

# Vote 3

## Communications

### Budget summary

R million	2018/19				2019/20	2020/21
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	64.6	64.6	–	–	70.8	74.2
Communications Policy, Research and Development	11.5	11.5	–	–	13.5	15.4
Industry and Capacity Development	53.3	53.3	–	0.0	53.0	55.5
Entity Oversight	1 383.7	6.1	1 377.5	–	1 451.8	1 538.5
<b>Total expenditure estimates</b>	<b>1 513.1</b>	<b>135.6</b>	<b>1 377.5</b>	<b>0.0</b>	<b>1 589.1</b>	<b>1 683.6</b>

Executive authority: Minister of Communications  
 Accounting officer: Director General of Communications  
 Website address: [www.doc.gov.za](http://www.doc.gov.za)

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

### Vote purpose

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

### Mandate

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

The department is responsible for the administration and implementation of:

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

## Selected performance indicators

**Table 3.1 Performance indicators by programme and related outcome**

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

1. No historical data available.

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

## Expenditure analysis

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

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

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

### **Rolling out digital terrestrial television**

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

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

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

### ***Developing a responsive communications policy and regulatory framework***

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

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

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

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

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

### ***Driving effective entity oversight***

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

## Expenditure trends

**Table 3.2 Vote expenditure trends by programme and economic classification**

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

## Expenditure estimates

**Table 3.3 Vote expenditure estimates by programme and economic classification**

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

## Expenditure trends and estimates for significant spending items

**Table 3.4 Expenditure trends and estimates for significant spending items**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total Vote (%)
	2014/15	2015/16	2016/17		2014/15 - 2017/18	2017/18	2018/19	2019/20	2020/21		
Government Communication and Information System	371 392	365 476	385 256	401 450	2.6%	28.6%	420 485	441 683	471 442	5.5%	28.0%
Independent Communications Authority of South Africa	376 221	393 619	373 071	430 383	4.6%	29.5%	443 961	461 241	486 609	4.2%	29.4%
Brand South Africa	167 686	173 160	181 186	194 300	5.0%	13.4%	200 430	211 654	223 294	4.7%	13.4%
Film and Publication Board	78 901	82 359	86 472	91 684	5.1%	6.4%	94 577	99 873	105 366	4.7%	6.3%
<b>Total</b>	<b>994 200</b>	<b>1 014 614</b>	<b>1 025 985</b>	<b>1 117 817</b>	<b>17.3%</b>	<b>77.9%</b>	<b>1 159 453</b>	<b>1 214 451</b>	<b>1 286 711</b>	<b>19.1%</b>	<b>77.1%</b>

## Goods and services expenditure trends and estimates

**Table 3.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2014/15	2015/16	2016/17		2014/15 - 2017/18	2017/18	2018/19	2019/20	2020/21		
Administrative fees	–	280	556	807	–	1.6%	883	987	1 302	17.3%	2.0%
Advertising	–	3 163	1 462	192	–	4.8%	12 050	10 907	11 251	288.4%	17.0%
Minor assets	–	89	136	84	–	0.3%	66	68	74	-4.1%	0.1%
Audit costs: External	–	–	790	880	–	1.7%	750	792	834	-1.8%	1.6%
Bursaries: Employees	–	62	32	4	–	0.1%	20	21	22	82.2%	–
Catering: Departmental activities	–	1 085	2 519	724	–	4.3%	107	113	119	-45.2%	0.5%
Communication	28	1 887	5 675	1 242	254.0%	8.8%	1 894	2 161	2 278	22.4%	3.7%
Computer services	684	34	253	261	-27.5%	1.2%	4	4	4	-75.1%	0.1%
Consultants: Business and advisory services	–	31	39	141	–	0.2%	1 650	1 768	1 754	131.7%	2.6%
Legal services	–	2 416	2 149	1 967	–	6.5%	1 960	2 078	2 191	3.7%	4.1%
Contractors	2 413	342	104	123	-62.9%	3.0%	210	222	234	23.9%	0.4%
Agency and support/outsourced services	–	98	32	128	–	0.3%	126	136	143	3.8%	0.3%
Entertainment	–	11	9	53	–	0.1%	57	60	64	6.5%	0.1%
Fleet services (including government motor transport)	–	2 317	3 924	2 794	–	9.0%	2 613	3 068	3 238	5.0%	5.8%
Inventory: Other supplies	–	–	–	–	–	–	–	–	6	–	–
Consumable supplies	–	139	99	311	–	0.5%	365	380	403	9.1%	0.7%
Consumables: Stationery, printing and office supplies	–	967	703	529	–	2.2%	1 910	2 013	2 124	59.0%	3.2%
Operating leases	–	201	219	293	–	0.7%	365	389	411	11.9%	0.7%
Rental and hiring	–	279	1 122	2 000	–	3.4%	5 141	5 449	5 749	42.2%	9.1%
Property payments	–	–	–	–	–	–	2 849	3 020	3 188	–	4.5%
Travel and subsistence	808	14 454	13 602	19 976	191.3%	48.7%	20 504	21 648	22 805	4.5%	42.0%
Training and development	–	207	106	31	–	0.3%	–	10	11	-29.2%	–
Operating payments	–	625	654	572	–	1.8%	779	643	680	5.9%	1.3%
Venues and facilities	–	–	177	100	–	0.3%	–	–	–	-100.0%	–
<b>Total</b>	<b>3 933</b>	<b>28 687</b>	<b>34 362</b>	<b>33 211</b>	<b>103.6%</b>	<b>100.0%</b>	<b>54 303</b>	<b>55 937</b>	<b>58 885</b>	<b>21.0%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 3.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2014/15	2015/16	2016/17		2014/15 - 2017/18	2017/18	2018/19	2019/20	2020/21		
<b>Households</b>											
<b>Social benefits</b>											
Current	–	49	199	733	–	–	–	–	–	-100.0%	–
Households	–	49	199	733	–	–	–	–	–	-100.0%	–

Table 3.6 Vote transfers and subsidies trends and estimates

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

## Personnel information

Table 3.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

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

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

2. Rand million.

## Departmental receipts

**Table 3.8 Departmental receipts by economic classification**

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

## Programme 1: Administration

### Programme purpose

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

### Expenditure trends and estimates

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

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million											
Ministry	12.0	12.0	8.4	10.4	-4.7%	21.7%	10.0	10.7	11.4	3.2%	15.3%
Departmental Management	0.9	28.7	31.6	34.0	239.8%	48.3%	27.2	26.7	27.0	-7.4%	41.5%
Internal Audit	-	-	0.9	1.0	-	0.9%	0.8	2.4	2.6	39.2%	2.5%
Corporate Services	6.8	4.9	9.9	12.0	20.9%	17.0%	15.7	17.2	18.5	15.5%	22.9%
Financial Management	4.8	2.6	6.5	10.0	28.0%	12.1%	10.9	13.7	14.7	13.5%	17.8%
<b>Total</b>	<b>24.4</b>	<b>48.2</b>	<b>57.3</b>	<b>67.4</b>	<b>40.2%</b>	<b>100.0%</b>	<b>64.6</b>	<b>70.8</b>	<b>74.2</b>	<b>3.3%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				67.4			64.6	70.8	74.2		
<b>Economic classification</b>											
<b>Current payments</b>	<b>24.4</b>	<b>47.3</b>	<b>56.0</b>	<b>65.2</b>	<b>38.7%</b>	<b>97.8%</b>	<b>64.6</b>	<b>70.8</b>	<b>74.2</b>	<b>4.4%</b>	<b>99.2%</b>
Compensation of employees	24.4	29.3	42.6	46.6	24.1%	72.5%	49.9	53.0	55.4	5.9%	74.0%
Goods and services <sup>1</sup>	0.0	18.0	13.3	18.6	771.8%	25.3%	14.8	17.8	18.8	0.5%	25.2%
of which:											
Audit costs: External	-	-	0.8	0.9	-	0.8%	0.8	0.8	0.8	-1.8%	1.2%
Communication	0.0	1.1	1.2	1.0	226.4%	1.7%	1.2	1.5	1.6	16.8%	1.9%
Legal services	-	0.6	0.2	1.7	-	1.2%	1.5	1.5	1.6	-1.2%	2.3%
Fleet services (including government motor transport)	-	2.3	3.3	2.7	-	4.2%	2.2	2.6	2.8	0.7%	3.7%
Property payments	-	-	-	-	-	-	2.8	3.0	3.2	-	3.3%
Travel and subsistence	-	11.7	6.1	9.9	-	14.1%	4.5	6.7	6.8	-11.8%	10.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>0.6</b>	<b>-</b>	<b>0.3%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.2%</b>
Households	-	0.0	-	0.6	-	0.3%	-	-	-	-100.0%	0.2%
<b>Payments for capital assets</b>	<b>0.0</b>	<b>0.8</b>	<b>1.3</b>	<b>1.6</b>	<b>462.2%</b>	<b>1.9%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.6%</b>
Machinery and equipment	0.0	0.8	1.3	1.6	462.2%	1.9%	-	-	-	-100.0%	0.6%
<b>Total</b>	<b>24.4</b>	<b>48.2</b>	<b>57.3</b>	<b>67.4</b>	<b>40.2%</b>	<b>100.0%</b>	<b>64.6</b>	<b>70.8</b>	<b>74.2</b>	<b>3.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.9%</b>	<b>3.7%</b>	<b>4.3%</b>	<b>4.7%</b>	<b>-</b>	<b>-</b>	<b>4.3%</b>	<b>4.5%</b>	<b>4.4%</b>	<b>-</b>	<b>-</b>
<b>Details of selected transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>0.6</b>	<b>-</b>	<b>0.3%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.2%</b>
Households	-	0.0	-	0.6	-	0.3%	-	-	-	-100.0%	0.2%

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

## Programme 2: Communications Policy, Research and Development

### Programme purpose

Conduct research and develop communications and broadcasting policies.

### Objectives

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

### Subprogrammes

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

### Expenditure trends and estimates

**Table 3.10 Communications Policy, Research and Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average Expenditure/Total (%)
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
R million											
Broadcasting Policy	6.5	4.9	6.3	5.5	-5.5%	94.3%	9.1	12.1	13.9	36.0%	85.7%
Technology and Engineering Services	–	0.0	–	1.4	–	5.7%	2.4	1.4	1.5	3.8%	14.3%
<b>Total</b>	<b>6.5</b>	<b>4.9</b>	<b>6.3</b>	<b>6.9</b>	<b>1.8%</b>	<b>100.0%</b>	<b>11.5</b>	<b>13.5</b>	<b>15.4</b>	<b>30.8%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				(55.9)			(54.8)	(64.6)	(68.2)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>6.5</b>	<b>4.3</b>	<b>6.2</b>	<b>6.9</b>	<b>2.3%</b>	<b>96.8%</b>	<b>11.5</b>	<b>13.5</b>	<b>15.4</b>	<b>30.8%</b>	<b>100.0%</b>
Compensation of employees	5.4	3.8	4.8	5.2	-1.2%	77.6%	8.5	10.4	11.6	30.4%	75.3%
Goods and services <sup>1</sup>	1.0	0.5	1.5	1.7	17.2%	19.1%	3.0	3.1	3.9	31.8%	24.7%
of which:											
Communication	–	0.0	1.0	0.1	–	4.4%	0.1	0.1	0.1	24.3%	0.9%
Consultants: Business and advisory services	–	–	–	0.1	–	0.2%	0.1	0.1	–	-100.0%	0.5%
Agency and support/outsource services	–	0.0	–	–	–	–	0.1	0.1	0.1	–	0.8%
Consumables: Stationery, printing and office supplies	–	0.1	0.0	0.1	–	0.8%	0.3	0.3	0.3	66.3%	2.0%
Travel and subsistence	–	0.3	0.2	0.9	–	5.6%	2.0	2.0	2.8	45.3%	16.3%
Operating payments	–	–	0.0	0.2	–	0.7%	0.2	0.2	0.2	8.2%	1.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>–</b>	<b>–</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Households	–	–	0.1	–	–	0.2%	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.1</b>	<b>0.6</b>	<b>0.0</b>	<b>–</b>	<b>-100.0%</b>	<b>3.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Machinery and equipment	0.1	0.6	0.0	–	-100.0%	3.0%	–	–	–	–	–
<b>Total</b>	<b>6.5</b>	<b>4.9</b>	<b>6.3</b>	<b>6.9</b>	<b>1.8%</b>	<b>100.0%</b>	<b>11.5</b>	<b>13.5</b>	<b>15.4</b>	<b>30.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.5%</b>	<b>0.4%</b>	<b>0.5%</b>	<b>0.5%</b>	<b>–</b>	<b>–</b>	<b>0.8%</b>	<b>0.9%</b>	<b>0.9%</b>	<b>–</b>	<b>–</b>

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

## Programme 3: Industry and Capacity Development

### Programme purpose

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

### Objectives

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

### Subprogrammes

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

### Expenditure trends and estimates

**Table 3.11 Industry and Capacity Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million					2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Enterprise Development	6.0	2.4	0.2	2.8	-22.9%	12.2%	0.0	–	–	-100.0%	1.4%
Broadcasting Digital Migration	3.3	15.3	27.9	20.5	83.5%	72.0%	47.9	47.2	49.3	33.8%	86.7%
Industry Research and Analysis	–	1.7	5.4	2.9	–	10.8%	3.3	3.5	3.8	9.0%	7.1%
Inter-governmental Relations and Stakeholder Management	–	1.0	1.7	1.9	–	5.0%	2.2	2.3	2.5	8.7%	4.7%
<b>Total</b>	<b>9.3</b>	<b>20.4</b>	<b>35.2</b>	<b>28.2</b>	<b>44.5%</b>	<b>100.0%</b>	<b>53.3</b>	<b>53.0</b>	<b>55.5</b>	<b>25.4%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				19.7			43.4	41.2	42.8		

**Table 3.11 Industry and Capacity Development expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million					2014/15 -	2017/18	2018/19	2019/20	2020/21	2017/18 -	2020/21
<b>Current payments</b>	<b>9.2</b>	<b>20.3</b>	<b>32.6</b>	<b>28.0</b>	<b>45.0%</b>	<b>96.9%</b>	<b>53.3</b>	<b>53.0</b>	<b>55.5</b>	<b>25.6%</b>	<b>99.9%</b>
Compensation of employees	7.1	11.0	13.4	15.5	29.6%	50.6%	18.9	20.2	21.6	11.6%	40.1%
Goods and services <sup>1</sup>	2.1	9.3	19.2	12.5	82.5%	46.3%	34.4	32.8	33.9	39.5%	59.8%
<i>of which:</i>											
Administrative fees	–	0.0	0.3	0.2	–	0.5%	0.6	0.6	0.7	56.6%	1.1%
Advertising	–	3.0	1.3	–	–	4.7%	12.0	10.9	11.2	–	17.9%
Consultants: Business and advisory services	–	0.0	0.0	0.0	–	–	1.5	1.6	1.7	337.7%	2.5%
Consumables: Stationery, printing and office supplies	–	0.4	0.4	0.1	–	1.0%	1.0	1.0	1.1	122.4%	1.7%
Rental and hiring	–	0.2	1.1	2.0	–	3.6%	5.1	5.4	5.7	42.2%	9.6%
Travel and subsistence	–	2.2	7.1	8.9	–	19.6%	12.8	11.7	11.9	10.1%	23.8%
<b>Transfers and subsidies<sup>1</sup></b>	<b>–</b>	<b>–</b>	<b>0.1</b>	<b>0.1</b>	<b>–</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>
Households	–	–	0.1	0.1	–	0.2%	–	–	–	-100.0%	0.1%
<b>Payments for capital assets</b>	<b>0.1</b>	<b>0.1</b>	<b>2.5</b>	<b>–</b>	<b>-100.0%</b>	<b>2.9%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>–</b>	<b>0.1%</b>
Machinery and equipment	0.1	0.1	2.5	–	-100.0%	2.9%	0.0	0.0	0.0	–	0.1%
<b>Total</b>	<b>9.3</b>	<b>20.4</b>	<b>35.2</b>	<b>28.2</b>	<b>44.5%</b>	<b>100.0%</b>	<b>53.3</b>	<b>53.0</b>	<b>55.5</b>	<b>25.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.7%</b>	<b>1.6%</b>	<b>2.6%</b>	<b>2.0%</b>	<b>–</b>	<b>–</b>	<b>3.5%</b>	<b>3.3%</b>	<b>3.3%</b>	<b>–</b>	<b>–</b>

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

## Programme 4: Entity Oversight

### Programme purpose

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

### Objectives

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

### Subprogrammes

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

## Expenditure trends and estimates

Table 3.12 Entity Oversight expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/ Total (%) 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2017/18 - 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
R million											
Programme Management for Entity Oversight	–	2.6	4.1	1.5	–	0.2%	1.8	1.7	3.1	27.0%	0.1%
Broadcasting and Community Media	252.7	196.9	206.9	205.1	-6.7%	17.1%	219.9	232.9	245.8	6.2%	15.9%
Communication and Branding	539.1	539.1	566.4	595.8	3.4%	44.6%	621.4	653.9	695.3	5.3%	45.0%
Regulatory Institutions	455.1	476.0	459.5	523.5	4.8%	38.1%	540.6	563.3	594.3	4.3%	39.0%
<b>Total</b>	<b>1 246.9</b>	<b>1 214.6</b>	<b>1 237.0</b>	<b>1 325.9</b>	<b>2.1%</b>	<b>100.0%</b>	<b>1 383.7</b>	<b>1 451.8</b>	<b>1 538.5</b>	<b>5.1%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				1 303.6			1 354.4	1 429.6	1 514.9		
<b>Economic classification</b>											
<b>Current payments</b>	<b>3.6</b>	<b>4.4</b>	<b>5.0</b>	<b>4.3</b>	<b>5.5%</b>	<b>0.3%</b>	<b>6.1</b>	<b>6.3</b>	<b>8.0</b>	<b>23.3%</b>	<b>0.4%</b>
Compensation of employees	2.8	3.5	4.7	3.8	10.0%	0.3%	4.0	4.1	5.7	14.6%	0.3%
Goods and services <sup>1</sup>	0.8	0.9	0.3	0.5	-14.8%	0.1%	2.1	2.2	2.3	67.0%	0.1%
<i>of which:</i>											
Communication	–	0.0	0.1	0.1	–	–	0.3	0.3	0.3	44.9%	–
Consumables: Stationery, printing and office supplies	–	0.0	0.0	0.0	–	–	0.3	0.3	0.3	182.7%	–
Operating leases	–	–	–	0.0	–	–	0.1	0.2	0.2	60.1%	–
Travel and subsistence	0.8	0.3	0.2	0.2	-33.9%	–	1.2	1.2	1.3	77.7%	0.1%
Operating payments	–	–	–	0.0	–	–	0.1	0.1	0.1	143.3%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 243.2</b>	<b>1 210.2</b>	<b>1 232.0</b>	<b>1 321.6</b>	<b>2.1%</b>	<b>99.7%</b>	<b>1 377.5</b>	<b>1 445.5</b>	<b>1 530.5</b>	<b>5.0%</b>	<b>99.6%</b>
Departmental agencies and accounts	1 016.0	1 037.2	1 049.8	1 147.8	4.1%	84.6%	1 190.1	1 246.5	1 320.5	4.8%	86.1%
Public corporations and private enterprises	227.2	172.9	182.1	173.8	-8.5%	15.0%	187.4	199.0	210.0	6.5%	13.5%
Households	–	–	0.1	–	–	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.1</b>	<b>0.0</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Machinery and equipment	0.1	0.0	–	–	-100.0%	–	–	–	–	–	–
<b>Total</b>	<b>1 246.9</b>	<b>1 214.6</b>	<b>1 237.0</b>	<b>1 325.9</b>	<b>2.1%</b>	<b>100.0%</b>	<b>1 383.7</b>	<b>1 451.8</b>	<b>1 538.5</b>	<b>5.1%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>96.9%</b>	<b>94.3%</b>	<b>92.6%</b>	<b>92.8%</b>	<b>–</b>	<b>–</b>	<b>91.4%</b>	<b>91.4%</b>	<b>91.4%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>1 016.0</b>	<b>1 037.2</b>	<b>1 049.8</b>	<b>1 147.8</b>	<b>4.1%</b>	<b>84.6%</b>	<b>1 190.1</b>	<b>1 246.5</b>	<b>1 320.5</b>	<b>4.8%</b>	<b>86.1%</b>
Media Development and Diversity Agency	21.8	22.6	23.8	30.0	11.2%	2.0%	30.7	32.0	33.8	4.0%	2.2%
Brand South Africa	167.7	173.2	181.2	194.3	5.0%	14.3%	200.4	211.7	223.3	4.7%	14.6%
Government Communication and Information System	371.4	365.5	385.3	401.5	2.6%	30.3%	420.5	441.7	471.4	5.5%	30.4%
Independent Communications Authority of South Africa	376.2	393.6	373.1	430.4	4.6%	31.3%	444.0	461.2	486.6	4.2%	32.0%
Film and Publication Board	78.9	82.4	86.5	91.7	5.1%	6.8%	94.6	99.9	105.4	4.7%	6.9%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>227.2</b>	<b>172.9</b>	<b>182.1</b>	<b>173.8</b>	<b>-8.5%</b>	<b>15.0%</b>	<b>187.4</b>	<b>199.0</b>	<b>210.0</b>	<b>6.5%</b>	<b>13.5%</b>
South African Broadcasting Corporation: Channel Africa	47.4	49.6	52.3	54.9	5.0%	4.1%	58.1	61.3	64.7	5.6%	4.2%
South African Broadcasting Corporation: Public broadcaster	97.2	101.8	107.2	105.9	2.9%	8.2%	115.7	123.2	130.0	7.1%	8.3%
South African Broadcasting Corporation: Community radio stations	9.4	9.8	10.3	–	-100.0%	0.6%	–	–	–	–	–
South African Broadcasting Corporation: Programme productions	11.2	11.7	12.3	12.9	5.0%	1.0%	13.7	14.5	15.2	5.6%	1.0%
South African Broadcasting Corporation: Broadcasting digital migration	62.0	–	–	–	-100.0%	1.2%	–	–	–	–	–

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

# Other departments within the vote

## Government Communication and Information System

### Budget summary

R million	2018/19				2019/20	2020/21
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	164.2	163.4	0.0	0.7	171.9	182.4
Content Processing and Dissemination	145.0	143.6	–	1.4	152.5	162.9
Intergovernmental Coordination and Stakeholder Management	111.3	110.2	0.0	1.1	117.3	126.1
<b>Total expenditure estimates</b>	<b>420.5</b>	<b>417.2</b>	<b>0.1</b>	<b>3.2</b>	<b>441.7</b>	<b>471.4</b>
Executive authority	Minister of Communications					
Accounting officer	Director General of Government Communication and Information System					
Website address	www.gcis.gov.za					

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

### Department purpose

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

### Mandate

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

### Selected performance indicators

**Table 3.13 Performance indicators by programme and related outcome**

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

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

## Expenditure analysis

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

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

### ***Providing and facilitating strategic government communications***

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

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

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

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

Over the MTEF period, the department plans to provide media production and bulk buying services for other government departments to reduce government's advertising costs in mainstream media. The department

aims to provide more than 2 000 communication services over the medium term. These include advertisements, the hosting of talk shows, the compilation of voiceovers, and video and photographic services to client departments and public entities. These services are funded through the communications budget allocation of client departments and entities.

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

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

### Facilitating active citizen participation

The department will work to improve and strengthen campaign management, support project management practices, and improve the coherence and alignment of government messages over the medium term. This will enable the department to conduct a planned 10 458 outreach campaigns to improve public participation in the development and implementation of government policies, plans and programmes. The department also plans to conduct 1 200 development communication campaigns and 1 800 community and stakeholder liaison visits per year over the medium term. These initiatives are expected to deliver information to more than 1 million people per month through direct and indirect communication with citizens, community radio talk shows, community newspapers and awareness campaigns. R6 million has been allocated for communication development projects, R3 million for community and stakeholder liaison visits, and R2.5 million for the marketing of Thusong service centres per year in the *Provincial and Local Liaison* subprogramme in the *Intergovernmental Coordination and Stakeholder Management* programme. The department expects to spend a further R1 million per year over the MTEF period on the imbizo programme, which facilitates interactions between political principals and the public; and develop content for print and electronic communications products, including leaflets for the state of the nation address.

## Expenditure trends

**Table 3.14 Departmental expenditure trends by programme and economic classification**

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

**Table 3.14 Departmental expenditure trends by programme and economic classification**

	2014/15			2015/16			2016/17			2017/18			2014/15 -	2017/18
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million														
<b>Payments for capital assets</b>	<b>3.3</b>	<b>4.0</b>	<b>7.6</b>	<b>0.9</b>	<b>0.9</b>	<b>1.2</b>	<b>1.1</b>	<b>1.1</b>	<b>1.6</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>180.1%</b>	<b>160.9%</b>
Buildings and other fixed structures	-	-	0.5	-	-	0.1	-	-	0.0	-	-	-	-	-
Machinery and equipment	3.0	3.8	7.1	0.7	0.7	1.1	0.9	0.9	1.5	1.2	1.2	1.2	190.8%	168.3%
Software and other intangible assets	0.3	0.3	-	0.2	0.2	-	0.3	0.3	0.1	(0.0)	(0.0)	(0.0)	7.4%	7.4%
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.2</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>413.1</b>	<b>379.5</b>	<b>364.9</b>	<b>365.5</b>	<b>365.5</b>	<b>365.2</b>	<b>382.2</b>	<b>385.3</b>	<b>380.1</b>	<b>404.8</b>	<b>401.5</b>	<b>401.4</b>	<b>96.6%</b>	<b>98.7%</b>

## Expenditure estimates

**Table 3.15 Departmental expenditure estimates by programme and economic classification**

Programmes								
1. Administration								
2. Content Processing and Dissemination								
3. Intergovernmental Coordination and Stakeholder Management								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2018/19	2019/20	2020/21		
R million	2017/18	2014/15 -	2017/18	2018/19	2019/20	2020/21	2017/18 -	2020/21
Programme 1	157.6	5.4%	38.6%	164.2	171.9	182.4	5.0%	39.0%
Programme 2	139.3	-1.5%	35.6%	145.0	152.5	162.9	5.4%	34.6%
Programme 3	104.5	1.7%	25.8%	111.3	117.3	126.1	6.4%	26.5%
<b>Total</b>	<b>401.4</b>	<b>1.9%</b>	<b>100.0%</b>	<b>420.5</b>	<b>441.7</b>	<b>471.4</b>	<b>5.5%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				(10.8)	(18.8)	(19.8)		
Economic classification								
<b>Current payments</b>	<b>399.6</b>	<b>2.2%</b>	<b>98.9%</b>	<b>417.2</b>	<b>439.4</b>	<b>469.1</b>	<b>5.5%</b>	<b>99.4%</b>
Compensation of employees	229.9	6.9%	54.9%	254.0	273.3	293.8	8.5%	60.6%
Goods and services	169.8	-3.1%	44.0%	163.2	166.1	175.3	1.1%	38.9%
<b>Transfers and subsidies</b>	<b>0.5</b>	<b>-4.1%</b>	<b>0.2%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-50.1%</b>	<b>0.0%</b>
Departmental agencies and accounts	0.1	-52.9%	0.0%	0.1	0.1	0.1	4.3%	0.0%
Households	0.5	121.0%	0.2%	-	-	-	-100.0%	0.0%
<b>Payments for capital assets</b>	<b>1.2</b>	<b>-33.3%</b>	<b>0.8%</b>	<b>3.2</b>	<b>2.2</b>	<b>2.2</b>	<b>23.2%</b>	<b>0.5%</b>
Machinery and equipment	1.2	-31.8%	0.7%	3.2	2.2	2.2	23.2%	0.5%
Software and other intangible assets	(0.0)	-115.9%	0.0%	-	-	-	-100.0%	0.0%
<b>Total</b>	<b>401.4</b>	<b>1.9%</b>	<b>100.0%</b>	<b>420.5</b>	<b>441.7</b>	<b>471.4</b>	<b>5.5%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 3.16 Expenditure trends and estimates for significant spending items**

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total Vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total Vote (%)
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
R thousand											
Compensation of employees	181 649	202 461	216 536	229 939	8.2%	54.9%	253 983	273 302	293 800	8.5%	60.6%
Computer services	16 009	15 129	14 604	14 289	-3.7%	4.0%	16 013	17 129	18 149	8.3%	3.8%
Operating leases	43 465	47 556	51 688	50 775	5.3%	12.8%	54 602	56 038	59 423	5.4%	12.7%
Operating payments	35 808	30 833	36 811	39 352	3.2%	9.4%	34 156	34 937	36 971	-2.1%	8.4%
Travel and subsistence	20 577	21 137	17 486	18 671	-3.2%	5.2%	17 474	16 568	17 350	-2.4%	4.0%
<b>Total</b>	<b>297 508</b>	<b>317 116</b>	<b>337 125</b>	<b>353 026</b>	<b>9.8%</b>	<b>86.3%</b>	<b>376 228</b>	<b>397 974</b>	<b>425 693</b>	<b>17.7%</b>	<b>89.5%</b>

## Goods and services expenditure trends and estimates

**Table 3.17 Departmental goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
Administrative fees	663	478	537	652	-0.6%	0.4%	641	668	681	1.5%	0.4%
Advertising	7 827	5 078	2 645	5 529	-10.9%	3.2%	3 635	3 533	3 546	-13.8%	2.4%
Minor assets	693	156	282	128	-43.1%	0.2%	99	38	31	-37.7%	-
Audit costs: External	2 077	2 349	2 467	2 030	-0.8%	1.3%	2 511	2 661	2 650	9.3%	1.5%
Bursaries: Employees	350	460	702	450	8.7%	0.3%	450	450	450	-	0.3%
Catering: Departmental activities	1 350	679	891	938	-11.4%	0.6%	460	340	367	-26.9%	0.3%
Communication	12 550	9 988	8 628	8 927	-10.7%	6.0%	7 944	8 250	8 445	-1.8%	5.0%
Computer services	16 009	15 129	14 604	14 289	-3.7%	9.0%	16 013	17 129	18 149	8.3%	9.7%
Consultants: Business and advisory services	2 098	2 349	84	2 132	0.5%	1.0%	515	170	745	-29.6%	0.5%
Laboratory services	2	-	5	-	-100.0%	-	-	-	-	-	-
Legal services	945	740	796	432	-23.0%	0.4%	432	538	538	7.6%	0.3%
Contractors	5 571	3 895	3 294	3 607	-13.5%	2.5%	2 526	2 195	2 574	-10.6%	1.6%
Agency and support/outsourced services	6 323	3 460	4 718	6 616	1.5%	3.2%	5 796	6 250	6 628	0.1%	3.7%
Fleet services (including government motor transport)	2 505	2 000	1 423	1 129	-23.3%	1.1%	978	1 057	1 056	-2.2%	0.6%
Consumable supplies	986	709	523	649	-13.0%	0.4%	662	651	596	-2.8%	0.4%
Consumables: Stationery, printing and office supplies	6 164	3 118	2 782	3 671	-15.9%	2.4%	3 379	3 576	3 684	0.1%	2.1%
Operating leases	43 465	47 556	51 688	50 775	5.3%	29.1%	54 602	56 038	59 423	5.4%	32.7%
Rental and hiring	115	109	141	148	8.8%	0.1%	78	63	99	-12.5%	0.1%
Property payments	6 543	8 799	9 302	7 056	2.5%	4.8%	9 571	10 242	10 670	14.8%	5.6%
Travel and subsistence	20 577	21 137	17 486	18 671	-3.2%	11.7%	17 474	16 568	17 350	-2.4%	10.4%
Training and development	1 692	827	617	1 927	4.4%	0.8%	1 227	727	646	-30.5%	0.7%
Operating payments	35 808	30 833	36 811	39 352	3.2%	21.5%	34 156	34 937	36 971	-2.1%	21.6%
Venues and facilities	246	545	17	660	39.0%	0.2%	50	60	35	-62.4%	0.1%
<b>Total</b>	<b>174 559</b>	<b>160 394</b>	<b>160 443</b>	<b>169 768</b>	<b>-0.9%</b>	<b>100.0%</b>	<b>163 199</b>	<b>166 141</b>	<b>175 334</b>	<b>1.1%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 3.18 Departmental transfers and subsidies trends and estimates**

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

## Personnel information

**Table 3.19 Departmental personnel numbers and cost by salary level and programme<sup>1</sup>**

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

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

2. Rand million.

## Departmental receipts

**Table 3.20 Departmental receipts by economic classification**

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/Total (%)	
	2014/15	2015/16	2016/17					2017/18	2018/19	2019/20			2020/21
R thousand													
<b>Departmental receipts</b>	<b>747</b>	<b>4 203</b>	<b>3 995</b>	<b>4 773</b>	<b>4 773</b>	<b>85.6%</b>	<b>100.0%</b>	<b>1 269</b>	<b>1 339</b>	<b>1 413</b>	<b>-33.4%</b>	<b>100.0%</b>	
<b>Sales of goods and services produced by department</b>	<b>379</b>	<b>3 537</b>	<b>3 389</b>	<b>3 384</b>	<b>3 384</b>	<b>107.5%</b>	<b>77.9%</b>	<b>299</b>	<b>316</b>	<b>333</b>	<b>-53.8%</b>	<b>49.3%</b>	
Sales by market establishments of which:	146	141	136	132	132	-3.3%	4.0%	139	147	155	5.5%	6.5%	
Market establishment: Rental parking: Covered and open	146	141	136	132	132	-3.3%	4.0%	139	147	155	5.5%	6.5%	
Other sales of which:	233	3 396	3 253	3 252	3 252	140.8%	73.9%	160	169	178	-62.0%	42.7%	
Services rendered: Commission on insurance and garnishee	129	73	75	116	116	-3.5%	2.9%	122	129	136	5.4%	5.7%	
Sales: Departmental publications and production	104	3 323	3 178	3 136	3 136	211.3%	71.0%	38	40	42	-76.3%	37.0%	
Sales of scrap, waste, arms and other used current goods of which:	2	1	2	4	4	26.0%	0.1%	4	4	4	–	0.2%	
Sales: Waste paper	2	1	2	4	4	26.0%	0.1%	4	4	4	–	0.2%	
<b>Interest, dividends and rent on land</b>	<b>105</b>	<b>224</b>	<b>255</b>	<b>257</b>	<b>257</b>	<b>34.8%</b>	<b>6.1%</b>	<b>271</b>	<b>286</b>	<b>302</b>	<b>5.5%</b>	<b>12.7%</b>	
Interest	105	224	255	257	257	34.8%	6.1%	271	286	302	5.5%	12.7%	
Sales of capital assets	–	–	7	–	–	–	0.1%	–	–	–	–	–	
Transactions in financial assets and liabilities	261	441	342	1 128	1 128	62.9%	15.8%	695	733	774	-11.8%	37.9%	
<b>Total</b>	<b>747</b>	<b>4 203</b>	<b>3 995</b>	<b>4 773</b>	<b>4 773</b>	<b>85.6%</b>	<b>100.0%</b>	<b>1 269</b>	<b>1 339</b>	<b>1 413</b>	<b>-33.4%</b>	<b>100.0%</b>	

## Programme 1: Administration

### Programme purpose

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

**Expenditure trends and estimates****Table 3.21 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average Expenditure/ Total (%)	
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2017/18 - 2020/21
R million											
Departmental Management	5.4	6.5	5.6	6.6	7.2%	4.2%	8.2	8.8	9.4	12.3%	4.9%
Corporate Services	49.1	50.8	47.2	52.4	2.2%	34.6%	54.2	57.3	60.4	4.9%	33.5%
Financial Administration	26.6	29.8	32.3	31.8	6.2%	20.9%	37.5	39.6	42.2	10.0%	22.6%
Internal Audit	7.0	7.7	7.9	8.1	4.7%	5.3%	8.6	9.3	9.9	7.0%	5.4%
Office Accommodation	45.5	50.1	54.3	51.8	4.4%	35.0%	55.7	56.9	60.5	5.3%	33.6%
<b>Total</b>	<b>133.6</b>	<b>144.9</b>	<b>147.4</b>	<b>150.7</b>	<b>4.1%</b>	<b>100.0%</b>	<b>164.2</b>	<b>171.9</b>	<b>182.4</b>	<b>6.6%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				(3.6)			0.7	(1.2)	(1.7)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>128.2</b>	<b>144.0</b>	<b>146.4</b>	<b>150.0</b>	<b>5.4%</b>	<b>98.6%</b>	<b>163.4</b>	<b>171.2</b>	<b>181.7</b>	<b>6.6%</b>	<b>99.6%</b>
Compensation of employees	51.0	59.5	60.2	65.2	8.6%	40.9%	74.5	79.8	85.3	9.3%	45.5%
Goods and services <sup>1</sup>	77.2	84.5	86.2	84.8	3.2%	57.7%	88.9	91.3	96.4	4.4%	54.0%
of which:											
Audit costs: External	2.1	2.3	2.5	2.0	-0.8%	1.5%	2.5	2.7	2.7	9.3%	1.5%
Computer services	9.1	12.1	11.1	11.4	7.7%	7.6%	12.2	13.2	13.9	6.8%	7.6%
Operating leases	42.8	46.7	50.9	49.7	5.2%	33.0%	53.5	54.9	58.2	5.4%	32.3%
Property payments	6.5	8.7	9.2	6.9	2.4%	5.4%	9.5	10.1	10.5	14.9%	5.5%
Travel and subsistence	3.3	3.7	2.2	2.7	-6.4%	2.0%	2.6	2.8	2.9	2.5%	1.6%
Operating payments	2.6	3.0	3.1	3.2	7.2%	2.1%	1.8	1.4	1.7	-18.9%	1.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.8</b>	<b>0.2</b>	<b>0.3</b>	<b>0.4</b>	<b>-23.9%</b>	<b>0.3%</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>-47.5%</b>	<b>0.1%</b>
Departmental agencies and accounts	0.6	0.0	0.0	0.0	-56.0%	0.1%	0.0	0.1	0.1	4.0%	-
Households	0.3	0.1	0.2	0.3	5.0%	0.2%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>4.6</b>	<b>0.7</b>	<b>0.6</b>	<b>0.3</b>	<b>-58.4%</b>	<b>1.1%</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>	<b>30.3%</b>	<b>0.4%</b>
Buildings and other fixed structures	0.5	0.1	0.0	-	-100.0%	0.1%	-	-	-	-	-
Machinery and equipment	4.1	0.6	0.6	0.3	-56.9%	1.0%	0.7	0.7	0.7	30.3%	0.4%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>133.6</b>	<b>144.9</b>	<b>147.4</b>	<b>150.7</b>	<b>4.1%</b>	<b>100.0%</b>	<b>164.2</b>	<b>171.9</b>	<b>182.4</b>	<b>6.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>36.6%</b>	<b>39.7%</b>	<b>38.8%</b>	<b>37.5%</b>	<b>-</b>	<b>-</b>	<b>39.0%</b>	<b>38.9%</b>	<b>38.7%</b>	<b>-</b>	<b>-</b>

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

**Programme 2: Content Processing and Dissemination****Programme purpose**

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

**Objectives**

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

**Subprogrammes**

- *Programme Management for Content Processing and Dissemination* coordinates strategic planning for communications in the department and other government departments, and ensures adherence to government communications standards.
- *Policy and Research* conducts research through independent service providers to assess how government

should address the public's information needs; monitors media coverage of issues affecting government and the country; provides analyses on how the media interprets government policies and programmes; formulates policy proposals where they are required; and assesses public perceptions in relation to government performance.

- *Products and Platforms* develops content for the department; provides language services for products that require translation, editing and proofreading; manages the development of the websites of national and provincial government departments; produces government publications; and develops the national communications strategy.
- *Communications Service Agency* provides media bulk buying services and media production services to all spheres of government; develops distribution strategies for all government communications; oversees the outsourcing of distribution services to service providers; manages government's corporate identity; and provides marketing services for the department and other government departments.

### Expenditure trends and estimates

**Table 3.22 Content Processing and Dissemination expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/ Total (%) 2014/15 - 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2017/18 - 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
R million											
Programme Management for Content Processing and Dissemination	3.4	3.0	2.8	3.6	2.3%	2.4%	3.8	4.1	4.4	6.4%	2.6%
Policy and Research	29.8	29.6	31.5	35.0	5.5%	23.2%	36.3	38.3	41.1	5.4%	25.0%
Products and Platforms	49.0	42.4	44.4	50.7	1.1%	34.4%	50.5	52.5	56.6	3.7%	34.8%
Communication Service Agency	55.1	51.9	56.1	54.2	-0.6%	40.0%	54.4	57.6	60.9	4.0%	37.6%
<b>Total</b>	<b>137.3</b>	<b>126.9</b>	<b>134.8</b>	<b>143.6</b>	<b>1.5%</b>	<b>100.0%</b>	<b>145.0</b>	<b>152.5</b>	<b>162.9</b>	<b>4.3%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				3.2			(4.3)	(7.3)	(7.5)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>134.9</b>	<b>126.0</b>	<b>134.0</b>	<b>143.1</b>	<b>2.0%</b>	<b>99.1%</b>	<b>143.6</b>	<b>151.6</b>	<b>162.0</b>	<b>4.2%</b>	<b>99.4%</b>
Compensation of employees	62.4	70.4	77.6	79.3	8.3%	53.4%	86.8	93.5	100.8	8.3%	59.7%
Goods and services <sup>1</sup>	72.4	55.6	56.4	63.8	-4.2%	45.7%	56.8	58.0	61.2	-1.4%	39.7%
of which:											
Advertising	5.5	3.8	1.8	3.8	-11.9%	2.8%	2.2	2.1	2.0	-19.4%	1.7%
Communication	5.7	3.5	2.7	2.4	-25.0%	2.6%	2.7	2.7	2.7	4.3%	1.7%
Computer services	6.9	3.1	3.5	2.9	-25.0%	3.0%	3.8	4.0	4.3	13.8%	2.5%
Agency and support/outsourced services	6.3	3.4	4.7	6.5	1.4%	3.8%	5.8	6.3	6.6	0.6%	4.2%
Travel and subsistence	8.9	9.5	7.7	8.2	-2.6%	6.3%	7.9	8.1	8.4	0.9%	5.4%
Operating payments	31.1	26.7	33.1	34.9	3.9%	23.2%	31.2	32.3	33.9	-0.9%	21.9%
Transfers and subsidies <sup>1</sup>	0.1	0.6	0.1	0.1	1.1%	0.2%	-	-	-	-100.0%	-
Households	0.1	0.6	0.1	0.1	1.1%	0.2%	-	-	-	-100.0%	-
Payments for capital assets	2.4	0.2	0.5	0.4	-44.4%	0.7%	1.4	0.9	0.9	31.7%	0.6%
Machinery and equipment	2.4	0.2	0.5	0.4	-44.4%	0.6%	1.4	0.9	0.9	31.6%	0.6%
Software and other intangible assets	-	-	0.1	(0.0)	-	-	-	-	-	-100.0%	-
Payments for financial assets	0.0	0.0	0.3	-	-100.0%	0.1%	-	-	-	-	-
<b>Total</b>	<b>137.3</b>	<b>126.9</b>	<b>134.8</b>	<b>143.6</b>	<b>1.5%</b>	<b>100.0%</b>	<b>145.0</b>	<b>152.5</b>	<b>162.9</b>	<b>4.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>37.6%</b>	<b>34.7%</b>	<b>35.5%</b>	<b>35.8%</b>	<b>-</b>	<b>-</b>	<b>34.5%</b>	<b>34.5%</b>	<b>34.6%</b>	<b>-</b>	<b>-</b>

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

## Programme 3: Intergovernmental Coordination and Stakeholder Management

### Programme purpose

Implement development communication through mediated and unmediated communication channels, and foster sound stakeholder relations and partnerships.

## Objectives

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

## Subprogrammes

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

## Expenditure trends and estimates

**Table 3.23 Intergovernmental Coordination and Stakeholder Management expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2014/15	2015/16	2016/17		2014/15 - 2017/18	Average: Expenditure/ Total (%)	2018/19	2019/20	2020/21	2017/18 - 2020/21	Average: Expenditure/ Total (%)
R million											
Programme Management for Intergovernmental Coordination and Stakeholder Management	2.7	2.9	2.0	2.1	-7.2%	2.4%	3.0	3.2	3.5	17.9%	2.5%
Provincial and Local Liaison	70.0	68.0	70.1	76.3	2.9%	72.5%	78.6	81.8	87.8	4.8%	70.3%
Media Engagement	12.8	13.2	12.2	12.4	-1.2%	12.9%	13.3	14.6	15.8	8.4%	12.2%
Cluster Supervision (Human Development, Social Protection and Governance and Administration)	4.6	5.5	6.6	8.7	23.9%	6.5%	8.7	9.3	10.0	4.9%	7.9%
Cluster Supervision (Economic and Infrastructure, Justice and International)	3.8	3.9	7.1	7.7	26.6%	5.7%	7.8	8.4	9.0	5.3%	7.1%
<b>Total</b>	<b>93.9</b>	<b>93.5</b>	<b>97.9</b>	<b>107.2</b>	<b>4.5%</b>	<b>100.0%</b>	<b>111.3</b>	<b>117.3</b>	<b>126.1</b>	<b>5.6%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				(2.9)			(7.2)	(10.2)	(10.6)		

**Table 3.23 Intergovernmental Coordination and Stakeholder Management expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million	93.2	92.8	96.6	106.7	4.6%	99.2%	110.2	116.7	125.5	5.6%	99.4%
<b>Current payments</b>											
Compensation of employees	68.3	72.6	78.7	85.4	7.8%	77.7%	92.7	100.0	107.7	8.0%	83.5%
Goods and services <sup>1</sup>	24.9	20.2	17.9	21.2	-5.2%	21.5%	17.5	16.7	17.7	-5.8%	15.8%
<i>of which:</i>											
Advertising	1.7	0.8	0.6	1.2	-11.3%	1.1%	1.0	1.1	1.1	-1.5%	0.9%
Communication	4.9	4.9	4.4	5.1	0.8%	4.9%	4.1	4.4	4.5	-3.6%	3.9%
Consumables: Stationery, printing and office supplies	0.7	0.8	0.5	0.9	9.8%	0.7%	0.8	0.9	1.0	0.8%	0.8%
Operating leases	0.5	0.6	0.5	0.7	16.9%	0.6%	0.8	0.9	0.9	8.0%	0.7%
Travel and subsistence	8.4	7.9	7.7	7.8	-2.6%	8.1%	7.0	5.7	6.1	-8.1%	5.7%
Operating payments	2.1	1.2	0.7	1.3	-15.5%	1.3%	1.2	1.2	1.3	1.2%	1.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.0</b>	<b>0.3</b>	<b>0.9</b>	<b>0.1</b>	<b>20.6%</b>	<b>0.3%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-43.8%</b>	<b>-</b>
Households	0.0	0.3	0.9	0.1	17.8%	0.3%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>0.7</b>	<b>0.3</b>	<b>0.5</b>	<b>0.5</b>	<b>-11.5%</b>	<b>0.5%</b>	<b>1.1</b>	<b>0.6</b>	<b>0.6</b>	<b>8.1%</b>	<b>0.6%</b>
Machinery and equipment	0.7	0.3	0.5	0.5	-11.5%	0.5%	1.1	0.6	0.6	8.1%	0.6%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>93.9</b>	<b>93.5</b>	<b>97.9</b>	<b>107.2</b>	<b>4.5%</b>	<b>100.0%</b>	<b>111</b>	<b>117</b>	<b>126</b>	<b>5.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>25.7%</b>	<b>25.6%</b>	<b>25.8%</b>	<b>26.7%</b>	<b>-</b>	<b>-</b>	<b>26.5%</b>	<b>26.6%</b>	<b>26.7%</b>	<b>-</b>	<b>-</b>

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

## Entities<sup>1</sup>

### Independent Communications Authority of South Africa

#### Mandate

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

#### Selected performance indicators

**Table 3.24 Independent Communications Authority of South Africa performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Access to high demand spectrum from 566.695MHz to 890.305MHz per year <sup>1</sup>	Licensing		566.695MHz	566.695MHz	810MHz	850.305MHz	890.305MHz	890.305MHz	890.305MHz
Number of electronic communication services per year	Licensing		77	475	515	545	595	595	595
Number of new spectrum licences issued per year	Licensing	Outcome 14: Nation building and social cohesion	2 972	5 022	7 072	9 172	12 272	12 272	12 272
Number of community television licences issued per year	Licensing		- <sup>2</sup>	5	11	11	27	27	27
Number of community radio broadcasters per year	Licensing		40	279	279	285	- <sup>3</sup>	- <sup>3</sup>	- <sup>3</sup>

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

**Table 3.24 Independent Communications Authority of South Africa performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of channel authorisations per year	Licensing	Outcome 14: Nation building and social cohesion	12	633	673	650	-3	-3	-3
Number of electronic communications network services per year	Licensing		75	546	596	636	-3	-3	-3
Percentage of consumer complaints resolved per year	Compliance and consumer affairs		-2	91% (4 095/ 4 500)	92% (4 324/ 4 700)	85%	85%	85%	85%
Number of broadcasting licensees monitored per year	Compliance and consumer affairs		-2	64	69	50	50	50	50
Number of economic communications network service licensees monitored per year	Compliance and consumer affairs		-2	55	94	50	50	50	50
Number of high site investigations conducted per year	Regions		-2	1 220	1 748	1 250	1 300	1 350	1 400

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

2. No historical data available.

3. Indicator discontinued.

### Expenditure analysis

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

The authority plans to increase competition in the telecommunications and broadcast sector by regulating the industry and making sure that all licensees have equal opportunities. The authority plans to protect consumers against harmful practices employed by operators in the use of premium rated services by reviewing the number of portability regulations in the telecommunications sector. In the commercial broadcasting sector, the authority is set to license the multiplex 3 frequency spectrum and free to air television services. These activities are budgeted for in the licensing programme with an allocation of R168.3 million over the medium term. To promote competition in the sector, the authority seeks to increase access of the high demand spectrum from the current 566.695MHz to 890.305MHz by 2020/21. Access to spectrum will enable the authority to rollout wireless broadband infrastructure by licences.

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

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

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

**Programmes/Objectives/Activities****Table 3.25 Independent Communications Authority of South Africa expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		
Administration	212 854	294 984	325 347	271 315	8.4%	67.5%	274 994	282 812	298 367	3.2%	58.6%
Licensing	38 629	42 673	48 094	50 180	9.1%	11.0%	53 090	56 063	59 146	5.6%	11.3%
Engineering and technology	45 690	11 823	27 898	19 464	-24.8%	6.6%	17 281	18 249	22 942	5.6%	4.0%
Policy research and analysis	33 219	15 412	15 844	22 799	-11.8%	5.5%	17 819	18 817	26 873	5.6%	4.5%
Compliance and consumer affairs	22 476	19 973	24 677	23 727	1.8%	5.6%	27 753	29 307	27 967	5.6%	5.6%
Regions	-	-	-	70 535	-	3.8%	74 626	78 805	83 139	5.6%	15.9%
<b>Total</b>	<b>352 868</b>	<b>384 865</b>	<b>441 860</b>	<b>458 020</b>	<b>9.1%</b>	<b>100.0%</b>	<b>465 563</b>	<b>484 053</b>	<b>518 434</b>	<b>4.2%</b>	<b>100.0%</b>

**Statements of historical financial performance and position****Table 3.26 Independent Communications Authority of South Africa statements of historical financial performance and position**

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	
<b>Revenue</b>									
<b>Non-tax revenue</b>	5 512	14 367	10 000	22 084	11 000	24 393	11 000	27 000	234.2%
Other non-tax revenue	5 512	14 367	10 000	22 084	11 000	24 393	11 000	27 000	234.2%
<b>Transfers received</b>	<b>376 221</b>	<b>386 672</b>	<b>393 619</b>	<b>418 816</b>	<b>414 481</b>	<b>443 898</b>	<b>430 383</b>	<b>430 383</b>	<b>104.0%</b>
<b>Total revenue</b>	<b>381 733</b>	<b>401 039</b>	<b>403 619</b>	<b>440 900</b>	<b>425 481</b>	<b>468 291</b>	<b>441 383</b>	<b>457 383</b>	<b>107.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	384 103	352 868	392 262	384 865	414 490	441 860	440 188	458 020	100.4%
Compensation of employees	232 007	235 959	253 685	221 569	242 288	254 668	257 310	285 185	101.2%
Goods and services	133 314	101 752	120 577	147 788	155 685	169 778	165 337	154 651	99.8%
Depreciation	18 782	15 157	18 000	15 503	16 517	17 251	17 541	18 184	93.3%
Interest, dividends and rent on land	-	-	-	5	-	163	-	-	-
<b>Total expenses</b>	<b>384 103</b>	<b>352 868</b>	<b>392 262</b>	<b>384 865</b>	<b>414 490</b>	<b>441 860</b>	<b>440 188</b>	<b>458 020</b>	<b>100.4%</b>
<b>Surplus/(Deficit)</b>	<b>(2 370)</b>	<b>48 171</b>	<b>11 357</b>	<b>56 035</b>	<b>10 991</b>	<b>26 431</b>	<b>1 195</b>	<b>(637)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	208 000	109 335	203 000	120 893	197 300	141 387	209 138	171 760	66.5%
<i>of which:</i>									
<b>Acquisition of assets</b>	<b>(31 412)</b>	<b>(25 865)</b>	<b>(9 300)</b>	<b>(28 203)</b>	<b>(9 839)</b>	<b>(40 617)</b>	<b>(10 410)</b>	<b>(32 997)</b>	<b>209.4%</b>
Inventory	530	492	550	580	560	490	594	509	92.7%
Receivables and prepayments	8 100	754 742	8 300	756 005	8 600	822 375	9 116	853 625	9 340.9%
Cash and cash equivalents	23 000	574 602	23 500	711 180	23 500	754 960	24 910	783 648	2 975.9%
<b>Total assets</b>	<b>239 630</b>	<b>1 439 171</b>	<b>235 350</b>	<b>1 588 658</b>	<b>229 960</b>	<b>1 719 212</b>	<b>243 758</b>	<b>1 809 542</b>	<b>691.1%</b>
Accumulated surplus/(deficit)	207 006	227 445	198 900	282 495	190 560	301 675	201 994	313 139	140.9%
Capital reserve fund	-	93 309	-	-	-	-	-	-	-
Finance lease	324	324	2 250	1 048	1 400	2 244	1 484	2 329	108.9%
Trade and other payables	4 000	24 436	4 500	1 287 510	5 000	1 395 600	5 300	1 473 633	22 240.3%
Provisions	28 300	2 582	29 700	17 605	33 000	19 693	34 980	20 441	47.9%
Managed funds (e.g. poverty alleviation fund)	-	1 091 075	-	-	-	-	-	-	-
<b>Total equity and liabilities</b>	<b>239 630</b>	<b>1 439 171</b>	<b>235 350</b>	<b>1 588 658</b>	<b>229 960</b>	<b>1 719 212</b>	<b>243 758</b>	<b>1 809 542</b>	<b>691.1%</b>

**Statements of estimates of financial performance and position****Table 3.27 Independent Communications Authority of South Africa statements of estimates of financial performance and position**

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
	2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21			
<b>Revenue</b>									
<b>Non-tax revenue</b>	27 000	23.4%	4.9%	28 566	30 166	31 825	5.6%	6.1%	
Other non-tax revenue	27 000	23.4%	4.9%	28 566	30 166	31 825	5.6%	6.1%	
<b>Transfers received</b>	<b>430 383</b>	<b>3.6%</b>	<b>95.1%</b>	<b>443 961</b>	<b>461 241</b>	<b>486 609</b>	<b>4.2%</b>	<b>93.9%</b>	
<b>Total revenue</b>	<b>457 383</b>	<b>4.5%</b>	<b>100.0%</b>	<b>472 527</b>	<b>491 407</b>	<b>518 434</b>	<b>4.3%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	458 020	9.1%	100.0%	465 563	484 053	518 434	4.2%	100.0%	
Compensation of employees	285 185	6.5%	61.1%	298 704	314 055	335 397	5.6%	64.0%	
Goods and services	154 651	15.0%	34.9%	147 621	149 682	161 604	1.5%	31.9%	
Depreciation	18 184	6.3%	4.0%	19 238	20 316	21 433	5.6%	4.1%	
<b>Total expenses</b>	<b>458 020</b>	<b>9.1%</b>	<b>100.0%</b>	<b>465 563</b>	<b>484 053</b>	<b>518 434</b>	<b>4.2%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>(637)</b>			<b>6 964</b>	<b>7 354</b>	<b>-</b>			

**Table 3.27 Independent Communications Authority of South Africa statements of estimates of financial performance and position**

Statement of financial position	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2017/18	2014/15 - 2017/18	2018/19		
R thousand								
Carrying value of assets	171 760	16.2%	8.2%	181 722	166 898	176 078	0.8%	8.9%
of which:								
Acquisition of assets	(32 997)	8.5%	-1.9%	(33 645)	(11 631)	(12 270)	-28.1%	-1.2%
Inventory	509	1.1%	0.0%	538	568	600	5.6%	0.0%
Receivables and prepayments	853 625	4.2%	48.8%	903 136	953 711	1 006 165	5.6%	47.5%
Cash and cash equivalents	783 648	10.9%	43.0%	829 100	875 530	923 684	5.6%	43.6%
<b>Total assets</b>	<b>1 809 542</b>	<b>7.9%</b>	<b>100.0%</b>	<b>1 914 495</b>	<b>1 996 707</b>	<b>2 106 526</b>	<b>5.2%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	313 139	11.2%	17.1%	331 301	349 854	369 095	5.6%	17.4%
Finance lease	2 329	93.0%	0.1%	2 464	2 602	2 746	5.6%	0.1%
Trade and other payables	1 473 633	292.2%	61.3%	1 559 104	1 621 413	1 710 591	5.1%	81.3%
Provisions	20 441	99.3%	0.9%	21 627	22 838	24 094	5.6%	1.1%
<b>Total equity and liabilities</b>	<b>1 809 542</b>	<b>7.9%</b>	<b>100.0%</b>	<b>1 914 495</b>	<b>1 996 707</b>	<b>2 106 526</b>	<b>5.2%</b>	<b>100.0%</b>

### Personnel information

**Table 3.28 Independent Communications Authority of South Africa personnel numbers and cost by salary level**

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

1. Rand million.

## South African Broadcasting Corporation

### Mandate

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

### Selected performance indicators

**Table 3.29 South African Broadcasting Corporation performance indicators by programme/objective/activity and related outcome**

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

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

### Expenditure analysis

Over the medium term, the South African Broadcasting Corporation will focus on improving the quality, diversity and accessibility of content, and embracing diversity by acquiring and/or producing content from various demographic groups. The corporation contributes towards the NDP's vision of developing South Africa

into an informed and literate nation. Its work is aligned with outcome 12 (an efficient, effective and development oriented public service) of government's 2014-2019 medium-term strategic framework.

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

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

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

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

### Programmes/Objectives/Activities

**Table 3.30 South African Broadcasting Corporation expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average Expenditure/Total (%) 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average Expenditure/Total (%) 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
Administration	1 285.0	1 845.3	1 900.0	1 740.9	10.7%	21.0%	1 751.0	1 809.0	1 955.3	3.9%	23.2%
Local content delivery:	2 604.4	2 729.3	3 042.0	2 488.3	-1.5%	33.7%	2 539.8	2 596.9	2 804.8	4.1%	33.3%
Television											
Local content delivery: Radio	990.5	1 098.2	1 141.3	893.0	-3.4%	12.8%	944.8	973.1	1 051.0	5.6%	12.3%
Universal access transmitter rollout news	804.0	875.8	818.9	766.5	-1.6%	10.2%	781.3	805.2	869.8	4.3%	10.3%
Sports of national interest and mandate	811.8	885.4	857.8	565.3	-11.4%	9.6%	570.1	582.6	629.2	3.6%	7.5%
Digital terrestrial migration and technology	1 009.1	1 135.7	954.1	988.8	-0.7%	12.7%	999.2	1 054.8	1 142.2	4.9%	13.4%
<b>Total</b>	<b>7 504.8</b>	<b>8 569.7</b>	<b>8 714.1</b>	<b>7 442.8</b>	<b>-0.3%</b>	<b>100.0%</b>	<b>7 586.3</b>	<b>7 821.6</b>	<b>8 452.3</b>	<b>4.3%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 3.31 South African Broadcasting Corporation statements of historical financial performance and position**

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget Revised estimate estimate		Average Outcome/Budget (%) 2014/15 - 2017/18
	Budget	2014/15	Budget	2015/16	Budget	2016/17	Budget estimate	Revised estimate	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>7 023.1</b>	<b>7 438.8</b>	<b>8 266.5</b>	<b>7 945.9</b>	<b>9 032.4</b>	<b>7 560.2</b>	<b>9 869.3</b>	<b>7 358.0</b>	<b>88.6%</b>
Sale of goods and services other than capital assets	6 969.2	6 873.1	7 341.6	7 287.8	8 317.8	7 103.7	9 088.1	6 887.2	88.8%
of which:									
Administrative fees	1 106.7	986.2	1 040.7	986.4	1 147.0	915.1	1 208.9	1 055.0	87.5%
Sales by market establishment	5 862.5	5 886.8	6 300.8	6 301.4	7 170.8	6 188.6	7 879.1	5 832.2	89.0%
Other non-tax revenue	53.9	565.8	924.9	658.2	714.7	456.5	781.3	470.8	86.9%
<b>Transfers received</b>	<b>744.4</b>	<b>203.9</b>	<b>194.7</b>	<b>212.1</b>	<b>233.0</b>	<b>253.5</b>	<b>180.4</b>	<b>233.4</b>	<b>66.8%</b>
<b>Total revenue</b>	<b>7 767.5</b>	<b>7 642.7</b>	<b>8 461.1</b>	<b>8 158.1</b>	<b>9 265.5</b>	<b>7 737.3</b>	<b>10 049.7</b>	<b>7 591.3</b>	<b>87.6%</b>

**Table 3.31 South African Broadcasting Corporation statements of historical financial performance and position**

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18
<b>Expenses</b>									
<b>Current expenses</b>	<b>7 806.5</b>	<b>7 916.7</b>	<b>8 367.8</b>	<b>8 724.2</b>	<b>9 255.7</b>	<b>8 714.1</b>	<b>9 878.2</b>	<b>7 440.8</b>	<b>92.9%</b>
Compensation of employees	2 320.6	2 928.4	2 676.0	3 264.8	2 999.8	3 169.4	3 210.2	2 983.9	110.2%
Goods and services	5 145.8	4 742.2	5 407.0	5 203.6	6 005.3	5 364.4	6 411.6	4 178.2	84.8%
Depreciation	325.0	211.1	270.1	201.6	237.5	172.5	251.7	233.3	75.5%
Interest, dividends and rent on land	15.2	35.1	14.6	54.2	13.1	7.9	4.6	45.5	300.2%
<b>Transfers and subsidies</b>	<b>57.8</b>	<b>-</b>	<b>74.2</b>	<b>7.9</b>	<b>6.4</b>	<b>6.4</b>	<b>7.0</b>	<b>2.0</b>	<b>11.2%</b>
<b>Total expenses</b>	<b>7 864.3</b>	<b>7 504.8</b>	<b>8 442.0</b>	<b>8 569.7</b>	<b>9 262.1</b>	<b>8 714.1</b>	<b>9 885.2</b>	<b>7 442.8</b>	<b>90.9%</b>
<b>Surplus/(Deficit)</b>	<b>(97.0)</b>	<b>138.0</b>	<b>19.0</b>	<b>(412.0)</b>	<b>3.0</b>	<b>(977.0)</b>	<b>164.0</b>	<b>149.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	1 242.4	1 609.8	1 489.3	1 694.5	1 812.2	1 782.5	1 965.3	1 873.8	106.9%
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(350.0)</i>	<i>(190.7)</i>	<i>(650.2)</i>	<i>(323.9)</i>	<i>(432.2)</i>	<i>(313.5)</i>	<i>(450.0)</i>	<i>(240.0)</i>	<i>56.7%</i>
Investments	896.8	36.2	156.9	11.1	158.7	9.7	175.1	10.9	4.9%
Inventory	677.0	696.1	652.7	761.8	786.2	773.8	866.7	841.5	103.0%
Receivables and prepayments	1 055.8	1 290.8	1 599.9	1 248.9	1 476.9	865.3	1 620.5	894.0	74.7%
Cash and cash equivalents	20.0	1 014.2	1 200.7	874.7	900.0	81.7	895.6	0.0	65.3%
Defined benefit plan assets	-	75.4	-	805.4	-	1 333.7	-	1 600.5	-
Taxation	-	266.3	-	113.9	-	-	-	-	-
Derivatives financial instruments	6.8	11.2	8.2	9.8	13.8	-	15.3	-	47.6%
<b>Total assets</b>	<b>3 898.9</b>	<b>5 000.1</b>	<b>5 107.7</b>	<b>5 520.1</b>	<b>5 148.0</b>	<b>4 846.7</b>	<b>5 538.5</b>	<b>5 220.7</b>	<b>104.5%</b>
Accumulated surplus/(deficit)	1 206.4	2 011.5	1 962.0	2 448.5	2 001.3	2 139.4	2 051.1	2 287.9	123.1%
Capital and reserves	5.8	9.4	7.0	8.3	11.8	8.1	13.3	10.2	95.0%
Capital reserve fund	326.7	461.3	341.5	400.3	270.7	328.6	237.0	368.2	132.5%
Borrowings	-	-	-	2.6	32.2	-	52.2	330.2	394.8%
Finance lease	0.2	22.6	-	0.7	-	56.5	-	43.3	54 980.9%
Deferred income	115.4	93.0	204.1	49.1	106.0	56.3	116.9	103.0	55.6%
Trade and other payables	899.6	601.0	1 134.5	852.8	737.3	685.1	793.0	768.0	81.6%
Taxation	-	282.1	-	281.4	-	19.8	-	(112.8)	-
Provisions	1 317.2	1 491.7	257.3	1 449.0	1 961.3	1 525.5	2 247.6	1 402.0	101.5%
Managed funds (e.g. poverty alleviation fund)	-	-	1 173.9	-	-	-	-	-	-
Derivatives financial instruments	27.6	27.4	27.4	27.4	27.4	27.4	27.4	20.8	93.8%
<b>Total equity and liabilities</b>	<b>3 898.9</b>	<b>5 000.1</b>	<b>5 107.7</b>	<b>5 520.1</b>	<b>5 148.0</b>	<b>4 846.7</b>	<b>5 538.5</b>	<b>5 220.7</b>	<b>104.5%</b>

**Statements of estimates of financial performance and position****Table 3.32 South African Broadcasting Corporation statements of estimates of financial performance and position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>7 358.0</b>	<b>-0.4%</b>	<b>97.3%</b>	<b>7 638.1</b>	<b>7 931.6</b>	<b>8 287.8</b>	<b>4.0%</b>	<b>97.4%</b>
Sale of goods and services other than capital assets	6 887.2	0.1%	90.4%	7 143.5	7 412.1	7 742.3	4.0%	91.1%
<i>of which:</i>								
<i>Administrative fees</i>	<i>1 055.0</i>	<i>2.3%</i>	<i>12.7%</i>	<i>1 072.9</i>	<i>1 091.2</i>	<i>1 105.4</i>	<i>1.6%</i>	<i>13.5%</i>
<i>Sales by market establishment</i>	<i>5 832.2</i>	<i>-0.3%</i>	<i>77.8%</i>	<i>6 070.6</i>	<i>6 320.9</i>	<i>6 636.9</i>	<i>4.4%</i>	<i>77.6%</i>
Other non-tax revenue	470.8	-5.9%	6.9%	494.5	519.5	545.5	5.0%	6.3%
<b>Transfers received</b>	<b>233.4</b>	<b>4.6%</b>	<b>2.9%</b>	<b>187.4</b>	<b>199.0</b>	<b>210.0</b>	<b>-3.5%</b>	<b>2.6%</b>
<b>Total revenue</b>	<b>7 591.3</b>	<b>-0.2%</b>	<b>100.0%</b>	<b>7 825.5</b>	<b>8 130.6</b>	<b>8 497.7</b>	<b>3.8%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>7 440.8</b>	<b>-2.0%</b>	<b>101.8%</b>	<b>7 586.3</b>	<b>7 821.6</b>	<b>8 452.3</b>	<b>4.3%</b>	<b>100.0%</b>
Compensation of employees	2 983.9	0.6%	38.4%	3 013.9	3 099.9	3 347.9	3.9%	39.8%
Goods and services	4 178.2	-4.1%	60.4%	4 373.3	4 471.4	4 829.1	4.9%	57.0%
Depreciation	233.3	3.4%	2.6%	199.1	250.2	275.2	5.7%	3.1%
Interest, dividends and rent on land	45.5	9.1%	0.5%	-	-	-	-100.0%	0.2%
<b>Transfers and subsidies</b>	<b>2.0</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.0%</b>
<b>Total expenses</b>	<b>7 442.8</b>	<b>-0.3%</b>	<b>100.0%</b>	<b>7 586.3</b>	<b>7 821.6</b>	<b>8 452.3</b>	<b>4.3%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>149.0</b>			<b>239.0</b>	<b>309.0</b>	<b>45.0</b>		

**Table 3.32 South African Broadcasting Corporation statements of estimates of financial performance and position**

Statement of financial position	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2017/18	2014/15 - 2017/18	2018/19		
R million								
Carrying value of assets of which:	1 873.8	5.2%	33.9%	1 920.6	1 899.4	2 024.2	2.6%	34.9%
Acquisition of assets	(240.0)	8.0%	-5.2%	(350.0)	(350.0)	(400.0)	18.6%	-6.0%
Investments	10.9	-33.0%	0.3%	12.1	13.4	14.8	10.7%	0.2%
Inventory	841.5	6.5%	15.0%	930.4	980.0	950.5	4.1%	16.7%
Receivables and prepayments	894.0	-11.5%	20.9%	936.2	989.6	1 027.4	4.7%	17.4%
Cash and cash equivalents	0.0	-96.4%	9.5%	(1.5)	321.4	439.1	1 991.2%	3.3%
Defined benefit plan assets	1 600.5	176.8%	18.6%	1 490.5	1 490.5	1 490.5	-2.3%	27.5%
<b>Total assets</b>	<b>5 220.7</b>	<b>1.5%</b>	<b>100.0%</b>	<b>5 288.4</b>	<b>5 694.4</b>	<b>5 946.5</b>	<b>4.4%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	2 287.9	4.4%	43.1%	2 527.1	2 836.1	2 881.5	8.0%	47.5%
Capital and reserves	10.2	2.6%	0.2%	11.3	12.5	13.9	11.0%	0.2%
Capital reserve fund	368.2	-7.2%	7.6%	307.1	317.3	317.3	-4.8%	5.9%
Borrowings	330.2	—	1.6%	69.2	—	—	-100.0%	1.9%
Finance lease	43.3	24.2%	0.6%	30.1	16.8	3.9	-55.2%	0.4%
Deferred income	103.0	3.4%	1.5%	134.4	142.1	353.3	50.8%	3.2%
Trade and other payables	768.0	8.5%	14.1%	546.2	338.7	359.7	-22.3%	9.3%
Taxation	(112.8)	-173.7%	2.2%	57.8	113.8	—	-100.0%	0.2%
Provisions	1 402.0	-2.0%	28.6%	1 587.4	1 902.1	2 002.1	12.6%	31.0%
Derivatives financial instruments	20.8	-8.8%	0.5%	17.9	14.9	14.9	-10.5%	0.3%
<b>Total equity and liabilities</b>	<b>5 220.7</b>	<b>1.5%</b>	<b>100.0%</b>	<b>5 288.4</b>	<b>5 694.4</b>	<b>5 946.5</b>	<b>4.4%</b>	<b>100.0%</b>

### Personnel information

**Table 3.33 South African Broadcasting Corporation personnel numbers and cost by salary level**

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

1. Rand million.

### Other entities

Comprehensive coverage of the following public entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- **Brand South Africa** develops and implements a proactive and coordinated international marketing and communications strategy for South Africa to contribute to job creation and poverty reduction; and to attract inward investment, trade and tourism. The organisation's total budget for 2018/19 is R200.4 million.
- **The Film and Publication Board** regulates and controls the creation, production, possession, exhibition and distribution of certain films, interactive computer games and publications in terms of the Films and Publications Act (1996). The board is also responsible for monitoring age restricted business premises for compliance with their licence and registration terms. The board's total budget for 2018/19 is R94.6 million.
- The **Media Development and Diversity Agency** promotes media development and diversity to ensure that all citizens can access information in a language of their choice; and to transform media access, ownership and control patterns in South Africa. The agency's total budget for 2018/19 is R66.9 million.

