.8 | 4 796.8 | 5 154.9 | 5 569.3 | International Relations and Cooperation |
| 40.5 | 75.8 | 141.0 | 160.4 | Performance Monitoring and Evaluation |
| 7 138.7 | 7 819.3 | 8 061.2 | 8 900.1 | Public Works |
| 106.2 | 117.9 | 129.5 | 140.8 | Women, Children and People with Disabilities |
| | | | | Financial and Administrative Services |
| 550.2 | 496.4 | 524.4 | 552.0 | Government Communication and Information System |
| 38 375.4 | 22 598.2 | 23 469.1 | 25 578.9 | National Treasury |
| 555.5 | 230.2 | 199.7 | 210.4 | Public Enterprises |
| 656.7 | 690.1 | 726.2 | 774.5 | Public Service and Administration |
| 1 741.7 | 3 240.9 | 1 698.3 | 1 717.7 | Statistics South Africa |
| | | | | Social Services |
| 2 339.7 | 2 468.6 | 2 625.1 | 2 784.7 | Arts and Culture |
| 9 093.0 | 13 868.1 | 16 557.9 | 20 409.6 | Basic Education |
| 22 218.7 | 25 731.6 | 27 610.8 | 30 136.7 | Health |
| 23 757.2 | 28 228.6 | 31 318.5 | 33 688.2 | Higher Education and Training |
| 1 793.2 | 1 981.5 | 2 098.5 | 2 221.7 | Labour |
| 94 841.0 | 104 732.7 | 113 524.0 | 122 075.5 | Social Development |
| 1 249.6 | 802.7 | 852.3 | 915.5 | Sport and Recreation South Africa |
| | | | | Justice, Crime Prevention and Security |
| 15 232.5 | 16 559.2 | 17 805.0 | 18 827.8 | Correctional Services |
| 30 442.6 | 34 605.0 | 37 371.2 | 39 702.2 | Defence and Military Veterans |
| 131.4 | 151.6 | 161.0 | 170.4 | Independent Complaints Directorate |
| 10 742.3 | 11 413.5 | 12 674.3 | 13 409.3 | Justice and Constitutional Development |
| 53 529.7 | 58 061.5 | 62 077.6 | 66 696.7 | Police |
| | | | | Economic Services and Infrastructure |
| 4 003.9 | 4 719.7 | 5 312.0 | 5 503.2 | Agriculture, Forestry and Fisheries |
| 2 138.0 | 1 889.1 | 1 721.7 | 1 851.7 | Communications |
| 384.5 | 594.5 | 674.7 | 713.3 | Economic Development |
| 5 648.7 | 6 089.9 | 5 575.3 | 4 304.8 | Energy |
| 2 359.8 | 2 846.1 | 2 399.3 | 2 643.0 | Environmental Affairs |
| 19 305.9 | 22 578.5 | 24 875.1 | 26 674.7 | Human Settlements |
| 995.8 | 1 036.2 | 1 107.5 | 1 178.7 | Mineral Resources |
| 7 293.4 | 8 124.2 | 8 674.1 | 9 381.1 | Rural Development and Land Reform |
| 4 128.0 | 4 404.6 | 4 887.4 | 5 510.1 | Science and Technology |
| 1 183.8 | 1 242.9 | 1 273.9 | 1 345.3 | Tourism |
| 6 075.5 | 6 786.9 | 7 366.9 | 7 572.4 | Trade and Industry |
| 29 989.4 | 35 084.0 | 38 204.4 | 41 198.9 | Transport |
| 7 609.7 | 9 936.2 | 10 231.5 | 10 883.5 | Water Affairs |
| 459 919.7 | 499 480.9 | 538 380.2 | 578 700.1 | Total appropriation by vote |
| | | | | Plus: |
| | | | | Direct charges against the National Revenue Fund |
| 4.6 | 4.8 | 5.1 | 5.3 | President and Deputy President salary (The Presidency) |
| 392.7 | 409.6 | 430.1 | 453.8 | Members remuneration (Parliament) |
| 66 570.4 | 76 578.7 | 90 807.7 | 104 036.2 | State debt costs (National Treasury) |
| 265 139.4 | 288 492.8 | 305 725.4 | 323 604.4 | Provincial equitable share (National Treasury) |
| 7 542.4 | 8 573.1 | 9 039.7 | 9 613.4 | General fuel levy sharing with metros (National Treasury) |
| 8 424.2 | 9 148.7 | 9 606.1 | 10 134.5 | Skills levy and Setas (Higher Education and Training) |
| 1 929.9 | 2 104.2 | 2 401.9 | 2 575.7 | Judges and magistrates salaries (Justice and Constitutional Development) |
| 350 003.5 | 385 312.0 | 418 016.1 | 450 423.3 | Total direct charges against the National Revenue Fund |
| - | 40.0 | 330.0 | 530.0 | Unallocated |
| - | 4 090.4 | 11 405.4 | 23 375.2 | Contingency reserve |
| - | - | - | - | Projected underspending |
| 809 923.3 | 888 923.3 | 968 131.7 | 1 053 028.6 | Total |

Table 4 Expenditure by economic classification 2007/08 to 2013/14

| R million | Audited outcome | | | Adjusted appropriation |
|--|------------------|------------------|------------------|------------------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 |
| Current payments | | | | |
| Compensation of employees | 56 221.9 | 64 819.2 | 75 276.3 | 88 740.8 |
| Salaries and wages | 46 758.3 | 53 869.3 | 62 806.6 | 74 671.9 |
| Social contributions | 9 463.6 | 10 949.9 | 12 469.7 | 14 068.9 |
| Goods and services | 32 272.1 | 38 522.2 | 41 695.1 | 47 989.9 |
| Interest and rent on land | 52 895.1 | 54 428.7 | 57 287.8 | 67 615.5 |
| Interest (Incl. interest on finance leases) | 52 893.9 | 54 428.5 | 57 280.1 | 67 614.7 |
| Rent on land | 1.2 | 0.2 | 7.7 | 0.8 |
| Total current payments | 141 389.1 | 157 770.1 | 174 259.2 | 204 346.3 |
| Transfers and subsidies to: | | | | |
| Provinces and municipalities | 243 233.6 | 289 395.9 | 344 774.7 | 387 557.9 |
| Provinces | 204 668.3 | 243 851.9 | 293 163.8 | 326 000.2 |
| Provincial revenue funds | 204 668.3 | 243 851.9 | 293 163.8 | 326 000.2 |
| Municipalities | 38 565.4 | 45 544.0 | 51 610.8 | 61 557.8 |
| Municipal bank accounts | 38 565.4 | 45 544.0 | 51 610.8 | 61 557.8 |
| Departmental agencies and accounts | 44 609.0 | 53 708.8 | 57 458.8 | 56 035.9 |
| Social security funds | 8.5 | 2 508.7 | 9.7 | 11.6 |
| Departmental agencies (non-business entities) | 44 600.5 | 51 200.1 | 57 449.1 | 56 024.3 |
| Universities and technikons | 12 004.1 | 13 897.7 | 15 443.5 | 17 576.1 |
| Foreign governments and international organisations | 935.6 | 1 010.6 | 1 366.4 | 1 357.1 |
| Public corporations and private enterprises | 19 485.7 | 20 188.1 | 21 704.6 | 20 492.5 |
| Public corporations | 14 887.2 | 14 723.0 | 19 325.2 | 18 180.6 |
| Subsidies on products or production | 6 293.0 | 8 060.3 | 8 477.2 | 9 836.7 |
| Other transfers to public corporations | 8 594.1 | 6 662.6 | 10 848.0 | 8 343.9 |
| Private enterprises | 4 598.5 | 5 465.1 | 2 379.4 | 2 311.9 |
| Subsidies on products or production | 4 111.4 | 5 193.5 | 2 009.5 | 1 848.5 |
| Other transfers to private enterprises | 487.1 | 271.7 | 369.9 | 463.4 |
| Non-profit institutions | 1 006.7 | 1 222.2 | 1 220.3 | 1 470.9 |
| Households | 70 655.2 | 79 279.0 | 90 214.0 | 98 316.7 |
| Social benefits | 65 169.0 | 73 588.0 | 84 842.8 | 92 538.4 |
| Other transfers to households | 5 486.3 | 5 690.9 | 5 371.2 | 5 778.3 |
| Total transfers and subsidies | 391 929.9 | 458 702.2 | 532 182.3 | 582 807.0 |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | 3 631.3 | 5 331.6 | 5 712.2 | 5 975.7 |
| Buildings | 3 356.9 | 4 860.4 | 4 598.8 | 4 757.1 |
| Other fixed structures | 274.4 | 471.2 | 1 113.4 | 1 218.5 |
| Machinery and equipment | 3 161.5 | 2 926.7 | 3 127.6 | 3 298.6 |
| Transport equipment | 1 538.2 | 1 510.2 | 1 524.2 | 1 769.1 |
| Other machinery and equipment | 1 623.4 | 1 416.5 | 1 603.4 | 1 529.5 |
| Heritage assets | - | 0.1 | 0.2 | - |
| Specialised military assets | - | - | 83.1 | 19.0 |
| Biological assets | 10.6 | 2.7 | 2.1 | 2.0 |
| Land and subsoil assets | 27.4 | 49.0 | 83.9 | 0.1 |
| Software and other intangible assets | 187.7 | 198.3 | 193.2 | 40.8 |
| Total payments for capital assets | 7 018.5 | 8 508.4 | 9 202.2 | 9 336.2 |
| Payments for financial assets | 1 105.9 | 10 972.6 | 31 553.0 | 20 889.2 |
| Total | 541 443.4 | 635 953.3 | 747 196.8 | 817 378.6 |
| Unallocated | - | - | - | - |
| Contingency reserve | - | - | - | - |
| Projected underspending | - | - | - | -1 700.0 |
| Total | 541 443.4 | 635 953.3 | 747 196.8 | 815 678.6 |

Table 4 Expenditure by economic classification 2007/08 to 2013/14

| Revised estimate | Medium-term expenditure estimates | | | R million |
|------------------|-----------------------------------|------------------|--------------------|---|
| | 2010/11 | 2011/12 | 2012/13 | |
| 88 324.0 | 94 788.4 | 100 350.8 | 107 316.5 | Current payments |
| 74 278.1 | 79 661.6 | 84 435.8 | 90 409.3 | Compensation of employees |
| 14 046.0 | 15 126.9 | 15 914.9 | 16 907.2 | Salaries and wages |
| 46 980.3 | 52 944.2 | 55 829.0 | 59 536.1 | Social contributions |
| 66 579.3 | 76 606.4 | 90 838.6 | 104 067.6 | Goods and services |
| 66 578.5 | 76 605.4 | 90 837.4 | 104 066.4 | Interest and rent on land |
| 0.8 | 1.1 | 1.2 | 1.2 | Interest (Incl. interest on finance leases) |
| | | | | Rent on land |
| 201 883.7 | 224 339.0 | 247 018.3 | 270 920.2 | Total current payments |
| 384 334.3 | 428 131.5 | 457 512.2 | 486 602.9 | Transfers and subsidies to: |
| 323 080.3 | 357 928.6 | 380 449.6 | 404 251.4 | Provinces and municipalities |
| 323 080.3 | 357 928.6 | 380 449.6 | 404 251.4 | Provinces |
| 61 254.0 | 70 202.9 | 77 062.5 | 82 351.5 | Provincial revenue funds |
| 61 254.0 | 70 202.9 | 77 062.5 | 82 351.5 | Municipalities |
| 55 866.1 | 68 241.9 | 73 170.5 | 78 537.2 | Municipal bank accounts |
| 11.6 | 12.4 | 13.0 | 13.7 | Departmental agencies and accounts |
| 55 854.6 | 68 229.5 | 73 157.5 | 78 523.5 | Social security funds |
| 17 571.1 | 19 365.4 | 20 766.7 | 21 953.2 | Departmental agencies (non-business entities) |
| 1 358.2 | 1 463.4 | 1 723.6 | 1 830.5 | Universities and technikons |
| 20 459.5 | 23 642.9 | 25 011.7 | 25 561.1 | Foreign governments and international organisations |
| 18 180.6 | 20 434.1 | 21 742.4 | 22 063.1 | Public corporations and private enterprises |
| 9 836.7 | 9 879.4 | 9 997.1 | 8 896.9 | Public corporations |
| 8 343.9 | 10 554.7 | 11 745.4 | 13 166.3 | Subsidies on products or production |
| 2 278.9 | 3 208.8 | 3 269.3 | 3 498.0 | Other transfers to public corporations |
| 1 813.5 | 2 718.2 | 2 663.9 | 2 856.4 | Private enterprises |
| 465.4 | 490.6 | 605.4 | 641.6 | Subsidies on products or production |
| 1 461.7 | 1 500.4 | 1 874.8 | 2 099.0 | Other transfers to private enterprises |
| 97 282.0 | 106 151.3 | 115 494.5 | 124 154.6 | Non-profit institutions |
| 91 514.5 | 101 279.1 | 110 239.7 | 118 596.5 | Households |
| 5 767.5 | 4 872.3 | 5 254.9 | 5 558.1 | Social benefits |
| | | | | Other transfers to households |
| 578 332.9 | 648 496.9 | 695 554.1 | 740 738.6 | Total transfers and subsidies |
| 5 615.9 | 7 845.0 | 10 560.6 | 14 057.6 | Payments for capital assets |
| 4 479.1 | 5 486.6 | 7 813.1 | 11 078.5 | Buildings and other fixed structures |
| 1 136.8 | 2 358.3 | 2 747.6 | 2 979.1 | Buildings |
| 3 144.0 | 3 302.7 | 3 202.5 | 3 344.4 | Other fixed structures |
| 1 699.1 | 1 922.9 | 1 645.0 | 1 697.5 | Machinery and equipment |
| 1 444.9 | 1 379.8 | 1 557.5 | 1 646.9 | Transport equipment |
| 0.0 | - | - | - | Other machinery and equipment |
| 19.0 | 20.7 | 21.3 | 22.4 | Heritage assets |
| 2.0 | 0.2 | 0.3 | 0.3 | Specialised military assets |
| 0.1 | - | - | - | Biological assets |
| 35.9 | 38.3 | 39.1 | 39.9 | Land and subsoil assets |
| | | | | Software and other intangible assets |
| 8 817.0 | 11 206.9 | 13 823.7 | 17 464.5 | Total payments for capital assets |
| 20 889.7 | 750.1 | 0.1 | 0.1 | Payments for financial assets |
| 809 923.3 | 884 792.9 | 956 396.3 | 1 029 123.4 | Total |
| - | 40.0 | 330.0 | 530.0 | Unallocated |
| - | 4 090.4 | 11 405.4 | 23 375.2 | Contingency reserve |
| - | - | - | - | Projected underspending |
| 809 923.3 | 888 923.3 | 968 131.7 | 1 053 028.6 | Total |

Table 5 Amounts to be appropriated from the National Revenue Fund for 2011/12

| R million | Appropriated (including direct charges) 2010/11 | Current payments | Transfers and subsidies | Payments for capital assets 2011/12 | Payments for financial assets | To be appropriated | Increase/ Decrease | |
|---|---|---------------------|-------------------------------|--|-------------------------------------|-----------------------|-----------------------|----------|
| Central Government Administration | | | | | | | | |
| 1 | The Presidency | 706.8 | 417.5 | 387.8 | 14.5 | - | 819.8 | 113.0 |
| 2 | Parliament | 1 571.9 | 1 383.1 | 287.9 | 3.9 | - | 1 674.9 | 103.0 |
| 3 | Cooperative Governance and Traditional Affairs | 41 096.9 | 691.3 | 47 222.4 | 19.8 | 0.1 | 47 933.6 | 6 836.7 |
| 4 | Home Affairs | 5 719.6 | 4 437.4 | 1 000.1 | 26.7 | - | 5 464.1 | -255.5 |
| 5 | International Relations and Cooperation | 4 824.4 | 3 703.1 | 809.9 | 283.7 | - | 4 796.8 | -27.7 |
| 6 | Performance Monitoring and Evaluation | 20.4 | 72.8 | - | 3.0 | - | 75.8 | 55.4 |
| 7 | Public Works | 6 446.3 | 2 265.4 | 4 010.3 | 1 543.6 | - | 7 819.3 | 1 372.9 |
| 8 | Women, Children and People with Disabilities | 97.8 | 60.5 | 55.2 | 2.3 | - | 117.9 | 20.2 |
| Financial and Administrative Services | | | | | | | | |
| 9 | Government Communication and Information System | 546.2 | 334.8 | 159.2 | 2.4 | - | 496.4 | -49.8 |
| 10 | National Treasury | 378 589.1 | 78 015.4 | 317 463.8 | 13.7 | 750.0 | 396 242.8 | 17 653.7 |
| 11 | Public Enterprises | 350.6 | 188.1 | 40.8 | 1.4 | - | 230.2 | -120.4 |
| 12 | Public Service and Administration | 651.5 | 396.5 | 290.9 | 2.7 | - | 690.1 | 38.6 |
| 13 | Statistics South Africa | 1 973.4 | 3 188.8 | 10.5 | 41.7 | - | 3 240.9 | 1 267.5 |
| Social Services | | | | | | | | |
| 14 | Arts and Culture | 2 406.7 | 392.9 | 2 069.3 | 6.4 | - | 2 468.6 | 61.9 |
| 15 | Basic Education | 10 918.5 | 2 136.9 | 11 025.3 | 706.0 | - | 13 868.1 | 2 949.7 |
| 16 | Health | 22 967.9 | 1 209.3 | 24 489.3 | 32.9 | - | 25 731.6 | 2 763.6 |
| 17 | Higher Education and Training | 32 144.9 | 455.8 | 36 913.4 | 8.1 | - | 37 377.3 | 5 232.4 |
| 18 | Labour | 1 783.9 | 1 349.9 | 599.4 | 32.1 | - | 1 981.5 | 197.6 |
| 19 | Social Development | 95 929.1 | 543.7 | 104 177.1 | 11.9 | - | 104 732.7 | 8 803.6 |
| 20 | Sport and Recreation South Africa | 1 245.6 | 222.5 | 574.1 | 6.0 | - | 802.7 | -442.9 |
| Justice, Crime Prevention and Security | | | | | | | | |
| 21 | Correctional Services | 15 129.0 | 15 342.1 | 31.3 | 1 185.8 | - | 16 559.2 | 1 430.2 |
| 22 | Defence and Military Veterans | 30 715.3 | 27 278.4 | 6 978.0 | 348.6 | - | 34 605.0 | 3 889.6 |
| 23 | Independent Complaints Directorate | 129.3 | 147.6 | 0.1 | 4.0 | - | 151.6 | 22.3 |
| 24 | Justice and Constitutional Development | 12 180.4 | 10 933.7 | 1 791.1 | 792.9 | - | 13 517.7 | 1 337.3 |
| 25 | Police | 52 556.4 | 54 596.4 | 464.6 | 3 000.5 | - | 58 061.5 | 5 505.1 |
| Economic Services and Infrastructure | | | | | | | | |
| 26 | Agriculture, Forestry and Fisheries | 3 708.0 | 2 039.4 | 2 567.8 | 112.5 | - | 4 719.7 | 1 011.8 |
| 27 | Communications | 2 114.0 | 585.2 | 1 299.6 | 4.3 | - | 1 889.1 | -224.9 |
| 28 | Economic Development | 418.6 | 123.2 | 464.8 | 6.5 | - | 594.5 | 175.9 |
| 29 | Energy | 5 535.4 | 297.2 | 5 784.9 | 7.8 | - | 6 089.9 | 554.5 |
| 30 | Environmental Affairs | 2 557.8 | 1 119.1 | 1 219.0 | 508.0 | - | 2 846.1 | 288.3 |
| 31 | Human Settlements | 19 215.6 | 642.2 | 21 700.6 | 235.7 | - | 22 578.5 | 3 362.9 |
| 32 | Mineral Resources | 1 030.0 | 587.6 | 438.4 | 10.1 | - | 1 036.2 | 6.2 |
| 33 | Rural Development and Land Reform | 6 769.6 | 2 524.1 | 5 564.7 | 35.4 | - | 8 124.2 | 1 354.7 |
| 34 | Science and Technology | 4 615.5 | 369.7 | 4 031.6 | 3.3 | - | 4 404.6 | -210.9 |
| 35 | Tourism | 1 151.8 | 268.2 | 968.0 | 6.7 | - | 1 242.9 | 91.0 |
| 36 | Trade and Industry | 6 150.1 | 1 172.4 | 5 600.4 | 14.1 | - | 6 786.9 | 636.8 |
| 37 | Transport | 30 178.0 | 841.8 | 34 238.0 | 4.1 | - | 35 084.0 | 4 906.0 |
| 38 | Water Affairs | 7 996.6 | 4 005.2 | 3 767.2 | 2 163.9 | - | 9 936.2 | 1 939.6 |
| Total | 812 142.9 | 224 339.0 | 648 496.9 | 11 206.9 | 750.1 | 884 792.9 | 72 650.0 | |

1. A positive number reflects an increase and a negative number a decrease.

Table 6a Conditional grants to provinces 2007/08 to 2013/14¹

| R million | Audited outcome | | | Adjusted appropriation | Revised estimate | Medium-term expenditure estimates | | |
|--|-----------------|-----------------|-----------------|------------------------|------------------|-----------------------------------|-----------------|-----------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | | 2011/12 | 2012/13 | 2013/14 |
| Central Government Administration | | | | | | | | |
| 3 | – | 29.7 | – | 214.4 | 214.4 | 305.0 | 180.0 | 190.0 |
| 7 | 836.6 | 889.3 | 1 466.0 | 2 252.9 | 2 181.3 | 2 270.9 | 2 504.8 | 2 778.5 |
| Financial and Administrative Services | | | | | | | | |
| 10 | – | – | 4 200.0 | – | – | – | – | – |
| Social Services | | | | | | | | |
| 14 | 163.2 | 344.6 | 440.6 | 512.7 | 512.7 | 543.4 | 570.8 | 602.2 |
| 15 | 4 012.9 | 5 215.6 | 6 460.1 | 8 683.6 | 7 107.4 | 10 546.4 | 11 330.6 | 11 953.7 |
| 16 | 12 368.6 | 14 988.7 | 17 523.8 | 21 363.7 | 20 483.0 | 23 947.7 | 25 746.5 | 28 175.2 |
| 17 | 2 435.3 | 3 005.8 | 3 155.3 | 3 804.0 | 3 804.0 | 4 326.0 | 4 705.1 | 5 262.4 |
| 20 | 194.0 | 293.7 | 402.3 | 426.4 | 426.4 | 452.0 | 474.6 | 500.7 |
| Economic Services and Infrastructure | | | | | | | | |
| 26 | 761.7 | 898.0 | 973.7 | 1 166.9 | 1 166.9 | 1 487.1 | 1 683.9 | 1 866.9 |
| 31 | 6 988.5 | 8 727.6 | 10 819.3 | 13 032.1 | 13 032.1 | 14 941.5 | 15 599.4 | 16 457.4 |
| 37 | 5 853.7 | 7 663.3 | 10 832.1 | 9 404.1 | 9 012.8 | 10 615.9 | 11 928.5 | 12 860.0 |
| Total | 33 614.6 | 42 056.3 | 56 273.0 | 60 860.7 | 57 940.8 | 69 435.8 | 74 724.2 | 80 647.0 |

1. Detail provided in the Division of Revenue Act (2011).

Table 6b Conditional grants to municipalities 2007/08 to 2013/14¹

| R million | Audited outcome | | | Adjusted appropriation | Revised estimate | Medium-term expenditure estimates | | |
|--|-----------------|-----------------|-----------------|------------------------|------------------|-----------------------------------|-----------------|-----------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | | 2011/12 | 2012/13 | 2013/14 |
| Central Government Administration | | | | | | | | |
| 3 | 7 167.2 | 7 186.4 | 8 988.3 | 9 726.7 | 9 726.7 | 12 132.9 | 14 474.2 | 15 272.1 |
| 7 | – | – | 100.5 | 623.0 | 551.4 | 679.6 | 665.7 | 779.5 |
| Financial and Administrative Services | | | | | | | | |
| 10 | 716.5 | 361.5 | 808.1 | 1 394.6 | 1 186.6 | 1 184.6 | 1 279.3 | 1 326.1 |
| Social Services | | | | | | | | |
| 20 | 4 605.0 | 4 295.0 | 2 168.7 | 512.6 | 512.6 | – | – | – |
| Economic Services and Infrastructure | | | | | | | | |
| 29 | 462.5 | 589.1 | 1 074.6 | 1 240.1 | 1 240.1 | 1 376.6 | 1 151.4 | 1 214.8 |
| 31 | 2 948.3 | 3 572.4 | 4 418.2 | 5 157.6 | 5 157.6 | 6 267.0 | 7 409.5 | 8 126.8 |
| 37 | 1 174.0 | 2 928.7 | 2 431.0 | 3 709.9 | 3 709.9 | 4 838.8 | 5 037.2 | 5 602.9 |
| 38 | 732.9 | 994.6 | 902.4 | 990.5 | 966.3 | 1 010.8 | 399.0 | 420.9 |
| Total | 17 806.4 | 19 927.6 | 20 891.8 | 23 354.9 | 23 051.2 | 27 490.3 | 30 416.4 | 32 743.1 |

1. Detail provided in the Division of Revenue Act (2011).

Table 7 Training expenditure per vote 2007/08 to 2013/14

| R million | Audited outcome | | | Adjusted appropriation | Medium-term expenditure estimates | | |
|---|-----------------|----------------|----------------|------------------------|-----------------------------------|----------------|----------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Central Government Administration | | | | | | | |
| 1 The Presidency | 2.3 | 1.4 | 1.9 | 2.1 | 2.4 | 2.5 | 2.8 |
| 2 Parliament | 10.6 | 11.9 | 10.1 | 10.4 | 14.2 | 15.0 | 16.8 |
| 3 Cooperative Governance and Traditional Affairs | 2.3 | 1.7 | 1.8 | 2.4 | 5.0 | 5.2 | 5.5 |
| 4 Home Affairs | 32.4 | 34.0 | 26.4 | 48.5 | 37.2 | 37.5 | 39.6 |
| 5 International Relations and Cooperation | 13.1 | 8.1 | 12.4 | 19.6 | 16.6 | 17.8 | 20.0 |
| 7 Public Works | 15.2 | 15.2 | 22.0 | 27.5 | 24.8 | 24.8 | 26.1 |
| 8 Women, Children and People with Disabilities | – | – | – | 0.2 | 0.3 | 0.4 | 0.5 |
| Financial and Administrative Services | | | | | | | |
| 9 Government Communication and Information System | 4.7 | 4.2 | 4.4 | 4.9 | 4.8 | 5.0 | 5.3 |
| 10 National Treasury | 16.1 | 16.9 | 10.0 | 20.0 | 10.8 | 11.6 | 12.2 |
| 11 Public Enterprises | 1.3 | 2.3 | 2.2 | 3.3 | 2.9 | 3.1 | 3.4 |
| 12 Public Service and Administration | 2.2 | 3.7 | 2.6 | 3.4 | 3.2 | 3.4 | 3.7 |
| 13 Statistics South Africa | 11.9 | 14.0 | 21.2 | 38.5 | 21.4 | 22.5 | 23.7 |
| Social Services | | | | | | | |
| 14 Arts and Culture | 3.1 | 4.5 | 2.1 | 2.3 | 1.6 | 1.7 | 1.8 |
| 15 Basic Education | 2.8 | 6.5 | 1.7 | 2.8 | 1.9 | 2.0 | 2.1 |
| 16 Health | 9.5 | 1.8 | 4.5 | 5.5 | 4.0 | 4.5 | 4.9 |
| 17 Higher Education and Training | 2.5 | 2.9 | 1.9 | 2.4 | 1.3 | 1.3 | 1.3 |
| 18 Labour | 6.5 | 8.9 | 8.3 | 8.9 | 11.8 | 12.0 | 12.7 |
| 19 Social Development | 1.7 | 1.8 | 2.3 | 2.5 | 2.7 | 2.9 | 3.0 |
| 20 Sport and Recreation South Africa | 0.9 | 0.9 | 1.1 | 1.2 | 1.6 | 1.6 | 1.5 |
| Justice, Crime Prevention and Security | | | | | | | |
| 21 Correctional Services | 125.6 | 76.0 | 89.5 | 64.0 | 100.5 | 105.6 | 111.0 |
| 22 Defence and Military Veterans | 87.4 | 117.7 | 113.6 | 145.6 | 131.9 | 133.0 | 141.2 |
| 23 Independent Complaints Directorate | 0.6 | 0.4 | 0.7 | 1.2 | 1.2 | 1.3 | 1.4 |
| 24 Justice and Constitutional Development | 18.3 | 37.5 | 86.4 | 78.9 | 83.6 | 89.4 | 94.0 |
| 25 Police | 966.0 | 1 124.0 | 1 253.4 | 1 386.6 | 1 449.0 | 1 514.2 | 1 590.0 |
| Economic Services and Infrastructure | | | | | | | |
| 26 Agriculture, Forestry and Fisheries | 20.3 | 24.2 | 16.4 | 20.0 | 13.1 | 14.9 | 25.5 |
| 27 Communications | 3.7 | 6.0 | 9.0 | 5.9 | 6.7 | 7.3 | 7.7 |
| 28 Economic Development | – | – | – | 0.1 | 0.8 | 0.9 | 1.0 |
| 29 Energy | 0.7 | 1.6 | 2.1 | 2.1 | 2.7 | 2.9 | 3.3 |
| 30 Environmental Affairs | 2.1 | 2.2 | 2.3 | 2.5 | 4.1 | 4.2 | 4.3 |
| 31 Human Settlements | 1.2 | 2.9 | 2.3 | 14.1 | 4.0 | 4.3 | 4.5 |
| 32 Mineral Resources | 1.7 | 3.8 | 9.1 | 3.5 | 3.9 | 4.1 | 4.4 |
| 33 Rural Development and Land Reform | 9.0 | 9.4 | 11.9 | 12.6 | 13.3 | 13.9 | – |
| 34 Science and Technology | 1.7 | 2.0 | 3.2 | 5.1 | 5.4 | 5.6 | 5.9 |
| 35 Tourism | 1.4 | 1.5 | 1.0 | 1.0 | 1.0 | 1.1 | 1.1 |
| 36 Trade and Industry | 1.0 | 2.5 | 9.3 | 11.0 | 13.4 | 14.1 | 14.9 |
| 37 Transport | 3.2 | 1.8 | 3.9 | 4.0 | 2.9 | 3.1 | 3.5 |
| 38 Water Affairs | 38.9 | 40.8 | 50.6 | 56.7 | 62.4 | 68.6 | 75.5 |
| Total | 1 421.9 | 1 595.3 | 1 801.5 | 2 021.3 | 2 069.6 | 2 164.4 | 2 277.3 |

Table 8 Infrastructure expenditure per vote 2007/08 to 2013/14¹

| R million | Audited outcome | | | Adjusted appropriation | Medium-term expenditure estimates | | | |
|---|--|-----------------|-----------------|------------------------|-----------------------------------|-----------------|-----------------|------------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | |
| Central Government Administration | | | | | | | | |
| 3 | Cooperative Governance and Traditional Affairs | 6 967.2 | 6 969.0 | 8 727.5 | 9 514.7 | 11 500.2 | 13 983.1 | 14 752.2 |
| 4 | Home Affairs | 122.9 | 136.0 | 102.0 | 131.1 | 209.8 | 215.8 | 248.0 |
| 5 | International Relations and Cooperation | 649.9 | 926.7 | 165.3 | 267.9 | 250.9 | 318.2 | 319.2 |
| 7 | Public Works | 488.0 | 988.4 | 1 253.6 | 1 376.0 | 1 443.9 | 1 474.7 | 1 724.7 |
| Financial and Administrative Services | | | | | | | | |
| 10 | National Treasury | 41.2 | 373.5 | 578.1 | 1 155.0 | 853.6 | 880.0 | 855.0 |
| Social Services | | | | | | | | |
| 14 | Arts and Culture | 281.2 | 448.6 | 449.7 | 447.8 | 455.6 | 483.0 | 509.5 |
| 15 | Basic Education | 2 636.0 | 3 101.5 | 3 884.7 | 4 832.3 | 6 398.3 | 8 408.2 | 11 617.3 |
| 16 | Health | 5 507.8 | 3 361.4 | 3 720.5 | 5 403.0 | 5 838.1 | 6 156.9 | 5 989.0 |
| 18 | Labour | 64.4 | 37.6 | 26.9 | 28.5 | 44.2 | 10.5 | 7.6 |
| 20 | Sport and Recreation South Africa | 4 605.0 | 4 295.0 | 2 168.7 | 512.6 | - | - | - |
| Justice, Crime Prevention and Security | | | | | | | | |
| 21 | Correctional Services | 1 005.3 | 948.5 | 833.6 | 950.9 | 968.3 | 1 016.8 | 1 072.7 |
| 22 | Defence and Military Veterans | 8.1 | 621.3 | 665.0 | 732.7 | 1 058.4 | 1 085.7 | 1 118.0 |
| 24 | Justice and Constitutional Development | 361.1 | 479.5 | 590.1 | 631.4 | 759.4 | 1 105.0 | 1 161.7 |
| 25 | Police | 732.5 | 991.2 | 1 070.1 | 1 118.2 | 1 235.3 | 1 544.6 | 1 629.5 |
| Economic Services and Infrastructure | | | | | | | | |
| 26 | Agriculture, Forestry and Fisheries | 105.3 | 110.3 | 131.7 | 181.7 | 260.1 | 239.3 | 141.0 |
| 27 | Communications | 646.0 | 750.0 | 920.0 | 540.9 | 404.0 | 317.0 | 376.1 |
| 29 | Energy | 1 435.6 | 1 739.9 | 2 400.3 | 4 239.9 | 4 334.4 | 4 533.5 | 3 200.3 |
| 30 | Environmental Affairs | 603.7 | 405.4 | 477.5 | 637.7 | 647.8 | 149.7 | 187.5 |
| 31 | Human Settlements | 9 936.8 | 12 300.0 | 15 087.4 | 18 155.9 | 21 440.0 | 23 488.4 | 25 101.5 |
| 33 | Rural Development and Land Reform | 5.6 | 6.3 | 2.8 | 6.9 | 21.2 | 11.3 | 4.2 |
| 34 | Science and Technology | 272.0 | 408.0 | 699.3 | 236.9 | 254.2 | 473.1 | 595.2 |
| 36 | Trade and Industry | 911.0 | 967.5 | 1 407.3 | 1 224.4 | 827.4 | 839.6 | 629.9 |
| 37 | Transport | 10 889.1 | 13 915.3 | 16 955.1 | 19 747.4 | 23 128.1 | 25 592.1 | 27 901.4 |
| 38 | Water Affairs | 930.4 | 1 904.1 | 2 212.8 | 2 764.0 | 4 123.8 | 4 455.1 | 5 064.6 |
| Total | | 49 206.1 | 56 185.0 | 64 530.2 | 74 837.7 | 86 457.1 | 96 781.5 | 104 206.1 |

1. Amounts include mega infrastructure projects and programmes (over R300 million per year for a minimum of three years, or R900 million total project cost), large projects and programmes (between R300 million and R50 million per year within a given MTEF period), small projects and programmes (less than R50 million per year). Infrastructure transfers to other spheres, agencies and entities, fixed installations transferred to households and maintenance and repair projects are also included. Details are provided in the additional tables in each vote.

Table 9 Personnel expenditure per vote 2007/08 to 2013/14

| R million | Audited outcome | | | Adjusted appropriation | Revised estimate | Medium-term expenditure estimates | | | |
|---|---|-----------------|-----------------|------------------------|------------------|-----------------------------------|-----------------|------------------|------------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | | 2011/12 | 2012/13 | 2013/14 | |
| Central Government and Administration | | | | | | | | | |
| 1 | The Presidency | 117.1 | 141.7 | 181.9 | 209.5 | 209.5 | 237.4 | 251.4 | 275.6 |
| 2 | Parliament | 517.3 | 651.0 | 784.6 | 868.1 | 868.1 | 936.1 | 990.2 | 1 046.8 |
| 3 | Cooperative Governance and Traditional Affairs | 128.1 | 153.8 | 165.7 | 232.1 | 232.1 | 232.9 | 245.9 | 258.1 |
| 4 | Home Affairs | 1 087.0 | 1 296.0 | 1 637.1 | 1 971.1 | 1 971.1 | 2 206.6 | 2 317.5 | 2 443.5 |
| 5 | International Relations and Cooperation | 1 293.2 | 1 683.4 | 1 833.3 | 1 858.6 | 1 858.6 | 1 704.5 | 1 811.9 | 2 034.5 |
| 6 | Performance Monitoring and Evaluation | 1.6 | 2.6 | 3.4 | 22.5 | 22.5 | 50.9 | 84.0 | 102.7 |
| 7 | Public Works | 721.5 | 801.0 | 976.1 | 1 200.9 | 1 200.9 | 1 242.1 | 1 241.2 | 1 305.1 |
| 8 | Women, Children and People with Disabilities | 4.8 | 5.9 | 9.8 | 24.1 | 24.1 | 34.6 | 39.9 | 46.3 |
| Financial and Administrative Services | | | | | | | | | |
| 9 | Government Communication and Information System | 116.2 | 114.0 | 138.7 | 150.7 | 150.7 | 165.4 | 173.4 | 183.2 |
| 10 | National Treasury | 272.7 | 321.0 | 402.1 | 552.6 | 511.2 | 605.9 | 637.7 | 672.2 |
| 11 | Public Enterprises | 56.0 | 70.4 | 75.2 | 90.3 | 90.3 | 96.5 | 101.0 | 106.2 |
| 12 | Public Service and Administration | 115.8 | 129.1 | 156.8 | 183.6 | 183.6 | 208.8 | 229.5 | 250.5 |
| 13 | Statistics South Africa | 472.0 | 700.7 | 879.2 | 978.7 | 931.6 | 1 531.0 | 1 165.0 | 1 185.0 |
| Social Services | | | | | | | | | |
| 14 | Arts and Culture | 107.2 | 126.8 | 146.3 | 152.9 | 152.9 | 164.8 | 174.3 | 183.7 |
| 15 | Basic Education | 150.4 | 186.3 | 225.2 | 271.1 | 271.1 | 325.6 | 349.3 | 371.7 |
| 16 | Health | 258.6 | 292.5 | 333.0 | 385.0 | 385.0 | 424.0 | 465.0 | 492.0 |
| 17 | Higher Education and Training | 146.2 | 174.8 | 201.8 | 251.6 | 249.6 | 301.5 | 334.1 | 359.7 |
| 18 | Labour | 497.9 | 491.3 | 576.5 | 744.8 | 701.9 | 786.3 | 865.8 | 915.2 |
| 19 | Social Development | 133.6 | 184.1 | 220.1 | 254.9 | 254.9 | 267.8 | 285.1 | 300.4 |
| 20 | Sport and Recreation South Africa | 43.4 | 54.5 | 61.3 | 75.8 | 74.3 | 79.9 | 84.0 | 88.4 |
| Justice, Crime Prevention and Security | | | | | | | | | |
| 21 | Correctional Services | 6 799.2 | 8 077.8 | 9 065.5 | 10 247.5 | 10 247.5 | 10 964.9 | 11 522.8 | 12 191.7 |
| 22 | Defence and Military Veterans | 9 735.9 | 10 620.0 | 12 705.6 | 16 219.0 | 16 219.0 | 16 770.7 | 17 700.5 | 18 787.8 |
| 23 | Independent Complaints Directorate | 45.7 | 58.0 | 65.1 | 75.8 | 75.8 | 86.6 | 91.8 | 97.2 |
| 24 | Justice and Constitutional Development | 4 250.9 | 5 326.2 | 6 028.1 | 7 262.9 | 7 224.1 | 7 631.2 | 8 382.2 | 8 850.6 |
| 25 | Police | 25 610.6 | 29 147.4 | 33 771.5 | 38 416.1 | 38 416.1 | 41 070.3 | 43 643.2 | 47 181.7 |
| Economic Services and Infrastructure | | | | | | | | | |
| 26 | Agriculture, Forestry and Fisheries | 811.1 | 931.3 | 1 082.2 | 1 199.6 | 1 199.6 | 1 273.0 | 1 395.3 | 1 474.5 |
| 27 | Communications | 97.7 | 108.0 | 129.6 | 164.6 | 164.6 | 171.7 | 179.3 | 188.0 |
| 28 | Economic Development | – | – | 7.9 | 57.7 | 33.7 | 79.2 | 91.8 | 96.5 |
| 29 | Energy | 85.5 | 103.0 | 133.3 | 147.9 | 147.9 | 181.7 | 192.4 | 218.3 |
| 30 | Environmental Affairs | 182.5 | 197.7 | 254.0 | 333.1 | 333.1 | 405.2 | 426.6 | 451.1 |
| 31 | Human Settlements | 103.5 | 134.2 | 166.9 | 289.0 | 289.0 | 319.0 | 331.9 | 346.8 |
| 32 | Mineral Resources | 210.1 | 231.0 | 275.1 | 343.7 | 343.7 | 377.6 | 401.0 | 421.8 |
| 33 | Rural Development and Land Reform | 476.4 | 614.2 | 760.9 | 1 196.8 | 1 196.8 | 1 395.7 | 1 523.3 | 1 608.9 |
| 34 | Science and Technology | 102.1 | 141.6 | 167.5 | 223.7 | 223.7 | 225.3 | 237.6 | 259.6 |
| 35 | Tourism | 130.8 | 106.4 | 89.6 | 101.1 | 101.1 | 141.9 | 158.4 | 169.4 |
| 36 | Trade and Industry | 327.5 | 383.1 | 437.7 | 569.8 | 533.3 | 602.2 | 644.2 | 676.4 |
| 37 | Transport | 131.3 | 182.6 | 228.1 | 266.2 | 266.2 | 294.4 | 309.9 | 326.5 |
| 38 | Water Affairs | 880.5 | 875.6 | 899.8 | 1 147.3 | 964.8 | 1 195.4 | 1 272.4 | 1 348.8 |
| Total | | 56 221.9 | 64 819.2 | 75 276.3 | 88 740.8 | 88 324.0 | 94 788.4 | 100 350.8 | 107 316.5 |

Table 10 Departmental receipts per vote 2007/08 to 2013/14¹

| R million | Audited outcome | | | Adjusted estimate | Revised estimate | Medium-term receipts estimates | | | |
|---|---|-----------------|-----------------|-------------------|------------------|--------------------------------|-----------------|-----------------|-----------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | | 2011/12 | 2012/13 | 2013/14 | |
| Central Government Administration | | | | | | | | | |
| 1 | The Presidency | 0.3 | 0.2 | 0.6 | 0.5 | 0.5 | 0.3 | 0.3 | 0.3 |
| 2 | Parliament | 43.4 | 45.9 | 38.5 | 15.5 | 15.5 | 11.9 | 11.5 | 11.2 |
| 3 | Cooperative Governance and Traditional Affairs | 0.7 | 0.8 | 0.5 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 |
| 4 | Home Affairs | 421.1 | 355.7 | 442.2 | 455.3 | 455.3 | 482.6 | 506.7 | 557.4 |
| 5 | International Relations and Cooperation | 65.1 | 43.6 | 23.2 | 22.0 | 31.2 | 22.9 | 24.0 | 25.3 |
| 6. | Performance Monitoring and Evaluation | - | - | - | - | - | - | - | - |
| 7 | Public Works | 95.8 | 28.5 | 39.6 | 30.9 | 30.9 | 38.7 | 40.6 | 42.6 |
| 8 | Women, Children and People with Disabilities | - | - | - | - | - | - | - | - |
| Financial and Administrative Services | | | | | | | | | |
| 9 | Government Communication and Information System | 3.1 | 3.3 | 2.9 | 3.0 | 2.7 | 2.5 | 2.6 | 2.6 |
| 10 | National Treasury | 5 095.8 | 5 270.4 | 2 543.6 | 3 204.2 | 2 842.2 | 1 233.2 | 2 391.4 | 2 746.0 |
| 11 | Public Enterprises | 0.1 | 0.8 | 1.2 | 1.2 | 1.2 | 0.1 | 0.1 | 0.1 |
| 12 | Public Service and Administration | 2.7 | 1.0 | 2.2 | 0.7 | 0.7 | 0.7 | 0.8 | 0.8 |
| 13 | Statistics South Africa | 17.7 | 2.8 | 8.5 | 2.2 | 2.2 | 2.4 | 2.5 | 2.7 |
| Social Services | | | | | | | | | |
| 14 | Arts and Culture | 0.4 | 3.6 | 1.1 | 0.8 | 0.8 | 0.8 | 0.9 | 1.1 |
| 15 | Basic Education | 1.9 | 1.5 | 0.7 | 1.2 | 1.5 | 1.0 | 1.1 | 1.2 |
| 16 | Health | 41.2 | 31.2 | 45.2 | 31.5 | 31.5 | 32.8 | 32.9 | 36.2 |
| 17 | Higher Education and Training | 6.9 | 6.7 | 6.7 | 7.9 | 7.9 | 7.9 | 8.0 | 8.0 |
| 18 | Labour | 8.4 | 28.9 | 12.9 | 16.1 | 16.1 | 22.4 | 24.3 | 25.5 |
| 19 | Social Development | 237.0 | 16.5 | 30.6 | 218.3 | 0.2 | 10.1 | 10.1 | 10.1 |
| 20 | Sport and Recreation South Africa | 0.0 | 0.3 | 0.2 | 0.3 | 0.3 | 0.4 | 0.4 | 0.4 |
| Justice, Crime Prevention and Security | | | | | | | | | |
| 21 | Correctional Services | 136.3 | 80.5 | 108.5 | 143.4 | 120.4 | 126.1 | 132.3 | 139.2 |
| 22 | Defence and Military Veterans | 551.9 | 629.4 | 699.9 | 902.5 | 902.5 | 803.5 | 843.7 | 885.9 |
| 23 | Independent Complaints Directorate | 0.4 | 0.1 | 0.2 | 0.2 | 0.1 | 0.1 | 0.2 | 0.2 |
| 24 | Justice and Constitutional Development | 317.0 | 356.8 | 382.9 | 377.6 | 377.6 | 399.8 | 422.5 | 443.7 |
| 25 | Police | 345.1 | 376.5 | 347.6 | 272.9 | 280.3 | 263.9 | 258.7 | 257.1 |
| Economic Services and Infrastructure | | | | | | | | | |
| 26 | Agriculture, Forestry and Fisheries | 121.1 | 254.0 | 250.5 | 119.3 | 119.3 | 121.5 | 118.2 | 123.6 |
| 27 | Communications | 3 007.4 | 3 520.1 | 1 344.8 | 1 398.7 | 898.9 | 913.4 | 928.0 | 943.4 |
| 28 | Economic Development | 229.3 | 244.4 | 456.0 | 230.0 | 366.3 | 243.8 | 250.0 | 263.8 |
| 29 | Energy | 1.2 | 3.3 | 4.4 | 3.7 | 3.7 | 3.9 | 4.1 | 4.2 |
| 30 | Environmental Affairs | 4.7 | 8.5 | 2.1 | 4.1 | 4.1 | 2.8 | 2.8 | 2.8 |
| 31 | Human Settlements | 0.7 | 2.4 | 0.7 | 1.2 | 1.2 | 0.5 | 0.6 | 0.6 |
| 32 | Mineral Resources | 267.1 | 261.3 | 212.7 | 99.0 | 99.0 | 27.6 | 28.0 | 28.3 |
| 33 | Rural Development and Land Reform | 176.4 | 64.2 | 44.0 | 41.7 | 41.7 | 69.0 | 64.5 | 68.3 |
| 34 | Science and Technology | 0.2 | 0.3 | 1.6 | 0.4 | 0.7 | 0.1 | 0.1 | 0.1 |
| 35 | Tourism | - | - | 0.7 | 1.5 | 1.5 | - | - | - |
| 36 | Trade and Industry | 94.2 | 64.9 | 52.6 | 108.3 | 90.3 | 115.0 | 120.3 | 121.5 |
| 37 | Transport | 362.5 | 215.8 | 106.1 | 266.7 | 266.7 | 137.4 | 144.3 | 151.5 |
| 38 | Water Affairs | 0.1 | 26.6 | 76.3 | 42.1 | 42.1 | 22.9 | 24.3 | 25.9 |
| Total departmental receipts as per Estimates of National Expenditure | | 11 657.1 | 11 950.7 | 7 291.9 | 8 025.3 | 7 057.5 | 5 122.8 | 6 401.5 | 6 932.4 |
| Less: Parliament (retained departmental receipts) | | 43.4 | 45.9 | 38.5 | 15.5 | 15.5 | 11.9 | 11.5 | 11.2 |
| Plus: Direct receipts into the National Revenue Fund (National Treasury) ² | | 1 020.9 | - | 1 000.0 | - | 600.0 | - | - | - |
| Plus: South African Revenue Service departmental receipts collection | | 58.0 | 711.4 | 635.1 | 4 255.0 | 4 612.0 | 4 890.0 | 5 150.0 | 5 430.0 |
| Total departmental receipts as per Budget Review | | 12 692.6 | 12 616.2 | 8 888.5 | 12 264.8 | 12 254.0 | 10 000.9 | 11 540.0 | 12 351.1 |

1. Departmental receipts exclude extraordinary receipts which are deposited into the National Revenue Fund. Extraordinary receipts are included in the Budget Review.

2. Direct receipts into the National Revenue Fund in this instance refer to Levy accounts/exchange control forfeits collected by the South African Reserve Bank.

Information contained in each chapter

The Estimates of National Expenditure publication describes in detail the planned spending of all national government departments for three years going forward: that is, the years of the medium term expenditure framework (MTEF). The Estimates of National Expenditure is tabled in Parliament by the Minister of Finance on the day the main Budget is tabled. It provides details about the allocation of expenditure to all national departments set out in the Appropriation Bill, which is tabled on the same day.

The main divisions of the Appropriation Bill are divided into votes. A vote generally specifies the total amount appropriated per department, but more than one department may be contained within a single vote. Each chapter in the Estimates of National Expenditure relates to a vote. By appropriating funds from the National Revenue Fund through the approval of the Appropriation Bill, Parliament authorises expenditure.

Votes are arranged into the following functional groupings to facilitate analysis of interdepartmental initiatives and service delivery.

- central government administration
- financial and administrative services
- social services
- justice, crime prevention and security
- economic services and infrastructure.

These functional groupings are informal and are not the same as either the government's cluster system groupings or the standard chart of accounts' more rigorous classification of government functions. In the functional budgeting approach linked to the outcomes approach which has been adopted, these groupings are disaggregated further.

More detailed information for each vote is available on www.treasury.gov.za. More comprehensive coverage of vote specific information, particularly about goods and services, transfers, donor funding, public entities and lower level institutional information is provided.

The chapter for each vote contains the following information:

Budget summary

This table shows the budgeted expenditure for the vote for the three-year MTEF period.

| R million | 2011/12 | | | | | 2012/13 | 2013/14 |
|--|--|------------------|-------------------------|-----------------------------|-------------------------------|---------|---------|
| | Total to be Appropriated | Current payments | Transfers and subsidies | Payments for capital assets | Payments for financial assets | Total | Total |
| MTEF allocation | | | | | | | |
| Programme name | | | | | | | |
| Programme name | | | | | | | |
| Programme name | | | | | | | |
| Subtotal | | | | | | | |
| Direct charge against the National Revenue Fund | | | | | | | |
| Item | | | | | | | |
| Item | | | | | | | |
| Total expenditure estimates | | | | | | | |
| Executive authority | Minister | | | | | | |
| Accounting officer | Director-General / Chief Operating Officer | | | | | | |
| Website address | | | | | | | |

Due to rounding off, the figures do not necessarily add up to the total. Figures are mostly denoted in rand million unless otherwise indicated.

The **2011/12 total to be appropriated** shows the expenditure allocation per programme and the aggregated amount for 2011/12 and corresponds with the information in the 2011 Appropriation Bill.

The totals to be appropriated by Parliament are categorised by economic classification into **current payments, transfers and subsidies, payments for capital assets** and **payments for financial assets**.

Current payments are payments made by a department for its operational requirements.

Transfers and subsidies are payments made by a department for which the department does not directly receive anything in return.

Payments for capital assets are payments made by a department for an asset that can be used for more than one year and from which future economic benefits or service potential are expected to flow.

Payments for financial assets mainly consist of payments made by departments as loans to public corporations or as equity investments in public corporations. The reason for expensing the payments rather than treating them as financing is that, unlike other financial transactions, the purpose of the transaction is not profit oriented. This column is only shown in votes where such payments have been budgeted for. Payments for theft and losses are included in this category; however, these payments are not budgeted for and will thus only appear in the historical information, which can be seen in the expenditure estimates table.

Estimates for the two outer years of the expenditure framework, **2012/13** and **2013/14**, are also shown. These estimates are not included in the 2011 Appropriation Bill as they are still only indicative of actual expenditure levels in the outer years of the MTEF period. Parliament typically only appropriates or authorises expenditure for one financial year at a time. These forward estimates or indicative allocations do, however, form the basis for the planning of the 2012 Budget.

Direct charges against the National Revenue Fund are amounts spent in terms of statutes and do not require parliamentary approval and thus are not contained in the Appropriation Bill. They are not budgeted for under any programme on a particular vote and include, for example, state debt costs.

Total expenditure estimates are the sum of the expenditure on programmes and direct charges, classified into current payments, transfers and subsidies, payments for capital assets and payments for financial assets.

The last lines of the table provide accountability information: the vote's executive authority, accounting officer and website address.

Aim

The aim of the vote captures the department's mandate, strategic objectives or administrative functions, and corresponds with the aim stated in the Appropriation Bill.

Programme purposes

Each vote is comprised of several programmes. The activities and functions performed by a department are typically divided into these programmes. Programme 1 is the *Administration* programme, which houses the administrative activities and functions required to keep the department operating. Each vote programme is listed individually with its purpose, as stated in the Appropriation Bill. The programme purpose outlines the activities and functions of the particular programme as per the approved budget programme structure, in terms of the Public Finance Management Act (1999).

Strategic overview: 2007/08 – 2013/14

This section describes the department's strategic direction over the period under review. It includes policy and mandate developments, legislative changes, a discussion on how the department will contribute towards the achievement of outcomes that are attributed to it and the related outputs listed in the service delivery agreements, as well as a table of selected quantitative and trendable performance indicators.

Savings and cost effectiveness measures

In this section, departments discuss details of the reprioritisation of budgets and savings and cost reduction measures to be effected over the MTEF period.

These typically emanate from reduced expenditure on non-core goods and services, the rescheduling of expenditure over time in the case of delays, reduced transfers to certain public entities, improved financial management, reduced expenditure on administration in favour of frontline services and through seeking alternative sources of financing.

Selected performance indicators

| Indicator | Programme | Past | | | Current | Projections | | |
|-----------|-----------|---------|---------|---------|---------|-------------|---------|---------|
| | | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| | | | | | | | | |
| | | | | | | | | |

The table presents only a selected set of a department or entity's performance information and is not intended to provide a comprehensive view of performance. It should, however, contain key performance indicators that form part of the service delivery agreements.

An **indicator** is a numerical measure that tracks a department's or entity's progress towards its goal. An indicator may measure inputs, activities, outputs, outcomes or in certain instances explanatory information relating to the internal or external environment.

The **programme** column links the indicator to the vote programme associated with it.

Expenditure estimates

This table shows expenditure outcomes and estimates over a seven-year period, by vote programme and by economic classification item.

| Programme | Audited outcome | | | Adjusted appropriation | Revised estimate | Medium-term expenditure estimate | | |
|--|-----------------|---------|---------|------------------------|------------------|----------------------------------|---------|---------|
| | 2007/08 | 2008/09 | 2009/10 | | | 2010/11 | 2011/12 | 2012/13 |
| R million | | | | | | | | |
| 1. Programme name | | | | | | | | |
| 2. Programme name | | | | | | | | |
| 3. Programme name | | | | | | | | |
| Subtotal | | | | | | | | |
| Direct charge against the National Revenue Fund | | | | | | | | |
| Item | | | | | | | | |
| Item | | | | | | | | |
| Total | | | | | | | | |
| Change to 2010 Budget estimate | | | | | | | | |

Economic classification

| | | | |
|--------------------------------------|--|--|--|
| Current payments | | | |
| Economic classification item | | | |
| Economic classification item | | | |
| Transfers and subsidies | | | |
| Economic classification item | | | |
| Economic classification item | | | |
| Payments for capital assets | | | |
| Economic classification item | | | |
| Economic classification item | | | |
| Payments for financial assets | | | |
| Total | | | |

Expenditure is set out first by **programme** and then by **economic classification** over a seven-year period.

For comparability, where programme structures have been changed in recent years, expenditure has, where possible, been reallocated to the new approved programme structure for all seven years.

Audited outcomes are presented as they appear in the department or entity's annual financial statements, with amounts reallocated for any subsequent approved budget programme structure changes.

Adjusted appropriation includes any changes made to the appropriation voted in the main 2010 Budget for the financial year, with amounts reallocated for any subsequent approved programme structure changes. Changes are generally made mid-year at the time of the adjustments budget. These adjustments can only be made in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999). Adjustments were included in the Adjustments Appropriation Bill, which Parliament approved before expenditure could take place, and the details were published in the Adjusted Estimates of National Expenditure publication.

The **revised estimate** for 2010/11 represents National Treasury's current estimate, in consultation with the department, of expenditure outcomes. This does not imply a change in the amounts voted to departments in the 2010/11 adjusted appropriation; it is merely a more recent estimate of what the department is likely to spend in this financial year.

The **medium-term expenditure estimates** are shown for 2011/12, 2012/13 and 2013/14. The spending figures for 2011/12 constitute the proposed appropriation to be funded from the National Revenue Fund that is contained in the main Appropriation Bill, which has to be considered by Parliament after it has been tabled. The medium-term expenditure estimates for 2012/13 and 2013/14 are indicative allocations, and will form the basis for planning the 2012 Budget.

Direct charges against the National Revenue Fund are amounts spent in terms of statutes and do not require parliamentary approval and thus are not contained in the Appropriation Bill. They are not budgeted for in terms of a programme on a particular vote and include, for example, state debt costs.

The **totals**, which are the sum of the expenditure on programmes and direct charges, are also classified into current payments, transfers and subsidies, payments for capital assets and payments for financial assets.

Expenditure trends

The main expenditure trends and vote programme structure changes from 2007/08 to 2013/14 are described. Trends are generally represented over the MTEF period between 2010/11 and 2013/14, or over the entire period between 2007/08 and 2013/14.

An explanation of the spending focus over the MTEF period in relation to the strategic objectives and the performance targets that will be achieved over the period is given. Expenditure growth in the historical period is also typically compared to expenditure anticipated over the MTEF period. Reasons are given for trends that are identified, and the significant increases or decreases in expenditure are explained in terms of the underlying policies that inform the trends. A summary of the new (additional) allocations to the vote programme's baseline budget is given. The baseline is derived from the previous year's forward estimates after consideration of savings, cost reduction and reprioritisation opportunities.

Generally, unless otherwise indicated, average annual growth rates are reflected in nominal, not real, terms. Where inflationary growth has been excluded from the calculation and real growth estimates are provided, the consumer price index has been used to deflate the growth rate.

Personnel information

A brief summary of the personnel posts per programme by salary level is given.

Infrastructure spending

Expenditure on existing, new and mega infrastructure is discussed.

Departmental receipts

Departmental anticipated (non-tax) receipts for the MTEF period are described in relation to receipts for 2010/11.

| R thousand | Audited outcome | | | Adjusted estimate | Revised estimate | Medium-term receipts estimate | | |
|------------------------------|-----------------|---------|---------|-------------------|------------------|-------------------------------|---------|---------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | | 2011/12 | 2012/13 | 2013/14 |
| Departmental receipts | | | | | | | | |
| Economic classification item | | | | | | | | |
| Economic classification item | | | | | | | | |
| Total | | | | | | | | |

Information on each programme

Each programme section (with the exception of the *Administration* programme) opens with the purposes and activities of the subprogrammes that form that programme. Key functions, activities and transfers are highlighted by subprogramme. The work carried out by the subprogramme is explained in relation to the personnel responsible, the spending allocation of the funding, and outputs achieved.

Programme 1 is always *Administration*, which includes spending on the ministry, the director-general's office and central corporate services. The Ministry subprogramme includes spending on the ministerial and deputy ministerial offices.

Objectives and measures

Objectives and measures are indicated for each programme. Objectives should include an explanation of strategic intent as well as specific interventions and progress measures. (Programme 1 (*Administration*) is generally exempt from providing objectives and measures.)

For example: Improve the provision of specified services and products to eligible citizens and residents (strategic intent/objective) by reducing the time taken to issue passports and travel documents (specific intervention) from 10 days in 2010/11 to 5 days in 2013/14 (progress measure).

Expenditure estimates (per programme)

Tables for each programme set out expenditure by subprogramme and economic classification over a seven-year period.

| Subprogramme | Audited outcome | | | Adjusted appropriation | Medium-term expenditure estimate | | |
|--------------------------------------|-----------------|---------|---------|------------------------|----------------------------------|---------|---------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| R million | | | | | | | |
| Subprogramme name | | | | | | | |
| Subprogramme name | | | | | | | |
| Subprogramme name | | | | | | | |
| Total | | | | | | | |
| Change to 2010 Budget estimate | | | | | | | |
| Economic classification | | | | | | | |
| Current payments | | | | | | | |
| Economic classification item | | | | | | | |
| Economic classification item | | | | | | | |
| Transfers and subsidies | | | | | | | |
| Economic classification item | | | | | | | |
| Economic classification item | | | | | | | |
| Payments for capital assets | | | | | | | |
| Economic classification item | | | | | | | |
| Economic classification item | | | | | | | |
| Payments for financial assets | | | | | | | |
| Total | | | | | | | |

Expenditure trends (per programme)

Important expenditure trends for each programme are explained. The scope of the information provided in this section is similar to what is provided for the entire vote.

Public entities and other agencies

The scope of information contained in the write-up on public entities is similar to what is reported for the department.

Information on each of the public entities generally consists of the following:

- key legislative mandates in terms of which the entity was established and within which it operates as well as the outcomes and related outputs as stated in service delivery agreements
- selected performance indicators relating to the entity's mandate
- planned deliverables for the next MTEF period
- key achievements during the previous reporting periods
- financial data tables for the entity, focusing on the sources of funding for the entity, key spending areas and expenditure trends, and, if applicable, an analysis of some of the more important items on the entity's balance sheet that relate to the key activities being carried out
- reprioritisation, savings and cost effectiveness measures implemented
- personnel expenditure by salary level
- a list of other entities for which more detail appears on www.treasury.gov.za appears at the end of each chapter together with a short description of what the entity does and its total budget.

Additional tables

Additional tables appear at the end of the vote. These include:

Summary of expenditure trends and estimates per programme and economic classification

This table shows the budgeted expenditure and the revised estimate for 2010/11 as well as the audited outcome for 2009/10.

Details of approved establishment and personnel numbers per salary level

Employment information is provided in respect of the department. The amount spent by a department on compensation of employees is shown.

Information is provided on the **number of personnel posts filled/planned for on funded establishment** in the department at different salary levels **per programme** as at 30 September 2010.

Number of posts on approved establishment refers to the number of departmental employment positions approved by the Department of Public Service and Administration.

Number of funded posts refers to the number of departmental employment positions which are provided for within the budget.

Number of posts additional to the establishment typically refers to additional employment positions that have been allocated on an ad hoc basis and that do not form part of the approved departmental establishment.

Summary of expenditure on training

Information is provided on the funds spent on training as a proportion of compensation of employees, and the number of people trained by the department.

Summary of conditional grants to provinces and municipalities

A conditional grant refers to an allocation made by the national government, from its nationally raised revenue, to a province, local government or municipality, on condition that certain requirements or services are met.

Summary of departmental public private partnerships projects

Disclosure notes with additional details are provided for the projects signed in terms of Treasury Regulation 16.

Public private partnerships refer to contractual arrangements in which a private party performs part of a government function and assumes the associated risks. In return, the private party receives a fee according to predefined performance criteria. A public private partnership may also be a project in which a private party uses state assets for its own commercial purposes, and government benefits from the profits generated by the enterprise.

A signed project is a public private partnership project which has reached financial close and is being implemented.

Projects in preparation are in some stage of inception, feasibility or procurement, but have not yet reached financial close.

Unitary charge or fee refers to the total payment made to the private party for the provision of the various services.

Advisory fees are costs related to the hiring of transaction advisors who assist government with feasibility studies and procurement in the public private partnership project process.

Project monitoring cost is associated with the ongoing evaluation and monitoring of public private partnerships in operation.

Summary of donor funding

Donor funding is funding received by departments over and above the allocations provided in the South African government's appropriation legislation.

Donor funding comprises official development assistance and other local and international donations.

Official development assistance is an official resource flow from the international donor community to the South African government in the form of grants, technical cooperation and financial cooperation.

The **programme** column links the donor funding to the vote programme that is associated with it.

The **spending focus** shows what the department aims to achieve by using the funding.

Summary of expenditure on infrastructure

The infrastructure table includes new and replacement assets, maintenance and repairs, upgrades and additions, and rehabilitation, renovation and refurbishment of assets.

Departmental infrastructure refers to direct spending by a department on infrastructure assets which the department will own.

Infrastructure transfers to other spheres, agencies and departments refers to transfers and grants to other government institutions for expenditure on infrastructure.

Fixed installations transferred to households shows the transfer of funds to individual South Africans to be used for the construction of fixed 'on-site' structures that enhance the welfare of households.

Maintenance refers to all maintenance, repairs and refurbishment expenditure on infrastructure that prolongs the life and retains the value of the infrastructure asset. This item does not include day-to-day maintenance.

In all expenditure and revenue tables a dash (-) indicates that information is unavailable or zero.

Home Affairs

**National Treasury
Republic of South Africa**



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Vote 4

Home Affairs

Budget summary

| R thousand | 2011/12 | | | | 2012/13 | 2013/14 |
|------------------------------------|----------------------------------|------------------|-------------------------|-----------------------------|------------------|------------------|
| | Total to be appropriated | Current payments | Transfers and subsidies | Payments for capital assets | Total | Total |
| MTEF allocation | | | | | | |
| Administration | 1 782 879 | 1 754 189 | 2 014 | 26 676 | 1 569 262 | 1 323 866 |
| Citizen Affairs | 3 093 652 | 2 095 891 | 997 761 | – | 3 135 123 | 3 966 782 |
| Immigration Affairs | 587 603 | 587 306 | 297 | – | 545 281 | 573 609 |
| Total expenditure estimates | 5 464 134 | 4 437 386 | 1 000 072 | 26 676 | 5 249 666 | 5 864 257 |
| Executive authority | Minister of Home Affairs | | | | | |
| Accounting officer | Director General of Home Affairs | | | | | |
| Website address | www.dha.gov.za | | | | | |

Aim

Efficiently determine and safeguard the identity and status of citizens. Regulate migration to ensure security, promote development and fulfil our international obligations.

Programme purposes

Programme 1: Administration

Purpose: Provide leadership, management and support services to the department.

Programme 2: Citizen Affairs

Purpose: Provide secure, efficient and accessible services and documents for citizens and lawful residents.

Programme 3: Immigration Affairs

Purpose: Facilitate and regulate the secure movement of people into and out of the Republic of South Africa through ports of entry, determine the status of asylum seekers, and regulate refugee affairs.

Strategic overview: 2007/08 – 2013/14

The Department of Home Affairs fulfils its civic function by acting as the custodian of citizenship and identity. The department also regulates immigration, enforces the Immigration Act (2002) and determines the status of asylum seekers and refugees. These two functions are essential to the security of the state; they enable access to rights and services, and they support social and economic development.

The department's strategic priorities have been refined to be in line with the 12 national outcomes where relevant. To give effect to these, the department has developed its own outcomes and outputs that are in line with the performance agreement signed with the President.

The department contributes significantly to three of the twelve national outcomes: all people in South Africa are and feel safe (outcome 3); a skilled and capable workforce to support an inclusive growth path (outcome 5); and an efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship (outcome 12). The department's contribution to these national outcomes is made through the following departmental outcomes: secure South African citizenship and identity (this links to outcome 3);

immigration managed effectively and securely in the national interest, social and cultural development (this links to outcomes 3 and 5) and a service that is efficient, accessible and corruption free (this links to outcome 12).

Specific strategic priorities include: securing the identity and status of citizens and residents; implementing effective and efficient refugee management strategies and systems; ensuring access to and quality of service delivery with emphasis on the registration of every child birth within 30 days of delivery; issuing identity documents to every South African aged 16 and older; improving the turnaround times for all services; as well as improving queuing times.

Strategic priorities over the medium term

Securing citizenship and identity

The top priority of the department is to secure the identity and status of citizens by ensuring that the national population register is accurate and protected against fraudulent and corrupt activities. The national registration campaign, which is in its second year, is aimed at ensuring that the birth of all citizens is registered and that all citizens aged 16 and older have been issued with identity documents. One of the successes of the campaign was the issuing of identity documents to all matriculants who sat for their final examinations in 2010. Stakeholder forums have been established across the country, which have helped fight corruption and held officials accountable. Going forward, the aim is to make the early registration of birth the only entry point to the national population register. The late registration of birth is a major source of identity fraud and a stringent new process will be implemented to combat this. Another measure of securing citizenship and identity will be to introduce the live capture of biometric data.

Managing immigration

The effective management of immigration is essential for national security and for development. To this end, amendments to immigration legislation were tabled in Parliament that will enable the improved management of asylum seekers. Over 90 per cent of those applying for asylum are in fact simply seeking work or business opportunities. The regularising of undocumented Zimbabwean nationals will greatly reduce the number of economic migrants claiming asylum. The ongoing review and improvement of the permitting systems will also help to address this problem, as well as facilitating the recruitment of migrants with scarce skills. The department is adopting a risk based approach to managing all these processes, which is aimed at minimising the risks of immigration while maximising the benefits. For example, the movement control system that was enhanced in time for the 2010 FIFA World Cup will be further developed and integrated with other systems.

Service delivery

The gains made through the turnaround strategy initiated in 2007 will be sustained and improved on. The track and trace methodology is being expanded to enable better management of key processes and products. The methodology also allows the public to receive accurate information about the progress of their applications through cell phone texting and a call centre.

Increased attention is being paid to securing processes and documents, such as the use of photo digitisation and security features added to birth certificates. The live capture of fingerprints and photographs onto systems will be rolled out over the medium term. This will greatly reduce the risk of identity theft and fraud to individuals and to institutions.

Improving access to services is a high priority, particularly in rural areas and large urban settlements with insufficient offices. Various strategies have been developed and are being implemented, including optimising the use of the call centre, using mobile offices and 4X4 vehicles, the strategic location of new offices, improved quality of services, and a further reduction in turnaround times.

Savings and cost effectiveness measures

The department has identified efficiency savings of R15 million in 2011/12, R356.3 million in 2012/13 and R377.4 million in 2013/14 across all programmes by reducing spending on the following goods and services items: computer services, status services, outsourced services, travel and subsistence and communication services. These savings include cuts of R15 million in 2011/12, R15.4 million in 2012/13 and R17.9 million in

2013/14 on administrative spending and overhead costs implemented by Cabinet in December 2010 to create more fiscal space for core service delivery functions. The savings identified will be effected without having a negative impact on service delivery.

Selected performance indicators

Table 4.1 Home Affairs

| Indicator ¹ | Programme | Past | | | Current | Projections | | |
|--|---------------------|------------|------------|------------|------------|--------------------|--------------------|--------------------|
| | | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Percentage of machine readable passwords (manual process) issued within 24 days | Citizen Affairs | 41 days | 28 days | 29 days | 24 days | 95% (692 948) | 95% (651 577) | 95% (684 156) |
| Percentage of machine readable passports (live capture process) issued within 13 days | Citizen Affairs | 0 | 0 | 0 | 13 days | 97% (341 302) | 97% (434 385) | 97% (456 104) |
| Percentage of identity documents (first issue) issued within 54 days | Citizen Affairs | 127 days | 60 days | 90 days | 54 days | 95% (1 164 000) | 95% (1 105 800) | 95% (995 220) |
| Percentage of identity documents (second issue) issued within 47 days | Citizen Affairs | 98 days | 56 days | 40 days | 47 days | 95% (1 261 000) | 95% (1 197 950) | 95% (1 078 155) |
| Percentage of refugee status determinations (first instance) issued within 6 months | Immigration Affairs | 12 months | 6 months | 6 months | 6 months | 75% (200 000) | 85% (200 0000) | 95% (200 000) |
| Percentage of permanent residence permits issued within 8 months | Immigration Affairs | 24 months | 12 months | 6 months | 8 months | 70% (2 000) | 75% (2 500) | 80% (3 000) |
| Percentage of temporary residence permits: work, business and corporate: issued within 8 weeks | Immigration Affairs | 8 weeks | 6 weeks | 4 weeks | 16 weeks | 70% (116 900) | 75% (109 600) | 80% (110 300) |
| Number of permanent and temporary residence permits issued per year | Immigration Affairs | 112 626 | 85 227 | 117 436 | 262 762 | 193 000 | 190 000 | 195 000 |
| Number of arrivals and departures cleared per year | Immigration Affairs | 27 341 504 | 28 402 263 | 29 524 175 | 34 020 137 | 30 500 000 | 31 200 000 | 32 760 000 |
| Number of illegal foreigners deported per year | Immigration Affairs | 312 733 | 261 950 | 72 394 | 65 000 | 70 000 | 75 000 | 80 000 |

1. Historical data for passports, identity documents and birth, marriage and death registrations have been aligned with official statistics in the annual report. The historical data in the table reflect the turnaround times for enabling documents in terms of averages. From 2011/12, the turnaround times have been changed to reflect committed percentages of volumes to be achieved in a specified period. The reporting format has changed to make targets more specific and measurable.

Expenditure estimates

Table 4.2 Home Affairs

| Programme | Audited outcome | | | Adjusted appropriation | Revised estimate | Medium-term expenditure estimate | | |
|--------------------------------|------------------|------------------|------------------|------------------------|------------------|----------------------------------|------------------|------------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | | 2011/12 | 2012/13 | 2013/14 |
| R thousand | | | | | | | | |
| Administration | 890 153 | 1 352 774 | 1 498 687 | 1 466 193 | 1 466 193 | 1 782 879 | 1 569 262 | 1 323 866 |
| Citizen Affairs | 1 853 453 | 2 774 770 | 3 182 623 | 3 665 957 | 3 665 957 | 3 093 652 | 3 135 123 | 3 966 782 |
| Immigration Affairs | 498 121 | 539 016 | 514 099 | 702 240 | 702 240 | 587 603 | 545 281 | 573 609 |
| Total | 3 241 727 | 4 666 560 | 5 195 409 | 5 834 390 | 5 834 390 | 5 464 134 | 5 249 666 | 5 864 257 |
| Change to 2010 Budget estimate | | | | 114 806 | 114 806 | 460 614 | 104 820 | 436 444 |

Table 4.2 Home Affairs (continued)

| R thousand | Audited outcome | | | Adjusted appropriation | Revised estimate | Medium-term expenditure estimate | | |
|---|------------------|------------------|------------------|------------------------|------------------|----------------------------------|------------------|------------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | | 2011/12 | 2012/13 | 2013/14 |
| Economic classification | | | | | | | | |
| Current payments | 2 368 931 | 3 139 275 | 3 598 548 | 4 157 622 | 4 157 622 | 4 437 386 | 4 255 220 | 4 156 149 |
| Compensation of employees | 1 086 974 | 1 296 049 | 1 637 058 | 1 971 086 | 1 971 086 | 2 206 560 | 2 317 540 | 2 443 545 |
| Goods and services | 1 281 957 | 1 843 226 | 1 886 154 | 2 186 536 | 2 186 536 | 2 230 826 | 1 937 680 | 1 712 604 |
| <i>of which:</i> | | | | | | | | |
| Administrative fees | 14 680 | 15 579 | 16 005 | 12 351 | 12 351 | 11 933 | 11 750 | 12 378 |
| Advertising | 10 317 | 24 352 | 7 553 | 26 414 | 26 414 | 23 326 | 22 935 | 23 977 |
| Assets less than the capitalisation threshold | 18 267 | 18 168 | 17 248 | 41 701 | 41 701 | 58 749 | 57 625 | 60 968 |
| Audit cost: External | 7 618 | 15 373 | 22 097 | 10 848 | 10 848 | 10 346 | 10 180 | 10 672 |
| Bursaries: Employees | 4 160 | 1 871 | 2 280 | 2 370 | 2 370 | 2 745 | 2 699 | 2 820 |
| Catering: Departmental activities | 5 539 | 11 975 | 5 849 | 9 611 | 9 611 | 7 826 | 7 726 | 8 162 |
| Communication | 65 524 | 55 469 | 63 654 | 60 843 | 60 843 | 58 019 | 56 875 | 60 247 |
| Computer services | 127 154 | 247 521 | 346 391 | 469 085 | 469 085 | 421 671 | 393 555 | 200 272 |
| Consultants and professional services: Business and advisory services | 2 661 | 366 828 | 305 076 | 62 981 | 62 981 | 48 016 | 49 034 | 51 656 |
| Consultants and professional services: Infrastructure and planning | – | 22 | 42 | 70 | 70 | 83 | 81 | 85 |
| Consultants and professional services: Legal costs | 9 945 | 10 563 | 23 714 | 7 058 | 7 058 | 7 197 | 7 055 | 7 445 |
| Contractors | 101 072 | 96 010 | 60 839 | 181 069 | 181 069 | 162 602 | 170 717 | 179 779 |
| Agency and support / outsourced services | 369 296 | 157 405 | 183 730 | 180 726 | 180 726 | 179 149 | 175 057 | 183 972 |
| Entertainment | 413 | 417 | 403 | 1 287 | 1 287 | 1 261 | 1 244 | 1 312 |
| Inventory: Fuel, oil and gas | 94 | 358 | 58 | 2 197 | 2 197 | 2 024 | 1 977 | 2 102 |
| Inventory: Learner and teacher support material | – | – | 21 | 886 | 886 | 1 001 | 983 | 1 028 |
| Inventory: Materials and supplies | 17 | 465 | 1 023 | 2 844 | 2 844 | 3 696 | 3 778 | 4 008 |
| Inventory: Medical supplies | 17 | 154 | 349 | 247 | 247 | 241 | 236 | 250 |
| Inventory: Medicine | – | – | – | 505 | 505 | 597 | 587 | 614 |
| Inventory: Other consumables | 5 189 | 5 894 | 7 373 | 12 188 | 12 188 | 11 501 | 11 261 | 11 914 |
| Inventory: Stationery and printing | 87 050 | 115 081 | 212 317 | 201 660 | 201 660 | 102 730 | 101 533 | 107 135 |
| Lease payments | 93 703 | 165 514 | 151 163 | 339 465 | 339 465 | 655 665 | 391 901 | 297 837 |
| Property payments | 82 177 | 129 834 | 84 457 | 120 365 | 120 365 | 159 734 | 162 805 | 172 362 |
| Transport provided: Departmental activity | – | 80 863 | 59 811 | 71 314 | 71 314 | 71 337 | 69 600 | 72 745 |
| Travel and subsistence | 257 576 | 235 242 | 263 303 | 303 208 | 303 208 | 175 461 | 173 065 | 182 753 |
| Training and development | – | 13 432 | 23 655 | 27 370 | 27 370 | 22 825 | 22 605 | 23 680 |
| Operating expenditure | 14 869 | 53 899 | 18 176 | 16 266 | 16 266 | 15 638 | 15 461 | 16 276 |
| Venues and facilities | 4 619 | 20 937 | 9 567 | 21 607 | 21 607 | 15 453 | 15 355 | 16 155 |
| Interest and rent on land | – | – | 75 336 | – | – | – | – | – |
| Transfers and subsidies | 625 797 | 1 221 808 | 1 320 472 | 1 596 982 | 1 596 982 | 1 000 072 | 967 268 | 1 679 073 |
| Provinces and municipalities | 452 | 634 | 857 | 743 | 743 | 1 245 | 1 265 | 1 336 |
| Departmental agencies and accounts | 614 668 | 1 210 337 | 1 311 852 | 1 591 355 | 1 591 355 | 993 650 | 960 567 | 1 672 002 |
| Households | 10 677 | 10 837 | 7 763 | 4 884 | 4 884 | 5 177 | 5 436 | 5 735 |
| Payments for capital assets | 220 291 | 304 960 | 274 418 | 79 786 | 79 786 | 26 676 | 27 178 | 29 035 |
| Machinery and equipment | 178 735 | 164 242 | 140 869 | 79 540 | 79 540 | 26 676 | 27 178 | 29 035 |
| Software and other intangible assets | 41 556 | 140 718 | 133 549 | 246 | 246 | – | – | – |
| Payments for financial assets | 26 708 | 517 | 1 971 | – | – | – | – | – |
| Total | 3 241 727 | 4 666 560 | 5 195 409 | 5 834 390 | 5 834 390 | 5 464 134 | 5 249 666 | 5 864 257 |

Expenditure trends

The spending focus over the MTEF period will be on improving access to the services rendered by the department by increasing the number of service points and connecting 120 hospitals to the department's network for registration of birth for babies. Furthermore, the department's focus will be on improving business processes and systems to combat fraud and corruption by rolling out the live capture for both passports and identity documents to districts and regional offices as follows: 60 offices in 2011/12, 160 offices in 2012/13 and 185 offices in 2013/14.

Expenditure increased from R3.2 billion in 2007/08 to R5.8 billion in 2010/11, at an average annual rate of 21.6 per cent. The increase was mainly as a result of additional allocations for: increased capacity, added office accommodation and the refurbishment of existing offices, the department's repair and maintenance programme, the Who Am I Online project, design and planning for the 2010 FIFA World Cup, the transformation of port control, the new passport system, and the Electoral Commission. The 44 per cent increase in expenditure in 2008/09 related to increased allocations to: the Electoral Commission to prepare for the 2009 elections, the Film and Publication Board to expand its monitoring, research and compliance capabilities; and the Government Printing Works for a new production facility.

Over the medium term, expenditure is expected to increase at an average annual rate of 0.2 per cent to reach R5.9 billion. This increase will mainly fund improved conditions of service. The ratio of administrative costs to line function costs in the department is currently 1:6.7.

The budget sets out additional allocations of R176.9 million in 2011/12, R444.8 million in 2012/13 and R600.2 million in 2013/14 for:

- infrastructure projects (R264.9 million in 2012/13 and R296.8 million in 2013/14)
- municipal and accommodation charges (R21.6 million, R26 million and R29.9 million)
- improved conditions of service in the department, the Electoral Commission and the Film and Publication Board (R75.3 million, R78 million and R90.7 million)
- management of asylum seekers and refugees (R37 million in 2012/13 and R42 million in 2013/14)
- the issuance of work permits (R17.5 million in 2012/13 and R42 million in 2013/14)
- the deployment of mobile offices (R21.5 million in 2012/13).

Infrastructure spending

In 2008/09, the department implemented the Who Am I Online project. The total cost is estimated at R2.2 billion over 5 years. To date, R390.4 million has been spent since 2008/09 and R299.3 million, R298.6 million and R315 million has been allocated over the MTEF period. Although only partial funding has been allocated for the project, National Treasury has approved the business case for the total lifecycle cost of R2.2 billion beyond the MTEF period.

Who Am I Online

The Who Am I Online project is an integrated IT system that will enable the department to process transactions for issuing identity documents, birth, death and marriage certificates, passports, visa permits, section 22 asylum permits, refugee identity documents, citizenship certificates and permanent and temporary residence permits. The system allows transactional processing and simultaneously supports information about photographs, fingerprints, signatures and voice recordings, demographic information, and scanned supporting documents.

The project will: replace outdated and obsolete legacy systems; improve security and agility through the use of workflow and through compliance with service oriented architecture, and integrity through enforcing business rules; introduce the general live capture concept, with highly configurable counters housing integrated client service consoles backed by fault tolerant controllers for offline processing at any office to address queuing and other aspects of the customer experience; revitalise all enabling documents (including passports, identity documents, certificates, permits and warrants); and review and realign all legislation administered by the department to enable the new technological solutions.

The contract with Gijima AST, who is a service provider for the implementation of the project, was put on hold from the beginning of 2010/11 due to a dispute. In light of the above, the steps planned for 2010/11 could not be achieved. The department and the service provider are engaged in negotiations to find a common solution to the dispute. Once a settlement has been reached, the relevant stakeholders will be informed accordingly.

Personnel information

The department has an approved establishment of 17 095, of which 9 755 posts are funded. As at the end of September 2010, there were 1 538 vacancies within the department, of which most are in the *Citizen Affairs* and *Immigration Affairs* programmes. The number of filled posts is expected to increase by 669 in 2011/12 to improve leadership capacity and public access to departmental services. The number of operational managers increased, resulting in more middle management positions at provincial level, which was identified as the weakest link in the organisational structure.

The implementation of the new organisational structure in 2008/09 transformed both civic and immigration service functions. The transformation brought about an increase in the number of personnel and changed the skills mix required for the effective functioning of the divisions. As from 2011/12, a revised programme structure will be in place whereby all functions in the *Immigration Affairs* and *Citizen Affairs* programmes are decentralised, integrated at the provincial level and structured under *Citizen Affairs* programme. However, the strategy, policy and planning functions are still centralised at head office for functions. These changes are aimed at strengthening key management levels, especially the number of assistant directors and improving what is currently the weakest link in the structure. Furthermore, bringing in subject matter experts at the middle management levels without forming a hierarchical layer will ensure that the best skills are attracted. A strong increase in salary level 5 driven by minimum competency requirements at both front office and back office staff aim to ensure that corrupt and fraudulent activities are minimised, as the perception around poor salaries would be eliminated.

The ratio of support staff to line function staff in the department is currently 1:11, which the department believes is within acceptable norms.

The department used 355 consultants between 2007/08 and 2009/10, and terminated most of these contracts in 2009/10. The information services branch continues to use a few consultants due to the challenge faced by the department from competition with the private sector in attracting and retaining the best talent in the industry.

Departmental receipts

Revenue is mainly generated from fees charged for issuing identity documents, passports and other official documents. Fees are adjusted upwards for inflation and also the costs of production at the beginning of each year at a nominal percentage. The decrease in revenue in 2008/09 was due to an increase in the number of first issue identity documents, which are issued free of charge. The department expects an increase in revenue in 2010/11 due to increased demand for identity documents in the lead up to the 2011 local government elections. There are plans to establish a trading account in the department at the beginning of 2011/12, which will see the revenue generated from the provision of services retained by the department to be used to fund these services.

Table 4.3 Departmental receipts

| R thousand | Audited outcome | | | Adjusted estimate | Revised estimate | Medium-term receipts estimate | | |
|--|-----------------|----------------|----------------|-------------------|------------------|-------------------------------|----------------|----------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | | 2011/12 | 2012/13 | 2013/14 |
| Departmental receipts | 421 123 | 355 673 | 442 220 | 455 256 | 455 256 | 482 575 | 506 704 | 557 374 |
| Sales of goods and services produced by department | 369 460 | 304 891 | 384 642 | 440 031 | 440 031 | 466 436 | 489 758 | 538 733 |
| Sales of scrap, waste, arms and other used current goods | 12 | 13 | 20 | - | - | - | - | - |
| Fines, penalties and forfeits | 28 788 | 17 094 | 33 219 | 15 014 | 15 014 | 15 915 | 16 711 | 18 382 |
| Interest, dividends and rent on land | 1 783 | 608 | 659 | 211 | 211 | 224 | 235 | 259 |
| Sales of capital assets | - | - | 327 | - | - | - | - | - |
| Transactions in financial assets and liabilities | 21 080 | 33 067 | 23 353 | - | - | - | - | - |
| Total | 421 123 | 355 673 | 442 220 | 455 256 | 455 256 | 482 575 | 506 704 | 557 374 |

Programme 1: Administration

Expenditure estimates

Table 4.4 Administration

| Subprogramme | Audited outcome | | | Adjusted appropriation | Medium-term expenditure estimate | | |
|---|-----------------|------------------|------------------|------------------------|----------------------------------|------------------|------------------|
| | 2007/08 | 2008/09 | 2009/10 | | 2010/11 | 2011/12 | 2012/13 |
| R thousand | | | | | | | |
| Ministry ¹ | 28 004 | 32 781 | 27 929 | 37 846 | 41 583 | 41 923 | 44 218 |
| Management Support Services | 196 027 | 398 767 | 352 901 | 76 087 | 84 395 | 86 039 | 90 744 |
| Corporate Services | 259 445 | 336 231 | 352 746 | 403 137 | 462 244 | 469 900 | 493 804 |
| Transversal Information Technology Management | 232 854 | 386 770 | 551 263 | 706 838 | 853 160 | 618 826 | 320 685 |
| Office Accommodation | 173 823 | 198 225 | 213 848 | 242 285 | 341 497 | 352 574 | 374 415 |
| Total | 890 153 | 1 352 774 | 1 498 687 | 1 466 193 | 1 782 879 | 1 569 262 | 1 323 866 |
| Change to 2010 Budget estimate | | | | 6 914 | 330 537 | 52 826 | (274 176) |

1. From 2008/09, the current payments relating to the total remuneration package of political office bearers are shown. Before this, only salary and car allowance are included. Administrative and other subprogramme expenditure may in addition include payments for capital assets as well as transfers and subsidies.

Economic classification

| Current payments | 831 599 | 1 224 093 | 1 344 220 | 1 423 824 | 1 754 189 | 1 539 969 | 1 292 603 |
|---|---------|-----------|-----------|-----------|-----------|-----------|-----------|
| Compensation of employees | 160 030 | 180 576 | 227 842 | 266 705 | 317 263 | 333 230 | 351 349 |
| Goods and services | 671 569 | 1 043 517 | 1 041 267 | 1 157 119 | 1 436 926 | 1 206 739 | 941 254 |
| <i>of which:</i> | | | | | | | |
| Administrative fees | 12 627 | 7 438 | 8 173 | 6 963 | 7 822 | 7 726 | 8 093 |
| Advertising | 10 315 | 17 866 | 7 280 | 19 163 | 22 631 | 22 250 | 23 254 |
| Assets less than the capitalisation threshold | 6 014 | 5 321 | 9 717 | 21 868 | 23 006 | 23 717 | 25 003 |
| Audit cost: External | 7 618 | 15 373 | 22 097 | 7 848 | 9 280 | 9 124 | 9 534 |
| Bursaries: Employees | 4 160 | 1 871 | 2 283 | 2 295 | 2 714 | 2 668 | 2 788 |
| Catering: Departmental activities | 3 354 | 5 912 | 2 446 | 3 478 | 3 753 | 3 727 | 3 912 |
| Communication | 11 640 | 10 059 | 11 438 | 11 591 | 12 775 | 12 634 | 13 250 |
| Computer services | 94 994 | 173 487 | 292 803 | 339 439 | 263 358 | 285 809 | 86 439 |
| Consultants and professional services: Business and advisory services | 2 661 | 359 162 | 289 294 | 42 384 | 40 590 | 41 697 | 43 783 |
| Consultants and professional services: Infrastructure and planning | – | – | 42 | 70 | 83 | 81 | 85 |
| Consultants and professional services: Legal costs | 9 940 | 10 404 | 23 714 | 6 758 | 7 090 | 6 949 | 7 331 |
| Contractors | 32 650 | 29 265 | 14 440 | 118 852 | 91 255 | 99 334 | 104 788 |
| Agency and support / outsourced services | 232 776 | 6 151 | 12 122 | 8 592 | 9 693 | 9 519 | 9 983 |
| Entertainment | 238 | 226 | 303 | 572 | 612 | 607 | 638 |
| Inventory: Fuel, oil and gas | 21 | 31 | 14 | 393 | 418 | 410 | 431 |
| Inventory: Learner and teacher support material | – | – | 11 | 815 | 962 | 945 | 988 |
| Inventory: Materials and supplies | 13 | 51 | 528 | 2 393 | 3 329 | 3 419 | 3 625 |
| Inventory: Medical supplies | 15 | 40 | 343 | 127 | 146 | 144 | 151 |
| Inventory: Medicine | – | – | – | 505 | 597 | 587 | 614 |
| Inventory: Other consumables | 2 845 | 1 581 | 1 887 | 1 835 | 2 147 | 2 111 | 2 208 |
| Inventory: Stationery and printing | 8 845 | 15 753 | 11 710 | 16 665 | 19 048 | 18 775 | 19 657 |
| Lease payments | 93 693 | 164 101 | 140 648 | 327 974 | 649 733 | 386 117 | 291 718 |
| Property payments | 81 998 | 116 928 | 80 494 | 111 382 | 151 913 | 155 171 | 164 220 |
| Transport provided: Departmental activity | – | – | 126 | – | – | – | – |
| Travel and subsistence | 49 342 | 65 341 | 78 127 | 70 763 | 75 727 | 75 277 | 79 027 |
| Training and development | – | 11 897 | 17 363 | 18 158 | 20 428 | 20 254 | 21 196 |
| Operating expenditure | 3 478 | 10 659 | 8 138 | 6 175 | 7 100 | 7 013 | 7 335 |
| Venues and facilities | 2 332 | 14 600 | 5 726 | 10 061 | 10 716 | 10 674 | 11 203 |
| Interest and rent on land | – | – | 75 111 | – | – | – | – |

Table 4.4 Administration (continued)

| R thousand | Audited outcome | | | Adjusted appropriation | Medium-term expenditure estimate | | |
|---|-----------------|------------------|------------------|------------------------|----------------------------------|------------------|------------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Transfers and subsidies | 2 749 | 2 195 | 2 352 | 1 458 | 2 014 | 2 115 | 2 228 |
| Provinces and municipalities | 452 | 634 | 560 | 120 | 595 | 625 | 656 |
| Households | 2 297 | 1 561 | 1 792 | 1 338 | 1 419 | 1 490 | 1 572 |
| Payments for capital assets | 29 097 | 125 999 | 150 144 | 40 911 | 26 676 | 27 178 | 29 035 |
| Machinery and equipment | 22 267 | 63 048 | 67 580 | 40 665 | 26 676 | 27 178 | 29 035 |
| Software and other intangible assets | 6 830 | 62 951 | 82 564 | 246 | - | - | - |
| Payments for financial assets | 26 708 | 487 | 1 971 | - | - | - | - |
| Total | 890 153 | 1 352 774 | 1 498 687 | 1 466 193 | 1 782 879 | 1 569 262 | 1 323 866 |
| Details of transfers and subsidies | | | | | | | |
| Households | | | | | | | |
| Households social benefits | | | | | | | |
| Current | 2 296 | 1 561 | 1 773 | 1 338 | 1 419 | 1 490 | 1 572 |
| Employee social benefit | 2 296 | 1 561 | 1 773 | 1 338 | 1 419 | 1 490 | 1 572 |
| Households other transfers | | | | | | | |
| Current | 1 | - | 19 | - | - | - | - |
| Claims against the state | 1 | - | 11 | - | - | - | - |
| Other transfers to households | - | - | 8 | - | - | - | - |
| Provinces and municipalities | | | | | | | |
| Municipalities | | | | | | | |
| Municipal bank accounts | | | | | | | |
| Current | 452 | 634 | 560 | 120 | 595 | 625 | 656 |
| Vehicle licences | 452 | 634 | 560 | 120 | 595 | 625 | 656 |

Expenditure trends

Expenditure increased from R890.2 million in 2007/08 to R1.5 billion in 2010/11, at an average annual rate of 18.1 per cent. This increase was mainly as a result of refurbishing the department's offices and upgrading information systems. The significant increase of 52 per cent in expenditure in 2008/09 was mainly for the repair and maintenance of offices and expanded capacity in support services.

Over the MTEF period, spending is expected to decrease at an average annual rate of 0.8 per cent to reach R1.3 billion. This increased spending will mainly provide for municipal and accommodation charges, as well as improved conditions of service.

Programme 2: Citizen Affairs

- *Citizen Affairs Management* provides for the overall managing of the branch for both head office and frontline offices and provides policy direction, sets standards and manages back office processes.
- *Status Services* regulates all matters relating to the national population register. These include: maintaining an accurate register of all citizens and immigrants who have acquired the right to permanent residence; registering births, deaths and marriages; providing travel and citizenship documents; providing financial assistance to citizens abroad who wish to return to South Africa but have no means of doing so; and determining and granting citizenship. The staff complement of the subprogramme is 289 and 54.2 per cent of the total budget is used for compensation of employees.
- *Identification Services* oversees issues relating to identity such as fingerprints, photographs and identity documents by establishing and maintaining national identity systems such as the automated fingerprint identification system. The staff complement of the subprogramme is 507 and 44.4 per cent of the total budget is used for compensation of employees.

- *Access to Services* provides for the development and facilitation of a strategic channel management that will ensure optimal placement and use of the department's services. This will be done by developing, managing and coordinating the departmental footprint strategy, hospital services, mobile units and a customer service centre. The staff complement of the subprogramme is 174 and 30.2 per cent of the total budget is used for compensation of employees.
- *Service Delivery to Provinces* provides for all civic, immigration and refugee affairs support functions in the provinces. The staff complement of the subprogramme is 6 471 and 90.2 per cent of the total budget is used for compensation of employees.
- *Film and Publication Board* transfers funds to the Film and Publication Board; which regulates and controls the creation, production, possession, exhibition and distribution of certain films, interactive computer games and publications, in terms of the Film and Publication Act (1996).
- *Government Printing Works* transfers funds to Government Printing Works, which provides security printing services to the South African government and some states in the Southern African Development Community (SADC).
- *Electoral Commission* transfers funds to the Electoral Commission, which manages the national, provincial and municipal elections, ensures that those elections are free and fair, and declares the results within a prescribed period.

Objectives and measures

- Maintain the service standard for the issuing of enabling documents:
 - issue 95 per cent of the projected 692 948 machine readable passports for manual processes within 24 days over the MTEF period
 - issue 97 per cent of the projected 341 302 machine readable passports for live capture processes within 13 days over the MTEF period
 - issue 95 per cent of the projected 1 164 000 first issue identity document within 54 days over the MTEF period
 - issue 95 per cent of the projected 1 261 000 second issue identity document within 47 days over the MTEF period.

Expenditure estimates

Table 4.5 Citizen Affairs

| Subprogramme | Audited outcome | | | Adjusted appropriation | Medium-term expenditure estimate | | |
|--------------------------------|------------------|------------------|------------------|------------------------|----------------------------------|------------------|------------------|
| | 2007/08 | 2008/09 | 2009/10 | | 2011/12 | 2012/13 | 2013/14 |
| R thousand | | | | | | | |
| Citizen Affairs Management | 5 030 | 27 359 | 16 312 | 35 349 | 39 089 | 38 122 | 40 304 |
| Status Services | 84 152 | 97 294 | 213 118 | 274 331 | 128 225 | 131 233 | 138 351 |
| Identification Services | 320 609 | 327 590 | 269 540 | 246 838 | 240 228 | 245 121 | 258 529 |
| Access to Services | 28 054 | 48 123 | 79 160 | 117 797 | 138 473 | 139 169 | 146 753 |
| Service Delivery to Provinces | 800 940 | 1 064 067 | 1 292 641 | 1 400 287 | 1 553 987 | 1 620 911 | 1 710 843 |
| Film and Publication Board | 19 206 | 33 519 | 39 797 | 56 187 | 65 458 | 68 966 | 72 663 |
| Government Printing Works | 110 212 | 137 425 | 334 822 | 97 228 | 129 002 | 135 666 | 143 128 |
| Electoral Commission | 485 250 | 1 039 393 | 937 233 | 1 437 940 | 799 190 | 755 935 | 1 456 211 |
| Total | 1 853 453 | 2 774 770 | 3 182 623 | 3 665 957 | 3 093 652 | 3 135 123 | 3 966 782 |
| Change to 2010 Budget estimate | | | | 46 662 | 136 089 | 58 181 | 708 915 |

Table 4.5 Citizen Affairs (continued)

| R thousand | Audited outcome | | | Adjusted appropriation | Medium-term expenditure estimate | | |
|---|------------------|------------------|------------------|------------------------|----------------------------------|------------------|------------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Economic classification | | | | | | | |
| Current payments | 1 083 016 | 1 416 802 | 1 789 196 | 2 032 017 | 2 095 891 | 2 170 282 | 2 290 266 |
| Compensation of employees | 713 181 | 948 319 | 1 252 071 | 1 447 982 | 1 627 146 | 1 708 986 | 1 801 910 |
| Goods and services | 369 835 | 468 483 | 536 900 | 584 035 | 468 745 | 461 296 | 488 356 |
| <i>of which:</i> | | | | | | | |
| Administrative fees | 613 | 5 657 | 6 062 | 3 679 | 3 282 | 3 210 | 3 421 |
| Advertising | - | 6 226 | 230 | 1 690 | 690 | 680 | 718 |
| Assets less than the capitalisation threshold | 10 212 | 10 267 | 6 450 | 11 566 | 33 525 | 31 735 | 33 673 |
| Bursaries: Employees | - | - | (3) | 75 | 31 | 31 | 32 |
| Catering: Departmental activities | 1 916 | 4 191 | 2 829 | 5 356 | 3 854 | 3 784 | 4 022 |
| Communication | 43 482 | 40 682 | 48 451 | 37 938 | 34 458 | 33 669 | 35 840 |
| Computer services | 32 111 | 31 260 | 35 504 | 61 053 | 59 136 | 58 956 | 62 198 |
| Consultants and professional services: Business and advisory services | - | 4 624 | 4 364 | - | - | - | - |
| Consultants and professional services: Infrastructure and planning | - | 16 | - | - | - | - | - |
| Consultants and professional services: Legal costs | 5 | 3 | - | - | - | - | - |
| Contractors | 68 094 | 66 147 | 45 581 | 57 196 | 63 747 | 63 857 | 67 333 |
| Agency and support / outsourced services | 37 955 | 55 388 | 68 947 | 73 387 | 73 700 | 72 117 | 76 333 |
| Entertainment | 86 | 76 | 64 | 331 | 299 | 294 | 311 |
| Inventory: Fuel, oil and gas | 14 | 15 | 44 | 1 804 | 1 606 | 1 567 | 1 671 |
| Inventory: Learner and teacher support material | - | - | 6 | 7 | 7 | 7 | 8 |
| Inventory: Materials and supplies | 3 | 244 | 430 | 321 | 287 | 280 | 299 |
| Inventory: Medical supplies | 1 | 13 | 2 | 90 | 80 | 78 | 84 |
| Inventory: Other consumables | 1 874 | 2 864 | 3 454 | 5 480 | 4 815 | 4 701 | 5 014 |
| Inventory: Stationery and printing | 69 979 | 87 939 | 191 273 | 175 791 | 79 369 | 78 534 | 83 008 |
| Lease payments | 10 | 68 | 302 | 1 285 | 1 131 | 1 108 | 1 180 |
| Property payments | 113 | 9 618 | 3 399 | 8 740 | 7 783 | 7 597 | 8 102 |
| Transport provided: Departmental activity | - | 498 | 6 | 120 | 107 | 104 | 111 |
| Travel and subsistence | 98 776 | 127 391 | 108 362 | 121 159 | 89 209 | 87 472 | 92 817 |
| Training and development | - | 1 004 | 529 | 1 590 | 979 | 962 | 1 020 |
| Operating expenditure | 2 784 | 12 102 | 8 966 | 7 840 | 7 301 | 7 235 | 7 653 |
| Venues and facilities | 1 807 | 2 190 | 1 648 | 7 537 | 3 349 | 3 318 | 3 508 |
| Interest and rent on land | - | - | 225 | - | - | - | - |
| Transfers and subsidies | 621 662 | 1 219 372 | 1 317 619 | 1 595 244 | 997 761 | 964 841 | 1 676 516 |
| Provinces and municipalities | - | - | 297 | 623 | 650 | 640 | 680 |
| Departmental agencies and accounts | 614 668 | 1 210 337 | 1 311 852 | 1 591 355 | 993 650 | 960 567 | 1 672 002 |
| Households | 6 994 | 9 035 | 5 470 | 3 266 | 3 461 | 3 634 | 3 834 |
| Payments for capital assets | 148 775 | 138 596 | 75 808 | 38 696 | - | - | - |
| Machinery and equipment | 143 029 | 60 829 | 64 223 | 38 696 | - | - | - |
| Software and other intangible assets | 5 746 | 77 767 | 11 585 | - | - | - | - |
| Total | 1 853 453 | 2 774 770 | 3 182 623 | 3 665 957 | 3 093 652 | 3 135 123 | 3 966 782 |
| Details of transfers and subsidies | | | | | | | |
| Departmental agencies and accounts | | | | | | | |
| Departmental agencies (non-business entities) | | | | | | | |
| Current | 614 668 | 1210 337 | 1311 852 | 1591 355 | 993 650 | 960 567 | 1672 002 |
| Film and Publication Board | 19 206 | 33 519 | 39 797 | 56 187 | 65 458 | 68 966 | 72 663 |
| Government Printing Works | 110 212 | 137 425 | 334 822 | 97 228 | 129 002 | 135 666 | 143 128 |

Table 4.5 Citizen Affairs (continued)

| R thousand | Audited outcome | | | Adjusted appropriation | Medium-term expenditure estimate | | |
|------------------------------|-----------------|----------|---------|------------------------|----------------------------------|---------|----------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Electoral Commission | 485 250 | 1039 393 | 937 233 | 1437 940 | 799 190 | 755 935 | 1456 211 |
| Households | | | | | | | |
| Households social benefits | | | | | | | |
| Current | 6 994 | 9 035 | 5 423 | 3 266 | 3 461 | 3 634 | 3 834 |
| Employee social benefit | 6 994 | 9 035 | 5 423 | 3 266 | 3 461 | 3 634 | 3 834 |
| Households | | | | | | | |
| Households other transfers | | | | | | | |
| Current | - | - | 47 | - | - | - | - |
| Claims against the state | - | - | 47 | - | - | - | - |
| Provinces and municipalities | | | | | | | |
| Municipalities | | | | | | | |
| Municipal bank accounts | | | | | | | |
| Current | - | - | 297 | 623 | 650 | 640 | 680 |
| Vehicle licences | - | - | 297 | 623 | 650 | 640 | 680 |

Expenditure trends

The spending focus over the MTEF period will be on implementing the national population register campaign, with the focus on birth, marriage and death registrations, and the issuance of identity documents. In addition, business processes and systems will be improved to combat fraud and corruption in the departments.

Expenditure increased from R1.9 billion in 2007/08 to R3.7 billion in 2010/11, at an average annual rate of 25.5 per cent. The increase was mainly due to growth in expenditure on compensation of employees, which grew by R734.8 million between 2007/08 and 2010/11 due to the implementation of the turnaround project in the department.

Expenditure in the *Service Delivery to Provinces* and *Electoral Commission* subprogrammes accounts for a significant portion of overall spending at frontline offices. Expenditure in these two programmes grew between 2007/08 and 2010/11 due to electoral operations.

Over the MTEF period, spending is expected to increase at an average annual rate of 2.7 per cent to reach R4 billion. This increase is mainly due to: a change in the department's programme structure; the total expenditure for provincial offices; and transfers to the Film and Publication Board, Government Printing Works and the Electoral Commission, which are now included in this programme.

The ratio of administrative cost to line function cost in this programme is 1:11.

Programme 3: Immigration Affairs

- *Immigration Affairs Management* provides for the overall managing of the branch and provides policy direction, sets standards and manages back office processes.
- *Admissions Services* controls visas, the admission of travellers at ports of entry, the processing of applications for permanent and temporary residence permits, as well as work, study and other temporary permits. The subprogramme has a staff complement of 535 and 62.9 per cent of the total budget is used for compensation of employees.
- *Immigration Services* deals with immigration matters in foreign countries, detects, detains and departs illegal immigrants in terms of the Immigration Act (2002), and provides policy directives on immigration matters. 61 per cent of the budget in this subprogramme is used towards the payment for compensation of employees.
- *Asylum Seekers* considers and processes refugee asylum cases in line with the Refugees Act (1998) by processing and issuing section 22 and 24 asylum permits, refugee identity documents, refugee passports, referring appeals to the standing committee on refugee affairs for adjudication, and handing over

unsuccessful applicants to immigration control for deportation. The subprogramme has a staff complement of 33 and 23.3 per cent of the total budget is used for compensation of employees.

Objectives and measures

- Maintain the service standard for enabling documents while improving on the percentages of applications processed within a specified period:
 - issuing refugee status determination (first instance) within 6 months: increasing from 75 per cent in 2011/12 to 95 per cent in 2013/14
 - issuing permanent residence permits within 8 months: increasing from 70 per cent in 2011/12, to 80 per cent in 2013/14
 - issuing temporary residence permits (work, business, corporate) within 8 weeks: increasing from 70% in 2011/12 to 80% in 2013/14.

Expenditure estimates

Table 4.6 Immigration Affairs

| Subprogramme | Audited outcome | | | Adjusted appropriation 2010/11 | Medium-term expenditure estimate | | |
|---|-----------------|----------------|----------------|-----------------------------------|----------------------------------|----------------|----------------|
| | 2007/08 | 2008/09 | 2009/10 | | 2011/12 | 2012/13 | 2013/14 |
| R thousand | | | | | | | |
| Immigration Affairs Management | 38 874 | 72 550 | 59 870 | 46 048 | 21 442 | 21 800 | 23 260 |
| Admission Services | 51 231 | 83 884 | 183 325 | 300 981 | 173 438 | 128 607 | 135 491 |
| Immigration Services | 328 905 | 298 027 | 218 494 | 310 462 | 323 767 | 325 559 | 341 787 |
| Asylum Seekers | 79 111 | 84 555 | 52 410 | 44 749 | 68 956 | 69 315 | 73 071 |
| Total | 498 121 | 539 016 | 514 099 | 702 240 | 587 603 | 545 281 | 573 609 |
| Change to 2010 Budget estimate | | | | 61 230 | (6 012) | (6 187) | 1 705 |
| Economic classification | | | | | | | |
| Current payments | 454 316 | 498 380 | 465 132 | 701 781 | 587 306 | 544 969 | 573 280 |
| Compensation of employees | 213 763 | 167 154 | 157 145 | 256 399 | 262 151 | 275 324 | 290 286 |
| Goods and services | 240 553 | 331 226 | 307 987 | 445 382 | 325 155 | 269 645 | 282 994 |
| <i>of which:</i> | | | | | | | |
| Administrative fees | 1 440 | 2 484 | 1 770 | 1 709 | 829 | 814 | 864 |
| Advertising | 2 | 260 | 43 | 5 561 | 5 | 5 | 5 |
| Assets less than the capitalisation threshold | 2 041 | 2 580 | 1 081 | 8 267 | 2 218 | 2 173 | 2 292 |
| Audit cost: External | – | – | – | 3 000 | 1 066 | 1 056 | 1 138 |
| Catering: Departmental activities | 269 | 1 872 | 574 | 777 | 219 | 215 | 228 |
| Communication | 10 402 | 4 728 | 3 765 | 11 314 | 10 786 | 10 572 | 11 157 |
| Computer services | 49 | 42 774 | 18 084 | 68 593 | 99 177 | 48 790 | 51 635 |
| Consultants and professional services: Business and advisory services | – | 3 042 | 11 418 | 20 597 | 7 426 | 7 337 | 7 873 |
| Consultants and professional services: Infrastructure and planning | – | 6 | – | – | – | – | – |
| Consultants and professional services: Legal costs | – | 156 | – | 300 | 107 | 106 | 114 |
| Contractors | 328 | 598 | 818 | 5 021 | 7 600 | 7 526 | 7 658 |
| Agency and support / outsourced services | 98 565 | 95 866 | 102 661 | 98 747 | 95 756 | 93 421 | 97 656 |
| Entertainment | 89 | 115 | 36 | 384 | 350 | 343 | 363 |
| Inventory: Fuel, oil and gas | 59 | 312 | – | – | – | – | – |
| Inventory: Learner and teacher support material | – | – | 4 | 64 | 32 | 31 | 32 |
| Inventory: Materials and supplies | 1 | 170 | 65 | 130 | 80 | 79 | 84 |
| Inventory: Medical supplies | 1 | 101 | 4 | 30 | 15 | 14 | 15 |
| Inventory: Other consumables | 470 | 1 449 | 2 032 | 4 873 | 4 539 | 4 449 | 4 692 |
| Inventory: Stationery and printing | 8 226 | 11 389 | 9 334 | 9 204 | 4 313 | 4 224 | 4 470 |

Table 4.6 Immigration Affairs (continued)

| Economic classification | Audited outcome | | | Adjusted appropriation | Medium-term expenditure estimate | | |
|--|-----------------|----------------|----------------|------------------------|----------------------------------|----------------|----------------|
| | 2007/08 | 2008/09 | 2009/10 | | 2010/11 | 2011/12 | 2012/13 |
| R thousand | | | | | | | |
| Current payments | | | | | | | |
| <i>Lease payments</i> | – | 1 345 | 10 213 | 10 206 | 4 801 | 4 676 | 4 939 |
| <i>Property payments</i> | 66 | 3 288 | 564 | 243 | 38 | 37 | 40 |
| <i>Transport provided: Departmental activity</i> | – | 80 365 | 59 679 | 71 194 | 71 230 | 69 496 | 72 634 |
| <i>Travel and subsistence</i> | 109 458 | 42 510 | 76 814 | 111 286 | 10 525 | 10 316 | 10 909 |
| <i>Training and development</i> | – | 531 | 5 763 | 7 622 | 1 418 | 1 389 | 1 464 |
| <i>Operating expenditure</i> | 8 607 | 31 138 | 1 072 | 2 251 | 1 237 | 1 213 | 1 288 |
| <i>Venues and facilities</i> | 480 | 4 147 | 2 193 | 4 009 | 1 388 | 1 363 | 1 444 |
| Transfers and subsidies | 1 386 | 241 | 501 | 280 | 297 | 312 | 329 |
| Households | 1 386 | 241 | 501 | 280 | 297 | 312 | 329 |
| Payments for capital assets | 42 419 | 40 365 | 48 466 | 179 | – | – | – |
| Machinery and equipment | 13 439 | 40 365 | 9 066 | 179 | – | – | – |
| Software and other intangible assets | 28 980 | – | 39 400 | – | – | – | – |
| Payments for financial assets | – | 30 | – | – | – | – | – |
| Total | 498 121 | 539 016 | 514 099 | 702 240 | 587 603 | 545 281 | 573 609 |
| Details of transfers and subsidies | | | | | | | |
| Households | | | | | | | |
| Households social benefits | | | | | | | |
| Current | 1 386 | 241 | 501 | 280 | 297 | 312 | 329 |
| Employee social benefit | 1 386 | 241 | 501 | 280 | 297 | 312 | 329 |

Expenditure trends

The spending focus over the MTEF period will be on integrating immigration systems, in particular the national immigration information system case management, and the movement control system with key citizen affairs systems (home affairs national identification system and case management). Spending will also focus on: implementing an integrated immigration management system by amending the Immigration Act (2002), Refugees Act and regulations in order to manage immigration more efficiently; extending the special dispensation of documenting illegal immigrants from Zimbabwe to other nationals in the SADC; developing and implementing a risk based immigration management approach to minimise risks and maximise benefits to the country; and facilitating the importation of scarce and critical skills into South Africa.

Expenditure increased from R498.1 million in 2007/08 to R702.2 million in 2010/11, at an average annual rate of 12.1 per cent. The increase was mainly due to: higher costs for detaining and deporting illegal immigrants, implementing the advanced passenger profiling system, and employing additional immigration officers ahead of the 2010 FIFA World Cup.

Over the MTEF period, expenditure is expected to decrease, at an average annual rate of 6.5 per cent to reach R573.6 million. The decrease is mainly due to reduced travel and subsistence expenditure as a result of the saving initiatives on departmental activities. The ratio of support to line function staff in this programme is currently 1:12.

Public entities and other agencies

Film and Publication Board

Strategic overview: 2007/08 – 2013/14

The Film and Publication Board is a schedule 3A national public entity in terms of the Public Finance Management Act (1999), and was established in terms of the Film and Publication Act (1996) with the Deputy Minister of Home Affairs as its executive authority. The board regulates and controls the creation, production, possession, exhibition and distribution of certain films, interactive computer games and publications, in terms of

the act. Among others, the act prohibits the use of children in pornographic films or publications or on the internet, and offenders are punishable by law. The board is also responsible for monitoring age restricted business premises for compliance with their licence and registration terms.

Key priorities for the Film and Publication Board for the medium term include: phasing in the implementation of proposed amendments to the Act to improve enforcement. The amendments placed an obligation to the Film and Publication Board to monitor mobile content delivered via the internet, such as social networking sites. The amendments further obliged the board to classify all newspapers and other publications that contain content of a sexual nature, that violate or show disrespect for the right to human dignity, or that degrade or constitute incitement to cause harm. Although capacity constraints hinder timely delivery, the board aims to classify film and publication products within two to five days of a submission. Other key priorities include developing a communication strategy on the amendments, improving compliance, widening stakeholder participation, cooperating internationally on child pornography, benchmarking with other classification authorities, and strengthening existing governance systems.

The Film and Publication Board operates in a dynamic environment in the ever-evolving information and entertainment industry. Technology in the industry is developing at an extremely fast pace and the Film and Publication Board is not investing in the upgrade of its IT and communication system. This exposes the board to a number of risks, which include not being able to rate films that are released online.

The ICT unit develops policies and tools that mitigate the risks from the pace at which technology is developing. The ICT unit carried out the following initiatives in 2008: the ICT governance and policy review; the migration of fax to email from an external service provider to an in-house hosted solution; a mobile connectivity project through a virtual private network and access point name solution; a business process mapping project; and the upgrading of infrastructure.

Savings and cost effectiveness measures

From 2010/11, the Film and Publication Board will be implementing measures to reduce costs in the following areas: subsistence and travel, workshops and meetings, and consulting services. While expenditure increased significantly in these areas in 2008/09, the board will not be increasing the number of visits to business premises and film distributors, and workshops and meetings. This is not anticipated to impact on the current level of service delivery. In the 2010 Budget, the following savings were identified: R747 000 in 2010/11 and R1.4 million in 2011/12.

Selected performance indicators

Table 4.7 Film and Publication Board

| Indicator | Programme/Activity | Past | | | Current | Projections | | |
|--|--|---------|---------|---------|---------|-------------|---------|---------|
| | | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Number of theatrical and home entertainment products classified per year | Classification intended to get the rating, running time, and reference number for distribution | 3 638 | 1 844 | 6 657 | 4 875 | 8 787 | 9 666 | 10 663 |
| Number of X18 rated film products classified per year | Classification intended to get the rating, running time, and reference number for distribution | 1 490 | 991 | 857 | 660 | 1 131 | 1 244 | 1 369 |
| Number of XX rated film products classified per year | Classification intended to get the rating, running time, and reference number for distribution | 11 | 13 | 4 | 2 | 5 | 6 | 6 |
| Number of X18 publications classified per year | Classification intended to get the rating, running time, and reference number for distribution | 67 | 21 | 24 | 20 | 32 | 35 | 38 |
| Number of exemptions processed per year | Classification intended to get the rating, running time, and reference number for distribution | 1 291 | 2 172 | 3 215 | 1 466 | 4 244 | 4 668 | 5 135 |
| Number of interactive computer games classified per year | Classification intended to get the rating, running time, and reference number for distribution | 421 | 295 | 440 | 461 | 485 | 508 | 511 |
| Number of interactive computer games exempted per year | Classification intended to get the rating, running time, and reference number for distribution | 85 | 241 | 320 | 228 | 422 | 465 | – |

Table 4.7 Film and Publication Board (continued)

| Indicator | Programme/Activity | Past | | | Current | Projections | | |
|--|--|---------|---------|---------|---------|-------------|---------|---------|
| | | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Number of classifications refused per year | Classification intended to get the rating, running time, and reference number for distribution | 21 | 30 | 9 | 2 | 12 | 13 | 14 |
| Number of traders registered per year | Classification intended to get the rating, running time, and reference number for distribution | 21 | 30 | 1231 | 1 500 | 1650 | 1815 | 1997 |

Details of programmes/activities/objectives

Table 4.8 Film and Publication Board

| R thousand | Audited outcome | | | Revised estimate | Medium-term estimate | | |
|----------------------|-----------------|---------------|---------------|------------------|----------------------|---------------|---------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Research | 1 787 | 2 024 | 432 | 1 280 | 4 567 | 5 421 | 5 719 |
| Child Protection | 21 | 1 829 | 2 343 | 2 521 | 11 854 | 12 214 | 14 128 |
| Compliance | 2 681 | 9 288 | 7 654 | 10 798 | 9 017 | 11 513 | 12 146 |
| Classification | 416 | 8 316 | 3 468 | 7 267 | 7 509 | 9 539 | 10 064 |
| Governance | 1 910 | 2 063 | 765 | 1 500 | 3 644 | 5 120 | 5 402 |
| Other Objectives | 27 583 | 30 021 | 37 437 | 42 151 | 38 868 | 36 111 | 37 108 |
| Total expense | 34 398 | 53 541 | 52 099 | 65 517 | 75 459 | 79 918 | 84 567 |

Objective 1 enhances, integrates and implement a constitutionally sound regulatory framework by ensuring effective management and implementation of the Film and Publication Act (1996), regulating media through the classification of content, enabling informed choices about media content, creating a healthy and child safe media environment, and reflecting contemporary norms and values in the business and work of the board.

Objective 2 develops and maintains organisational capacity and capability by enhancing leadership and management of the Film and Publication Board, and maintaining sound corporate governance and compliance.

Objective 3 forms and maintains national and international partnerships, and coordinates initiatives that support the business of the Film and Publication Board.

Objective 4 positions the Film and Publication Board as a visible, credible and professionally run organisation.

Expenditure estimates

Table 4.9 Film and Publication Board

| Statement of financial performance | | | | Revised estimate | Medium-term estimate | | |
|--|----------------|----------------|----------------|------------------|----------------------|---------------|---------------|
| R thousand | 2007/08 | 2008/09 | 2009/10 | | 2010/11 | 2011/12 | 2012/13 |
| Revenue | | | | | | | |
| Non-tax revenue | 12 480 | 11 365 | 9 325 | 10 300 | 10 001 | 10 952 | 11 904 |
| Sale of goods and services other than capital assets | - | 10 | - | - | - | - | - |
| <i>of which:</i> | | | | | | | |
| <i>Sales by market establishments</i> | - | 10 | - | - | - | - | - |
| <i>Other non-tax revenue</i> | 12 480 | 11 355 | 9 325 | 10 300 | 10 001 | 10 952 | 11 904 |
| Transfers received | 19 759 | 33 927 | 39 797 | 55 217 | 65 458 | 68 966 | 72 663 |
| Total revenue | 32 239 | 45 292 | 49 122 | 65 517 | 75 459 | 79 918 | 84 567 |
| Expenses | | | | | | | |
| Current expense | 34 398 | 53 541 | 52 099 | 65 517 | 75 459 | 79 918 | 84 567 |
| Compensation of employees | 17 319 | 22 376 | 25 589 | 28 482 | 32 613 | 36 356 | 39 820 |
| Goods and services | 14 441 | 26 756 | 22 954 | 35 332 | 40 859 | 41 565 | 43 365 |
| Depreciation | 2 560 | 4 332 | 3 498 | 1 672 | 1 952 | 1 962 | 1 347 |
| Interest, dividends and rent on land | 78 | 77 | 58 | 31 | 35 | 35 | 35 |
| Total expenses | 34 398 | 53 541 | 52 099 | 65 517 | 75 459 | 79 918 | 84 567 |
| Surplus / (Deficit) | (2 159) | (8 249) | (2 977) | - | - | - | - |

Table 4.9 Film and Publication Board (continued)

| Statement of financial position | Audited outcome | | | Revised estimate 2010/11 | Medium-term estimate | | |
|--|-----------------|--------------|--------------|-----------------------------|----------------------|--------------|--------------|
| | 2007/08 | 2008/09 | 2009/10 | | 2011/12 | 2012/13 | 2013/14 |
| R thousand | | | | | | | |
| Carrying value of assets | 6 614 | 6 530 | 3 926 | 3 357 | 3 850 | 3 588 | 2 611 |
| <i>of which: Acquisition of assets</i> | 6 276 | 3 443 | 996 | 1 103 | 2 445 | 1 700 | 370 |
| Receivables and prepayments | 2 374 | 1 888 | 833 | – | 502 | 600 | 876 |
| Cash and cash equivalents | 5 437 | 1 001 | 47 | 4 646 | 4 157 | 3 339 | 1 463 |
| Total assets | 14 425 | 9 419 | 4 806 | 8 003 | 8 509 | 7 527 | 4 950 |
| Accumulated surplus/deficit | 8 413 | 772 | (2 206) | 4 796 | 4 822 | 3 381 | 182 |
| Trade and other payables | 4 384 | 6 159 | 5 285 | 1 643 | 1 889 | 2 078 | 2 390 |
| Provisions | 1 187 | 2 036 | 1 440 | 1 564 | 1 798 | 2 068 | 2 378 |
| Liabilities not classified elsewhere | 441 | 454 | 287 | – | – | – | – |
| Total equity and liabilities | 14 425 | 9 421 | 4 806 | 8 003 | 8 509 | 7 527 | 4 950 |

Expenditure trends

Over the MTEF period, spending will focus on expanding activities aimed at preventing child pornography on the internet. These activities include: working closely with international organisations, researching human trafficking trends, classifying films, monitoring suppliers for compliance, and establishing working relations with international organisations.

The transfer from the Department of Home Affairs is the main source of revenue for the Film and Publication Board. Other revenue sources include fees for the classification of films and publications, registration fees for the registration of new distributors, and penalty fees for distributing illegal or unclassified material. The transferred amount is expected to increase from R19.8 million in 2007/08 to R72.6 million in 2013/14 to accommodate capacity building in human resources, compliance monitoring and financial management. Other revenue is expected to decrease at an average annual rate of 0.8 per cent, from R12.5 million in 2007/08 to R11.9 million in 2013/14. This decrease is mainly due to a decrease in the number of films classified.

The board's main expenditure items include salaries and staff development, travel and accommodation, workshops and meetings, communications and marketing, and research. Expenditure grew from R34.4 million in 2007/08 to R65.5 million in 2010/11, at an average annual rate of 24 per cent. This growth was mainly as a result of expenditure on goods and services, which grew due to projects undertaken by the project unit, and expenditure on compensation of employees, which grew due to an increase in the number of compliance monitoring personnel.

Expenditure is expected to grow over the MTEF period, at an average annual rate of 8.9 per cent to reach R84.6 million. This is due to a projected increase in the number of movies to be classified over this period, as well as an increase in the number of projects to be undertaken by child protection and compliance units.

Personnel information

The Film and Publication Board has an establishment of 76 posts, all of which are funded. The number of posts filled remained stable at 73 between 2007/08 and 2010/11, and are expected to increase to 77 over the medium term in order to improve service delivery.

There are 8 vacancies within the board, of which 3 are in senior management, 2 in middle management and 3 at the semi-skilled salary level. Most of these vacancies are due to resignations. The ratio of support staff to line function staff is currently 1:8.3, which the board believes to be within acceptable norms.

Table 4.10 Film and Publication Board

| | Post status as at 30 September 2010 | | | Number of posts filled on funded establishment | | | | | | |
|---------------------------|---|--|------------------------|--|-----------|-----------|-------------------------------|----------------------|-----------|-----------|
| | Number of posts on approved establishment | Number of funded posts (establishment) | Number of vacant posts | Actual | | | Mid-year ¹ 2010/11 | Medium-term estimate | | |
| | | | | 2007/08 | 2008/09 | 2009/10 | | 2011/12 | 2012/13 | 2013/14 |
| Board members | 9 | 9 | – | 6 | 6 | 6 | 9 | 9 | 9 | 9 |
| Executive management | 1 | 1 | – | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Senior management | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Middle management | 12 | 12 | 2 | 12 | 12 | 12 | 9 | 12 | 12 | 12 |
| Semi-skilled | 51 | 51 | 3 | 51 | 51 | 65 | 51 | 52 | 52 | 52 |
| Total | 76 | 76 | 8 | 73 | 73 | 87 | 73 | 77 | 77 | 77 |
| Compensation (R thousand) | | | | 17 319 | 22 376 | 25 589 | 28 482 | 32 613 | 36 356 | 39 820 |
| Unit cost (R thousand) | | | | 237 | 307 | 294 | 390 | 424 | 472 | 517 |

1. As at 30 September 2010.

Government Printing Works

Strategic overview: 2007/08 – 2013/14

The Government Printing Works provides security printing services to the South African government and some states in the SADC. The Government Printing Works was initially established as a trading account in the Department of Home Affairs, but in September 2008 its conversion to a government component in terms of the Public Service Act (2007) was approved and in June 2009, its new status was formalised. The conversion was to allow the entity to start operating on sound business principles, setting it on the path to full profitability.

The Government Printing Works' main strategic objective is to establish itself as the security printer of choice in Africa. In support of this, three key priorities have been identified for the medium term: the machinery and equipment placement programme will replace all the old technology through an asset replacement programme, which will be in line with international best practice; the entity is acquiring a new production facility and office accommodation, which it is developing in line with its needs; and the entity is adopting a more aggressive marketing strategy to become more competitive and cost efficient.

Savings and cost effectiveness measures

As a result of completing phase one of the construction programme at the new site, the new South African passport is presently manufactured and personalised in a one step operation under one roof, which resulted in improved security and savings to the department. This also allowed the department to substantially improve its service delivery as the new facility personalises passports with a turnaround time of 24 hours.

Another driver of cost saving emanated from commissioning of a new full-colour web press at the Government Printing Works, which will be used for future in-house production of various security documents, such as immigration control forms, visas, and vehicle licence forms. These are presently procured from the private sector at an estimated R75 million per year. The in-house production of these sensitive documents will also enhance the general control measures over the production of security printed matter.

A finance and supply chain management unit was created when the Government Printing Working became a government component. The unit will look into initiatives aimed at revenue growth, cash management and productivity levels.

Selected performance indicators

Table 4.11 Government Printing Works

| Indicator | Programme/Activity | Past | | | Current | Projections | | |
|---|-----------------------------|-----------|-----------|-----------|-----------|-------------|-----------|-----------|
| | | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Number of editions of government and provincial gazettes published per year | Production and publications | 2 064 | 2 520 | 2 772 | 2 290 | 2 300 | 2 300 | 2 300 |
| Number of new passports printed | Production and publications | 1 140 978 | 1 298 394 | 832 262 | 866 500 | 898 000 | 943 000 | 943 000 |
| Number of new identity documents printed | Production and publications | 2 345 146 | 2 579 660 | 2 430 000 | 2 544 000 | 2 671 000 | 2 804 000 | 2 804 000 |
| Number of days to recover outstanding debt | Financial management | 230 | 125 | 63 | 60 | 60 | 60 | 60 |

Details of programmes/activities/objectives

Table 4.12 Government Printing Works

| R thousand | Audited outcome | | | Revised estimate | Medium-term estimate | | |
|--|-----------------|----------------|----------------|------------------|----------------------|----------------|----------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Printing of provincial and government gazettes | 32 050 | 28 933 | 33 504 | 34 104 | 36 995 | 38 700 | 40 722 |
| Printing of identity documents | 16 664 | 21 095 | 48 818 | 20 895 | 21 795 | 22 884 | 24 028 |
| Printing of passports | 14 710 | 26 374 | 109 849 | 282 695 | 370 800 | 438 900 | 435 617 |
| Printing of examination papers | 178 806 | 185 658 | 198 669 | 109 178 | 111 000 | 120 000 | 93 466 |
| Printing of other face value forms and other forms/documents | 60 575 | 87 811 | 72 506 | 73 000 | 74 000 | 82 793 | 76 000 |
| Other objectives | 106 454 | 154 568 | 142 957 | 90 500 | 61 300 | 63 600 | 151 855 |
| Total expense | 409 259 | 504 439 | 606 303 | 610 372 | 675 890 | 766 877 | 821 688 |

The Government Printing Works service mainly entails the provision of all security documents, such as passports, identity documents, certificates, examination papers and forms, and associated non-security documents, such as annual reports, business cards, and printing stationery.

- **Supply of security documents** produces security printed matter. During 2010/11, a new multi-colour webpress was commissioned to replace two existing dilapidated printing presses, which were 30 and 31 years old.
- **Supply of non-security documents** prints a variety of other non-security products such as posters, annual reports, brochures and high volume standard forms used by government departments for administration purposes.
- **Outsourcing of printing services** outsources print orders for security documents and for other commercial work to private sector suppliers due to the general dilapidated state of its existing production capacity. The value of these orders is approximately R100 million per year and it is expected that an increasing proportion of such outsourced orders will be manufactured internally as items of new machinery and equipment are brought into operation.

Expenditure estimates

Table 4.13 Government Printing Works

| Statement of financial performance | | | | Revised estimate | Medium-term estimate | | |
|--|-----------------|----------------|------------------|------------------|----------------------|------------------|------------------|
| R thousand | Audited outcome | | | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| | 2007/08 | 2008/09 | 2009/10 | | | | |
| Revenue | | | | | | | |
| Non-tax revenue | 321 890 | 358 769 | 305 343 | 558 495 | 566 393 | 629 428 | 656 420 |
| Sale of goods and services other than capital assets | 306 807 | 349 871 | 300 486 | 555 640 | 566 393 | 629 428 | 656 420 |
| <i>of which:</i> | | | | | | | |
| Admin fees | 212 | 222 | – | – | – | – | – |
| Printing and publications | 306 595 | 349 649 | 300 486 | 555 640 | 566 393 | 629 428 | 656 420 |
| Other non-tax revenue | 15 083 | 8 898 | 4 857 | 2 855 | – | – | – |
| Transfers received | 110 250 | 160 906 | 393 940 | 148 702 | 202 736 | 238 572 | 279 555 |
| Total revenue | 432 140 | 519 675 | 699 283 | 707 197 | 769 129 | 868 000 | 935 975 |
| Expenses | | | | | | | |
| Current expense | 409 259 | 504 439 | 606 303 | 610 372 | 675 890 | 766 877 | 821 688 |
| Compensation of employees | 41 242 | 42 015 | 44 923 | 49 963 | 79 847 | 112 891 | 120 039 |
| Goods and services | 361 261 | 436 210 | 499 254 | 522 349 | 514 653 | 546 944 | 561 557 |
| Depreciation | 6 756 | 26 214 | 62 126 | 38 060 | 81 390 | 107 042 | 140 092 |
| Total expenses | 409 259 | 504 439 | 606 303 | 610 372 | 675 890 | 766 877 | 821 688 |
| Surplus / (Deficit) | 22 881 | 15 236 | 92 980 | 96 825 | 93 239 | 101 123 | 114 287 |
| Statement of financial position | | | | | | | |
| Carrying value of assets | 53 011 | 348 696 | 359 411 | 422 076 | 606 620 | 822 664 | 973 627 |
| <i>of which: Acquisition of assets</i> | 34 268 | 321 998 | 72 850 | 100 725 | 265 934 | 323 086 | 291 055 |
| Inventory | 104 659 | 124 191 | 160 373 | 166 477 | 209 605 | 266 930 | 309 470 |
| Receivables and prepayments | 129 757 | 139 454 | 152 561 | 177 830 | 177 062 | 189 430 | 227 881 |
| Cash and cash equivalents | 276 833 | 103 307 | 390 923 | 463 217 | 350 593 | 204 682 | 100 421 |
| Total assets | 564 260 | 715 648 | 1 063 268 | 1 229 600 | 1 343 880 | 1 483 706 | 1 611 399 |
| Capital and reserves | 361 068 | 376 113 | 469 093 | 565 921 | 659 194 | 760 362 | 874 683 |
| Trade and other payables | 91 325 | 113 890 | 85 276 | 100 784 | 75 251 | 80 400 | 88 508 |
| Provisions | 1 905 | 1 961 | 2 111 | 10 585 | 1 820 | 2 525 | 1 050 |
| Liabilities not classified elsewhere | 109 962 | 223 684 | 506 788 | 552 310 | 607 615 | 640 419 | 647 158 |
| Total equity and liabilities | 564 260 | 715 648 | 1 063 268 | 1 229 600 | 1 343 880 | 1 483 706 | 1 611 399 |

Expenditure trends

Spending over the MTEF period will focus on accelerating the asset replacement programme, as well as the development of the Government Printing Works' new production facility. The recapitalisation began in 2007 with the acquisition of equipment for production of the new passport. Further spending over the MTEF period will be channelled into converting the Government Printing Works to a government component.

The Government Printing Works generates revenue mainly from manufacturing security printed matter such as examination papers, identity documents and passports, as well as from manufacturing non-security documents such as statistical reports, annual reports, brochures and standard office stationery. Revenue increased from R432.1 million in 2007/08 to R707.2 million in 2010/11, at an average annual rate of 17.8 per cent. The increase was due to the commissioning of the new production facility and equipment, which resulted in new products as well as improved and more cost efficient production processes. Revenue is expected to increase over the MTEF period at an average annual rate of 9.8 per cent to reach R936 million. This growth is due to an increase in the product portfolio and an increase in profit margins, both of which are a result of the asset replacement programme and the completion of the new facilities.

Expenditure increased from R409.3 million in 2007/08 to R610.4 million in 2010/11, at an average annual rate of 14.3 per cent. The growth was mainly driven by an increase in raw materials needed for the new South African passport, as well as the increase in depreciation costs due to the asset recapitalisation in this period.

Expenditure is expected to increase to R821.7 million over the MTEF period, at an average annual rate of 10.4 per cent. The key cost drivers behind the trend are raw materials, personnel expenditure and depreciation. The increase in raw materials is due to the expected increase in the product portfolio and the depreciation is expected to increase due to the implementation of the asset replacement programme. It is further envisaged that the new organisational structures with appropriate salary structures would also be rolled out and increase expenditure over the MTEF period.

Personnel information

The Government Printing Works has a total establishment of 691 posts, all of which are funded. The number of posts filled increased from 483 in 2007/08 to 605 in 2010/11, and is expected to increase to 638 over the medium term. The growth in both periods is due to additional allocations for increased capacity to improve services in all areas.

There are 181 vacancies within the organisation, of which most are in the semi-skilled and professional salary levels. Most of these vacancies are due to the implementation of a new organisational structure in April 2010, which provides for more specialist positions and strengthens managerial capacity. Newly created posts are being evaluated and the target is to have at least 90 per cent of the approved posts filled by the end of 2011/12. The ratio of support staff to line function staff in the organisation is currently 1:1.1.

Table 4.14 Government Printing Works

| | Post status as at 30 September 2010 | | | Number of posts filled on funded establishment | | | | | | |
|---------------------------|---|--|------------------------|--|------------|------------|-----------------------|----------------------|------------|------------|
| | Number of posts on approved establishment | Number of funded posts (establishment) | Number of vacant posts | Actual | | | Mid-year ¹ | Medium-term estimate | | |
| | | | | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Executive management | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Senior management | 25 | 25 | 22 | 7 | 7 | 7 | 31 | 37 | 37 | 37 |
| Middle management | 38 | 38 | 28 | 20 | 24 | 26 | 39 | 39 | 64 | 64 |
| Professionals | 58 | 58 | 28 | 125 | 130 | 138 | 151 | 171 | 175 | 175 |
| Semi-skilled | 551 | 551 | 102 | 305 | 315 | 320 | 358 | 357 | 350 | 340 |
| Very low skilled | 18 | 18 | – | 25 | 20 | 17 | 25 | 16 | 16 | 16 |
| Total | 691 | 691 | 181 | 483 | 497 | 509 | 605 | 626 | 648 | 638 |
| Compensation (R thousand) | | | | 41 242 | 42 015 | 44 923 | 49 963 | 79 847 | 112 891 | 120 039 |
| Unit cost (R thousand) | | | | 85 | 85 | 88 | 83 | 128 | 174 | 188 |

1. As at 30 September 2010.

Electoral Commission

Strategic overview: 2007/08 – 2013/14

The Electoral Commission is a chapter 9 constitutional institution reporting directly to Parliament. In line with its mandate, the commission manages the national, provincial and municipal elections, ensures that those elections are free and fair, and declares the results within a prescribed period. The commission aims to continue entrenching itself as the focal point in the delivery of free and fair, cost effective elections. This role is not only the core of its constitutional mandate, but also an important factor in its interaction with other chapter 9 and associated institutions and other election management bodies.

The Electoral Commission was established in terms of the Electoral Commission Act (1996), which sets out the composition, powers, functions and duties of the commission, as well as the establishment, composition, powers, functions and duties of the electoral court. The act has since been amended to remove the commission's responsibility for municipal demarcation, which is now in the mandate of the Municipal Demarcation Board. The amendments also changed the provision for commissioners' terms of office and the registration of parties.

The legislation required by the Constitution to manage national and provincial elections is found in the Electoral Act (1998). There have been a number of amendment acts, some of were to amend section of the act declared unconstitutional. One such important amendment allowed registered South Africans living abroad to vote in national elections for the first time in 2009.

The Local Government: Municipal Electoral Act (2000) regulates municipal elections, which allow for a hybrid of ward and proportional representation. The Municipal Electoral Amendment Act was passed by Parliament and assented to by the President on 1 December 2010. The amendments provide, among others, for special votes during the 2011 local government elections (a provision which did not exist previously), and streamline the provisions in the act relating to objections that are material to the results of an election.

The Electoral Commission's operational strategy is determined by the election cycles. This means that its focus is on democracy education in the years between main electoral events. The portfolio committee on international relations and cooperation and the standing committee on public accounts have both expressed concern that the commission needs to provide more voter and democracy education programmes. They also advised that these interventions must be ongoing and visible in non-election cycles. The commission has responded by introducing expanded and new voter and democracy education programmes.

The commission aims to improve the overall performance of presiding officers during the voting and counting process, as well as reduce the time taken to count ballots and to process results for the 2011 elections. It will include additional training days in the training strategy for the 2011 elections, and to prepare for the 2011 elections, it will recruit and train a projected 196 000 election officials.

Savings and cost effectiveness measures

The commission is currently implementing a number of cost saving measures to reduce expenditure and ensure proper budget management practices without compromising the integrity of electoral processes. These measures are not aimed at cutting the commission's budget, activities or expenditure in general, but at reprioritising expenditure to projects that need additional funding to prepare for the 2011 municipal elections.

Expenditure controls are being introduced for car rentals, travel and subsistence, accommodation, events, catering, telephone costs, promotional items, and the appointment of temporary staff. The e-procurement system has also been enhanced to ensure continued cost effective and transparent procurement processes.

Selected performance indicators

Table 4.15 Electoral Commission

| Indicator | Programme/Activity | Past | | | Current | Projections | | |
|---|--|---------|------------|------------|------------|-------------|------------|------------|
| | | 2007/08 | 2008/09 | 2009/0 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Number of liaisons with election management bodies per year | Position the commission as a global leader in electoral democracy | 16 | 15 | 15 | 15 | 15 | 10 | 15 |
| Number of elections observed per year | Position the commission as a global leader in electoral democracy | 4 | 4 | 4 | 4 | 4 | 10 | 10 |
| Number of registered voters in elections per year | Maintain systems and procedures which will ensure an accurate and up to date national voters' role | - | 22 000 000 | 23 181 997 | 23 599 273 | 22 999 273 | 22 399 273 | 23 000 000 |
| Percentage of registered voters who cast their vote (baseline: 89% in 1999) | Deliver well run elections which produce credible results | - | - | 65% | 45% | - | - | - |
| Number of voter education interventions per year | Educate and inform civil society to optimise citizen participation in democracy and electoral processes | - | 239 047 | 246 170 | 253 555 | 261 161 | 268 996 | 276 000 |
| Number of party liaison interventions per year? | Implement and promote effective electoral processes that will facilitate the participation of political parties and candidates in the management and delivery of free and fair elections | 449 | 1 482 | 1 234 | 2 517 | 1 234 | 1 234 | 2 517 |
| Number of voting stations per year | Maintain systems and procedures which will ensure an accurate and up to date national voters' role | 18 873 | 20 000 | 20 000 | 22 000 | 22 000 | 22 000 | 23 000 |

Table 4.15 Electoral Commission (continued)

| Indicator | Programme/Activity | Past | | | Current | Projections | | |
|--|---|---------|---------|---------|---------|-------------|---------|---------|
| | | 2007/08 | 2008/09 | 2009/0 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Number of schools as voting stations per year | Maintain systems and procedures which will ensure an accurate and up to date national voters' role | - | 11 868 | - | 12 048 | - | - | 12 228 |
| Number of information interventions per year | Educate and inform civil society to optimise citizen participation in democracy and electoral processes | 6 | 2 752 | 834 793 | 475 866 | 4 955 | 4 955 | 800 000 |
| Number of electoral officials trained per year | Develop and maintain effective business processes (for legal services, human resources management, support services, financial management, and IT services) | 386 | 68 149 | 133 127 | 66 000 | 126 000 | 73 000 | 66 000 |

Details of programmes/activities/objectives

Table 4.16 Electoral Commission

| R thousand | Audited outcome | | | Revised estimate | Medium-term estimate | | |
|---|-----------------|----------------|----------------|------------------|----------------------|----------------|------------------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Commission Services | 8 909 | 2 269 | 2 939 | 5 853 | 5 657 | 5 945 | 3 067 |
| Electoral Matters: Delimitation, Voters Roll, Voting Station Information | 1 083 | 32 872 | 22 361 | 74 603 | 10 601 | 5 462 | 53 378 |
| Electoral Matters: Party Liaison and Candidate Nomination | 1 764 | 1 192 | 822 | 14 695 | 1 788 | 1 898 | 8 831 |
| Electoral Matters: Logistics, Infrastructure, Voting, Counting | 53 772 | 205 055 | 290 801 | 473 101 | 97 168 | 64 304 | 388 813 |
| Outreach: Communications, Civic Education, Research, Knowledge Management | 16 524 | 161 707 | 64 358 | 214 815 | 61 960 | 65 120 | 232 787 |
| Other Objectives | 298 065 | 524 159 | 558 713 | 677 879 | 639 022 | 629 212 | 787 341 |
| Total expense | 380 117 | 927 254 | 939 994 | 1 460 946 | 816 196 | 771 941 | 1 474 217 |

The Electoral Commission aims to continuously entrench itself as the focal point in the delivery of free and fair, cost effective elections. In achieving this overarching goal, the commission has developed seven strategic objectives.

- **Commission Services** assists in projecting the commission as a global leader in electoral democracy. This includes interactions with election management bodies across the African continent and other relevant international bodies, such as the International Institute for Democracy and Electoral Assistance, SADC Electoral Commissions Forum and the African Union (AU). Commission Services observes elections when requested to do so on the African continent and also in other countries. There are 4 personnel in the unit who provide support in achieving this objective and R14.7 million (excluding permanent staff costs) has been allocated over the medium term period.
- **Office of the Chief Executive Officer** develops strategy, monitors project implementation and facilitates independent assurance processes to ensure the effective and efficient functioning of the commission. There are 4 personnel in the unit who provide support in achieving this objective and R36.3 million (excluding permanent staff costs) has been allocated over the medium term period.
- **Electoral Matters** is responsible for the delimitation of boundaries, maintaining the voters roll and voting station information, providing ongoing registration of voters, and the demarcation of municipal boundaries and determination of wards. There are 5 personnel in the unit who provide support in achieving this objective and R69.4 million (excluding permanent staff costs) has been allocated over the medium term period.
- **Party Liaison and Candidate Nomination** provides ongoing liaison with registered political parties and independent candidates. Liaison is done through local structure meetings, workshops and conferences with the view to sharing information and also strengthening relations. There are 5 personnel in the unit who

provide support in achieving this objective and R12.5 million (excluding permanent staff costs) has been allocated over the medium term period.

- **Logistics, Infrastructure, Voting and Counting** is responsible for the planning and coordination of the activities required during the Election Day. It also provides infrastructure, such as voting stations, ballot papers and boxes and personnel for elections. There are 439 personnel in this unit who provide support in achieving this objective and R630.6 million (excluding permanent staff costs) has been allocated over the medium term period. Temporary personnel required during Election Day and they are included in the costs of this strategic objective.
- **Communications, Civic Education, Research and Knowledge Management** manages the communication activities and conducts civic education on democracy and elections. It also runs the organisation's training institute and conducts research on the latest developments in elections and democracy. There are 237 personnel in the unit who provide support in achieving this objective and R359.9 million (excluding permanent staff costs) has been allocated over the medium term period.
- **Legal Services, Human Resources, Skills Development and Training, Support Services and Financial Management** provides overall management of the commission and centralised support services. There are 117 personnel who provide support in achieving this objective and R1.9 billion (including all permanent staff) has been allocated over the medium term period.

Expenditure estimates

Table 4.17 Electoral Commission

| Statement of financial performance | | | | Revised estimate 2010/11 | Medium-term estimate | | |
|--|----------------|------------------|----------------|-----------------------------|----------------------|----------------|------------------|
| R thousand | 2007/08 | 2008/09 | 2009/10 | | 2011/12 | 2012/13 | 2013/14 |
| Revenue | | | | | | | |
| Non-tax revenue | 26 759 | 28 165 | 24 606 | 23 006 | 17 006 | 16 006 | 18 006 |
| Sale of goods and services other than capital assets | 8 | - | - | 6 | 6 | 6 | 6 |
| <i>of which:</i> | | | | | | | |
| Admin fees | 8 | - | - | 6 | 6 | 6 | 6 |
| Other non-tax revenue | 26 751 | 28 165 | 24 606 | 23 000 | 17 000 | 16 000 | 18 000 |
| Transfers received | 486 858 | 1 039 393 | 937 233 | 1 437 940 | 799 190 | 755 935 | 1 456 211 |
| Total revenue | 513 617 | 1 067 558 | 961 839 | 1 460 946 | 816 196 | 771 941 | 1 474 217 |
| Expenses | | | | | | | |
| Current expense | 379 755 | 927 254 | 939 994 | 1 460 946 | 816 196 | 771 941 | 1 474 217 |
| Compensation of employees | 158 964 | 275 051 | 292 978 | 393 065 | 333 608 | 348 869 | 448 142 |
| Goods and services | 202 464 | 616 584 | 602 768 | 1 009 443 | 422 692 | 380 083 | 973 368 |
| Depreciation | 18 327 | 35 432 | 43 211 | 58 438 | 59 896 | 42 989 | 52 707 |
| Interest, dividends and rent on land | - | 187 | 1 037 | - | - | - | - |
| Transfers and subsidies | 362 | - | - | - | - | - | - |
| Total expenses | 380 117 | 927 254 | 939 994 | 1 460 946 | 816 196 | 771 941 | 1 474 217 |
| Surplus / (Deficit) | 133 500 | 140 304 | 21 845 | - | - | - | - |
| Statement of financial position | | | | | | | |
| Carrying value of assets | 102 470 | 305 282 | 274 592 | 300 229 | 252 633 | 222 525 | 266 752 |
| <i>of which: Acquisition of assets</i> | 52 556 | 235 409 | 16 047 | 84 075 | 12 300 | 12 881 | 96 934 |
| Inventory | 1 334 | 54 813 | 9 063 | 20 517 | 15 000 | 15 000 | 21 000 |
| Receivables and prepayments | 12 435 | 10 976 | 18 174 | 10 000 | 10 000 | 10 000 | 10 000 |
| Cash and cash equivalents | 290 555 | 237 308 | 228 482 | 306 163 | 175 437 | 215 395 | 275 639 |
| Assets not classified elsewhere | - | 1 140 | 2 631 | - | - | - | - |
| Total assets | 406 794 | 609 519 | 532 942 | 636 909 | 453 070 | 462 920 | 573 391 |
| Accumulated surplus/deficit | 331 211 | 476 573 | 498 419 | 500 909 | 394 683 | 414 388 | 426 388 |
| Trade and other payables | 63 396 | 130 113 | 31 089 | 136 000 | 58 387 | 48 532 | 147 003 |
| Provisions | 331 | 770 | 1 687 | - | - | - | - |
| Managed funds | 11 254 | - | - | - | - | - | - |
| Liabilities not classified elsewhere | 602 | 2 063 | 1 747 | - | - | - | - |
| Total equity and liabilities | 406 794 | 609 519 | 532 942 | 636 909 | 453 070 | 462 920 | 573 391 |

Expenditure trends

Spending over the MTEF period will focus on the 2011 local government elections and the two main registration drives that will be conducted in 2014 in preparation for the 2015 national and provincial election.

The Electoral Commission is funded mainly by a transfer from the Department of Home Affairs, but also generates some non-tax revenue from various sources including sponsorships, political party registration fees and interest received. The increases in transfers received by the commission and non-tax revenue were driven mainly by the election cycle.

Expenditure is mainly influenced by the election cycle, peaking during preparations for an election and then decreasing to fund regular activities in non-election cycles. Expenditure grew significantly from R380.1 million in 2007/08 to R1.5 billion in 2010/11, at an average annual rate of 56.6 per cent. The growth in expenditure was to cater for national and provincial elections in 2009 and two main registration drives in respect of the local government elections in 2011.

Over the medium term, expenditure is expected to decrease to R771.9 million due to the start of a non-election cycle. During this period, civic and democracy education initiatives, permanent staff costs and administrative overheads play a major role in the overall expenditure.

The Budget sets out additional allocations of:

- R80 million in 2011/12 in respect of the new legislative changes that provide for special voting processes during the 2011 local government elections
- R120 million in 2013/14 in respect of the national and provincial elections.

Furthermore, the commission aims to roll over some of the funding allocated in 2010/11 to 2011/12 to cater for election related expenses that will now be taking place in 2011/12 and no longer in the 2010/11 as was envisaged in the 2010 budget.

Personnel information

The Electoral Commission has a total establishment of 885 posts, of which 815 are filled and none are additional to the approved establishment. The number of posts filled increased from 610 in 2007/08 to 815 in 2010/11, and is expected to increase to 885 over the medium term in order to improve overall efficiency.

There are 70 vacancies within the commission, most of which are in the professional and middle management salary levels. The ratio of support staff to line function staff in the commission is currently 1:6, which the entity believes to be within acceptable norms.

Table 4.18 Electoral Commission

| | Post status as at 30 September 2010 | | | Number of posts filled on funded establishment | | | | | | |
|---------------------------|---|------------------------|------------------------|--|------------|------------|-----------------------|----------------------|------------|------------|
| | Number of posts on approved establishment | Number of funded posts | Number of vacant posts | Actual | | | Mid-year ¹ | Medium-term estimate | | |
| | | | | 2007/08 | 2008/09 | 2009/10 | | 2010/11 | 2011/12 | 2012/13 |
| Board members | 5 | 5 | – | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Executive management | 4 | 4 | – | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Senior management | 43 | 43 | 1 | 34 | 42 | 41 | 42 | 43 | 43 | 43 |
| Middle management | 224 | 224 | 31 | 125 | 195 | 205 | 193 | 224 | 224 | 224 |
| Professionals | 515 | 515 | 28 | 419 | 374 | 437 | 487 | 515 | 515 | 515 |
| Semi-skilled | 29 | 29 | 1 | 23 | 27 | 27 | 28 | 29 | 29 | 29 |
| Very low skilled | 65 | 65 | 9 | – | – | – | 56 | 65 | 65 | 65 |
| Total | 885 | 885 | 70 | 610 | 647 | 719 | 815 | 885 | 885 | 885 |
| Compensation (R thousand) | | | | 158 964 | 275 051 | 292 978 | 393 065 | 333 608 | 348 869 | 448 142 |
| Unit cost (R thousand) | | | | 261 | 425 | 407 | 482 | 377 | 394 | 506 |

1. As at 30 September 2010.

Additional tables

Table 4.A Summary of expenditure trends and estimates per programme and economic classification

| Programme | Appropriation | | Audited outcome | Appropriation | | | Revised estimate |
|--------------------------------------|------------------|------------------|------------------|------------------|-----------------|------------------|------------------|
| | Main | Adjusted | | Main | Additional | Adjusted | |
| R thousand | 2009/10 | | 2009/10 | 2010/11 | | | 2010/11 |
| Administration | 1 197 620 | 1 314 911 | 1 498 687 | 1 459 279 | 6 914 | 1 466 193 | 1 466 193 |
| Citizen Affairs | 3 115 246 | 3 163 108 | 3 182 623 | 3 619 295 | 46 662 | 3 665 957 | 3 665 957 |
| Immigration Affairs | 737 721 | 785 765 | 514 099 | 641 010 | 61 230 | 702 240 | 702 240 |
| Total | 5 050 587 | 5 263 784 | 5 195 409 | 5 719 584 | 114 806 | 5 834 390 | 5 834 390 |
| Economic classification | | | | | | | |
| Current payments | 3 548 376 | 3 713 905 | 3 598 548 | 3 987 154 | 170 468 | 4 157 622 | 4 157 622 |
| Compensation of employees | 1 608 618 | 1 659 064 | 1 637 058 | 1 896 204 | 74 882 | 1 971 086 | 1 971 086 |
| Goods and services | 1 939 758 | 2 054 841 | 1 886 154 | 2 090 950 | 95 586 | 2 186 536 | 2 186 536 |
| Interest and rent on land | – | – | 75 336 | – | – | – | – |
| Transfers and subsidies | 1 303 756 | 1 316 459 | 1 320 472 | 1 588 580 | 8 402 | 1 596 982 | 1 596 982 |
| Provinces and municipalities | – | – | 857 | 743 | – | 743 | 743 |
| Departmental agencies and accounts | 1 299 149 | 1 311 852 | 1 311 852 | 1 582 953 | 8 402 | 1 591 355 | 1 591 355 |
| Households | 4 607 | 4 607 | 7 763 | 4 884 | – | 4 884 | 4 884 |
| Payments for capital assets | 198 455 | 233 420 | 274 418 | 143 850 | (64 064) | 79 786 | 79 786 |
| Machinery and equipment | 94 032 | 94 032 | 140 869 | 143 604 | (64 064) | 79 540 | 79 540 |
| Software and other intangible assets | 104 423 | 139 388 | 133 549 | 246 | – | 246 | 246 |
| Payments for financial assets | – | – | 1 971 | – | – | – | – |
| Total | 5 050 587 | 5 263 784 | 5 195 409 | 5 719 584 | 114 806 | 5 834 390 | 5 834 390 |

Table 4.B Detail of approved establishment and personnel numbers according to salary level ¹

| | Personnel post status as at 30 September 2010 | | | Number of personnel posts filled / planned for on funded establishment | | | | | | |
|----------------------------|---|------------------------|---|--|--------------|---------------|-----------------------|----------------------|--------------|--------------|
| | Number of posts on approved establishment | Number of funded posts | Number of posts additional to the establishment | Actual | | | Mid-year ² | Medium-term estimate | | |
| | | | | 2007/08 | 2008/09 | 2009/10 | | 2010/11 | 2011/12 | 2012/13 |
| Department | 17 095 | 9 755 | 788 | 7 689 | 8 560 | 10 494 | 8 217 | 8 886 | 8 886 | 8 886 |
| Salary level 1 – 6 | 10 640 | 7 007 | 728 | 5 749 | 6 423 | 7 598 | 5 960 | 6 462 | 6 462 | 6 462 |
| Salary level 7 – 10 | 5 857 | 2 410 | 16 | 1 687 | 1 933 | 2 103 | 2 035 | 2 188 | 2 188 | 2 188 |
| Salary level 11 – 12 | 394 | 177 | 32 | 172 | 131 | 695 | 118 | 124 | 124 | 124 |
| Salary level 13 – 16 | 204 | 161 | 12 | 81 | 73 | 98 | 104 | 112 | 112 | 112 |
| Administration | 1 301 | 857 | 103 | 1 248 | 800 | 964 | 718 | 767 | 767 | 767 |
| Salary level 1 – 6 | 461 | 366 | 80 | 795 | 506 | 519 | 316 | 324 | 324 | 324 |
| Salary level 7 – 10 | 549 | 325 | 9 | 328 | 189 | 318 | 285 | 317 | 317 | 317 |
| Salary level 11 – 12 | 180 | 96 | 6 | 85 | 69 | 74 | 64 | 68 | 68 | 68 |
| Salary level 13 – 16 | 111 | 70 | 8 | 40 | 36 | 53 | 53 | 58 | 58 | 58 |
| Citizen Affairs | 9 935 | 6 854 | 555 | 4 509 | 5 432 | 7 124 | 7 208 | 7 825 | 7 825 | 7 825 |
| Salary level 1 – 6 | 5 979 | 5 197 | 532 | 3 421 | 4 067 | 5 402 | 5 538 | 6 032 | 6 032 | 6 032 |
| Salary level 7 – 10 | 3 784 | 1 540 | 2 | 1 006 | 1 303 | 1 091 | 1 592 | 1 710 | 1 710 | 1 710 |
| Salary level 11 – 12 | 111 | 48 | 21 | 55 | 40 | 604 | 46 | 48 | 48 | 48 |
| Salary level 13 – 16 | 61 | 69 | – | 27 | 22 | 27 | 32 | 35 | 35 | 35 |
| Immigration Affairs | 5 859 | 2 044 | 130 | 1 932 | 2 328 | 2 406 | 291 | 294 | 294 | 294 |
| Salary level 1 – 6 | 4 200 | 1 444 | 116 | 1 533 | 1 850 | 1 677 | 106 | 106 | 106 | 106 |
| Salary level 7 – 10 | 1 524 | 545 | 5 | 353 | 441 | 694 | 158 | 161 | 161 | 161 |
| Salary level 11 – 12 | 103 | 33 | 5 | 32 | 22 | 17 | 8 | 8 | 8 | 8 |
| Salary level 13 – 16 | 32 | 22 | 4 | 14 | 15 | 18 | 19 | 19 | 19 | 19 |

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

². As at 30 September 2010.

Table 4.C Summary of expenditure on training

| | Audited outcome | | | Adjusted appropriation | Medium-term expenditure estimate | | |
|---|-----------------|-----------|-----------|------------------------|----------------------------------|-----------|-----------|
| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Compensation of employees (R thousand) | 1 086 974 | 1 296 049 | 1 637 058 | 1 971 086 | 2 206 560 | 2 317 540 | 2 443 545 |
| Training expenditure (R thousand) | 32 357 | 34 018 | 26 393 | 48 463 | 37 220 | 37 537 | 39 591 |
| Training as percentage of compensation of employees | 3.0% | 2.6% | 1.6% | 2.5% | 1.7% | 1.6% | 1.6% |
| Total number trained in department (head count) | 5 300 | 5 311 | 4 431 | 5 261 | | | |
| <i>of which:</i> | | | | | | | |
| <i>Employees receiving bursaries (head count)</i> | 1 356 | 1 056 | 720 | 592 | | | |
| <i>Learnerships trained (head count)</i> | - | - | 102 | 102 | | | |
| <i>Internships trained (head count)</i> | 410 | 347 | 161 | 205 | | | |

Table 4.D Summary of expenditure on infrastructure

| Project name | Service delivery outputs | Current project stage | Total project cost | Audited outcome | | | Adjusted appropriation | Medium-term expenditure estimate | | |
|---|---|-----------------------|--------------------|-----------------|----------------|----------------|------------------------|----------------------------------|----------------|----------------|
| | | | | 2007/08 | 2008/09 | 2009/10 | | 2010/11 | 2011/12 | 2012/13 |
| R thousand | | | | | | | | | | |
| Departmental infrastructure | | | | | | | | | | |
| Sebokeng | Construction of new district office | Construction | 10 296 | - | - | 2 060 | 1 710 | 6 151 | 375 | - |
| Taung | Construction of new district office | Various | 15 880 | - | - | 2 694 | - | 3 525 | 7 966 | 1 695 |
| Lusikisiki | Demolition of old prison and construction of new regional office | Design | 32 268 | - | - | - | 760 | 1 958 | 10 381 | 19 169 |
| Hluhluwe | Construction of new district office | Feasibility | 12 576 | - | - | - | - | 8 798 | 3 778 | - |
| Stanger | Construction of new district office | Feasibility | 9 176 | - | - | - | - | 8 798 | 378 | - |
| Phalaborwa and Mhala | Repairs and maintenance of existing building and construction of additional office space | Tender | 17 018 | - | - | - | - | 6 676 | 6 096 | 4 246 |
| Marabastad | Construction of ablution facilities and shelter | Design | 5 526 | - | - | - | - | 1 982 | 2 709 | 835 |
| Phutaditjaba | Construction of new regional office | Construction | 35 694 | - | - | 5 449 | 860 | 17 235 | 12 150 | - |
| Maintenance | | | | | | | | | | |
| Repair and maintenance programme: group 1 | Buildings repaired in terms of requirements of Occupational Health and Safety Act (1993) and department's new corporate requirements | Handed over | 71 754 | 39 245 | 12 274 | 8 651 | 11 584 | - | - | - |
| Repair and maintenance programme: group 2 | Buildings repaired in terms of requirements of Occupational Health and Safety Act (1993) and department's new corporate requirements | Various | 131 353 | 21 132 | 35 420 | 5 014 | 12 663 | 24 069 | 18 561 | 14 494 |
| Repair and maintenance programme group 3 (follow on) | Buildings repaired and maintained, which were previously on repair and maintenance programme | Various | 89 451 | - | - | - | 10 941 | 13 035 | 28 560 | 36 915 |
| Look and feel | Renovations and cosmetic changes in departmental office waiting areas | Design | 143 513 | - | - | - | 20 000 | 35 033 | 33 870 | 54 610 |
| Planned maintenance | Upgrading of departmental facilities, such as painting and new flooring | Various | 26 963 | 1 063 | 1 400 | 4 500 | 5 000 | 5 000 | 5 000 | 5 000 |
| Maintenance | Installation of Gensets, earth wire and related services | Various | 3 882 | - | - | - | 3 676 | 206 | - | - |
| Backlog repairs at Department of Home Affairs offices | Buildings repaired in terms of requirements of Occupational Health and Safety Act (1993) and department's new corporate requirements | Various | 30 900 | - | 18 900 | 12 000 | - | - | - | - |
| Department of Home Affairs office expansion plan | Approximately 77 Thusong service centres (of 172 new proposed centres) catered for in collaboration with the Government Communication and Information System and the South African Social Security Agency | Various | 15 729 | - | - | 15 729 | - | - | - | - |
| Total | | | 1 165 524 | 122 880 | 135 988 | 101 991 | 131 058 | 209 809 | 215 815 | 247 983 |



**ESTIMATES
OF NATIONAL
EXPENDITURE** **2011**

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