

# Vote 35

## Transport

### 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	430.1	414.9	12.5	2.7	460.0	490.2
Integrated Transport Planning	90.0	89.8	–	0.2	95.7	102.0
Rail Transport	18 887.3	45.2	18 842.0	0.1	20 493.3	21 590.1
Road Transport	27 098.8	118.7	26 979.3	0.7	31 246.4	32 983.8
Civil Aviation	182.3	125.3	56.5	0.4	192.9	204.4
Maritime Transport	119.9	92.0	27.6	0.3	131.8	139.2
Public Transport	12 990.0	311.7	12 678.1	0.2	13 237.1	14 050.9
<b>Subtotal</b>	<b>59 798.3</b>	<b>1 197.6</b>	<b>58 596.0</b>	<b>4.7</b>	<b>65 857.1</b>	<b>69 560.5</b>
<b>Direct charge against the National Revenue Fund</b>						
International Oil Pollution Compensation Fund	10.2	–	10.2	–	10.4	11.0
<b>Total expenditure estimates</b>	<b>59 808.5</b>	<b>1 197.6</b>	<b>58 606.2</b>	<b>4.7</b>	<b>65 867.6</b>	<b>69 571.4</b>

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

*Lead the provision of an integrated, sustainable, reliable and safe transport system through planning, developing, coordinating, promoting and implementing transport policies, regulations and strategies.*

### Mandate

The Constitution identifies the legislative responsibilities of different spheres of government with regards to airports and civil aviation, road infrastructure, rail transport, maritime transport, road traffic management and public transport. Transport is a function that is legislated and executed at the national, provincial and local government levels. The implementation of transport functions at the national level takes place through public entities that are overseen by the department, each with a specific delivery mandate, as specified in legislation establishing these entities.

The 1996 White Paper on Transport defines the infrastructure and operations of rail, pipelines, roads, airports, harbours, and the intermodal operations of public transport and freight. The Department of Transport is responsible for the legislation and policies for all these sub-sectors. The department is therefore responsible for conducting sector research, formulating legislation and policy to set the strategic direction of sub-sectors, assigning responsibilities to public entities and other spheres of government, regulating through setting norms and standards, and monitoring implementation.

## Selected performance indicators

**Table 35.1 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
Lane kilometres of surfaced roads rehabilitated per year (km)	Road Transport	Outcome 6: An efficient, competitive and responsive economic infrastructure network	1 650	1 937	397	1 500	1 600	1 700	1 785
Lane kilometres of roads resealed per year (km)	Road Transport		3 000	2 438	1 735	4 000	4 300	4 700	4 935
Kilometres of roads re-gravelled per year (km)	Road Transport		3 000	4 560	1 664	5 300	5 800	5 900	6 195
Square kilometres of blacktop patching on roads (including pothole repairs) per year (km <sup>2</sup> )	Road Transport		810 000	1 497 281	489 273	900 000	900 000	900 000	945 000
Kilometres of gravel roads bladed per year (km)	Road Transport		350 000	381 867	146 631	460 000	485 000	500 000	525 000
Total number of municipalities with integrated public transport networks facilitated at the construction phase	Public Transport		4	11	11	13	13	13	13
Number of average weekday bus rapid transit passenger trips per year: Rea Vaya (Johannesburg)	Public Transport		36 649	50 000	50 000	55 000	70 000	80 000	100 000
Number of average weekday bus rapid transit passenger trips per year: My Citi (Cape Town)	Public Transport		68 310	84 686	71 153	76 895	77 664	78 441	80 000
Number of average weekday bus rapid transit passenger trips per year: GOGeorge (George)	Public Transport		-1	-1	11 368	12 500	15 000	28 000	30 240
Number of average weekday bus rapid transit passenger trips per year: A Re Yeng (Tshwane)	Public Transport		-1	-1	4 200	9 000	15 000	30 000	50 000

1. No historical data available.

## Expenditure analysis

Chapter 4 of the National Development Plan calls for the development of economic infrastructure as the foundation of social and economic development. This call is given action by outcome 6 (an efficient, competitive and responsive economic infrastructure network) of government's 2014-2019 medium-term strategic framework, which is directly aligned with the work of the Department of Transport. Over the medium term, the department plans to focus on improving mobility and access to social and economic activities by facilitating and creating an enabling environment for maintaining provincial and national road networks, modernising passenger rail infrastructure and improving services, and integrating public transport.

The department's expenditure over the MTEF period is driven mainly by transfers to the South African National Roads Agency, the Passenger Rail Agency of South Africa, and provinces and municipalities for the construction, operations and maintenance of transport services and infrastructure. Total expenditure is expected to increase at an average annual rate of 6.3 per cent over the medium term, from R57.9 billion in 2017/18 to R69.6 billion in 2020/21, with transfers accounting for 98 per cent.

The department's spending on goods and services, and compensation of employees, accounting for a projected 2 per cent of spending over the MTEF period, is largely driven by activities related to project management and programme support functions, monitoring and evaluation, grant management and oversight, and policy and legislative development and implementation. As a result, spending on items related to goods and services is expected to increase at an average annual rate of 6.3 per cent, from R663.8 million in 2017/18 to R798 million in 2020/21. Spending on compensation of employees is expected to increase at an average annual rate of 10.1 per cent, from R430.5 million in 2017/18 to R574.8 million in 2020/21, as job re-evaluation outcomes for upgrading salary levels 9 to 10 and levels 11 to 12 are implemented, and as critical posts are filled.

### Maintaining roads

The work of upgrading, strengthening and maintaining non-toll national roads is undertaken by the South African National Roads Agency, which is funded by transfers from the department. Over the medium term, R29.1 billion in the *Road Transport* programme is provided for capital-related investment on non-toll roads,

R4.3 billion for the upgrade of the R573 (Moloto Road), R1.7 billion to compensate for the reduced tariffs for the Gauteng freeway improvement programme, and R18.2 billion for general road strengthening and maintenance. In addition, R2.1 billion is provided in 2019/20 and 2020/21 for the construction of the N2 Wild Coast highway. Expenditure in the *Road Transport* programme is expected to increase at an average annual rate of 6.7 per cent, from R27.1 billion in 2017/18 to R33 billion in 2020/21.

As key drivers of socioeconomic linkages, the condition of provincial roads is under continuous pressure with significant maintenance backlogs. In this regard, the *provincial roads maintenance grant*, which is funded through the *Road Transport* programme, provides for funding to provinces based on road condition, weather patterns and traffic volumes. Allocations to the grant are expected to increase over the MTEF period, from R10.8 billion in 2017/18 to R12.1 billion in 2020/21. This below inflationary increase is due to a Cabinet approved reduction of R1.9 billion to the grant over the medium term. Included in the grant's allocation is an amount of R1 billion over 2018/19 and 2019/20 for the rehabilitation and maintenance of coal haulage roads in Mpumalanga. Total funding to the grant over the medium term will provide for 5 085 kilometres of rehabilitated surfaced roads and 13 935 lane kilometres resealed between 2018/19 and 2020/21.

### ***Modernising passenger rail infrastructure and improving services***

Transfers to the Passenger Rail Agency of South Africa, which account for 32 per cent of the department's total expenditure, allow the agency to focus on modernising South Africa's passenger rail network. Over the MTEF period, the agency's spending is expected to be mainly on maintaining existing assets while intensifying investment efforts to modernise the passenger rail sector. This is anticipated to be achieved through purchasing new rolling stock for the Metrorail commuter service. As part of the modernisation programme, over the medium term, the agency plans to provide 125 new trains for Metrorail, signaling upgrades amounting to R6.4 billion, and various upgrades to depots and stations.

The passenger rail agency projects that by 2020/21, it will be subsidizing 392 million annual passenger trips on Metrorail and 1.5 million passengers on the long distance mainline passenger service. The agency plans to spend a minimum of R1.2 billion over the medium term on rail maintenance operations and inventories to ensure that current and new rolling stock is fully functional and that trains are on time, reliable and safe.

Capital transfers for rail infrastructure in the *Rail Transport* programme is expected to increase at an average annual rate of 3.3 per cent over the MTEF period, from R13.3 billion in 2017/18 to R14.7 billion in 2020/21. This below inflationary increase is due to a Cabinet approved reduction to the programme of R6 billion over the medium term.

### ***Integrated public transport networks***

An integrated public transport network is key to providing functional, sustainable and affordable transport solutions to urban commuters. The *public transport network grant*, which is funded through the *Public Transport* programme, funds the infrastructure and operations of integrated public transport networks in 13 cities across South Africa. Over the medium term, allocations to the grant are expected to increase at an average annual rate of 1.5 per cent, from R6.2 billion in 2017/18 to R6.5 billion in 2020/21, to support planning and construction in the 13 cities; and fund the indirect operating costs of services in Johannesburg, Tshwane, Cape Town and George, which have begun operating rapid transit bus services on new routes. The below inflationary increase is due to Cabinet approved reductions of R2 billion over the medium term. The number of weekday passenger trips on the networks in these 4 cities is expected to increase from 153 395 in 2017/18 to 260 240 in 2020/21.

## Expenditure trends

Table 35.2 Vote expenditure trends by programme and economic classification

Programmes																																	
1. Administration																																	
2. Integrated Transport Planning																																	
3. Rail Transport																																	
4. Road Transport																																	
5. Civil Aviation																																	
6. Maritime Transport																																	
7. Public Transport																																	
Programme	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			2014/15 - 2017/18			2014/15 - 2017/18			2014/15 - 2017/18			2014/15 - 2017/18			2014/15 - 2017/18			2014/15 - 2017/18		
Programme 1	382.9	424.9	377.5	383.5	383.5	420.8	394.8	392.8	365.1	406.9	407.1	403.1	99.9%	97.4%																			
Programme 2	81.2	81.2	75.0	80.6	88.1	88.8	79.0	79.0	77.1	81.7	82.6	82.6	100.3%	97.8%																			
Programme 3	15 034.6	15 034.6	15 035.5	18 311.4	18 311.4	18 305.3	18 985.5	18 985.5	18 992.0	19 320.3	19 308.9	17 467.7	97.4%	97.4%																			
Programme 4	21 645.3	21 645.3	22 202.9	22 784.9	23 042.7	22 889.2	24 525.6	24 799.1	25 055.4	27 128.6	27 129.6	27 131.3	101.2%	100.7%																			
Programme 5	148.3	150.4	161.0	149.5	149.5	145.3	253.2	253.2	210.4	169.9	170.2	164.3	94.5%	94.1%																			
Programme 6	110.6	110.6	99.6	110.0	121.1	142.9	121.7	120.8	153.6	119.7	129.3	119.3	111.5%	106.9%																			
Programme 7	11 323.8	11 323.8	11 195.7	11 537.4	11 518.9	11 328.6	11 655.4	11 655.4	11 550.0	12 568.3	12 567.3	12 561.7	99.0%	99.1%																			
<b>Subtotal</b>	<b>48 726.5</b>	<b>48 770.7</b>	<b>49 147.1</b>	<b>53 357.3</b>	<b>53 615.1</b>	<b>53 320.8</b>	<b>56 015.2</b>	<b>56 285.9</b>	<b>56 403.7</b>	<b>59 795.2</b>	<b>59 795.2</b>	<b>57 930.0</b>	<b>99.5%</b>	<b>99.2%</b>																			
<b>Direct charge against the National Revenue Fund</b>								1.7	3.8	10.0	10.0	10.0	138.2%	118.1%																			
International Oil Pollution Compensation Fund								1.7	3.8	10.0	10.0	10.0	138.2%	118.1%																			
<b>Total</b>	<b>48 726.5</b>	<b>48 770.7</b>	<b>49 147.1</b>	<b>53 357.3</b>	<b>53 615.1</b>	<b>53 320.8</b>	<b>56 015.2</b>	<b>56 287.6</b>	<b>56 407.5</b>	<b>59 805.2</b>	<b>59 805.2</b>	<b>57 940.0</b>	<b>99.5%</b>	<b>99.2%</b>																			
Change to 2017 Budget estimate																																	
Economic classification																																	
<b>Current payments</b>	<b>968.1</b>	<b>1 006.5</b>	<b>1 405.1</b>	<b>1 061.4</b>	<b>1 069.1</b>	<b>1 084.2</b>	<b>1 192.1</b>	<b>1 183.9</b>	<b>1 206.9</b>	<b>1 110.0</b>	<b>1 120.6</b>	<b>1 094.3</b>	<b>110.6%</b>	<b>109.4%</b>																			
Compensation of employees	383.4	382.9	345.9	378.6	389.8	382.9	437.1	432.1	392.8	450.0	456.8	430.5	94.1%	93.4%																			
Goods and services	584.7	623.6	1 059.2	682.8	679.3	701.4	754.9	751.8	814.2	660.0	663.8	663.8	120.7%	119.1%																			
<b>Transfers and subsidies</b>	<b>47 754.2</b>	<b>47 755.8</b>	<b>47 706.8</b>	<b>52 291.7</b>	<b>52 540.3</b>	<b>52 219.4</b>	<b>54 818.8</b>	<b>55 096.2</b>	<b>55 168.7</b>	<b>58 690.7</b>	<b>58 676.6</b>	<b>56 837.8</b>	<b>99.2%</b>	<b>99.0%</b>																			
Provinces and municipalities	20 140.3	20 140.3	20 140.3	20 840.0	20 796.8	20 521.1	21 297.0	21 572.7	21 572.7	22 743.4	22 743.4	22 743.4	99.9%	99.7%																			
Departmental agencies and accounts	12 203.0	12 203.9	12 283.4	12 837.5	13 148.5	13 148.3	14 234.0	14 234.0	14 296.1	16 279.5	16 265.5	16 265.5	-	-																			
Higher education institutions	10.8	10.8	-	11.3	-	-	-	-	-	-	-	-	-	-																			
Foreign governments and international organisations	10.1	10.1	8.8	10.5	10.7	46.8	11.2	12.9	15.8	27.7	27.7	27.7	166.6%	161.6%																			
Public corporations and private enterprises	14 946.3	14 946.3	14 946.3	18 222.0	18 222.0	18 222.0	18 890.3	18 890.3	18 890.3	19 216.4	19 216.4	17 377.6	97.4%	97.4%																			
Non-profit institutions	20.0	20.7	19.8	21.7	21.7	21.7	22.8	22.8	22.8	24.0	24.0	24.0	99.8%	99.0%																			
Households	423.8	423.8	308.3	348.7	340.6	259.4	363.6	363.6	371.1	399.7	399.7	399.7	87.2%	87.6%																			
<b>Payments for capital assets</b>	<b>4.2</b>	<b>8.4</b>	<b>35.0</b>	<b>4.1</b>	<b>5.7</b>	<b>13.9</b>	<b>4.3</b>	<b>7.5</b>	<b>9.5</b>	<b>4.5</b>	<b>7.9</b>	<b>7.9</b>	<b>386.7%</b>	<b>224.5%</b>																			
Machinery and equipment	4.2	8.4	35.0	4.1	5.7	10.5	4.3	7.5	9.5	4.5	7.9	7.9	367.2%	213.2%																			
Software and other intangible assets	-	-	-	-	-	3.4	-	-	-	-	-	-	-	-																			
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>-</b>	<b>-</b>	<b>3.3</b>	<b>-</b>	<b>-</b>	<b>22.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>																			
<b>Total</b>	<b>48 726.5</b>	<b>48 770.7</b>	<b>49 147.1</b>	<b>53 357.3</b>	<b>53 615.1</b>	<b>53 320.8</b>	<b>56 015.2</b>	<b>56 287.6</b>	<b>56 407.5</b>	<b>59 805.2</b>	<b>59 805.2</b>	<b>57 940.0</b>	<b>99.5%</b>	<b>99.2%</b>																			

## Expenditure estimates

**Table 35.3 Vote expenditure estimates by programme and economic classification**

<b>Programmes</b>									
1. Administration									
2. Integrated Transport Planning									
3. Rail Transport									
4. Road Transport									
5. Civil Aviation									
6. Maritime Transport									
7. Public Transport									
<b>Programme</b>	<b>Revised estimate</b>	<b>Average growth rate (%)</b>	<b>Average: Expenditure/ Total (%)</b>	<b>Medium-term expenditure estimate</b>			<b>Average growth rate (%)</b>	<b>Average: Expenditure/ Total (%)</b>	
R million	<b>2017/18</b>	<b>2014/15 - 2017/18</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2017/18 - 2020/21</b>		
Programme 1	403.1	-1.7%	0.7%	430.1	460.0	490.2	6.7%	0.7%	
Programme 2	82.6	0.6%	0.1%	90.0	95.7	102.0	7.3%	0.1%	
Programme 3	17 467.7	5.1%	32.2%	18 887.3	20 493.3	21 590.1	7.3%	31.0%	
Programme 4	27 131.3	7.8%	44.9%	27 098.8	31 246.4	32 983.8	6.7%	46.8%	
Programme 5	164.3	3.0%	0.3%	182.3	192.9	204.4	7.6%	0.3%	
Programme 6	119.3	2.6%	0.2%	119.9	131.8	139.2	5.3%	0.2%	
Programme 7	12 561.7	3.5%	21.5%	12 990.0	13 237.1	14 050.9	3.8%	20.9%	
<b>Subtotal</b>	<b>57 930.0</b>	<b>5.9%</b>	<b>100.0%</b>	<b>59 798.3</b>	<b>65 857.1</b>	<b>69 560.5</b>	<b>6.3%</b>	<b>100.0%</b>	
<b>Direct charge against the National Revenue Fund</b>	<b>10.0</b>	<b>-</b>	<b>0.0%</b>	<b>10.2</b>	<b>10.4</b>	<b>11.0</b>	<b>3.2%</b>	<b>0.0%</b>	
International Oil Pollution Compensation Fund	10.0	-	0.0%	10.2	10.4	11.0	3.2%	0.0%	
<b>Total</b>	<b>57 940.0</b>	<b>5.9%</b>	<b>100.0%</b>	<b>59 808.5</b>	<b>65 867.6</b>	<b>69 571.4</b>	<b>6.3%</b>	<b>100.0%</b>	
Change to 2017 Budget estimate				(5 151.9)	(2 688.8)	(2 841.5)			
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 094.3</b>	<b>2.8%</b>	<b>2.2%</b>	<b>1 197.6</b>	<b>1 283.1</b>	<b>1 372.8</b>	<b>7.9%</b>	<b>2.0%</b>	
Compensation of employees	430.5	4.0%	0.7%	496.7	534.7	574.8	10.1%	0.8%	
Goods and services	663.8	2.1%	1.5%	700.9	748.4	798.0	6.3%	1.1%	
<b>Transfers and subsidies</b>	<b>56 837.8</b>	<b>6.0%</b>	<b>97.7%</b>	<b>58 606.2</b>	<b>64 579.5</b>	<b>68 193.4</b>	<b>6.3%</b>	<b>98.0%</b>	
Provinces and municipalities	22 743.4	4.1%	39.2%	23 387.2	24 035.6	25 432.9	3.8%	37.8%	
Departmental agencies and accounts	16 265.5	10.0%	25.8%	15 963.2	19 662.5	20 761.4	8.5%	28.7%	
Foreign governments and international organisations	27.7	40.1%	0.0%	28.6	29.5	31.1	4.0%	0.0%	
Public corporations and private enterprises	17 377.6	5.2%	32.0%	18 779.0	20 378.7	21 468.6	7.3%	30.8%	
Non-profit institutions	24.0	5.0%	0.0%	25.3	26.8	28.2	5.6%	0.0%	
Households	399.7	-1.9%	0.6%	422.8	446.5	471.1	5.6%	0.7%	
<b>Payments for capital assets</b>	<b>7.9</b>	<b>-1.9%</b>	<b>0.0%</b>	<b>4.7</b>	<b>5.0</b>	<b>5.3</b>	<b>-12.7%</b>	<b>0.0%</b>	
Machinery and equipment	7.9	-1.9%	0.0%	4.7	5.0	5.3	-12.7%	0.0%	
<b>Total</b>	<b>57 940.0</b>	<b>5.9%</b>	<b>100.0%</b>	<b>59 808.5</b>	<b>65 867.6</b>	<b>69 571.4</b>	<b>6.3%</b>	<b>100.0%</b>	

## Expenditure trends and estimates for significant spending items

**Table 35.4 Expenditure trends and estimates for significant spending items**

	<b>Audited outcome</b>			<b>Adjusted appropriation</b>	<b>Average growth rate (%)</b>	<b>Average: Expenditure/ Total Vote (%)</b>	<b>Medium-term expenditure estimate</b>			<b>Average growth rate (%)</b>	<b>Average: Expenditure/ Total Vote (%)</b>
	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>				<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>		
R thousand					<b>2014/15 - 2017/18</b>					<b>2017/18 - 2020/21</b>	
Public transport oversight	11 021 155	11 160 194	11 372 616	12 292 760	3.7%	21.1%	12 678 096	12 898 443	13 683 407	3.6%	20.4%
Rail oversight	14 998 036	18 278 160	18 956 254	19 265 982	8.7%	33.0%	18 841 986	20 445 218	21 538 821	3.8%	31.6%
Road oversight	21 625 925	22 669 040	24 699 696	27 024 594	7.7%	44.3%	26 988 198	31 128 593	32 858 174	6.7%	46.6%
<b>Total</b>	<b>47 645 116</b>	<b>52 107 394</b>	<b>55 028 566</b>	<b>58 583 336</b>	<b>20.1%</b>	<b>98.4%</b>	<b>58 508 280</b>	<b>64 472 254</b>	<b>68 080 402</b>	<b>14.1%</b>	<b>98.6%</b>

## Goods and services expenditure trends and estimates

**Table 35.5 Vote goods and services expenditure 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		
Administrative fees	1 281	3 853	3 142	2 815	30.0%	0.3%	2 689	2 859	3 010	2.3%	0.4%
Advertising	34 418	23 871	17 621	23 916	-11.4%	3.1%	23 059	24 373	25 721	2.5%	3.3%
Minor assets	1 820	1 515	5 395	2 573	12.2%	0.3%	2 836	3 001	5 301	27.2%	0.5%
Audit costs: External	5 429	5 468	5 787	10 659	25.2%	0.8%	11 246	11 966	12 622	5.8%	1.6%
Bursaries: Employees	1 226	1 517	1 354	2 662	29.5%	0.2%	2 799	2 979	3 142	5.7%	0.4%
Catering: Departmental activities	1 744	3 460	5 060	5 071	42.7%	0.5%	4 472	4 707	4 972	-0.7%	0.7%
Communication	60 471	54 439	69 297	71 766	5.9%	7.9%	70 947	74 927	77 379	2.5%	10.1%
Computer services	7 937	13 069	12 154	12 189	15.4%	1.4%	13 200	14 034	14 810	6.7%	1.9%
Consultants: Business and advisory services	718 486	354 079	443 607	297 010	-25.5%	56.0%	335 613	360 736	390 345	9.5%	47.5%
Infrastructure and planning services	-	-	64 201	61 754	-	3.9%	55 514	58 680	62 186	0.2%	8.2%
Legal services	8 983	9 950	-	8 916	-0.2%	0.9%	9 223	9 800	10 322	5.0%	1.3%
Science and technological services	-	-	19 911	-	-	0.6%	-	-	-	-	-
Contractors	2 553	3 351	4 090	2 748	2.5%	0.4%	2 804	3 004	3 198	5.2%	0.4%
Agency and support/outsourced services	1 372	898	958	560	-25.8%	0.1%	550	586	618	3.3%	0.1%
Entertainment	429	307	299	769	21.5%	0.1%	808	860	908	5.7%	0.1%
Inventory: Clothing material and accessories	36	1	-	-	-100.0%	-	-	-	-	-	-
Inventory: Other supplies	-	-	1	-	-	-	-	-	-	-	-
Consumable supplies	1 027	541	2 583	981	-1.5%	0.2%	987	1 045	1 105	4.0%	0.1%
Consumables: Stationery, printing and office supplies	4 895	5 467	4 319	6 640	10.7%	0.7%	6 155	6 499	6 798	0.8%	0.9%
Operating leases	55 123	67 045	53 722	54 262	-0.5%	7.1%	57 547	60 767	64 119	5.7%	8.1%
Rental and hiring	-	-	6	-	-	-	-	-	-	-	-
Property payments	4 787	5 380	5 133	6 397	10.1%	0.7%	6 811	7 246	7 644	6.1%	1.0%
Transport provided: Departmental activity	45 356	39 127	126	-	-100.0%	2.6%	-	-	-	-	-
Travel and subsistence	67 031	82 251	68 820	69 094	1.0%	8.9%	74 309	79 716	82 247	6.0%	10.5%
Training and development	4 004	4 975	6 108	8 791	30.0%	0.7%	8 190	8 829	9 164	1.4%	1.2%
Operating payments	21 973	5 505	3 825	4 076	-43.0%	1.1%	3 996	4 236	4 457	3.0%	0.6%
Venues and facilities	8 774	15 282	16 634	10 142	4.9%	1.6%	7 131	7 500	7 887	-8.0%	1.1%
<b>Total</b>	<b>1 059 155</b>	<b>701 351</b>	<b>814 153</b>	<b>663 791</b>	<b>-14.4%</b>	<b>100.0%</b>	<b>700 886</b>	<b>748 350</b>	<b>797 955</b>	<b>6.3%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 35.6 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>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>691</b>	<b>1 200</b>	<b>1 784</b>	<b>187</b>	<b>-35.3%</b>	<b>-</b>	<b>198</b>	<b>210</b>	<b>222</b>	<b>5.9%</b>	<b>-</b>
Employee social benefits	691	1200	124	187	-33.9%	-	198	210	22	5.9%	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>4 102 565</b>	<b>4 557 440</b>	<b>4 966 653</b>	<b>5 153 126</b>	<b>7.9%</b>	<b>8.8%</b>	<b>6 280 950</b>	<b>6 631 571</b>	<b>8 014 319</b>	<b>15.9%</b>	<b>10.4%</b>
Transport Education and Training Authority	978	881	1 054	1 161	5.9%	-	1 228	1 297	1 368	5.6%	-
Railway Safety Regulator	51 504	53 379	65 987	49 564	-1.3%	0.1%	63 018	66 547	70 207	12.3%	0.1%
Road Traffic Management Corporation	259 481	184 104	193 862	194 529	-9.2%	0.4%	200 238	210 228	220 535	4.3%	0.3%
South African National Roads Agency: Gauteng freeway improvement project	-	301 000	425 100	463 359	-	0.6%	505 061	550 516	600 062	9.0%	0.8%
South African National Roads Agency	3 736 149	3 951 623	4 161 060	4 369 112	5.4%	7.6%	5 436 815	5 724 104	7 038 930	17.2%	9.0%
Road Traffic Infringement Agency	11 475	11 497	10 092	17 696	15.5%	-	11 722	7 770	8 197	-22.6%	-
South African Civil Aviation Authority	19 239	20 124	21 191	22 251	5.0%	-	23 542	24 860	26 227	5.6%	-
South African Maritime Safety Authority	6 887	7 205	7 586	12 965	23.5%	-	13 707	14 475	15 271	5.6%	-
Air Traffic and Navigation Services Company	-	-	52 160	-	-	-	-	-	-	-	-
Ports Regulator of South Africa	16 852	27 627	28 561	22 489	10.1%	-	25 619	31 774	33 522	14.2%	-

Table 35.6 Vote transfers and subsidies trends and estimates

R thousand	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		
<b>Capital</b>	<b>8 180 798</b>	<b>8 590 865</b>	<b>9 329 426</b>	<b>11 112 352</b>	<b>10.7%</b>	<b>17.4%</b>	<b>9 682 282</b>	<b>13 030 886</b>	<b>12 747 085</b>	<b>4.7%</b>	<b>18.6%</b>
South African National Roads Agency: Non-toll network	7 515 300	7 721 054	7 935 587	9 063 668	6.4%	15.1%	7 875 469	10 338 896	10 907 036	6.4%	15.3%
South African National Roads Agency: Coal haulage road network	665 498	696 111	733 005	769 655	5.0%	1.3%	–	–	–	-100.0%	0.3%
South African National Roads Agency: Moloto road upgrade	–	155 500	660 834	1 279 029	–	1.0%	1 806 813	1 691 990	785 049	-15.0%	2.2%
South African National Roads Agency: Botswana river crossing	–	18 200	–	–	–	–	–	–	–	–	–
South African National Roads Agency: N2 Wild Coast project	–	–	–	–	–	–	–	1 000 000	1 055 000	–	0.8%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>307 577</b>	<b>258 210</b>	<b>369 266</b>	<b>399 475</b>	<b>9.1%</b>	<b>0.6%</b>	<b>422 645</b>	<b>446 314</b>	<b>470 861</b>	<b>5.6%</b>	<b>0.7%</b>
Bursaries for non-employees	7 514	9 808	9 914	10 434	11.6%	–	11 040	11 659	12 300	5.6%	–
Taxi recapitalisation	300 063	248 402	359 352	389 041	9.0%	0.6%	411 605	434 655	458 561	5.6%	0.7%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>19 808</b>	<b>21 669</b>	<b>22 816</b>	<b>23 957</b>	<b>6.5%</b>	<b>–</b>	<b>25 347</b>	<b>26 766</b>	<b>28 236</b>	<b>5.6%</b>	<b>–</b>
National Sea Rescue Institute	2 000	2 095	2 205	2 316	5.0%	–	2 451	2 589	2 731	5.6%	–
National Emergency Communications Division of the South African Radio League	77	80	84	88	4.6%	–	93	98	103	5.4%	–
Mountain Club of South Africa	77	80	84	88	4.6%	–	93	98	103	5.4%	–
Off Road Rescue Unit	77	80	84	88	4.6%	–	93	98	103	5.4%	–
K9 Search and Rescue Association of South Africa	77	80	84	88	4.6%	–	93	98	103	5.4%	–
South African National Taxi Council	17 500	19 254	20 275	21 289	6.8%	–	22 524	23 785	25 093	5.6%	–
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>8 783</b>	<b>46 824</b>	<b>15 845</b>	<b>27 719</b>	<b>46.7%</b>	<b>–</b>	<b>28 596</b>	<b>29 514</b>	<b>31 137</b>	<b>4.0%</b>	<b>–</b>
African Civil Aviation Commission	3 915	4 862	5 842	4 980	8.4%	–	5 269	5 564	5 870	5.6%	–
International Civil Aviation Organisation	3 690	4 027	4 686	4 303	5.3%	–	4 553	4 808	5 072	5.6%	–
International Maritime Organisation	496	568	549	1 531	45.6%	–	1 620	1 711	1 805	5.6%	–
Cospas-Sarsat search and rescue satellite programme	403	411	476	507	8.0%	–	536	566	597	5.6%	–
Southern African Development Community: International Civil Aviation Organisation Mission	–	–	78	60	–	–	60	64	68	4.3%	–
Southern African Development Community Aviation Safety Organisation	–	–	–	6 000	–	–	6 000	6 000	6 330	1.8%	–
Indian Ocean Memorandum of Understanding	279	320	393	338	6.6%	–	358	377	398	5.6%	–
International Oil Pollution Compensation Fund	–	36 636	3 821	10 000	–	–	10 200	10 424	10 997	3.2%	–
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>75 223</b>	<b>96 842</b>	<b>101 514</b>	<b>107 309</b>	<b>12.6%</b>	<b>0.2%</b>	<b>107 533</b>	<b>113 891</b>	<b>120 485</b>	<b>3.9%</b>	<b>0.2%</b>
Rural roads asset management systems grant	75 223	96 842	101 514	107 309	12.6%	0.2%	107 533	113 891	120 485	3.9%	0.2%
<b>Capital</b>	<b>5 870 846</b>	<b>5 953 090</b>	<b>5 592 691</b>	<b>6 159 559</b>	<b>1.6%</b>	<b>11.0%</b>	<b>6 253 669</b>	<b>6 114 248</b>	<b>6 450 172</b>	<b>1.5%</b>	<b>10.0%</b>
Public transport network grant	5 870 846	5 953 090	5 592 691	6 159 559	1.6%	11.0%	6 253 669	6 114 248	6 450 172	1.5%	10.0%
<b>Public corporations and private enterprises</b>											
<b>Subsidies on products and production</b>											
<b>Current</b>	<b>3 887 342</b>	<b>4 066 160</b>	<b>4 281 666</b>	<b>5 876 596</b>	<b>14.8%</b>	<b>8.5%</b>	<b>6 125 878</b>	<b>6 430 099</b>	<b>6 753 231</b>	<b>4.7%</b>	<b>10.1%</b>
Passenger Rail Agency of South Africa: Metrorail – operations	3 458 925	3 618 036	3 809 769	4 000 183	5.0%	7.0%	4 232 194	4 469 197	4 715 003	5.6%	7.0%
Passenger Rail Agency of South Africa: Mainline passenger services – operations	428 417	448 124	471 897	1 495 566	51.7%	1.3%	1 524 309	1 553 670	1 639 122	3.1%	2.5%
Passenger Rail Agency of South Africa: Rail maintenance operations and inventories	–	–	–	380 847	–	0.2%	369 375	407 232	399 106	1.6%	0.6%

**Table 35.6 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>Capital</b>	<b>11 058 959</b>	<b>14 155 887</b>	<b>14 608 878</b>	<b>13 339 822</b>	<b>6.4%</b>	<b>24.9%</b>	<b>12 653 090</b>	<b>13 948 572</b>	<b>14 715 383</b>	<b>3.3%</b>	<b>21.9%</b>
Passenger Rail Agency of South Africa: Capital	3 906 624	8 234 603	7 206 878	5 494 556	12.0%	11.6%	4 382 799	2 538 583	2 685 645	-21.2%	6.0%
Passenger Rail Agency of South Africa: Rolling stock fleet renewal programme	5 699 959	2 560 508	4 170 266	4 420 482	-8.1%	7.9%	4 676 870	7 623 656	8 042 957	22.1%	9.9%
Passenger Rail Agency of South Africa: Signalling	810 711	1 875 973	1 844 184	1 912 835	33.1%	3.0%	2 023 779	2 137 111	2 254 652	5.6%	3.3%
Passenger Rail Agency of South Africa: Metrorail (refurbishment of coaches)	547 745	1 267 474	1 283 523	1 360 534	35.4%	2.1%	1 409 445	1 480 054	1 553 657	4.5%	2.3%
Passenger Rail Agency of South Africa: Mainline passenger service – refurbishment of coaches	93 920	217 329	103 750	151 415	17.3%	0.3%	160 197	169 168	178 472	5.6%	0.3%
<b>Provinces and municipalities</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>4 832 709</b>	<b>4 939 448</b>	<b>5 400 292</b>	<b>5 722 871</b>	<b>5.8%</b>	<b>9.8%</b>	<b>5 990 298</b>	<b>6 325 755</b>	<b>6 749 581</b>	<b>5.7%</b>	<b>9.9%</b>
Public transport operations grant	4 832 709	4 939 448	5 400 292	5 722 871	5.8%	9.8%	5 990 298	6 325 755	6 749 581	5.7%	9.9%
<b>Capital</b>	<b>9 361 498</b>	<b>9 531 744</b>	<b>10 478 194</b>	<b>10 753 664</b>	<b>4.7%</b>	<b>18.8%</b>	<b>11 035 668</b>	<b>11 481 665</b>	<b>12 112 657</b>	<b>4.0%</b>	<b>18.1%</b>
Provincial roads maintenance grant: Road network supporting electricity generation infrastructure component	803 002	830 000	801 000	482 000	-15.6%	1.4%	501 092	526 152	–	-100.0%	0.6%
Provincial roads maintenance grant: Roads maintenance component	7 956 245	8 221 154	9 379 071	10 001 664	7.9%	16.6%	10 324 576	10 955 513	12 112 657	6.6%	17.4%
Provincial roads maintenance grant: Disaster relief component	602 251	480 590	298 123	270 000	-23.5%	0.8%	210 000	–	–	-100.0%	0.2%
<b>Total</b>	<b>47 706 799</b>	<b>52 219 379</b>	<b>55 168 748</b>	<b>58 676 637</b>	<b>7.1%</b>	<b>100.0%</b>	<b>58 606 154</b>	<b>64 579 491</b>	<b>68 193 369</b>	<b>5.1%</b>	<b>100.0%</b>

## Personnel information

**Table 35.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes														
1. Administration														
2. Integrated Transport Planning														
3. Rail Transport														
4. Road Transport														
5. Civil Aviation														
6. Maritime Transport														
7. Public Transport														
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	2017/18	2018/19	2019/20		2020/21		2017/18 - 2020/21				
		Unit		Unit		Unit		Unit		Unit				
		Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost	
<b>Transport</b>														
<b>Salary level</b>	<b>658</b>	<b>7</b>	<b>687 392.8</b>	<b>0.6</b>	<b>705 430.5</b>	<b>0.6</b>	<b>739 496.7</b>	<b>0.7</b>	<b>744 534.7</b>	<b>0.7</b>	<b>746 574.8</b>	<b>0.8</b>	<b>1.9%</b>	<b>100.0%</b>
1 – 6	150	1	148 34.8	0.2	148 40.4	0.3	149 44.3	0.3	149 47.2	0.3	149 50.5	0.3	0.2%	20.3%
7 – 10	272	2	288 118.5	0.4	293 138.3	0.5	304 155.5	0.5	306 167.3	0.5	307 180.2	0.6	1.6%	41.2%
11 – 12	135	1	139 102.8	0.7	138 116.1	0.8	146 131.1	0.9	148 142.3	1.0	150 154.6	1.0	2.8%	19.8%
13 – 16	101	3	110 131.0	1.2	124 131.0	1.1	138 160.6	1.2	139 172.2	1.2	138 183.7	1.3	3.6%	18.4%
Other	–	–	2 5.7	2.8	2 4.8	2.4	2 5.2	2.6	2 5.7	2.8	2 6.0	3.0	–	0.3%
<b>Programme</b>	<b>658</b>	<b>7</b>	<b>687 392.8</b>	<b>0.6</b>	<b>705 430.5</b>	<b>0.6</b>	<b>739 496.7</b>	<b>0.7</b>	<b>744 534.7</b>	<b>0.7</b>	<b>746 574.8</b>	<b>0.8</b>	<b>1.9%</b>	<b>100.0%</b>
Programme 1	317	5	336 175.3	0.5	343 196.1	0.6	354 220.7	0.6	357 238.4	0.7	358 256.3	0.7	1.4%	48.1%
Programme 2	69	–	74 44.7	0.6	74 47.8	0.6	78 53.8	0.7	78 57.4	0.7	78 61.5	0.8	1.8%	10.5%
Programme 3	37	–	37 21.6	0.6	37 23.8	0.6	38 26.8	0.7	38 28.5	0.8	38 30.6	0.8	0.9%	5.1%
Programme 4	87	1	89 50.1	0.6	90 61.6	0.7	94 70.5	0.7	94 75.6	0.8	94 81.0	0.9	1.5%	12.7%
Programme 5	56	1	59 37.2	0.6	59 34.8	0.6	64 46.4	0.7	65 49.8	0.8	65 53.4	0.8	3.3%	8.6%
Programme 6	31	–	30 19.9	0.7	31 18.8	0.6	34 23.2	0.7	34 24.9	0.7	34 26.4	0.8	3.1%	4.5%
Programme 7	61	–	62 44.0	0.7	71 47.6	0.7	77 55.3	0.7	78 60.2	0.8	79 65.6	0.8	3.6%	10.4%

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

## Departmental receipts

**Table 35.8 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>322 107</b>	<b>209 935</b>	<b>290 260</b>	<b>270 440</b>	<b>270 440</b>	<b>-5.7%</b>	<b>100.0%</b>	<b>309 491</b>	<b>326 822</b>	<b>344 799</b>	<b>8.4%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>609</b>	<b>554</b>	<b>1 138</b>	<b>1 259</b>	<b>1 259</b>	<b>27.4%</b>	<b>0.3%</b>	<b>691</b>	<b>730</b>	<b>771</b>	<b>-15.1%</b>	<b>0.3%</b>
Sales by market establishments of which:	93	93	91	92	92	-0.4%	-	110	116	122	9.9%	-
Rental parking: Covered and open	93	93	91	92	92	-0.4%	-	110	116	122	9.9%	-
Administrative fees of which:	321	336	907	1 023	1 023	47.2%	0.2%	389	411	434	-24.9%	0.2%
Foreign operating permits	321	335	907	276	276	-4.9%	0.2%	389	411	434	16.3%	0.1%
Access to Information Act (2000)	-	1	-	1	1	-	-	-	-	-	-100.0%	-
Public driver permits	-	-	-	746	746	-	0.1%	-	-	-	-100.0%	0.1%
Other sales of which:	195	125	140	144	144	-9.6%	0.1%	192	203	215	14.3%	0.1%
Commission on insurance	94	122	140	138	138	13.7%	-	78	82	87	-14.3%	-
Services rendered: Transport fees	77	-	-	4	4	-62.7%	-	86	91	96	188.4%	-
Replacement of security cards and tender documents	14	-	-	1	1	-58.5%	-	16	17	18	162.1%	-
Departmental publications	10	3	-	1	1	-53.6%	-	12	13	14	141.0%	-
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>-20.6%</b>	<b>-</b>	<b>34</b>	<b>36</b>	<b>38</b>	<b>236.2%</b>	<b>-</b>
Waste paper	2	2	1	1	1	-20.6%	-	34	36	38	236.2%	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	78	82	87	-	-
<b>Interest, dividends and rent on land</b>	<b>230 734</b>	<b>205 644</b>	<b>256 745</b>	<b>268 808</b>	<b>268 808</b>	<b>5.2%</b>	<b>88.0%</b>	<b>281 601</b>	<b>297 370</b>	<b>313 726</b>	<b>5.3%</b>	<b>92.8%</b>
Interest	6 937	1 130	1 074	8	8	-89.5%	0.8%	167	176	186	185.4%	-
Dividends of which:	223 797	204 514	255 671	268 800	268 800	6.3%	87.2%	281 434	297 194	313 540	5.3%	92.8%
Special restructuring proceeds from Airports Company of South Africa	223 797	204 514	255 671	268 800	268 800	6.3%	87.2%	281 434	297 194	313 540	5.3%	92.8%
<b>Transactions in financial assets and liabilities</b>	<b>90 762</b>	<b>3 735</b>	<b>32 376</b>	<b>372</b>	<b>372</b>	<b>-84.0%</b>	<b>11.6%</b>	<b>27 087</b>	<b>28 604</b>	<b>30 177</b>	<b>332.9%</b>	<b>6.9%</b>
<b>Total</b>	<b>322 107</b>	<b>209 935</b>	<b>290 260</b>	<b>270 440</b>	<b>270 440</b>	<b>-5.7%</b>	<b>100.0%</b>	<b>309 491</b>	<b>326 822</b>	<b>344 799</b>	<b>8.4%</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 35.9 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	35.6	45.8	44.5	34.4	-1.1%	10.2%	35.2	37.5	39.9	5.1%	8.2%
Management	44.7	53.2	44.7	77.3	20.0%	14.0%	75.8	81.1	86.7	3.9%	17.9%
Corporate Services	205.3	227.4	197.5	206.7	0.2%	53.3%	227.6	244.6	261.0	8.1%	52.6%
Communications	41.6	30.1	28.0	35.9	-4.8%	8.6%	35.6	37.9	40.3	3.9%	8.4%
Office Accommodation	50.3	64.3	50.4	52.8	1.7%	13.9%	55.9	59.0	62.3	5.6%	12.9%
<b>Total</b>	<b>377.5</b>	<b>420.8</b>	<b>365.1</b>	<b>407.1</b>	<b>2.5%</b>	<b>100.0%</b>	<b>430.1</b>	<b>460.0</b>	<b>490.2</b>	<b>6.4%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				0.2			(2.3)	4.1	4.7		

**Table 35.9 Administration expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million												
<b>Current payments</b>	<b>362.4</b>	<b>400.0</b>	<b>347.4</b>	<b>389.8</b>	<b>2.5%</b>	<b>95.5%</b>	<b>414.9</b>	<b>444.1</b>	<b>473.3</b>	<b>6.7%</b>	<b>96.3%</b>	
Compensation of employees	155.0	174.4	175.3	200.1	8.9%	44.9%	220.7	238.4	256.3	8.6%	51.2%	
Goods and services <sup>1</sup>	207.4	225.6	172.1	189.7	-2.9%	50.6%	194.3	205.7	217.0	4.6%	45.1%	
of which:												
Advertising	30.4	15.6	10.6	20.5	-12.3%	4.9%	20.3	21.4	22.6	3.2%	4.7%	
Audit costs: External	5.4	5.5	5.8	10.7	25.2%	1.7%	11.2	11.9	12.6	5.6%	2.6%	
Computer services	6.3	11.5	10.5	11.2	21.2%	2.5%	12.3	13.1	13.8	7.3%	2.8%	
Legal services	9.0	9.9	–	8.9	-0.2%	1.8%	9.2	9.8	10.3	5.0%	2.1%	
Operating leases	51.4	64.5	50.4	52.8	0.9%	14.0%	55.9	59.0	62.3	5.6%	12.9%	
Travel and subsistence	29.4	39.9	33.8	33.6	4.5%	8.7%	36.1	39.1	41.3	7.1%	8.4%	
<b>Transfers and subsidies<sup>1</sup></b>	<b>8.7</b>	<b>10.9</b>	<b>11.2</b>	<b>11.8</b>	<b>10.7%</b>	<b>2.7%</b>	<b>12.5</b>	<b>13.2</b>	<b>13.9</b>	<b>5.6%</b>	<b>2.9%</b>	
Departmental agencies and accounts	1.0	0.9	1.1	1.2	5.9%	0.3%	1.2	1.3	1.4	5.6%	0.3%	
Households	7.7	10.0	10.1	10.6	11.3%	2.5%	11.2	11.9	12.5	5.6%	2.6%	
<b>Payments for capital assets</b>	<b>6.2</b>	<b>9.4</b>	<b>6.5</b>	<b>5.5</b>	<b>-3.8%</b>	<b>1.8%</b>	<b>2.7</b>	<b>2.8</b>	<b>3.0</b>	<b>-18.7%</b>	<b>0.8%</b>	
Machinery and equipment	6.2	6.1	6.5	5.5	-3.8%	1.5%	2.7	2.8	3.0	-18.7%	0.8%	
Software and other intangible assets	–	3.4	–	–	–	0.2%	–	–	–	–	–	
<b>Payments for financial assets</b>	<b>0.2</b>	<b>0.5</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>377.5</b>	<b>420.8</b>	<b>365.1</b>	<b>407.1</b>	<b>2.5%</b>	<b>100.0%</b>	<b>430.1</b>	<b>460.0</b>	<b>490.2</b>	<b>6.4%</b>	<b>100.0%</b>	
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.8%</b>	<b>0.8%</b>	<b>0.6%</b>	<b>0.7%</b>	<b>–</b>	<b>–</b>	<b>0.7%</b>	<b>0.7%</b>	<b>0.7%</b>	<b>–</b>	<b>–</b>	
<b>Details of selected transfers and subsidies</b>												
<b>Households</b>												
<b>Other transfers to households</b>												
<b>Current</b>	<b>7.5</b>	<b>9.8</b>	<b>9.9</b>	<b>10.4</b>	<b>11.6%</b>	<b>2.4%</b>	<b>11.0</b>	<b>11.7</b>	<b>12.3</b>	<b>5.6%</b>	<b>2.5%</b>	
Bursaries for non-employees	7.5	9.8	9.9	10.4	11.6%	2.4%	11.0	11.7	12.3	5.6%	2.5%	

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

## Programme 2: Integrated Transport Planning

### Programme purpose

Integrate and harmonise macro-transport sector policies, strategies and legislation. Coordinate and develop sector-related policies, research activities, and regional and inter-sphere relations. Facilitate sector transformation and provide sector economic modelling and analysis.

### Objectives

- Facilitate integrated macro transport systems planning by:
  - developing an integrated monitoring plan for the revised 1996 White Paper on National Transport Policy by 2018/19 and monitoring the plan on an ongoing basis
  - submitting a draft regional transport market access strategy to Cabinet by March 2019.
- Promote the national, regional and continental integration of transport infrastructure operations and standards by implementing the road freight strategy by March 2019.
- Enhance the socioeconomic transformation of the transport sector by submitting the Single Transport Economic Regulator Bill to Parliament by March 2019.
- Increase the department's contribution to environmental protection by monitoring the reduction of greenhouse gas emissions in the transport sector, in terms of the green transport strategy, on an ongoing basis.

### Subprogrammes

- Macro Sector Planning* examines land use and transport planning in all spheres of government from a multimodal perspective, and manages and facilitates the implementation of the planning provisions contained in the National Land Transport Act (2009).

- *Freight Logistics* develops and coordinates the implementation of freight logistics strategies aimed at unblocking bottlenecks in the freight logistics system and related supply chains, with particular emphasis on integrating elements of the system across all modes.
- *Modelling and Economic Analysis* undertakes economic studies, provides innovative and enabling transport infrastructure funding options that respond to the socioeconomic needs of the national agenda, and applies economic analysis tools for developing policies in the transport sector.
- *Regional Integration* manages, coordinates and facilitates the development of strategies for engagements in the Southern African Development Community and the rest of Africa.
- *Research and Innovation* ensures research, innovation and monitoring of the transport sector for sustainability.
- *Integrated Transport Planning Administration Support* provides administrative support services to the programme.

## Expenditure trends and estimates

**Table 35.10 Integrated Transport Planning 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											
Macro Sector Planning	13.3	12.7	12.4	17.2	8.9%	17.2%	18.1	19.4	20.7	6.4%	20.3%
Freight Logistics	13.5	23.0	13.6	16.0	5.7%	20.5%	15.7	16.8	18.0	4.1%	18.0%
Modelling and Economic Analysis	19.8	25.8	24.0	19.5	-0.5%	27.5%	22.9	24.0	25.4	9.3%	24.8%
Regional Integration	7.7	8.2	6.1	9.7	8.0%	9.8%	10.2	10.9	11.6	6.2%	11.5%
Research and Innovation	14.1	13.4	12.7	13.2	-2.3%	16.5%	15.3	16.4	17.5	10.0%	16.8%
Integrated Transport Planning Administration Support	6.6	5.6	8.3	7.2	2.9%	8.5%	7.7	8.2	8.7	7.0%	8.6%
<b>Total</b>	<b>75.0</b>	<b>88.8</b>	<b>77.1</b>	<b>82.6</b>	<b>3.3%</b>	<b>100.0%</b>	<b>90.0</b>	<b>95.7</b>	<b>102.0</b>	<b>7.3%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				1.0			1.2	3.9	4.1		
<b>Economic classification</b>											
<b>Current payments</b>	<b>74.1</b>	<b>87.6</b>	<b>76.0</b>	<b>82.0</b>	<b>3.5%</b>	<b>98.8%</b>	<b>89.8</b>	<b>95.4</b>	<b>101.8</b>	<b>7.5%</b>	<b>99.7%</b>
Compensation of employees	36.6	43.1	44.7	47.8	9.3%	53.2%	53.8	57.4	61.5	8.7%	59.5%
Goods and services <sup>1</sup>	37.5	44.5	31.3	34.2	-3.0%	45.6%	36.0	38.1	40.3	5.6%	40.1%
of which:											
Advertising	1.2	3.8	4.6	1.2	1.5%	3.4%	1.1	1.1	1.2	-0.6%	1.3%
Catering: Departmental activities	0.1	0.1	0.6	1.2	123.3%	0.6%	0.8	0.8	0.8	-10.2%	1.0%
Communication	0.6	0.7	0.6	0.7	5.4%	0.8%	0.8	0.9	0.9	10.7%	0.9%
Consultants: Business and advisory services	27.4	24.6	10.3	23.6	-4.9%	26.5%	27.0	28.6	30.2	8.7%	29.5%
Travel and subsistence	5.2	7.5	6.9	4.7	-3.5%	7.5%	3.7	3.8	4.0	-5.3%	4.4%
Venues and facilities	0.8	4.8	7.1	2.2	41.4%	4.6%	1.7	1.8	1.9	-5.4%	2.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.2</b>	<b>0.1</b>	<b>0.2</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Households	0.2	0.1	0.2	-	-100.0%	0.1%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>0.7</b>	<b>1.1</b>	<b>0.9</b>	<b>0.6</b>	<b>-2.7%</b>	<b>1.0%</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>-29.6%</b>	<b>0.3%</b>
Machinery and equipment	0.7	1.1	0.9	0.6	-2.7%	1.0%	0.2	0.2	0.2	-29.6%	0.3%
<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>75.0</b>	<b>88.8</b>	<b>77.1</b>	<b>82.6</b>	<b>3.3%</b>	<b>100.0%</b>	<b>90.0</b>	<b>95.7</b>	<b>102.0</b>	<b>7.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>0.2%</b>	<b>0.1%</b>	<b>0.1%</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: Rail Transport

### Programme purpose

Facilitate and coordinate the development of sustainable rail transport policies, rail economic and safety regulation, and infrastructure development strategies that reduce system costs and improve customer service. Oversee rail public entities and the implementation of integrated rail services.

## Objectives

- Enhance the performance, efficiency and reliability of the rail transport sector by:
  - finalising the National Rail Bill by 2019
  - developing an implementation plan for the private sector participation framework by March 2019 and monitoring the implementation on an ongoing basis.
- Regulate and enhance rail safety and security by submitting the draft Railway Safety Bill to Parliament by March 2020.

## Subprogrammes

- *Rail Regulation* is responsible for the development of rail policies, and economic and safety regulations.
- *Rail Infrastructure and Industry Development* coordinates the development, maintenance of and investment in rail infrastructure.
- *Rail Operations* coordinates the implementation of integrated rail services, and monitors and analyses service delivery challenges facing the rail industry.
- *Rail Oversight* oversees and tracks the performance of the Passenger Rail Agency of South Africa and the Railway Safety Regulator, and manages the transfer payments to these entities.
- *Rail Administration Support* provides support services to the entire programme. This entails preparing submissions, facilitating departmental meetings, implementing projects and providing business planning.

## Expenditure trends and estimates

**Table 35.11 Rail Transport 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		2014/15 - 2017/18	2017/18		2018/19	2019/20	2020/21		
R million												
Rail Regulation	10.4	11.7	15.4	19.2	22.8%	0.1%	19.8	21.1	22.4	5.3%	0.1%	
Rail Infrastructure and Industry Development	13.7	7.6	9.6	10.5	-8.5%	0.1%	11.3	12.1	13.0	7.2%	0.1%	
Rail Operations	9.9	4.9	7.7	8.1	-6.5%	–	8.7	8.8	9.4	5.0%	–	
Rail Oversight	14 998.0	18 278.2	18 956.3	19 266.0	8.7%	99.8%	18 842.0	20 445.2	21 538.8	3.8%	99.8%	
Rail Administration Support	3.4	2.9	3.1	5.1	14.0%	–	5.4	6.0	6.5	8.5%	–	
<b>Total</b>	<b>15 035.5</b>	<b>18 305.3</b>	<b>18 992.0</b>	<b>19 308.9</b>	<b>8.7%</b>	<b>100.0%</b>	<b>18 887.3</b>	<b>20 493.3</b>	<b>21 590.1</b>	<b>3.8%</b>	<b>100.0%</b>	
Change to 2017				(11.4)			(2 330.8)	(1 857.3)	(1 990.3)			
Budget estimate												
<b>Economic classification</b>												
<b>Current payments</b>	<b>37.2</b>	<b>29.6</b>	<b>35.5</b>	<b>42.8</b>	<b>4.8%</b>	<b>0.2%</b>	<b>45.2</b>	<b>47.9</b>	<b>51.1</b>	<b>6.1%</b>	<b>0.2%</b>	
Compensation of employees	20.2	19.9	21.6	26.2	9.1%	0.1%	26.8	28.5	30.6	5.4%	0.1%	
Goods and services <sup>1</sup>	17.0	9.6	13.9	16.6	-0.7%	0.1%	18.4	19.4	20.5	7.2%	0.1%	
of which:												
Communication	0.3	0.7	0.4	0.3	-2.2%	–	0.4	0.4	0.4	9.9%	–	
Consultants: Business and advisory services	14.4	5.0	11.6	4.1	-34.2%	–	4.4	4.6	4.6	4.0%	–	
Infrastructure and planning services	–	–	–	10.5	–	–	11.9	12.6	13.6	8.9%	0.1%	
Consumables: Stationery, printing and office supplies	0.1	0.4	0.1	0.2	11.0%	–	0.2	0.2	0.2	9.9%	–	
Travel and subsistence	1.2	1.9	1.4	1.3	2.1%	–	1.4	1.5	1.5	5.0%	–	
Venues and facilities	0.1	0.6	0.1	0.0	-25.3%	–	0.1	0.1	0.1	41.5%	–	
<b>Transfers and subsidies<sup>1</sup></b>	<b>14 997.8</b>	<b>18 275.5</b>	<b>18 956.3</b>	<b>19 266.0</b>	<b>8.7%</b>	<b>99.8%</b>	<b>18 842.0</b>	<b>20 445.2</b>	<b>21 538.8</b>	<b>3.8%</b>	<b>99.8%</b>	
Departmental agencies and accounts	51.5	53.4	66.0	49.6	-1.3%	0.3%	63.0	66.5	70.2	12.3%	0.3%	
Public corporations and private enterprises	14 946.3	18 222.0	18 890.3	19 216.4	8.7%	99.5%	18 779.0	20 378.7	21 468.6	3.8%	99.5%	
<b>Payments for capital assets</b>	<b>0.6</b>	<b>0.3</b>	<b>0.3</b>	<b>0.1</b>	<b>-42.4%</b>	<b>–</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>5.4%</b>	<b>–</b>	
Machinery and equipment	0.6	0.3	0.3	0.1	-42.4%	–	0.1	0.1	0.1	5.4%	–	
<b>Payments for financial assets</b>	<b>0.0</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	
<b>Total</b>	<b>15 035.5</b>	<b>18 305.3</b>	<b>18 992.0</b>	<b>19 308.9</b>	<b>8.7%</b>	<b>100.0%</b>	<b>18 887.3</b>	<b>20 493.3</b>	<b>21 590.1</b>	<b>3.8%</b>	<b>100.0%</b>	
Proportion of total programme expenditure to vote expenditure	30.6%	34.3%	33.7%	32.3%	–	–	31.6%	31.1%	31.0%	–	–	

**Table 35.11 Rail Transport expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies											
R million	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average Expenditure/Total (%)
	2014/15	2015/16	2016/17		2014/15	2017/18	2018/19	2019/20	2020/21		
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>51.5</b>	<b>53.4</b>	<b>66.0</b>	<b>49.6</b>	<b>-1.3%</b>	<b>0.3%</b>	<b>63.0</b>	<b>66.5</b>	<b>70.2</b>	<b>12.3%</b>	<b>0.3%</b>
Railway Safety Regulator	51.5	53.4	66.0	49.6	-1.3%	0.3%	63.0	66.5	70.2	12.3%	0.3%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Capital</b>	<b>11 059.0</b>	<b>14 155.9</b>	<b>14 608.6</b>	<b>13 339.8</b>	<b>6.4%</b>	<b>74.2%</b>	<b>12 653.1</b>	<b>13 948.6</b>	<b>14 715.4</b>	<b>3.3%</b>	<b>68.1%</b>
Passenger Rail Agency of South Africa: Capital	3 906.6	8 234.6	7 206.9	5 494.6	12.0%	34.7%	4 382.8	2 538.6	2 685.6	-21.2%	18.8%
Passenger Rail Agency of South Africa: Rolling stock fleet renewal programme	5 700.0	2 560.5	4 170.3	4 420.5	-8.1%	23.5%	4 676.9	7 623.7	8 043.0	22.1%	30.8%
Passenger Rail Agency of South Africa: Signalling	810.7	1 876.0	1 844.2	1 912.8	33.1%	9.0%	2 023.8	2 137.1	2 254.7	5.6%	10.4%
Passenger Rail Agency of South Africa: Metrorail (refurbishment of coaches)	547.7	1 267.5	1 283.5	1 360.5	35.4%	6.2%	1 409.4	1 480.1	1 553.7	4.5%	7.2%
Passenger Rail Agency of South Africa: Mainline passenger service – refurbishment of coaches	93.9	217.3	103.8	151.4	17.3%	0.8%	160.2	169.2	178.5	5.6%	0.8%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Public corporations (subsidies on products and production)</b>											
<b>Current</b>	<b>3 887.3</b>	<b>4 066.2</b>	<b>4 281.7</b>	<b>5 876.6</b>	<b>14.8%</b>	<b>25.3%</b>	<b>6 125.9</b>	<b>6 430.1</b>	<b>6 753.2</b>	<b>4.7%</b>	<b>31.4%</b>
Passenger Rail Agency of South Africa: Metrorail – operations	3 458.9	3 618.0	3 809.8	4 000.2	5.0%	20.8%	4 232.2	4 469.2	4 715.0	5.6%	21.7%
Passenger Rail Agency of South Africa: Mainline passenger services – operations	428.4	448.1	471.9	1 495.6	51.7%	4.0%	1 524.3	1 553.7	1 639.1	3.1%	7.7%
Passenger Rail Agency of South Africa: Rail maintenance operations and inventories	–	–	–	380.8	–	0.5%	369.4	407.2	399.1	1.6%	1.9%

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: Road Transport

### Programme purpose

Develop and manage an integrated road infrastructure network, regulate road transport and ensure safer roads. Oversee road public entities.

### Objectives

- Ensure a sustainable road infrastructure network by:
  - submitting the White Paper on Roads Policy to Cabinet by March 2019
  - monitoring the overall implementation of the S'hamba Sonke programme on an ongoing basis
  - submitting the access road development plan to Cabinet by March 2019.
- Regulate and enhance road transport safety and security by monitoring the implementation of the 2016-2030 national road safety strategy on an ongoing basis.

### Subprogrammes

- *Road Regulation* regulates road safety and traffic management, manages the electronic national traffic information system, and exercises oversight of the inspectorate for driving licences and vehicle testing stations.
- *Road Infrastructure and Industry Development* facilitates and coordinates the planning, development and implementation of a sustainable and reliable integrated road infrastructure network, as well as capacity enhancement in the industry.
- *Road Oversight* reviews and analyses the performance of road transport public entities, and monitors their compliance with regulations and legislation. This subprogramme also transfers funds to the South African National Roads Agency, the Road Traffic Management Corporation, the Road Traffic Infringement Agency and the *provincial roads maintenance grant*.

- *Road Administration Support* provides administrative support services to the programme. This entails preparing submissions, facilitating departmental meetings, implementing projects and providing business planning.
- *Road Engineering Standards* develops and implements road engineering standards, and coordinates the development of an asset management system for safe and resilient road infrastructure.

## Expenditure trends and estimates

**Table 35.12 Road Transport 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											
Road Regulation	521.9	158.0	309.6	41.4	-57.0%	1.1%	41.9	44.6	47.5	4.7%	0.1%
Road Infrastructure and Industry Development	35.8	39.1	24.9	29.0	-6.8%	0.1%	32.2	34.4	36.8	8.2%	0.1%
Road Oversight	21 625.9	22 669.0	24 699.7	27 024.6	7.7%	98.7%	26 988.2	31 128.6	32 858.2	6.7%	99.6%
Road Administration Support	6.7	10.6	7.1	7.9	5.6%	–	8.3	8.8	9.4	6.3%	–
Road Engineering Standards	12.5	12.4	14.1	26.8	28.9%	0.1%	28.2	30.0	31.8	6.0%	0.1%
<b>Total</b>	<b>22 202.9</b>	<b>22 889.2</b>	<b>25 055.4</b>	<b>27 129.6</b>	<b>6.9%</b>	<b>100.0%</b>	<b>27 098.8</b>	<b>31 246.4</b>	<b>32 983.8</b>	<b>6.7%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				1.1			(2 511.8)	(25.0)	(8.9)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>552.4</b>	<b>217.5</b>	<b>355.4</b>	<b>110.9</b>	<b>-41.4%</b>	<b>1.3%</b>	<b>118.7</b>	<b>126.6</b>	<b>135.0</b>	<b>6.8%</b>	<b>0.4%</b>
Compensation of employees	40.9	45.3	50.1	59.9	13.6%	0.2%	70.5	75.6	81.0	10.6%	0.2%
Goods and services <sup>1</sup>	511.5	172.1	305.3	51.0	-53.6%	1.1%	48.2	51.0	54.0	1.9%	0.2%
<i>of which:</i>											
Advertising	0.8	2.1	1.9	1.5	21.5%	–	1.5	1.6	1.7	4.1%	–
Catering: Departmental activities	0.5	0.9	0.9	1.1	33.6%	–	2.0	2.1	2.2	25.2%	–
Communication	0.7	0.9	0.8	5.1	92.6%	–	1.2	1.2	1.3	-36.8%	–
Computer services	1.6	1.6	1.6	1.0	-15.2%	–	0.9	0.9	1.0	-0.1%	–
Consultants: Business and advisory services	495.2	149.9	284.4	24.6	-63.2%	1.0%	26.5	28.1	29.8	6.5%	0.1%
Travel and subsistence	9.1	12.9	11.9	12.7	11.6%	–	13.3	14.1	14.9	5.5%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>21 624.7</b>	<b>22 667.8</b>	<b>24 699.4</b>	<b>27 018.0</b>	<b>7.7%</b>	<b>98.7%</b>	<b>26 979.3</b>	<b>31 119.1</b>	<b>32 848.0</b>	<b>6.7%</b>	<b>99.6%</b>
Provinces and municipalities	9 436.7	9 628.6	10 579.7	10 861.0	4.8%	41.6%	11 143.2	11 595.6	12 233.1	4.0%	38.7%
Departmental agencies and accounts	12 187.9	13 039.1	14 119.5	16 157.0	9.9%	57.1%	15 836.1	19 523.5	20 614.8	8.5%	60.9%
Households	0.0	0.1	0.1	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>25.7</b>	<b>1.1</b>	<b>0.6</b>	<b>0.7</b>	<b>-70.2%</b>	<b>–</b>	<b>0.7</b>	<b>0.8</b>	<b>0.8</b>	<b>5.6%</b>	<b>–</b>
Machinery and equipment	25.7	1.1	0.6	0.7	-70.2%	–	0.7	0.8	0.8	5.6%	–
<b>Payments for financial assets</b>	<b>0.0</b>	<b>2.8</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>22 202.9</b>	<b>22 889.2</b>	<b>25 055.4</b>	<b>27 129.6</b>	<b>6.9%</b>	<b>100.0%</b>	<b>27 098.8</b>	<b>31 246.4</b>	<b>32 983.8</b>	<b>6.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>45.2%</b>	<b>42.9%</b>	<b>44.4%</b>	<b>45.4%</b>	<b>–</b>	<b>–</b>	<b>45.3%</b>	<b>47.4%</b>	<b>47.4%</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>4 007.1</b>	<b>4 448.2</b>	<b>4 790.1</b>	<b>5 044.7</b>	<b>8.0%</b>	<b>18.8%</b>	<b>6 153.8</b>	<b>6 492.6</b>	<b>7 867.7</b>	<b>16.0%</b>	<b>21.6%</b>
Road Traffic Management Corporation	259.5	184.1	193.9	194.5	-9.2%	0.9%	200.2	210.2	220.5	4.3%	0.7%
South African National Roads Agency: Gauteng freeway improvement project	–	301.0	425.1	463.4	–	1.2%	505.1	550.5	600.1	9.0%	1.8%
South African National Roads Agency: Road Traffic Infringement Agency	3 736.1	3 951.6	4 161.1	4 369.1	5.4%	16.7%	5 436.8	5 724.1	7 038.9	17.2%	19.1%
<b>Capital</b>	<b>11.5</b>	<b>11.5</b>	<b>10.1</b>	<b>17.7</b>	<b>15.5%</b>	<b>0.1%</b>	<b>11.7</b>	<b>7.8</b>	<b>8.2</b>	<b>-22.6%</b>	<b>–</b>
South African National Roads Agency: Non-toll network	<b>8 180.8</b>	<b>8 590.9</b>	<b>9 329.4</b>	<b>11 112.4</b>	<b>10.7%</b>	<b>38.3%</b>	<b>9 682.3</b>	<b>13 030.9</b>	<b>12 747.1</b>	<b>4.7%</b>	<b>39.3%</b>
South African National Roads Agency: Coal haulage road network	7 515.3	7 721.1	7 935.6	9 063.7	6.4%	33.1%	7 875.5	10 338.9	10 907.0	6.4%	32.2%
South African National Roads Agency: Moloto road upgrade	665.5	696.1	733.0	769.7	5.0%	2.9%	–	–	–	-100.0%	0.6%
South African National Roads Agency: Botswana river crossing	–	155.5	660.8	1 279.0	–	2.2%	1 806.8	1 692.0	785.0	-15.0%	4.7%
South African National Roads Agency: N2 wild cost project	–	18.2	–	–	–	–	–	–	–	–	–
South African National Roads Agency: N2 wild cost project	–	–	–	–	–	–	–	1 000.0	1 055.0	–	1.7%

**Table 35.12 Road Transport expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	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											
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	75.2	96.8	101.5	107.3	12.6%	0.4%	107.5	113.9	120.5	3.9%	0.4%
Rural roads asset management systems grant	75.2	96.8	101.5	107.3	12.6%	0.4%	107.5	113.9	120.5	3.9%	0.4%
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Capital</b>	9 361.5	9 531.7	10 478.2	10 753.7	4.7%	41.2%	11 035.7	11 481.7	12 112.7	4.0%	38.3%
Provincial roads maintenance grant: Road network supporting electricity generation infrastructure component	803.0	830.0	801.0	482.0	-15.6%	3.0%	501.1	526.2	-	-100.0%	1.3%
Provincial roads maintenance grant: Roads maintenance component	7 956.2	8 221.2	9 379.1	10 001.7	7.9%	36.6%	10 324.6	10 955.5	12 112.7	6.6%	36.6%
Provincial roads maintenance grant: Disaster relief component	602.3	480.6	298.1	270.0	-23.5%	1.7%	210.0	-	-	-100.0%	0.4%

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 5: Civil Aviation

### Programme purpose

Facilitate the development of an economically viable air transport industry that is safe, secure, efficient, environmentally friendly and compliant with international standards through regulation and investigations. Oversee aviation entities.

### Objectives

- Enhance the performance, efficiency and reliability of the aviation sector by submitting the Airports Company Amendment Bill, and the Air Services Licencing and International Air Services Amendment Bill to Cabinet by March 2019.
- Regulate and enhance civil aviation safety and security by submitting the Civil Aviation Amendment Bill to Parliament by March 2019.
- Create a conducive environment for job creation in the civil aviation transport sector by monitoring the implementation of the national aviation transformation strategy on an ongoing basis.

### Subprogrammes

- *Aviation Policy and Regulation* develops and maintains the civil aviation regulatory regime to respond to national imperatives, and international standards, norms and protocols.
- *Aviation Economic Analysis and Industry Development* provides aviation economic analysis and develops relevant frameworks for industry development and airfreight logistics activities.
- *Aviation Safety, Security, Environment and Search and Rescue* develops and monitors South Africa's aviation safety, security, environment, and search and rescue regime; and manages investigations of aviation accidents and serious incidents for the purposes of identifying deficiencies to make safety recommendations on mechanisms to address these deficiencies.
- *Aviation Oversight* monitors the performance of the Airports Company of South Africa, the Air Traffic and Navigation Services Company and the South African Civil Aviation Authority, in line with the legislative framework.
- *Aviation Administration Support* provides project and financial administrative support to the entire programme. This entails preparing submissions, facilitating departmental meetings, implementing projects, and providing business planning.

- Mthatha Airport was created to facilitate the upgrade and refurbishment of Mthatha Airport.

## Expenditure trends and estimates

**Table 35.13 Civil Aviation 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											
Aviation Policy and Regulations	26.1	26.6	27.5	25.4	-1.0%	15.4%	28.0	30.0	32.1	8.2%	15.4%
Aviation Economic Analysis and Industry Development	9.0	9.8	7.4	11.4	8.0%	5.5%	13.1	13.8	14.7	8.8%	7.1%
Aviation Safety, Security, Environment and Search and Rescue	64.7	57.7	73.2	71.5	3.4%	38.9%	75.9	80.3	85.0	5.9%	41.7%
Aviation Oversight	37.8	40.6	96.3	56.9	14.6%	33.7%	59.9	63.0	66.5	5.3%	32.8%
Aviation Administration Support	23.4	6.4	6.1	5.1	-40.0%	6.0%	5.3	5.7	6.1	6.7%	3.0%
Mthatha Airport	-	4.1	-	-	-	0.6%	-	-	-	-	-
<b>Total</b>	<b>161.0</b>	<b>145.3</b>	<b>210.4</b>	<b>170.2</b>	<b>1.9%</b>	<b>100.0%</b>	<b>182.3</b>	<b>192.9</b>	<b>204.4</b>	<b>6.3%</b>	<b>100.0%</b>
Change to 2017				0.4			0.1	3.7	3.9		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>123.5</b>	<b>105.3</b>	<b>114.2</b>	<b>116.1</b>	<b>-2.0%</b>	<b>66.8%</b>	<b>125.3</b>	<b>133.1</b>	<b>141.3</b>	<b>6.8%</b>	<b>68.8%</b>
Compensation of employees	32.4	35.7	37.2	40.7	7.9%	21.3%	46.4	49.8	53.4	9.5%	25.4%
Goods and services <sup>1</sup>	91.1	69.6	77.0	75.3	-6.1%	45.6%	78.9	83.3	87.9	5.3%	43.4%
of which:											
Communication	53.0	44.8	60.5	58.1	3.1%	31.5%	60.8	64.2	67.8	5.3%	33.5%
Consultants: Business and advisory services	5.4	10.7	5.6	7.3	10.7%	4.2%	7.9	8.3	8.8	6.1%	4.3%
Consumables: Stationery, printing and office supplies	0.3	0.4	0.8	1.0	45.0%	0.4%	1.0	1.0	1.1	3.6%	0.5%
Travel and subsistence	8.6	8.9	6.0	7.2	-5.7%	4.5%	7.4	7.8	8.3	4.6%	4.1%
Training and development	0.0	0.1	0.1	0.4	244.5%	0.1%	0.4	0.4	0.4	3.5%	0.2%
Operating payments	18.6	0.3	0.3	0.4	-73.3%	2.8%	0.4	0.4	0.4	3.9%	0.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>36.6</b>	<b>39.2</b>	<b>95.6</b>	<b>53.7</b>	<b>13.7%</b>	<b>32.8%</b>	<b>56.5</b>	<b>59.3</b>	<b>62.6</b>	<b>5.2%</b>	<b>31.0%</b>
Departmental agencies and accounts	26.1	27.3	80.9	35.2	10.5%	24.7%	37.2	39.3	41.5	5.6%	20.4%
Foreign governments and international organisations	8.0	9.3	11.1	15.9	25.6%	6.4%	16.4	17.0	17.9	4.2%	9.0%
Non-profit institutions	2.3	2.4	2.5	2.7	5.0%	1.4%	2.8	3.0	3.1	5.6%	1.5%
Households	0.1	0.1	1.1	-	-100.0%	0.2%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>0.9</b>	<b>0.8</b>	<b>0.6</b>	<b>0.4</b>	<b>-22.5%</b>	<b>0.4%</b>	<b>0.4</b>	<b>0.5</b>	<b>0.5</b>	<b>5.7%</b>	<b>0.2%</b>
Machinery and equipment	0.9	0.8	0.6	0.4	-22.5%	0.4%	0.4	0.5	0.5	5.7%	0.2%
<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>161.0</b>	<b>145.3</b>	<b>210.4</b>	<b>170.2</b>	<b>1.9%</b>	<b>100.0%</b>	<b>182.3</b>	<b>192.9</b>	<b>204.4</b>	<b>6.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.4%</b>	<b>0.3%</b>	<b>-</b>	<b>-</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.3%</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>26.1</b>	<b>27.3</b>	<b>80.9</b>	<b>35.2</b>	<b>10.5%</b>	<b>24.7%</b>	<b>37.2</b>	<b>39.3</b>	<b>41.5</b>	<b>5.6%</b>	<b>20.4%</b>
South African Civil Aviation Authority	19.2	20.1	21.2	22.3	5.0%	12.1%	23.5	24.9	26.2	5.6%	12.9%
South African Maritime Safety Authority	6.9	7.2	7.6	13.0	23.5%	5.0%	13.7	14.5	15.3	5.6%	7.5%
Air Traffic and Navigation Services Company	-	-	52.2	-	-	7.6%	-	-	-	-	-
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>8.0</b>	<b>9.3</b>	<b>11.0</b>	<b>15.8</b>	<b>25.4%</b>	<b>6.4%</b>	<b>16.4</b>	<b>16.9</b>	<b>17.9</b>	<b>4.2%</b>	<b>8.9%</b>
African Civil Aviation Commission	3.9	4.9	5.8	5.0	8.4%	2.9%	5.3	5.6	5.9	5.6%	2.9%
International Civil Aviation Organisation	3.7	4.0	4.7	4.3	5.3%	2.4%	4.6	4.8	5.1	5.6%	2.5%
Cospas-Sarsat search and rescue satellite programme	0.4	0.4	0.5	0.5	8.0%	0.3%	0.5	0.6	0.6	5.6%	0.3%
Southern African Development Community Aviation Safety Organisation	-	-	-	6.0	-	0.9%	6.0	6.0	6.3	1.8%	3.2%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>2.0</b>	<b>2.1</b>	<b>2.2</b>	<b>2.3</b>	<b>5.0%</b>	<b>1.3%</b>	<b>2.5</b>	<b>2.6</b>	<b>2.7</b>	<b>5.6%</b>	<b>1.3%</b>
National Sea Rescue Institute	2.0	2.1	2.2	2.3	5.0%	1.3%	2.5	2.6	2.7	5.6%	1.3%

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

## Programme 6: Maritime Transport

### Programme purpose

Promote a safe, reliable and economically viable maritime transport sector through the development and implementation of policies and strategies. Oversee maritime public entities.

### Objectives

- Enhance the performance, efficiency and reliability of the maritime transport sector by submitting the maritime transport sector development plan to Cabinet by March 2020.
- Regulate and enhance maritime transport safety and security by:
  - submitting the Merchant Shipping Bill to Parliament by March 2020
  - developing the inland waterways strategy by March 2021.
- Ensure the socioeconomic transformation of the transport sector by monitoring and conducting oversight on the Operation Phakisa marine transport and manufacturing delivery unit on an ongoing basis.

### Subprogrammes

- *Maritime Policy Development* develops and maintains a maritime regulatory regime that is responsive to national imperatives, and international standards, norms and protocol. This subprogramme is also responsible for the development and maintenance of maritime policies and strategies.
- *Maritime Infrastructure and Industry Development* facilitates the development of an integrated maritime infrastructure and maritime industry.
- *Implementation, Monitoring and Evaluations* ensures that legislation, policies and strategies pertaining to maritime safety, security and environmental protection are implemented.
- *Maritime Oversight* makes transfers to the South African Maritime Safety Authority and the Ports Regulator, and oversees these entities' compliance with relevant regulations and legislation.
- *Maritime Administration Support* provides project and financial administration support to the entire programme. This entails preparing submissions, facilitating branch and departmental meetings, implementing projects, and providing business planning.

### Expenditure trends and estimates

**Table 35.14 Maritime Transport 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	
Maritime Policy Development	11.1	11.7	9.5	11.1	-0.1%	8.2%	10.4	11.1	11.7	1.9%	8.5%
Maritime Infrastructure and Industry Development	6.5	6.5	8.7	12.6	24.8%	6.5%	11.5	12.2	12.9	0.9%	9.4%
Implementation, Monitoring and Evaluations	58.8	53.7	77.1	69.2	5.6%	49.2%	61.7	65.3	69.1	–	51.0%
Maritime Oversight	18.6	67.5	54.1	29.5	16.5%	32.3%	32.2	38.7	40.8	11.5%	27.1%
Maritime Administration Support	4.7	3.5	4.3	7.1	14.8%	3.7%	4.2	4.4	4.7	-12.9%	3.9%
<b>Total</b>	<b>99.6</b>	<b>142.9</b>	<b>153.6</b>	<b>129.3</b>	<b>9.1%</b>	<b>100.0%</b>	<b>119.9</b>	<b>131.8</b>	<b>139.2</b>	<b>2.5%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				9.7			(7.6)	(5.2)	(5.9)		

**Table 35.14 Maritime Transport 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>81.4</b>	<b>77.2</b>	<b>101.4</b>	<b>104.7</b>	<b>8.7%</b>	<b>69.4%</b>	<b>92.0</b>	<b>97.5</b>	<b>103.1</b>	<b>-0.5%</b>	<b>76.4%</b>
Compensation of employees	19.6	20.1	19.9	28.8	13.7%	16.8%	23.2	24.9	26.4	-2.9%	19.9%
Goods and services <sup>1</sup>	61.8	57.0	81.5	75.8	7.0%	52.6%	68.7	72.7	76.7	0.4%	56.5%
of which:											
Communication	0.3	0.3	0.3	0.4	11.1%	0.2%	0.2	0.3	0.3	-11.0%	0.2%
Consultants: Business and advisory services	52.2	45.6	7.4	18.5	-29.3%	23.5%	18.6	19.6	20.7	3.9%	14.9%
Infrastructure and planning services	–	–	64.2	51.2	–	22.0%	43.6	46.1	48.6	-1.8%	36.4%
Operating leases	1.4	1.1	1.3	1.3	-1.8%	1.0%	1.7	1.8	1.9	11.5%	1.3%
Travel and subsistence	4.7	6.1	5.3	3.6	-7.8%	3.8%	3.8	4.1	4.3	6.0%	3.0%
Venues and facilities	0.9	0.8	1.2	0.3	-34.6%	0.6%	0.3	0.3	0.4	13.1%	0.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>17.7</b>	<b>65.2</b>	<b>29.6</b>	<b>24.4</b>	<b>11.3%</b>	<b>26.0%</b>	<b>27.6</b>	<b>33.9</b>	<b>35.7</b>	<b>13.6%</b>	<b>23.4%</b>
Departmental agencies and accounts	16.9	27.6	28.6	22.5	10.1%	18.2%	25.6	31.8	33.5	14.2%	21.8%
Foreign governments and international organisations	0.8	37.5	0.9	1.9	34.1%	7.8%	2.0	2.1	2.2	5.6%	1.6%
Households	0.0	0.0	0.1	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.5</b>	<b>0.5</b>	<b>0.3</b>	<b>0.3</b>	<b>-13.7%</b>	<b>0.3%</b>	<b>0.3</b>	<b>0.4</b>	<b>0.4</b>	<b>5.5%</b>	<b>0.3%</b>
Machinery and equipment	0.5	0.5	0.3	0.3	-13.7%	0.3%	0.3	0.4	0.4	5.5%	0.3%
<b>Payments for financial assets</b>	<b>–</b>	<b>0.0</b>	<b>22.2</b>	<b>–</b>	<b>–</b>	<b>4.2%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>99.6</b>	<b>142.9</b>	<b>153.6</b>	<b>129.3</b>	<b>9.1%</b>	<b>100.0%</b>	<b>119.9</b>	<b>131.8</b>	<b>139.2</b>	<b>2.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.2%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
Departmental agencies (non-business entities)											
Current	16.9	27.6	28.6	22.5	10.1%	18.2%	25.6	31.8	33.5	14.2%	21.8%
Ports Regulator of South Africa	16.9	27.6	28.6	22.5	10.1%	18.2%	25.6	31.8	33.5	14.2%	21.8%

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

## Programme 7: Public Transport

### Programme purpose

Provide and regulate safe, secure, reliable, cost-effective and sustainable public transport services in South Africa through legislation, policies and strategies.

### Objectives

- Provide integrated rural transport infrastructure and services by developing detailed integrated public transport network plans in 2 district municipalities by March 2019.
- Promote sustainable public transport by monitoring the implementation of the reviewed taxi recapitalisation programme on an ongoing basis.
- Develop the draft public transport subsidy policy by March 2019.
- Improve public transport access and reliability by monitoring the implementation of integrated public transport network plans in 13 municipalities on an ongoing basis.
- Facilitate the regulation of public transport by submitting the Transport Appeals Tribunal Amendment Bill to Cabinet by March 2019.

### Subprogrammes

- *Public Transport Regulation* manages the development and maintenance of policy, legislation and regulation; and coordinates and facilitates implementation. Responsibilities include managing public transport information such as public transport systems developed in terms of the National Land Transport Act (2009).

- *Rural and Scholar Transport* develops and reviews rural, scholar and non-motorised transport strategies, and coordinates and evaluates their implementation.
- *Public Transport Industry Development* oversees and facilitates the implementation of public transport policy, legislation and strategy, develops public transport empowerment schemes, manages the tax recapitalisation programme, and facilitates stakeholder relations and conflict resolution in the industry.
- *Public Transport Oversight* transfers public transport subsidies to municipalities and provinces, and manages and oversees the *public transport operations grant* and the *public transport network grant* in terms of the annual Division of Revenue Act.
- *Public Transport Administration Support* renders an administrative and financial support service to the programme. This entails preparing submissions, facilitating departmental meetings, implementing projects and providing business planning.
- *Public Transport Network Development* develops norms and standards for integrated public transport systems to assist in providing accessible, reliable and affordable integrated public transport network services in municipalities.

## Expenditure trends and estimates

**Table 35.15 Public Transport 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											
Public Transport Regulation	14.0	15.2	15.4	54.3	57.2%	0.2%	54.5	58.6	63.0	5.1%	0.4%
Rural and Scholar Transport	13.7	8.6	14.6	39.2	41.8%	0.2%	40.4	43.0	45.7	5.2%	0.3%
Public Transport Industry Development	118.4	123.1	129.9	152.5	8.8%	1.1%	187.1	205.2	224.6	13.8%	1.5%
Public Transport Oversight	11 021.2	11 160.2	11 372.6	12 292.8	3.7%	98.3%	12 678.1	12 898.4	13 683.4	3.6%	97.6%
Public Transport Administration Support	21.8	14.2	9.6	10.8	-21.0%	0.1%	11.1	11.9	12.8	5.9%	0.1%
Public Transport Network Development	6.6	7.2	8.0	17.9	39.4%	0.1%	18.9	20.1	21.3	6.0%	0.1%
<b>Total</b>	<b>11 195.7</b>	<b>11 328.6</b>	<b>11 550.0</b>	<b>12 567.3</b>	<b>3.9%</b>	<b>100.0%</b>	<b>12 990.0</b>	<b>13 237.1</b>	<b>14 050.9</b>	<b>3.8%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				(0.9)			(300.8)	(812.9)	(849.0)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>174.1</b>	<b>167.1</b>	<b>177.0</b>	<b>274.4</b>	<b>16.4%</b>	<b>1.7%</b>	<b>311.7</b>	<b>338.4</b>	<b>367.2</b>	<b>10.2%</b>	<b>2.4%</b>
Compensation of employees	41.3	44.4	44.0	53.3	8.9%	0.4%	55.3	60.2	65.6	7.2%	0.4%
Goods and services <sup>1</sup>	132.8	122.8	133.0	221.1	18.5%	1.3%	256.3	278.2	301.6	10.9%	2.0%
of which:											
Minor assets	0.1	0.1	4.7	1.2	101.3%	–	1.2	1.2	3.4	43.7%	–
Consultants: Business and advisory services	120.7	115.2	122.4	208.7	20.0%	1.2%	243.2	264.0	288.3	11.4%	1.9%
Consumables: Stationery, printing and office supplies	0.2	0.3	0.4	0.5	42.6%	–	0.4	0.5	0.5	-1.4%	–
Travel and subsistence	8.7	5.1	3.5	5.9	-12.3%	–	8.7	9.3	7.9	10.5%	0.1%
Training and development	0.0	0.1	0.4	1.5	231.9%	–	1.0	1.2	1.2	-9.2%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>11 021.2</b>	<b>11 160.8</b>	<b>11 372.7</b>	<b>12 292.8</b>	<b>3.7%</b>	<b>98.3%</b>	<b>12 678.1</b>	<b>12 898.4</b>	<b>13 683.4</b>	<b>3.6%</b>	<b>97.6%</b>
Provinces and municipalities	10 703.6	10 892.5	10 993.0	11 882.4	3.5%	95.3%	12 244.0	12 440.0	13 199.8	3.6%	94.2%
Non-profit institutions	17.5	19.3	20.3	21.3	6.8%	0.2%	22.5	23.8	25.1	5.6%	0.2%
Households	300.2	249.0	359.5	389.0	9.0%	2.8%	411.6	434.7	458.6	5.6%	3.2%
<b>Payments for capital assets</b>	<b>0.4</b>	<b>0.6</b>	<b>0.3</b>	<b>0.2</b>	<b>-15.0%</b>	<b>–</b>	<b>0.2</b>	<b>0.3</b>	<b>0.3</b>	<b>5.6%</b>	<b>–</b>
Machinery and equipment	0.4	0.6	0.3	0.2	-15.0%	–	0.2	0.3	0.3	5.6%	–
<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>11 195.7</b>	<b>11 328.6</b>	<b>11 550.0</b>	<b>12 567.3</b>	<b>3.9%</b>	<b>100.0%</b>	<b>12 990.0</b>	<b>13 237.1</b>	<b>14 050.9</b>	<b>3.8%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	22.8%	21.2%	20.5%	21.0%	–	–	21.7%	20.1%	20.2%	–	–

**Table 35.15 Public Transport expenditure trends and estimates by subprogramme and economic classification**

Details of selected transfers and subsidies	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											
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	300.1	248.4	359.4	389.0	9.0%	2.8%	411.6	434.7	458.6	5.6%	3.2%
Taxi recapitalisation	300.1	248.4	359.4	389.0	9.0%	2.8%	411.6	434.7	458.6	5.6%	3.2%
<b>Non-profit institutions</b>											
<b>Current</b>	17.5	19.3	20.3	21.3	6.8%	0.2%	22.5	23.8	25.1	5.6%	0.2%
South African National Taxi Council	17.5	19.3	20.3	21.3	6.8%	0.2%	22.5	23.8	25.1	5.6%	0.2%
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Capital</b>	5 870.8	5 953.1	5 592.7	6 159.6	1.6%	50.5%	6 253.7	6 114.2	6 450.2	1.5%	47.3%
Public transport network grant	5 870.8	5 953.1	5 592.7	6 159.6	1.6%	50.5%	6 253.7	6 114.2	6 450.2	1.5%	47.3%
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	4 832.7	4 939.4	5 400.3	5 722.9	5.8%	44.8%	5 990.3	6 325.8	6 749.6	5.7%	46.9%
Public transport operations grant	4 832.7	4 939.4	5 400.3	5 722.9	5.8%	44.8%	5 990.3	6 325.8	6 749.6	5.7%	46.9%

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>

### Airports Company South Africa

#### Mandate

The Airports Company South Africa is regulated in terms of the Airports Company Act (1993) and the Companies Act (1973), and is listed as a schedule 2 public entity in terms of the Public Finance Management Act (1999). The company was formed to own and operate the nine principal South African airports, including the three main international gateways, OR Tambo International Airport in Johannesburg, Cape Town International Airport and King Shaka International Airport in Durban. The company is one of the concessionaires operating Mumbai International Airport in India and Guarulhos International Airport in Sao Paulo, Brazil.

#### Selected performance indicators

**Table 35.16 Airports Company 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
Average maintenance and engineering costs per international airport per year	Airport infrastructure and asset management	Entity mandate	R236.5m	R237.8m	R259.9m	R437.7m	R451.8m	R477.6m	R477.8m
Average security and safety costs per international airport per year	Airport security and safety		R139.5m	R156.2m	R181.9m	R174.7m	R185.5m	R206.7m	R218.3m
Number of departing passengers accommodated at national airports per year	Airport management		17.8 million	19.4 million	20 million	20.4 million	21.3 million	22.2 million	21.9 million
Number of arrival aircraft accommodated at all airports per year	Airport management		273 342	284 285	281 703	285 163	299 114	309 123	326 302
Employee cost per departing passenger per year	Airport management		R60	R57	R67	R67	R71	R75	R81
Aeronautical revenue per departing passenger per year	Airport management		R276	R268	R269	R181	R173	R198	R182
Non-aeronautical revenue per departing passenger per year	Airport management		R160	R161	R159.63	R172.99	R178.64	R184.80	R185.66

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

### Expenditure analysis

Over the medium term, the Airports Company South Africa intends to continue providing safe and secure services and infrastructure to passengers and airlines. This is expected to be achieved through the effective use of existing airport infrastructure and investment in new airport infrastructure. Airports operated by the company are expected to accommodate 65.4 million departing passengers and 934 539 arriving aircraft over the MTEF period. The estimated number of departing passengers and arriving aircraft have been revised upwards from previous years due to a higher than anticipated demand for air travel.

Airport infrastructure and asset management costs account for 20 per cent of total expenditure over the MTEF period. Total expenditure is expected to increase at an average annual rate of 4.3 per cent, from R6.4 billion in 2017/18 to R7.2 billion in 2020/21. Spending on goods and services is expected to increase at an average annual rate of 5.1 per cent over the MTEF period, from R2.6 billion in 2017/18 to R3 billion in 2020/21. This is due to the implementation of a new operational structure that is expected to improve efficiency, and cost containment initiatives planned over the medium term.

Spending on compensation of employees is expected to increase at an average annual rate of 9.3 per cent over the MTEF period, from R1.4 billion in 2017/18 to R1.8 billion in 2020/21 in line with the company's remuneration policy. The company's staff complement is expected to remain constant at 3 314 over the medium term.

The company's aeronautical revenue is generated from passenger facilitation and airline services, for which charges and tariffs such as aircraft landing and parking fees are collected. Aeronautical revenue is expected to increase at an average annual rate of 4.2 per cent over the MTEF period, from R3.5 billion in 2017/18 to R4 billion in 2020/21. Non-aeronautical revenue is generated from property rentals, advertising and car parking fees, among other things, and is expected to increase at an average annual rate of 6.6 per cent, from R3.5 billion in 2017/18 to R4.3 billion in 2020/21.

### Programmes/Objectives/Activities

**Table 35.17 Airports Company South Africa 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	5 137.0	5 341.3	5 437.3	3 768.7	-9.8%	71.3%	4 081.8	4 197.1	4 173.2	3.5%	58.7%
Airport infrastructure and asset management	709.4	713.4	779.6	1 313.3	22.8%	13.0%	1 355.4	1 432.8	1 433.6	3.0%	20.0%
Airport security and safety	418.4	468.7	545.7	524.1	7.8%	7.1%	556.4	620.1	654.8	7.7%	8.5%
Airport management	478.8	520.7	583.6	774.0	17.4%	8.6%	858.8	922.9	974.6	8.0%	12.8%
<b>Total</b>	<b>6 743.6</b>	<b>7 044.0</b>	<b>7 346.3</b>	<b>6 380.1</b>	<b>-1.8%</b>	<b>100.0%</b>	<b>6 852.4</b>	<b>7 172.9</b>	<b>7 236.2</b>	<b>4.3%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 35.18 Airports Company South Africa statements of historical financial performance and position**

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average Outcome/Budget (%)
	2014/15	2015/16	2015/16	2016/17	2016/17	2017/18	2017/18	2017/18	2014/15 - 2017/18
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>7 709.7</b>	<b>8 371.3</b>	<b>8 168.3</b>	<b>8 888.7</b>	<b>6 727.4</b>	<b>9 390.4</b>	<b>7 262.8</b>	<b>7 185.2</b>	<b>113.3%</b>
Sale of goods and services other than capital assets	7 648.0	7 773.9	8 131.7	8 372.5	6 628.8	8 653.6	7 133.0	7 042.0	107.8%
<i>of which:</i>									
<i>Sales by market establishment</i>	7 648.0	7 773.9	8 131.7	8 372.5	6 628.8	8 653.6	7 133.0	7 042.0	107.8%
<i>Aeronautical revenue</i>	4 965.5	4 925.9	5 130.6	5 194.6	3 424.1	5 389.9	3 678.8	3 516.4	110.6%
<i>Non-aeronautical revenue</i>	2 682.6	2 848.0	3 001.1	3 111.1	3 204.8	3 192.8	3 454.1	3 525.6	102.7%
Other non-tax revenue	61.7	597.4	36.6	516.2	98.6	736.8	129.9	143.2	610.1%
<b>Total revenue</b>	<b>7 709.7</b>	<b>8 371.3</b>	<b>8 164.3</b>	<b>8 888.7</b>	<b>6 727.4</b>	<b>9 390.4</b>	<b>7 262.8</b>	<b>7 185.2</b>	<b>113.3%</b>

**Table 35.18 Airports Company South Africa 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	2014/15 - 2017/18
R million	2014/15		2015/16		2016/17		2017/18		
<b>Expenses</b>									
<b>Current expenses</b>	<b>5 770.9</b>	<b>5 872.0</b>	<b>5 825.5</b>	<b>6 254.9</b>	<b>6 087.6</b>	<b>6 851.6</b>	<b>6 026.5</b>	<b>6 014.8</b>	<b>105.4%</b>
Compensation of employees	1 070.5	1 066.2	989.2	1 185.8	1 117.9	1 345.6	1 247.9	1 363.9	112.1%
Goods and services	1 992.1	1 972.8	2 391.0	2 667.9	2 577.4	3 231.4	2 472.7	2 617.3	111.2%
Depreciation	1 348.3	1 393.5	1 306.4	1 307.9	1 314.8	1 270.3	1 365.8	1 208.2	97.1%
Interest, dividends and rent on land	1 360.1	1 439.6	1 138.8	1 093.4	1 077.5	1 004.2	940.1	825.4	96.6%
<b>Total expenses</b>	<b>6 397.7</b>	<b>6 743.6</b>	<b>6 480.0</b>	<b>7 044.0</b>	<b>6 285.4</b>	<b>7 346.3</b>	<b>6 409.2</b>	<b>6 380.1</b>	<b>107.6%</b>
<b>Surplus/(Deficit)</b>	<b>1 312.0</b>	<b>1 628.0</b>	<b>1 684.0</b>	<b>1 845.0</b>	<b>442.0</b>	<b>2 044.0</b>	<b>854.0</b>	<b>805.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	23 180.7	24 093.7	24 337.0	24 394.4	22 692.9	24 386.2	23 098.6	23 679.1	103.5%
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(1 327.8)</i>	<i>(776.4)</i>	<i>(1 354.6)</i>	<i>(1 163.4)</i>	<i>(966.3)</i>	<i>(877.9)</i>	<i>(1 771.5)</i>	<i>(760.3)</i>	<i>66.0%</i>
Investments	932.8	2 086.9	–	3 000.1	1 942.8	3 006.7	1 942.8	1 909.1	207.6%
Inventory	6.2	1.4	1.2	1.5	1.4	2.2	1.4	1.4	63.6%
Receivables and prepayments	1 257.2	1 197.4	1 206.0	1 044.1	1 089.7	1 099.5	1 172.5	1 158.1	95.2%
Cash and cash equivalents	382.4	1 226.6	766.8	1 369.6	2 731.4	1 670.9	2 956.6	3 695.1	116.5%
Taxation	–	5.0	–	60.8	5.0	4.3	5.0	61.2	1 318.4%
Derivatives financial instruments	–	0.7	–	–	–	–	–	–	–
<b>Total assets</b>	<b>25 759.4</b>	<b>28 611.7</b>	<b>26 311.0</b>	<b>29 870.5</b>	<b>28 463.2</b>	<b>30 169.7</b>	<b>29 177.0</b>	<b>30 504.2</b>	<b>108.6%</b>
Accumulated surplus/(deficit)	12 172.4	14 203.6	14 544.8	16 413.5	15 262.3	18 283.2	16 116.1	18 785.6	116.5%
Capital and reserves	750.0	750.0	750.0	750.0	750.0	750.0	750.0	750.0	100.0%
Borrowings	10 189.6	11 176.6	9 226.1	9 817.5	10 732.8	9 331.5	10 419.3	9 273.8	97.6%
Deferred income	346.9	66.2	172.0	68.1	141.2	64.9	141.2	74.3	34.1%
Trade and other payables	721.7	705.3	749.9	1 242.6	766.3	779.1	902.8	779.1	111.6%
Taxation	1 393.3	1 427.2	833.3	1 346.0	779.7	740.9	816.7	813.3	113.2%
Provisions	185.5	207.9	34.9	226.4	30.8	214.4	30.8	28.1	240.0%
Derivatives financial instruments	–	75.0	–	6.4	–	5.7	–	–	–
<b>Total equity and liabilities</b>	<b>25 759.4</b>	<b>28 611.7</b>	<b>26 311.0</b>	<b>29 870.5</b>	<b>28 463.2</b>	<b>30 169.7</b>	<b>29 177.0</b>	<b>30 504.2</b>	<b>108.6%</b>

**Statements of estimates of financial performance and position****Table 35.19 Airports Company South Africa statements of estimates of financial performance and position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ 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>7 185.2</b>	<b>-5.0%</b>	<b>100.0%</b>	<b>7 869.0</b>	<b>8 636.3</b>	<b>8 556.8</b>	<b>6.0%</b>	<b>100.0%</b>
Sale of goods and services other than capital assets	7 042.0	-3.2%	94.3%	7 703.0	8 447.9	8 245.0	5.4%	97.5%
<i>of which:</i>								
<i>Sales by market establishment</i>	<i>7 042.0</i>	<i>-3.2%</i>	<i>94.3%</i>	<i>7 703.0</i>	<i>8 447.9</i>	<i>8 245.0</i>	<i>5.4%</i>	<i>97.5%</i>
<i>Aeronautical revenue</i>	<i>3 516.4</i>	<i>-10.6%</i>	<i>55.9%</i>	<i>3 905.4</i>	<i>4 381.8</i>	<i>3 976.2</i>	<i>4.2%</i>	<i>48.9%</i>
<i>Non-aeronautical revenue</i>	<i>3 525.6</i>	<i>7.4%</i>	<i>38.0%</i>	<i>3 797.5</i>	<i>4 066.1</i>	<i>4 268.9</i>	<i>6.6%</i>	<i>48.6%</i>
Other non-tax revenue	143.2	-37.9%	5.7%	166.0	188.4	311.7	29.6%	2.5%
<b>Total revenue</b>	<b>7 185.2</b>	<b>-5.0%</b>	<b>100.0%</b>	<b>7 869.0</b>	<b>8 636.3</b>	<b>8 556.8</b>	<b>6.0%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>6 014.8</b>	<b>0.8%</b>	<b>90.9%</b>	<b>6 392.2</b>	<b>6 534.6</b>	<b>6 669.7</b>	<b>3.5%</b>	<b>92.7%</b>
Compensation of employees	1 363.9	8.6%	18.1%	1 518.4	1 654.2	1 779.9	9.3%	22.8%
Goods and services	2 617.3	9.9%	38.0%	2 823.2	2 953.9	3 038.2	5.1%	41.3%
Depreciation	1 208.2	-4.6%	18.9%	1 249.2	1 321.2	1 270.2	1.7%	18.3%
Interest, dividends and rent on land	825.4	-16.9%	15.9%	801.4	605.4	581.4	-11.0%	10.3%
<b>Total expenses</b>	<b>6 380.1</b>	<b>-1.8%</b>	<b>100.0%</b>	<b>6 852.4</b>	<b>7 172.9</b>	<b>7 236.2</b>	<b>4.3%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>805.0</b>			<b>1 017.0</b>	<b>1 463.0</b>	<b>1 321.0</b>		
<b>Statement of financial position</b>								
Carrying value of assets	23 679.1	-0.6%	81.1%	24 437.4	25 466.3	27 227.1	4.8%	81.2%
<i>of which:</i>								
<i>Acquisition of assets</i>	<i>(760.3)</i>	<i>-0.7%</i>	<i>-3.0%</i>	<i>(1 976.7)</i>	<i>(2 312.9)</i>	<i>(3 031.5)</i>	<i>58.6%</i>	<i>-6.5%</i>
Investments	1 909.1	-2.9%	8.4%	1 909.1	1 909.1	1 909.1	–	6.2%
Inventory	1.4	–	0.0%	1.4	1.4	1.4	–	0.0%
Receivables and prepayments	1 158.1	-1.1%	3.8%	1 265.3	1 388.4	1 135.8	-0.6%	4.0%
Cash and cash equivalents	3 695.1	44.4%	6.6%	1 985.4	2 306.3	2 478.4	-12.5%	8.4%
Taxation	61.2	130.8%	0.1%	61.2	61.2	61.2	–	0.2%
<b>Total assets</b>	<b>30 504.2</b>	<b>2.2%</b>	<b>100.0%</b>	<b>29 659.9</b>	<b>31 132.7</b>	<b>32 813.1</b>	<b>2.5%</b>	<b>100.0%</b>

**Table 35.19 Airports Company 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 million								
Accumulated surplus/(deficit)	18 785.6	9.8%	56.7%	19 834.0	21 336.3	22 727.4	6.6%	66.6%
Capital and reserves	750.0	–	2.5%	750.0	750.0	750.0	–	2.4%
Borrowings	9 273.8	-6.0%	33.3%	7 102.5	6 939.3	7 101.1	-8.5%	24.6%
Deferred income	74.3	3.9%	0.2%	74.3	74.3	74.3	–	0.2%
Trade and other payables	779.1	3.4%	2.9%	1 039.4	1 136.3	1 244.1	16.9%	3.4%
Taxation	813.3	-17.1%	3.7%	831.6	868.5	888.0	3.0%	2.7%
Provisions	28.1	-48.7%	0.6%	28.1	28.1	28.1	–	0.1%
<b>Total equity and liabilities</b>	<b>30 504.2</b>	<b>2.2%</b>	<b>100.0%</b>	<b>29 659.9</b>	<b>31 132.7</b>	<b>32 813.1</b>	<b>2.5%</b>	<b>100.0%</b>

**Personnel information****Table 35.20 Airports Company 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					
Airports Company South Africa		Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost								
Salary level	3 314	3 314	2 990	1 345.6	0.5	3 314	1 363.9	0.4	3 314	1 518.4	0.5	3 314	1 654.2	0.5	3 314	1 779.9	0.5	9.3%	100.0%
1 – 6	1 552	1 552	1 455	274.2	0.2	1 552	272.0	0.2	1 552	302.8	0.2	1 552	329.9	0.2	1 552	355.0	0.2	9.3%	46.8%
7 – 10	1 362	1 362	1 123	510.4	0.5	1 362	551.6	0.4	1 362	614.0	0.5	1 362	668.9	0.5	1 362	719.7	0.5	9.3%	41.1%
11 – 12	103	103	92	77.2	0.8	103	88.5	0.9	103	98.5	1.0	103	107.3	1.0	103	115.4	1.1	9.3%	3.1%
13 – 16	260	260	284	387.1	1.4	260	348.7	1.3	260	388.1	1.5	260	422.8	1.6	260	455.0	1.7	9.3%	7.8%
17 – 22	37	37	36	96.7	2.7	37	103.1	2.8	37	115.0	3.1	37	125.3	3.4	37	134.8	3.6	9.3%	1.1%

1. Rand million.

**Passenger Rail Agency of South Africa****Mandate**

The Passenger Rail Agency of South Africa is a schedule 3B public entity in terms of the Public Finance Management Act (1999). Its mandate is contained in the Legal Succession to the South African Transport Services Amendment Act (2008), which requires the agency to provide rail commuter services within, to and from South Africa in the public interest. In consultation with the Department of Transport, the agency also provides for long-haul passenger rail and bus services within, to and from South Africa.

**Selected performance indicators****Table 35.21 Passenger Rail Agency 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 new train sets delivered for Metrorail per year	Metrorail	Outcome 6: An efficient, competitive and responsive infrastructure network	– <sup>1</sup>	2	9	7	12	51	62
Number of Metrorail passenger trips per year	Metrorail		516 million	448 million	372 million	292 million	310 million	341 million	392 million
Percentage of trains arriving on time per year	Metrorail	Entity mandate	81% (546 822/ 675 089)	81% (499 623/ 616 819)	78% (459 327/ 592 680)	76%	78%	80%	82%
Percentage of train service availability (trains not cancelled) per year	Metrorail		97% (673 785/ 694 624)	96% (629 432/ 655 658)	92% (592 902/ 644 458)	89%	92%	94%	96%
Number of Metrorail coaches refurbished per year	Metrorail	Outcome 6: An efficient, competitive and responsive infrastructure network	436	350	461	350	350	330	330

**Table 35.21 Passenger Rail Agency 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
Customer satisfaction rating per year	Administration	Entity mandate	63%	57%	59.5%	58%	60%	64%	67%
Number of Shosholoz Meyl passengers per year	Mainline passenger services (Shosholoz Meyl)	Outcome 6: An efficient, competitive and responsive infrastructure	854 000	660 000	565 000	465 000	488 000	513 000	538 000
Number of Shosholoz Meyl coaches refurbished per year	Mainline passenger services (Shosholoz Meyl)		59	64	81	81	30	30	30
Number of new Shosholoz Meyl locomotives per year <sup>2</sup>	Mainline passenger services (Shosholoz Meyl)		9	4	0	0	8	0	0
Number of train station improvement projects completed per year	Metrorail		65	53	45	47	45	45	45
Number of train station upgrade projects completed for commercialisation per year	Metrorail		14	21	16	13	13	13	13
Number of Autopax passengers per year	Autopax	Entity mandate	3.1 million	3 million	2.5 million	2.1 million	2.3 million	2.4 million	2.5 million

1. No historical data available.

2. As per procurement plan.

### Expenditure analysis

Over the medium term, the Passenger Rail Agency of South Africa aims to improve the safety and reliability of, and the access to, rail services by maintaining and refurbishing existing train sets, acquiring new rolling stock, and investing in capital for the upgrade and modernisation of railway signalling and other infrastructure, including depots and stations. Through these activities, the agency aims to meet the objectives set out in outcome 6 (an efficient, competitive and responsive infrastructure network) of government's 2014-2019 medium-term strategic framework.

Metrorail accounts for 60.1 per cent, or R26.6 billion, of the agency's total expenditure over the medium term, and is expected to increase from R7.9 billion in 2017/18 to R9.4 billion in 2020/21 at an average annual rate of 6.3 per cent. The rise in spending in Metrorail is expected to accommodate an increase in passenger trips from 292 million in 2017/18 to 392 million in 2020/21, as well as to provide for additional spending on repairs and maintenance for 125 new trains and the refurbishment of 1 010 coaches. Shosholoz Meyl accounts for 7.1 per cent, or R3.2 billion of the agency's total expenditure over the medium term. Spending on Shosholoz Meyl is expected to accommodate an increase in passenger numbers from 465 000 in 2017/18 to 538 000 in 2020/21, and additional repairs and maintenance spending for 8 new locomotives as well as the refurbishment of 90 coaches. These activities, together with the spending related to the upgrading of 174 stations and other rail infrastructure, are expected to drive an increase in total expenditure from R13 billion in 2017/18 to R15.7 billion in 2020/21.

The agency employs 17 007 personnel. This number is expected to decrease to 16 174 in 2018/19, in line with the agency's corporate turnaround strategy, which aims to reduce operational costs and improve efficiencies. Despite this, spending on compensation of employees is set to increase at an average annual rate of 6.7 per cent, from R5.6 billion in 2017/18 to R6.8 billion in 2020/21.

The agency generates revenue from the sale of train and bus tickets, rental income from property leasing, and transfers from the department. These transfers are expected to constitute 65.4 per cent of the agency's total projected revenue over the MTEF period. The anticipated increase in passenger numbers is expected to lead to an increase in total revenue from R12.4 billion in 2017/18 to R13.6 billion in 2020/21, at an average annual rate of 3.3 per cent.

## Programmes/Objectives/Activities

Table 35.22 Passenger Rail Agency of South Africa expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Administration	1 720.5	1 921.3	2 730.4	1 906.8	3.5%	16.5%	2 173.1	2 308.9	2 440.6	8.6%	15.4%
Metrorail	6 491.2	6 939.4	7 619.4	7 858.2	6.6%	58.0%	8 295.2	8 854.0	9 447.5	6.3%	60.1%
Main line passenger services (Shosholozza Meyl)	737.3	1 531.1	1 008.7	901.7	6.9%	8.4%	986.9	1 050.6	1 117.9	7.4%	7.1%
Passenger Rail Agency of South Africa: Corporate real estate solutions	865.1	884.7	958.5	1 115.0	8.8%	7.7%	1 257.4	1 330.7	1 408.5	8.1%	8.9%
Intersite	32.4	29.5	33.6	33.2	0.8%	0.3%	34.4	32.0	32.6	-0.7%	0.2%
Autopax	1 021.2	987.1	1 164.2	1 120.5	3.1%	8.6%	1 091.0	1 146.6	1 135.1	0.4%	7.9%
Passenger Rail Agency of South Africa technical	77.4	90.8	74.1	47.6	-14.9%	0.6%	81.4	74.8	82.7	20.2%	0.5%
<b>Total</b>	<b>10 945.0</b>	<b>12 383.9</b>	<b>13 588.9</b>	<b>12 983.0</b>	<b>5.9%</b>	<b>100.0%</b>	<b>13 919.4</b>	<b>14 797.5</b>	<b>15 664.8</b>	<b>6.5%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

Table 35.23 Passenger Rail Agency of South Africa statements of historical financial performance and position

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate		Average: Outcome/ Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17	Budget estimate	Revised estimate	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>3 990.1</b>	<b>3 961.4</b>	<b>4 760.3</b>	<b>4 160.1</b>	<b>3 957.1</b>	<b>4 146.8</b>	<b>4 770.4</b>	<b>4 429.0</b>	<b>95.5%</b>
Sale of goods and services other than capital assets	3 988.8	3 640.0	4 482.7	3 584.9	3 605.6	3 205.1	4 665.2	3 873.7	85.4%
<i>of which:</i>									
<i>Sales by market establishment</i>	3 792.4	3 421.1	4 317.8	3 362.7	3 392.6	2 976.5	4 488.5	3 545.1	83.2%
<i>Rental income</i>	508.6	480.4	627.2	568.0	640.7	531.1	667.7	772.0	96.2%
<i>Fare revenue</i>	3 283.8	2 940.7	3 690.6	2 794.7	2 751.9	2 445.4	3 820.9	2 773.2	80.9%
<i>Other sales</i>	196.4	218.9	164.9	222.2	212.9	228.6	176.6	328.6	133.0%
Other non-tax revenue	1.3	321.4	277.6	575.2	351.5	941.7	105.3	555.3	325.4%
<b>Transfers received</b>	<b>5 206.6</b>	<b>5 930.4</b>	<b>5 459.8</b>	<b>7 911.3</b>	<b>6 978.1</b>	<b>8 480.4</b>	<b>7 568.6</b>	<b>7 947.6</b>	<b>120.1%</b>
<b>Total revenue</b>	<b>9 196.7</b>	<b>9 891.8</b>	<b>10 220.1</b>	<b>12 071.5</b>	<b>10 935.2</b>	<b>12 627.2</b>	<b>12 339.0</b>	<b>12 376.7</b>	<b>110.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>9 890.7</b>	<b>10 945.0</b>	<b>11 180.4</b>	<b>12 383.9</b>	<b>11 961.6</b>	<b>13 588.9</b>	<b>12 982.1</b>	<b>12 983.0</b>	<b>108.4%</b>
Compensation of employees	3 777.5	4 665.7	4 794.0	4 800.9	5 345.0	5 109.5	5 667.3	5 608.3	103.1%
Goods and services	4 642.4	4 124.1	4 544.5	5 301.9	4 609.6	5 756.3	5 126.3	5 163.2	107.5%
Depreciation	1 469.7	2 136.3	1 507.8	2 271.4	1 998.8	2 710.6	2 188.6	2 211.5	130.2%
Interest, dividends and rent on land	1.1	18.9	334.2	9.7	8.2	12.5	-	-	12.0%
<b>Total expenses</b>	<b>9 890.7</b>	<b>10 945.0</b>	<b>11 180.4</b>	<b>12 383.9</b>	<b>11 961.6</b>	<b>13 588.9</b>	<b>12 982.1</b>	<b>12 983.0</b>	<b>108.4%</b>
<b>Surplus/(Deficit)</b>	<b>(694.0)</b>	<b>(1 053.0)</b>	<b>(960.0)</b>	<b>(312.0)</b>	<b>(1 026.0)</b>	<b>(962.0)</b>	<b>(643.0)</b>	<b>(606.0)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	41 326.4	34 147.9	43 886.5	37 450.7	43 279.0	41 147.4	52 993.8	49 754.0	89.5%
<i>of which:</i>									
<i>Acquisition of assets</i>	(10 685.6)	(11 038.0)	(14 103.5)	(9 029.4)	(12 831.4)	(5 432.9)	(15 537.9)	(9 729.0)	66.3%
Inventory	236.6	253.6	249.9	297.4	303.7	453.9	288.5	233.4	114.8%
Loans	24.2	-	-	-	-	-	-	-	-
Receivables and prepayments	254.2	7 891.7	10 344.2	10 470.7	13 635.6	13 046.2	17 407.7	16 252.3	114.5%
Cash and cash equivalents	2 536.1	1 683.7	959.3	6 116.8	7 495.8	12 342.5	5 595.9	12 342.5	195.8%
Defined benefit plan assets	7.6	4.2	3.2	6.0	4.2	2.8	5.6	3.0	77.9%
<b>Total assets</b>	<b>44 385.1</b>	<b>43 981.1</b>	<b>55 443.1</b>	<b>54 341.6</b>	<b>64 718.3</b>	<b>66 992.9</b>	<b>76 291.5</b>	<b>78 585.2</b>	<b>101.3%</b>
Accumulated surplus/(deficit)	(3 622.2)	(2 534.9)	(4 658.5)	(2 847.3)	(3 873.8)	(3 528.6)	(4 465.7)	(4 135.0)	78.5%
Capital and reserves	4 248.3	4 248.3	4 248.3	4 248.3	4 248.3	4 248.3	4 248.3	4 248.3	100.0%
Capital reserve fund	39 702.3	37 963.9	49 489.0	48 274.6	60 186.8	58 689.9	71 834.6	69 958.1	97.1%
Borrowings	48.3	48.2	-	1.5	-	-	-	-	103.0%
Finance lease	-	-	2 731.2	-	-	-	-	-	-
Trade and other payables	3 370.9	3 563.1	2 949.9	3 906.2	3 464.4	6 574.1	3 940.7	7 503.9	157.0%
Provisions	637.7	692.6	683.3	758.4	692.6	1 009.3	733.8	1 009.8	126.3%
<b>Total equity and liabilities</b>	<b>44 385.1</b>	<b>43 981.1</b>	<b>55 443.1</b>	<b>54 341.6</b>	<b>64 718.3</b>	<b>66 992.9</b>	<b>76 291.5</b>	<b>78 585.2</b>	<b>101.3%</b>

## Statements of estimates of financial performance and position

**Table 35.24 Passenger Rail Agency of South Africa statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate	2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		
R million								
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>4 429.0</b>	<b>3.8%</b>	<b>35.8%</b>	<b>4 389.5</b>	<b>4 490.1</b>	<b>4 601.0</b>	<b>1.3%</b>	<b>34.6%</b>
Sale of goods and services other than capital assets	3 873.7	2.1%	30.8%	3 879.3	4 133.1	4 409.2	4.4%	31.5%
<i>of which:</i>								
<i>Sales by market establishment</i>	3 545.1	1.2%	28.7%	3 708.5	3 963.0	4 235.8	6.1%	29.8%
<i>Rental income</i>	772.0	17.1%	5.0%	750.1	794.0	840.4	2.9%	6.1%
<i>Fare revenue</i>	2 773.2	-1.9%	23.7%	2 958.5	3 169.0	3 395.4	7.0%	23.7%
<i>Other sales</i>	328.6	14.5%	2.1%	170.8	170.1	173.4	-19.2%	1.6%
Other non-tax revenue	555.3	20.0%	5.0%	510.2	357.0	191.9	-29.8%	3.2%
<b>Transfers received</b>	<b>7 947.6</b>	<b>10.3%</b>	<b>64.2%</b>	<b>8 213.8</b>	<b>8 652.6</b>	<b>9 031.0</b>	<b>4.4%</b>	<b>65.4%</b>
<b>Total revenue</b>	<b>12 376.7</b>	<b>7.8%</b>	<b>100.0%</b>	<b>12 603.3</b>	<b>13 142.7</b>	<b>13 632.0</b>	<b>3.3%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>12 983.0</b>	<b>5.9%</b>	<b>100.0%</b>	<b>13 919.4</b>	<b>14 797.5</b>	<b>15 664.8</b>	<b>6.5%</b>	<b>100.0%</b>
Compensation of employees	5 608.3	6.3%	40.5%	5 890.9	6 331.7	6 810.2	6.7%	42.9%
Goods and services	5 163.2	7.8%	40.7%	5 784.4	6 087.7	6 430.4	7.6%	40.9%
Depreciation	2 211.5	1.2%	18.7%	2 231.7	2 365.3	2 411.1	2.9%	16.1%
Interest, dividends and rent on land	-	-100.0%	0.1%	12.3	12.7	13.1	-	0.1%
<b>Total expenses</b>	<b>12 983.0</b>	<b>5.9%</b>	<b>100.0%</b>	<b>13 919.4</b>	<b>14 797.5</b>	<b>15 664.8</b>	<b>6.5%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(606.0)</b>			<b>(1 316.0)</b>	<b>(1 655.0)</b>	<b>(2 033.0)</b>		
<b>Statement of financial position</b>								
Carrying value of assets	49 754.0	13.4%	67.8%	60 751.4	78 930.9	99 662.3	26.1%	74.5%
<i>of which:</i>								
<i>Acquisition of assets</i>	(9 729.0)	-4.1%	-15.6%	(10 285.0)	(10 632.9)	(11 228.3)	4.9%	-11.1%
Inventory	233.4	-2.7%	0.5%	274.1	260.4	274.7	5.6%	0.3%
Receivables and prepayments	16 252.3	27.2%	19.3%	18 909.8	15 201.1	9 879.2	-15.3%	16.4%
Cash and cash equivalents	12 342.5	94.3%	12.3%	9 147.1	6 356.3	3 347.1	-35.3%	8.8%
Defined benefit plan assets	3.0	-10.4%	0.0%	3.2	3.3	3.5	5.6%	0.0%
<b>Total assets</b>	<b>78 585.2</b>	<b>21.3%</b>	<b>100.0%</b>	<b>89 085.5</b>	<b>100 752.0</b>	<b>113 166.9</b>	<b>12.9%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	(4 135.0)	17.7%	-5.4%	(5 348.2)	(6 778.1)	(8 458.4)	26.9%	-6.4%
Capital and reserves	4 248.3	0.0%	7.3%	4 248.3	4 248.3	4 248.3	-0.0%	4.5%
Capital reserve fund	69 958.1	22.6%	87.9%	80 523.3	92 249.4	104 706.3	14.4%	90.9%
Trade and other payables	7 503.9	28.2%	8.7%	8 594.8	9 905.4	11 481.8	15.2%	9.8%
Provisions	1 009.8	13.4%	1.4%	1 067.3	1 127.0	1 189.0	5.6%	1.2%
<b>Total equity and liabilities</b>	<b>78 585.2</b>	<b>21.3%</b>	<b>100.0%</b>	<b>89 085.5</b>	<b>100 752.0</b>	<b>113 166.9</b>	<b>12.9%</b>	<b>100.0%</b>

## Personnel information

**Table 35.25 Passenger Rail Agency 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		Unit	2017/18		Unit	2018/19		Unit	2019/20		Unit			2020/21		Unit	
		Number	Cost	cost	Number	Cost	cost	Number	Cost	cost	Number	Cost	cost	Number	Cost	cost			
Passenger Rail Agency of South Africa																			
Salary level	17 007	17 007	16 120	5 109.5	0.3	17 007	5 608.3	0.3	16 174	5 890.9	0.4	16 174	6 331.7	0.4	16 174	6 810.3	0.4	6.7%	100.0%
1-6	8 439	8 439	8 579	2 171.4	0.3	8 439	1 851.4	0.2	7 396	2 326.2	0.3	7 396	2 326.4	0.3	7 396	2 507.8	0.3	10.6%	46.7%
7-10	7 846	7 846	6 990	2 371.0	0.3	7 846	2 915.4	0.4	8 032	2 843.4	0.4	8 032	3 199.7	0.4	8 032	3 451.2	0.4	5.8%	48.8%
11-12	298	298	225	162.9	0.7	298	233.2	0.8	363	241.8	0.7	363	263.9	0.7	363	279.9	0.8	6.3%	2.1%
13-16	348	348	285	303.0	1.1	348	411.6	1.2	335	345.1	1.0	335	400.0	1.2	335	422.2	1.3	0.8%	2.1%
17-22	76	76	41	101.2	2.5	76	196.6	2.6	48	134.5	2.8	48	141.7	3.0	48	149.2	3.1	-8.8%	0.3%

1. Rand million.

## Road Accident Fund

### Mandate

The Road Accident Fund Act (1996) provides for the establishment of the Road Accident Fund, whose legal mandate is to compensate South African road users for loss or damage as a result of motor vehicle accidents within the borders of South Africa.

### Selected performance indicators

**Table 35.26 Road Accident Fund 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
Direct personal claims as a percentage of total personal claims per year	Payment of claims to accident victims	Entity mandate	30% (R17.8bn/ R58.6bn)	35% (R25.5bn/ R64.4bn)	39% (28.4bn/ 73.5bn)	20%	42%	45%	43%
Legal costs as a percentage of claims payments per year	Payment of claims to accident victims		19% (R5.4bn/ R27.9bn)	13% (R5.2bn/ R38.9bn)	17% (R5.3bn/ R32.1bn)	18%	7%	5%	6%
Number of open claims received but not finalised per year	Payment of claims to accident victims		179 778	184 899	173 740	207 461	215 439	221 723	214 847
Personal claims: Average value per claim	Payment of claims to accident victims		R211 090	R271 793	R219 047	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>
Loss of earnings: Average value per claim	Payment of claims to accident victims		R732 371	R739 214	R645 832	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>
General damages: Average value per claim	Payment of claims to accident victims		R334 799	R385 673	R390 005	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>

1. Projections not available.

### Expenditure analysis

The Road Accident Fund's main focus over the medium term is to compensate road accident victims for losses and damages. Although the fund expects to continue improving its productivity and claims processing ability, the number of claims received but not finalised is expected to increase from 207 461 in 2017/18 to 214 847 in 2020/21. To accommodate the persisting backlog, total expenditure is expected to increase at an average annual rate of 11.9 per cent, from R71.1 billion in 2017/18 to R99.6 billion in 2020/21, due to improved claims processing. The accumulated deficit is expected to increase from R215.2 billion in 2017/18 to R343.2 billion in 2020/21.

The fund's staff complement is expected to increase from 2 917 in 2017/18 to 2 951 in 2020/21. This is expected to enable the fund to meet its service delivery requirements. As a result, spending on compensation of employees is expected to increase at an average annual rate of 8 per cent, from R1.4 billion in 2017/18 to R1.7 billion in 2020/21.

The fund derives its revenue, which is used to make and administer claims payments, from the road accident fund fuel levy. Total revenue is expected to increase at an average annual rate of 10.3 per cent over the medium term, from R35.6 billion in 2017/18 to R47.6 billion in 2020/21, in line with projected fuel sales and an increase in the fuel levy.

### Programmes/Objectives/Activities

**Table 35.27 Road Accident Fund expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million					2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Administration	1 675.4	1 898.1	2 128.7	2 619.4	16.1%	3.4%	2 838.3	3 074.8	3 377.4	8.8%	3.6%
Payment of claims to accident victims	40 456.1	66 266.5	65 954.6	68 435.9	19.2%	96.6%	73 514.4	84 061.2	96 107.7	12.0%	96.4%
<b>Total</b>	<b>42 131.5</b>	<b>68 164.6</b>	<b>68 083.4</b>	<b>71 055.3</b>	<b>19.0%</b>	<b>100.0%</b>	<b>76 352.7</b>	<b>87 136.0</b>	<b>99 485.1</b>	<b>11.9%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

### Table 35.28 Road Accident Fund statements of historical financial performance and position

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17	2017/18		
<b>Revenue</b>									
<b>Non-tax revenue</b>	149.5	65.6	66.2	93.1	91.1	112.3	82.3	81.3	90.6%
Other non-tax revenue	149.5	65.6	66.2	93.1	91.1	112.3	82.3	81.3	90.6%
<b>Tax revenue: fuel levy</b>	<b>22 457.9</b>	<b>22 614.3</b>	<b>32 982.7</b>	<b>33 113.1</b>	<b>35 198.8</b>	<b>33 229.5</b>	<b>37 148.3</b>	<b>35 425.3</b>	<b>97.3%</b>
<b>Total revenue</b>	<b>22 607.4</b>	<b>22 679.9</b>	<b>33 048.9</b>	<b>33 206.2</b>	<b>35 289.9</b>	<b>33 341.9</b>	<b>37 230.5</b>	<b>35 506.6</b>	<b>97.3%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 732.7</b>	<b>1 675.4</b>	<b>1 913.9</b>	<b>1 898.1</b>	<b>2 366.6</b>	<b>2 128.7</b>	<b>2 667.3</b>	<b>2 619.4</b>	<b>95.9%</b>
Compensation of employees	1 178.3	1 080.9	1 195.8	1 264.4	1 349.0	1 261.6	1 480.8	1 362.5	95.5%
Goods and services	481.1	482.0	645.5	435.5	765.0	614.9	809.8	971.1	92.7%
Depreciation	61.0	45.2	59.6	47.2	52.4	42.9	45.7	49.2	84.4%
Interest, dividends and rent on land	12.4	67.3	13.0	151.0	200.3	209.4	331.1	236.6	119.3%
<b>Transfers and subsidies</b>	<b>23 895.8</b>	<b>40 456.1</b>	<b>55 479.0</b>	<b>66 266.5</b>	<b>70 357.9</b>	<b>65 954.6</b>	<b>71 573.0</b>	<b>68 435.9</b>	<b>109.0%</b>
<b>Total expenses</b>	<b>25 628.5</b>	<b>42 131.5</b>	<b>57 392.9</b>	<b>68 164.6</b>	<b>72 724.6</b>	<b>68 083.4</b>	<b>74 240.3</b>	<b>71 055.3</b>	<b>108.5%</b>
<b>Surplus/(Deficit)</b>	<b>(3 021.0)</b>	<b>(19 452.0)</b>	<b>(24 344.0)</b>	<b>(34 958.0)</b>	<b>(37 435.0)</b>	<b>(34 741.0)</b>	<b>(37 010.0)</b>	<b>(35 549.0)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	313.7	281.8	301.8	227.2	270.4	215.8	325.1	266.9	81.9%
<i>of which:</i>									
<b>Acquisition of assets</b>	<b>(82.5)</b>	<b>(57.6)</b>	<b>(90.8)</b>	<b>(40.9)</b>	<b>(95.6)</b>	<b>(33.0)</b>	<b>(100.3)</b>	<b>(100.3)</b>	<b>62.8%</b>
Inventory	3.4	4.9	5.2	5.7	6.1	5.7	6.4	6.0	105.7%
Loans	148.6	140.9	149.2	147.1	156.0	160.9	165.3	170.6	100.1%
Accrued investment interest	36.8	4.4	4.6	9.5	10.1	7.2	10.7	7.6	46.2%
Receivables and prepayments	5 107.0	5 887.1	8 330.3	7 361.8	7 361.8	7 156.5	7 699.0	7 447.5	97.7%
Cash and cash equivalents	149.5	1 048.2	1 666.2	2 044.3	1 691.1	1 652.4	1 682.3	1 681.3	123.8%
<b>Total assets</b>	<b>5 758.9</b>	<b>7 367.3</b>	<b>10 457.4</b>	<b>9 795.8</b>	<b>9 495.5</b>	<b>9 198.5</b>	<b>9 888.9</b>	<b>9 580.0</b>	<b>101.0%</b>
Accumulated surplus/(deficit)	(52 159.1)	(110 377.1)	(134 667.5)	(145 335.5)	(183 074.9)	(180 077.0)	(220 155.7)	(215 218.0)	110.3%
Capital and reserves	123.6	130.5	130.5	83.4	83.4	84.1	83.4	84.1	90.8%
Trade and other payables	533.6	259.1	12 100.0	248.6	256.9	278.1	272.3	281.2	8.1%
Provisions	57 260.8	117 354.8	132 894.5	154 799.2	192 230.1	188 913.3	229 688.9	224 432.7	112.0%
<b>Total equity and liabilities</b>	<b>5 758.9</b>	<b>7 367.3</b>	<b>10 457.4</b>	<b>9 795.8</b>	<b>9 495.5</b>	<b>9 198.5</b>	<b>9 888.9</b>	<b>9 580.0</b>	<b>101.0%</b>

## Statements of estimates of financial performance and position

### Table 35.29 Road Accident Fund statements of estimates of financial performance and position

Statement of financial performance									
R million	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>	<b>81.3</b>	<b>7.4%</b>	<b>0.3%</b>	<b>82.0</b>	<b>82.1</b>	<b>82.1</b>	<b>0.3%</b>	<b>0.2%</b>	
Other non-tax revenue	81.3	7.4%	0.3%	82.0	82.1	82.1	0.3%	0.2%	
<b>Tax revenue: fuel levy</b>	<b>35 425.3</b>	<b>16.1%</b>	<b>99.7%</b>	<b>42 308.1</b>	<b>45 296.5</b>	<b>47 523.3</b>	<b>10.3%</b>	<b>99.8%</b>	
<b>Total revenue</b>	<b>35 506.6</b>	<b>16.1%</b>	<b>100.0%</b>	<b>42 390.2</b>	<b>45 378.6</b>	<b>47 605.3</b>	<b>10.3%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>2 619.4</b>	<b>16.1%</b>	<b>3.4%</b>	<b>2 838.3</b>	<b>3 128.8</b>	<b>3 489.7</b>	<b>10.0%</b>	<b>3.6%</b>	
Compensation of employees	1 362.5	8.0%	2.0%	1 471.5	1 589.2	1 716.4	8.0%	1.8%	
Goods and services	971.1	26.3%	1.0%	1 054.6	1 195.7	1 393.8	12.8%	1.4%	
Depreciation	49.2	2.9%	0.1%	44.9	41.8	38.2	-8.1%	0.1%	
Interest, dividends and rent on land	236.6	52.1%	0.3%	267.4	302.1	341.4	13.0%	0.3%	
<b>Transfers and subsidies</b>	<b>68 435.9</b>	<b>19.2%</b>	<b>96.6%</b>	<b>73 514.4</b>	<b>84 061.2</b>	<b>96 107.7</b>	<b>12.0%</b>	<b>96.4%</b>	
<b>Total expenses</b>	<b>71 055.3</b>	<b>19.0%</b>	<b>100.0%</b>	<b>76 352.7</b>	<b>87 190.0</b>	<b>99 597.4</b>	<b>11.9%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>(35 549.0)</b>			<b>(33 963.0)</b>	<b>(41 811.0)</b>	<b>(51 992.0)</b>			
<b>Statement of financial position</b>									
Carrying value of assets	266.9	-1.8%	2.8%	327.4	396.2	474.2	21.1%	3.3%	
<i>of which:</i>									
<b>Acquisition of assets</b>	<b>(100.3)</b>	<b>20.3%</b>	<b>-0.7%</b>	<b>(105.4)</b>	<b>(110.6)</b>	<b>(116.2)</b>	<b>5.0%</b>	<b>-1.0%</b>	
Inventory	6.0	6.8%	0.1%	6.4	6.8	7.2	6.0%	0.1%	
Loans	170.6	6.6%	1.7%	180.8	191.6	203.1	6.0%	1.7%	
Accrued investment interest	7.6	20.5%	0.1%	8.1	8.6	9.1	6.0%	0.1%	
Receivables and prepayments	7 447.5	8.2%	77.7%	8 606.4	9 323.7	9 833.0	9.7%	79.6%	
Cash and cash equivalents	1 681.3	17.1%	17.7%	1 682.0	1 682.1	1 682.1	0.0%	15.3%	
<b>Total assets</b>	<b>9 580.0</b>	<b>9.1%</b>	<b>100.0%</b>	<b>10 811.1</b>	<b>11 609.0</b>	<b>12 208.6</b>	<b>8.4%</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	(215 218.0)	24.9%	-1 796.5%	(249 246.8)	(291 128.4)	(343 195.0)	16.8%	-2 467.7%	
Capital and reserves	84.1	-13.6%	1.1%	84.1	84.1	84.1	-	0.8%	
Trade and other payables	281.2	2.8%	3.0%	298.0	315.9	334.9	6.0%	2.8%	
Provisions	224 432.7	24.1%	1 892.4%	259 675.7	302 337.4	354 984.7	16.5%	2 564.2%	
<b>Total equity and liabilities</b>	<b>9 580.0</b>	<b>9.1%</b>	<b>100.0%</b>	<b>10 811.1</b>	<b>11 609.0</b>	<b>12 208.6</b>	<b>8.4%</b>	<b>100.0%</b>	

## Personnel information

**Table 35.30 Road Accident Fund 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							
Road Accident Fund		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost	Unit cost	Number	Cost	Unit cost		
Salary level	2 917	2 917	2 830	1 261.6	0.4	2 917	1 362.5	0.5	2 917	1 471.5	0.5	2 951	1 589.2	0.5	2 951	1 716.4	0.6	8.0%	100.0%
1 – 6	353	353	353	52.5	0.1	353	57.4	0.2	353	62.0	0.2	353	66.9	0.2	353	72.3	0.2	8.0%	12.0%
7 – 10	2 067	2 067	1 980	758.2	0.4	2 067	813.1	0.4	2 067	878.2	0.4	2 067	948.3	0.5	2 067	1 024.3	0.5	8.0%	70.5%
11 – 12	390	390	390	309.2	0.8	390	337.6	0.9	390	364.7	0.9	424	393.9	0.9	424	425.3	1.0	8.0%	13.9%
13 – 16	99	99	99	115.5	1.2	99	126.1	1.3	99	136.2	1.4	99	147.1	1.5	99	158.8	1.6	8.0%	3.4%
17 – 22	8	8	8	26.2	3.3	8	28.3	3.5	8	30.6	3.8	8	33.0	4.1	8	35.6	4.5	8.0%	0.3%

1. Rand million.

## South African National Roads Agency

### Mandate

The South African National Roads Agency is a schedule 3A public entity established by the South African National Roads Agency Limited and National Roads Act (1998). The agency is responsible for the planning, design, construction, operation, management, control, maintenance and rehabilitation of the South African national road network, including the financing of these functions. This includes both toll and non-toll roads.

### Selected performance indicators

**Table 35.31 South African National Roads Agency performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Smooth travel exposure: Percentage of travel undertaken each year on national roads with roughness less than 4.2 on international roughness index	Routine maintenance	Entity mandate	96%	96%	97%	97%	95%	95%	95%
Low rut exposure: Percentage of travel undertaken per year on national roads with rut depth less than 20mm	Routine maintenance		99%	96%	99%	99%	95%	95%	95%
High texture exposure: Percentage of travel undertaken per year on national roads with macro texture higher than 0.4mm	Routine maintenance		99%	99%	99%	99%	95%	95%	95%
Bridge condition exposure index: Percentage of travel over or under bridges on national roads with overall condition index higher than 80	Routine maintenance		92%	93%	94%	93%	90%	90%	90%
Length of network with active routine road maintenance contracts (km)	Routine maintenance		21 403	21 490	22 197	22 197	22 197	22 197	22 197
Resurface length: Length of road resealed/overlayed per year (km)	Routine maintenance	Outcome 6: An efficient, competitive and responsive economic infrastructure network	851	1 563	1 891	900	1 000	1 100	1 100
Length of road strengthened/improved per year (km)	Strengthening		687	370	575	450	475	500	500

### Expenditure analysis

Over the medium term, the South African National Roads Agency intends to focus on undertaking preventative maintenance to improve and preserve the national road network. This is in line with outcome 6 (an efficient, competitive and responsive economic infrastructure network) of government's 2014-2019 medium-term

strategic framework.

Accordingly, over the MTEF period, the agency plans to resurface 3 200 kilometres of road, strengthen or improve 1 475 kilometres of road, and build new interchanges and bridges. The agency's total expenditure is expected to increase at an average annual rate of 2.4 per cent over the MTEF period, from R34.7 billion in 2017/18 to R37.2 billion in 2020/21. Payments to service providers for road maintenance and/or construction accounts for the bulk of the agency's total expenditure, which is expected to increase at an average annual rate of 30 per cent over the medium term, from R3.7 billion in 2017/18 to R8.1 billion in 2020/21. This increase is due to upgrades to the N3 Marianhill and N2 North and South coast roads.

The agency's staff complement is expected to remain constant at 390 over the MTEF period. Spending on compensation of employees is expected to increase at an average annual rate of 10.5 per cent, from R312 million in 2017/18 to R421.5 million in 2020/21.

The agency has two areas from which it generates revenue, transfers from the department for non-toll business and revenue generated from toll fees. Non-toll business is funded through transfers from the department, which amounts to R29.1 billion over the medium term. Toll revenue is expected to increase at an average annual rate of 5 per cent, from R4.9 billion in 2017/18 to R5.7 billion in 2020/21.

### Programmes/Objectives/Activities

**Table 35.32 South African National Roads Agency expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Administration	8 527.3	8 253.7	13 410.0	13 989.1	17.9%	54.5%	15 082.8	16 265.3	17 549.7	7.9%	45.5%
Routine maintenance	2 490.8	888.3	4 222.7	9 004.8	53.5%	17.2%	8 129.8	7 758.8	5 886.1	-13.2%	22.4%
Strengthening	1 290.0	1 522.9	1 110.2	2 248.1	20.3%	7.8%	1 553.2	547.0	476.6	-40.4%	3.5%
Improvements	1 064.6	1 586.3	1 134.1	3 679.7	51.2%	8.5%	2 935.3	3 775.0	8 079.3	30.0%	13.1%
New facilities	832.4	2 347.8	2 053.4	5 781.8	90.8%	12.0%	4 969.4	5 273.3	5 250.1	-3.2%	15.4%
<b>Total</b>	<b>14 205.1</b>	<b>14 599.0</b>	<b>21 930.5</b>	<b>34 703.6</b>	<b>34.7%</b>	<b>100.0%</b>	<b>32 670.5</b>	<b>33 619.4</b>	<b>37 241.7</b>	<b>2.4%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 35.33 South African National Roads Agency statements of historical financial performance and position**

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17			
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>4 692.5</b>	<b>7 727.2</b>	<b>5 099.8</b>	<b>6 554.1</b>	<b>6 357.1</b>	<b>7 924.2</b>	<b>5 338.8</b>	<b>6 974.6</b>	<b>135.8%</b>
Sale of goods and services other than capital assets	4 546.0	6 678.1	4 441.6	5 007.4	5 839.2	5 422.3	5 320.5	5 446.3	111.9%
<i>of which:</i>									
<i>Sales by market establishment</i>	4 221.4	6 376.2	4 091.6	4 683.5	5 369.7	4 959.0	4 995.4	4 959.8	112.3%
<i>Toll Income</i>	4 193.5	6 331.8	4 044.9	4 632.9	5 295.4	4 910.5	4 911.4	4 911.4	112.7%
<i>Concession income</i>	-	7.8	7.1	2.9	-	1.0	-	-	163.4%
<i>Rental income on leased properties</i>	27.9	36.6	39.7	47.7	74.3	47.4	83.9	48.4	79.8%
<i>Other sales</i>	324.6	302.0	350.0	323.9	469.6	463.3	325.2	486.5	107.2%
Other non-tax revenue	146.4	1 049.1	658.2	1 546.7	517.8	2 501.9	18.2	1 528.2	494.2%
<b>Transfers received</b>	<b>8 197.9</b>	<b>5 369.4</b>	<b>12 542.5</b>	<b>6 841.5</b>	<b>13 915.6</b>	<b>9 044.1</b>	<b>15 944.8</b>	<b>15 944.8</b>	<b>73.5%</b>
<b>Total revenue</b>	<b>12 890.4</b>	<b>13 096.6</b>	<b>17 642.3</b>	<b>13 395.6</b>	<b>20 272.7</b>	<b>16 968.3</b>	<b>21 283.6</b>	<b>22 919.4</b>	<b>92.1%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>23 362.8</b>	<b>14 205.1</b>	<b>17 771.3</b>	<b>14 599.0</b>	<b>26 295.5</b>	<b>21 930.5</b>	<b>29 661.9</b>	<b>34 703.6</b>	<b>88.0%</b>
Compensation of employees	200.3	223.2	244.6	256.6	275.2	296.0	312.0	312.0	105.4%
Goods and services	18 123.7	7 720.9	11 565.6	7 794.2	19 546.3	13 932.7	22 926.6	26 298.3	77.3%
Depreciation	1 594.9	2 536.3	2 559.1	2 902.9	2 866.2	3 133.3	3 296.2	3 296.2	115.0%
Interest, dividends and rent on land	3 444.0	3 724.7	3 402.0	3 645.2	3 607.7	4 568.6	3 127.0	4 797.0	123.2%
<b>Total expenses</b>	<b>23 362.8</b>	<b>14 205.1</b>	<b>17 771.3</b>	<b>14 599.0</b>	<b>26 295.5</b>	<b>21 930.5</b>	<b>29 661.9</b>	<b>34 703.6</b>	<b>88.0%</b>
<b>Surplus/(Deficit)</b>	<b>(10 472.0)</b>	<b>(1 108.0)</b>	<b>(129.0)</b>	<b>(1 203.0)</b>	<b>(6 023.0)</b>	<b>(4 962.0)</b>	<b>(8 378.0)</b>	<b>(11 784.0)</b>	

**Table 35.33 South African National Roads Agency statements of historical financial performance and position**

Statement of financial position									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	2014/15 - 2017/18
R million	2014/15		2015/16		2016/17		2017/18		
Carrying value of assets	277 511.4	310 250.7	314 083.7	316 826.5	322 546.5	345 545.2	284 412.0	354 266.0	110.7%
<i>of which:</i>									
Acquisition of assets	(12 199.2)	(9 131.6)	(12 381.0)	(7 301.4)	(10 650.9)	(7 658.0)	(13 312.1)	(8 074.3)	66.3%
Investments	596.1	712.5	464.1	925.9	294.3	646.9	593.2	695.1	153.0%
Receivables and prepayments	2 357.8	4 608.1	4 157.8	7 050.2	3 956.9	5 366.8	3 457.6	5 903.5	164.6%
Cash and cash equivalents	3 939.0	9 479.4	5 939.0	9 490.1	4 433.7	6 570.0	4 502.4	7 949.7	178.0%
Non-current assets held for sale	139.6	27.0	139.6	20.1	146.6	74.2	–	75.0	46.1%
<b>Total assets</b>	<b>284 543.9</b>	<b>325 077.7</b>	<b>324 784.2</b>	<b>334 312.8</b>	<b>331 377.9</b>	<b>358 203.1</b>	<b>292 965.1</b>	<b>368 889.3</b>	<b>112.4%</b>
Accumulated surplus/(deficit)	(4 611.6)	(8 873.2)	(4 860.9)	(9 243.8)	(3 939.0)	(14 205.8)	(711.6)	(6 910.9)	277.8%
Capital and reserves	210 590.3	240 179.9	239 681.1	241 083.5	239 681.1	263 393.5	239 681.1	269 951.0	109.1%
Capital reserve fund	31 559.0	–	34 559.0	–	37 219.3	–	44 373.2	–	–
Borrowings	36 627.0	47 114.8	38 144.2	48 845.2	39 749.3	48 754.7	–	51 192.4	171.1%
Finance lease	–	0.4	–	0.8	–	0.2	–	–	–
Deferred income	1 061.2	35 979.8	7 347.8	41 886.6	7 949.1	46 647.5	6 545.7	48 404.7	755.0%
Trade and other payables	2 730.3	2 954.7	2 930.6	3 838.5	3 777.9	4 803.5	3 076.7	4 923.6	132.0%
Provisions	28.6	420.4	43.9	379.1	50.6	385.8	–	403.8	1 291.1%
Managed funds (e.g. poverty alleviation fund)	469.5	–	849.1	–	800.0	–	–	–	–
Derivatives financial instruments	6 089.5	7 300.9	6 089.5	7 523.0	6 089.5	8 423.7	–	924.7	132.3%
<b>Total equity and liabilities</b>	<b>284 543.9</b>	<b>325 077.7</b>	<b>324 784.2</b>	<b>334 312.8</b>	<b>331 377.9</b>	<b>358 203.1</b>	<b>292 965.1</b>	<b>368 889.3</b>	<b>112.4%</b>

**Statements of estimates of financial performance and position****Table 35.34 South African National Roads Agency statements of estimates of financial performance and position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expend- iture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expend- iture/ 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>11 934.4</b>	<b>15.6%</b>	<b>46.3%</b>	<b>12 500.8</b>	<b>13 095.5</b>	<b>13 719.8</b>	<b>4.8%</b>	<b>42.0%</b>
Sale of goods and services other than capital assets	10 406.2	15.9%	36.0%	10 923.6	11 466.8	12 037.1	5.0%	36.7%
<i>of which:</i>								
Sales by market establishment	4 959.8	-8.0%	33.6%	5 206.4	5 465.2	5 737.0	5.0%	17.5%
Toll Income	4 911.4	-8.1%	33.3%	5 157.0	5 414.9	5 685.6	5.0%	17.3%
Rental income on leased properties	48.4	9.7%	0.3%	49.4	50.4	51.4	2.0%	0.2%
Other sales	486.5	17.2%	2.4%	510.8	536.4	563.2	5.0%	1.7%
Other non-tax revenue	1 528.2	13.4%	10.2%	1 577.2	1 628.7	1 682.7	3.3%	5.3%
<b>Transfers received</b>	<b>15 944.8</b>	<b>43.7%</b>	<b>53.7%</b>	<b>15 624.2</b>	<b>19 305.5</b>	<b>20 386.1</b>	<b>8.5%</b>	<b>58.0%</b>
<b>Total revenue</b>	<b>27 879.2</b>	<b>28.6%</b>	<b>100.0%</b>	<b>28 125.0</b>	<b>32 401.0</b>	<b>34 105.9</b>	<b>7.0%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>34 703.6</b>	<b>34.7%</b>	<b>100.0%</b>	<b>32 670.5</b>	<b>33 619.4</b>	<b>37 241.7</b>	<b>2.4%</b>	<b>100.0%</b>
Compensation of employees	312.0	11.8%	1.4%	348.4	383.2	421.5	10.5%	1.1%
Goods and services	26 298.3	50.5%	61.8%	23 659.5	23 959.1	26 879.8	0.7%	72.9%
Depreciation	3 296.2	9.1%	15.4%	3 625.8	3 988.4	4 387.2	10.0%	11.1%
Interest, dividends and rent on land	4 797.0	8.8%	21.5%	5 036.9	5 288.7	5 553.1	5.0%	15.0%
<b>Total expenses</b>	<b>34 703.6</b>	<b>34.7%</b>	<b>100.0%</b>	<b>32 670.5</b>	<b>33 619.4</b>	<b>37 241.7</b>	<b>2.4%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(6 824.0)</b>			<b>(4 546.0)</b>	<b>(1 218.0)</b>	<b>(3 136.0)</b>		
<b>Statement of financial position</b>								
Carrying value of assets	354 266.0	4.5%	95.7%	363 172.5	372 305.0	381 663.5	2.5%	95.6%
<i>of which:</i>								
Acquisition of assets	(8 074.3)	-4.0%	-2.3%	(8 479.0)	(8 903.8)	(9 348.7)	5.0%	-2.3%
Investments	695.1	-0.8%	0.2%	747.3	803.9	865.2	7.6%	0.2%
Receivables and prepayments	5 903.5	8.6%	1.7%	6 493.9	7 143.3	7 857.6	10.0%	1.8%
Cash and cash equivalents	7 949.7	-5.7%	2.4%	8 744.7	9 619.1	10 581.1	10.0%	2.4%
Non-current assets held for sale	75.0	40.6%	0.0%	76.0	77.0	78.0	1.3%	0.0%
<b>Total assets</b>	<b>368 889.3</b>	<b>4.3%</b>	<b>100.0%</b>	<b>379 234.4</b>	<b>389 948.2</b>	<b>401 045.3</b>	<b>2.8%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	(6 910.9)	-8.0%	-2.8%	(7 928.4)	(9 028.9)	(10 228.2)	14.0%	-2.2%
Capital and reserves	269 951.0	4.0%	73.2%	276 672.5	283 562.1	290 623.8	2.5%	72.8%
Borrowings	51 192.4	2.8%	14.1%	53 752.1	56 439.6	59 261.6	5.0%	14.3%
Deferred income	48 404.7	10.4%	12.4%	50 294.1	52 332.8	54 539.7	4.1%	13.4%
Trade and other payables	4 923.6	18.6%	1.2%	5 046.7	5 172.9	5 302.2	2.5%	1.3%
Provisions	403.8	-1.3%	0.1%	426.3	450.2	475.6	5.6%	0.1%
Derivatives financial instruments	924.7	-49.8%	1.8%	970.9	1 019.5	1 070.5	5.0%	0.3%
<b>Total equity and liabilities</b>	<b>368 889.3</b>	<b>4.3%</b>	<b>100.0%</b>	<b>379 234.4</b>	<b>389 948.2</b>	<b>401 045.3</b>	<b>2.8%</b>	<b>100.0%</b>

## Personnel information

**Table 35.35 South African National Roads Agency 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							
South African National Roads Agency		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	390	390	349	296.0	0.8	390	312.0	0.8	390	348.4	0.9	390	383.2	1.0	390	421.5	1.1	10.5%	100.0%
1 – 6	14	14	10	2.1	0.2	14	2.5	0.2	14	2.8	0.2	14	3.1	0.2	14	3.4	0.2	10.8%	3.6%
7 – 10	219	219	196	92.9	0.5	219	101.5	0.5	219	113.8	0.5	219	125.4	0.6	219	138.2	0.6	10.8%	56.2%
11 – 12	54	54	39	39.9	1.0	54	51.8	1.0	54	57.6	1.1	54	63.5	1.2	54	69.9	1.3	10.5%	13.8%
13 – 16	96	96	97	146.6	1.5	96	141.7	1.5	96	158.2	1.6	96	173.7	1.8	96	190.7	2.0	10.4%	24.6%
17 – 22	7	7	7	14.5	2.1	7	14.5	2.1	7	16.0	2.3	7	17.6	2.5	7	19.3	2.8	10.0%	1.8%

1. Rand million.

## Other entities

Comprehensive coverage of the following 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.

- The **Air Traffic and Navigation Services Company** provides safe, orderly and efficient air traffic navigational and associated services to the air traffic management community. The company's estimated expenditure for 2018/19 is R1.7 billion.
- The **Cross-Border Road Transport Agency** is a schedule 3A public entity established in terms of the Cross Border-Road Transport Act (1998). The agency's legislative mandate requires it to advise the Minister of Transport on cross-border road transport policy, regulate access to the market by the road transport freight and passenger industry in respect of cross-border road transport by issuing permits, undertake road transport law enforcement, and play a facilitative role in contributing to economic prosperity of the region. The agency's estimated expenditure for 2018/19 is R194.3 million.
- The **driving licence card account** manufactures credit card format driving licences, based on orders received from driving licence testing centres, and generates its own revenue through the sale of the licence cards. The entity's estimated expenditure for 2018/19 is R233 million.
- The **Ports Regulator of South Africa** performs functions that relate mainly to the regulation of pricing and other aspects of economic regulation, the promotion of equal access to ports facilities and services, the monitoring of the industry's compliance with the regulatory framework, and the hearing of any complaints and appeals lodged with it. The regulator's estimated expenditure for 2018/19 is R26 million.
- The **Railway Safety Regulator** oversees and promotes safe railway operations through appropriate support, monitoring and enforcement, guided by an enabling regulatory framework, including regulations for all rail operators in South Africa and those of neighbouring countries whose rail operations enter South Africa. The regulator's estimated expenditure for 2018/19 is R286.1 million.
- The **Road Traffic Infringement Agency** promotes road traffic quality by providing for a scheme to discourage road traffic infringements to support the prosecution of offences in terms of national and provincial laws relating to road traffic, and implements a points demerit system. The agency's estimated expenditure for 2018/19 is R318 million.
- The **Road Traffic Management Corporation** pools national and provincial government resources for the provision of road traffic management. This includes cooperative and coordinated road traffic strategic planning, regulation, facilitation and law enforcement. The corporation's estimated expenditure for 2018/19 is R1.2 billion.
- The **South African Civil Aviation Authority** promotes, regulates and enforces civil aviation safety and security standards across the aviation industry. The entity's estimated expenditure for 2018/19 is R735.5 million.

- The **South African Maritime Safety Authority** promotes South Africa's maritime interests, ensures the safety of life and property at sea, and prevents and combats the pollution of the marine environment by ships. Functions of the entity are also defined as per international maritime conventions to which South Africa is a signatory. The entity's estimated expenditure for 2018/19 is R411.9 million.

**Additional table: Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome		Adjusted appropriation	Medium-term expenditure estimate			
				2014/15	2015/16		2016/17	2018/19	2019/20	2020/21
<b>Infrastructure transfers to other spheres, agencies and departments</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
South African National Roads Agency	Development and upkeep of national road network	Various	–	8 180.8	8 891.9	9 329.4	11 112.4	9 682.3	13 030.9	12 747.1
Passenger Rail Agency of South Africa	Maintenance and rehabilitation of passenger rail infrastructure	Construction	–	11 059.0	11 595.4	10 438.3	9 300.2	7 976.2	6 324.9	6 672.4
Public transport infrastructure grant	Provision of public transport infrastructure and systems for municipalities	Various	–	4 678.0	–	–	–	–	–	–
Passenger Rail Agency of South Africa: Rolling stock	Provision of new rolling stock	Various	–	6 048.0	2 560.5	4 170.3	4 420.5	4 676.9	7 623.7	8 043.0
Provincial roads maintenance grant	Maintenance of provincial road infrastructure	Various	–	9 361.5	9 531.7	10 478.2	10 753.7	11 035.7	11 481.7	12 112.7
Public transport network grant	Funding for accelerated construction and improvement of public and non-motorised transport infrastructure	Various	–	–	5 953.1	5 592.7	6 159.6	6 253.7	6 114.2	6 450.2
<b>Total</b>			–	<b>39 327.2</b>	<b>38 532.6</b>	<b>40 008.9</b>	<b>41 746.2</b>	<b>39 624.7</b>	<b>44 575.4</b>	<b>46 025.3</b>