

# ◀ 2020 ▶ **BUDGET**

**VOTE  
31**

**EMPLOYMENT  
AND LABOUR**



**national treasury**

Department:  
National Treasury  
**REPUBLIC OF SOUTH AFRICA**





# **Estimates of National Expenditure**

**2020**

**National Treasury  
Republic of South Africa**



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The 2020 Estimates of National Expenditure is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available at [www.treasury.gov.za](http://www.treasury.gov.za). Compared to the abridged Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities, transfers and subsidies and information on programme specific personnel expenditure.

# Foreword

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

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

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

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

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



**Dondo Mogajane**  
**Director-General: National Treasury**



# Introduction

## Estimates of National Expenditure publications

Estimates of National Expenditure (ENE) publications describe in detail government's expenditure plans over the next three financial years, also known as the medium-term expenditure framework (MTEF) period. The 2020 MTEF period is from 2020/21 to 2022/23.

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

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

A separate 2020 ENE Overview publication is also available on the National Treasury website and summarises the ENE information across all votes. The 2020 ENE Overview contains a narrative explanation and budget-wide summary tables; and it also has a write-up on how to interpret the information that is contained in each section of the publications.





**Employment and Labour**

**National Treasury**

**Republic of South Africa**



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# Vote 31

## Employment and Labour

### Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	1 011.7	965.6	1.0	45.1	1 073.0	1 113.6
Inspection and Enforcement Services	676.9	659.8	0.1	17.0	720.5	747.7
Public Employment Services	643.5	386.1	250.7	6.7	685.9	711.4
Labour Policy and Industrial Relations	1 305.7	166.0	1 139.6	0.1	1 377.8	1 437.2
<b>Total expenditure estimates</b>	<b>3 637.7</b>	<b>2 177.6</b>	<b>1 391.4</b>	<b>68.8</b>	<b>3 857.2</b>	<b>4 009.8</b>

Executive authority Minister of Employment and Labour  
 Accounting officer Director-General of Employment and Labour  
 Website [www.labour.gov.za](http://www.labour.gov.za)

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

### Vote purpose

*Play a significant role in reducing unemployment, poverty and inequality by pursuing the objectives of decent work for all through: employment creation and enterprise development; the setting of standards and the protection of rights at work, including the facilitation of equal opportunities and social dialogue; and the provision of social protection.*

### Mandate

The Department of Employment and Labour derives its legislative mandate from the Constitution, particularly the Bill of Rights, which is given effect through a number of acts that regulate labour matters in South Africa. The most important of these are the Labour Relations Act (1995), the Basic Conditions of Employment Act (1997), the Employment Equity Act (1998), the Occupational Health and Safety Act (1993), and the Employment Services Act (2014).

The mandate of the department is to regulate the labour market through policies and programmes developed in consultation with social partners. These aim to:

- improve economic efficiency and productivity
- facilitate the creation of decent employment
- promote labour standards and fundamental rights at work
- provide adequate social safety nets to protect vulnerable workers
- promote and enforce sound labour relations
- promote equity in the workplace
- eliminate inequality and unfair discrimination in the workplace
- enhance occupational health and safety awareness and compliance in the workplace
- give value to social dialogue in the formulation of sound and responsive legislation and policies to attain labour market flexibility for the competitiveness of enterprises, balanced with the promotion of decent employment.

## Selected performance indicators

**Table 31.1 Performance indicators by programme and related priority**

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of employers inspected per year to determine compliance with employment law	Inspection and Enforcement Services	Priority 1: Economic transformation and job creation	185 958	214 946	218 919	218 732	220 692	220 692	220 692
Number of work seekers registered on the Employment Services of South Africa database per year	Public Employment Services		666 719	890 523	888 553	700 000	750 000	800 000	800 000
Number of registered work seekers provided with employment counselling per year	Public Employment Services		197 247	193 573	240 675	210 000	220 000	230 000	240 000
Number of employment opportunities registered on the Employment Services of South Africa database per year	Public Employment Services		74 510	109 917	142 804	90 000	95 000	100 000	105 000
Number of registered employment opportunities filled by registered work seekers per year	Public Employment Services		12 517	21 076	49 968	45 000	47 500	50 000	55 000

## Expenditure analysis

By facilitating the resolution of workplace disputes, improving labour relations, enhancing occupational health and safety, and facilitating job creation, the Department of Employment and Labour supports the realisation of the National Development Plan's vision of eliminating poverty and reducing inequality. In giving effect to this vision, priority 1 (economic transformation and job creation) of government's 2019-2024 medium-term strategic framework provides the overall strategic direction for the department's work. Over the medium term, the department will focus on providing support to work seekers, increasing safety and fairness in the workplace, and regulating the workplace to establish minimum working conditions and fair labour practices.

Cabinet has approved reductions of R114.7 million over the MTEF period across all programmes on goods and services (R44.7 million), compensation of employees (R18.6 million), payments for capital assets (R3.9 million) and transfers to departmental entities (R47.4 million). The reduction in the allocation for compensation of employees is expected to result in a decrease in the number of personnel from 3 510 in 2019/20 to 3 404 in 2022/23. These reductions will be effected on vacant posts. To accommodate the reduction in the allocation for goods and services, the department will conduct fewer external staff training exercises and communications strategies, and lease less office equipment.

### Supporting work seekers

The Department of Employment and Labour was created through the 2018 national macro reorganisation of government in recognition of the need to respond to increasing levels of unemployment, inequality and poverty in South Africa. The country's unemployment rate is among the highest in the world: in June 2019, according to the official definition, it reached 29 per cent; according to the expanded definition, 38.5 per cent. Young people aged between 15 and 35 are the most affected group, with an unemployment rate of 41 per cent according to the official definition and 52 per cent according to the expanded definition. More than half of unemployed youth find it difficult to access opportunities in the labour market because of their low levels of education and skills, lack of experience, and other social and economic factors.

In response to some of these challenges, the 2018 presidential jobs summit delivered a framework agreement consisting of high-impact actions aimed at driving job creation, job retention and economic growth. This agreement is an enabler for the creation of an estimated 275 000 jobs per year over the medium term. Cabinet has approved budget increases of R16 million over the MTEF period for transfers to the National Economic Development and Labour Council to fund the establishment of the presidential jobs summit secretariat, which will support the effective implementation, monitoring and evaluation of the agreement.

To leverage this momentum, the department plans to develop an employment policy, in line with International Labour Organisation guidelines, to coordinate all employment initiatives. This will be funded from the existing budget allocations of the *Work Seeker Services* and *Employer Services* subprogrammes. In addition, an employment schemes framework will be developed to facilitate the provision of short-term employment in response to the oversupply of labour and the lack of available opportunities for adequate employment. This framework, set to be implemented within the MTEF period, aims to provide short-term employment, especially for young people, to stimulate the economy through multiple strategies that will allow participants to generate their own income.

The establishment of 4 youth employment centres within existing labour centres over the MTEF period will create an enabling environment for the accelerated employment of young work seekers. These centres will be equipped with free internet, CV drafting facilities, and self-help and assessment facilities, and will provide a mobile platform through which registered work seekers can be dynamically matched to available job opportunities registered on the Employment Services of South Africa database. Through the platform, work seekers will be profiled so that those who require less intervention and job preparation can be fast-tracked to job opportunities, thereby availing career counsellors to focus on work seekers who require more assistance and enhancing their prospects of securing employment. It is estimated that each youth employment centre will cost R3 million to set up. This expenditure is in the *Work Seeker Services* subprogramme in the *Public Employment Services* programme.

The number of work seekers registered on the Employment Services of South Africa database is set to increase from 700 000 in 2019/20 to 800 000 per year from 2021/22 due to a planned increase in advocacy campaigns and the number of employment counsellors employed. Employment counselling will be provided to an estimated 690 000 registered work seekers over the medium term at a projected cost of R45 million in the *Work Seeker Services* subprogramme.

Through these advocacy campaigns targeted at potential employers, the department also hopes to increase the number of work seekers placed in registered employment opportunities and reduce the time it takes to facilitate placement. To streamline the placement process, the employment services system will be integrated with the systems of the Unemployment Insurance Fund and the Compensation Fund, as well as the national learners record database. The department will also play a more active role in facilitating job creation by establishing partnerships with stakeholders such as the Department of Higher Education and Training, the Department of Public Works and Infrastructure, the National Youth Development Agency, municipalities and the private sector. To ensure stakeholders remain able to provide employment to work seekers, the department will work closely with Productivity South Africa in implementing the training layoff scheme, the workplace challenge, business recovery and turnaround solutions, and job-saving programmes. As a result of these efforts, the number of registered employment opportunities filled by registered work seekers is expected to increase from 90 000 in 2019/20 to 105 000 in 2022/23 at an estimated cost of R140.4 million over the medium term in the *Work Seeker Services* subprogramme.

### ***Increasing safety and fairness in the workplace***

The department aims to ensure that employers adhere to employment equity plans and decent workplace principles, and that vulnerable workers are protected. Key to achieving this is the inspection of workplaces for compliance with employment law. In its efforts to create healthy and safe workplaces and respond to persistent non-compliance by employers, the department has amended the Occupational Health and Safety Act (1993) to introduce compulsory provisions such as permitting inspectors to administer fines, permitting health and safety representatives in the service of employers to check for compliance through routine inspections, and allowing employees to leave the workplace if conditions are unhealthy or unsafe. The amended act is targeted for implementation in 2020/21.

To provide improved services to employees and employers, and ensure that the most vulnerable employees are protected, the department will collaborate with the Compensation Fund to increase the number of compliance inspections conducted from 218 732 in 2019/20 to a targeted 220 692 in 2022/23. For the inspection and enforcement of employment law, R1.7 billion is allocated over the medium term in the *Compliance, Monitoring*

and Enforcement Services subprogramme in the *Inspection and Enforcement Services* programme.

### **Regulating the workplace to establish minimum working conditions and fair labour practices**

To accelerate the attainment of the National Development Plan's vision of reducing unemployment, poverty and inequality, the department, with social partners at the National Economic Development and Labour Council, will continue to set standards, institute minimum wages for vulnerable workers, and monitor compliance with the Employment Equity Act (1998). The National Minimum Wage Commission and secretariat established in 2019 will be responsible for reviewing, adjusting and monitoring the social and economic impact of the national minimum wage, which is set at R20 per hour. The commission is funded as part of the budget allocation of R100 million over the medium term in the *Employment Standards* subprogramme in the *Labour Policy and Industrial Relations* programme.

To assess the impact of policies and programmes aimed at increasing the protection of vulnerable workers, research will be conducted on the national minimum wage, employment policy, migration policy, transformation in the labour market, and occupational safety. For this purpose, R5 million has been budgeted for in 2020/21 in the *Research, Policy and Planning* subprogramme in the *Labour Policy and Industrial Relations* programme.

## **Expenditure trends and estimates**

**Table 31.2 Vote expenditure trends and estimates by programme and economic classification**

<b>Programmes</b>											
1. Administration											
2. Inspection and Enforcement Services											
3. Public Employment Services											
4. Labour Policy and Industrial Relations											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23		
Programme 1	819.1	768.7	804.9	962.0	5.5%	27.7%	1 011.7	1 073.0	1 113.6	5.0%	27.8%
Programme 2	464.3	520.2	549.2	631.6	10.8%	17.9%	676.9	720.5	747.7	5.8%	18.6%
Programme 3	524.9	485.5	542.8	619.6	5.7%	17.9%	643.5	685.9	711.4	4.7%	17.8%
Programme 4	953.4	1 069.6	1 189.7	1 220.0	8.6%	36.6%	1 305.7	1 377.8	1 437.2	5.6%	35.8%
<b>Total</b>	<b>2 761.6</b>	<b>2 844.0</b>	<b>3 086.7</b>	<b>3 433.2</b>	<b>7.5%</b>	<b>100.0%</b>	<b>3 637.7</b>	<b>3 857.2</b>	<b>4 009.8</b>	<b>5.3%</b>	<b>100.0%</b>
Change to 2019				(1.9)			(32.8)	(36.2)	(29.7)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>1 545.3</b>	<b>1 571.4</b>	<b>1 700.6</b>	<b>2 043.8</b>	<b>9.8%</b>	<b>56.6%</b>	<b>2 177.6</b>	<b>2 320.2</b>	<b>2 417.0</b>	<b>5.7%</b>	<b>60.0%</b>
Compensation of employees	1 064.7	1 059.5	1 149.7	1 363.7	8.6%	38.2%	1 490.5	1 588.9	1 658.0	6.7%	40.8%
Goods and services <sup>1</sup>	480.6	511.9	550.9	680.1	12.3%	18.3%	687.1	731.3	759.0	3.7%	19.1%
of which:											
Communication	24.8	28.5	24.9	42.8	20.0%	1.0%	47.1	49.4	51.6	6.4%	1.3%
Computer services	88.1	54.6	55.9	126.6	12.8%	2.7%	131.0	137.8	143.2	4.2%	3.6%
Fleet services (including government motor transport)	21.9	28.1	30.2	27.5	7.9%	0.9%	22.2	26.5	27.0	-0.5%	0.7%
Operating leases	115.7	138.7	132.5	157.7	10.9%	4.5%	161.2	169.5	176.0	3.7%	4.4%
Property payments	48.4	50.9	52.3	81.6	19.0%	1.9%	88.7	95.2	98.5	6.5%	2.4%
Travel and subsistence	72.2	85.3	110.3	84.9	5.6%	2.9%	78.6	84.8	89.1	1.6%	2.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 073.2</b>	<b>1 179.6</b>	<b>1 296.8</b>	<b>1 329.2</b>	<b>7.4%</b>	<b>40.2%</b>	<b>1 391.4</b>	<b>1 467.5</b>	<b>1 520.2</b>	<b>4.6%</b>	<b>38.2%</b>
Provinces and municipalities	0.6	0.7	0.8	0.7	2.8%	0.0%	0.7	0.7	0.8	5.6%	0.0%
Departmental agencies and accounts	879.4	979.9	1 103.5	1 112.3	8.1%	33.6%	1 163.0	1 225.6	1 269.3	4.5%	31.9%
Foreign governments and international organisations	19.7	20.0	20.3	18.9	-1.4%	0.7%	28.1	29.6	30.7	17.5%	0.7%
Non-profit institutions	168.8	173.4	167.9	192.6	4.5%	5.8%	199.2	211.1	218.9	4.3%	5.5%
Households	4.6	5.8	4.3	4.7	0.5%	0.2%	0.4	0.4	0.4	54.4%	0.0%
<b>Payments for capital assets</b>	<b>140.5</b>	<b>92.8</b>	<b>87.9</b>	<b>60.2</b>	<b>-24.6%</b>	<b>3.1%</b>	<b>68.8</b>	<b>69.5</b>	<b>72.6</b>	<b>6.5%</b>	<b>1.8%</b>
Buildings and other fixed structures	29.2	2.4	10.9	16.0	-18.2%	0.5%	16.5	17.8	18.8	5.5%	0.5%
Machinery and equipment	65.0	78.2	77.0	44.2	-12.1%	2.2%	52.3	51.7	53.8	6.8%	1.4%
Software and other intangible assets	46.4	12.1	-	-	-100.0%	0.5%	-	-	-	0.0%	0.0%
<b>Payments for financial assets</b>	<b>2.6</b>	<b>0.2</b>	<b>1.4</b>	<b>-</b>	<b>-100.0%</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Total</b>	<b>2 761.6</b>	<b>2 844.0</b>	<b>3 086.7</b>	<b>3 433.2</b>	<b>7.5%</b>	<b>100.0%</b>	<b>3 637.7</b>	<b>3 857.2</b>	<b>4 009.8</b>	<b>5.3%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 31.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R thousand											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>860 375</b>	<b>963 987</b>	<b>1 087 407</b>	<b>1 072 161</b>	<b>7.6%</b>	<b>81.7%</b>	<b>1 145 173</b>	<b>1 206 819</b>	<b>1 249 852</b>	<b>5.2%</b>	<b>81.9%</b>
Productivity South Africa	59 057	60 064	78 361	54 610	-2.6%	5.2%	57 069	60 210	62 428	4.6%	4.1%
Commission for Conciliation, Mediation and Arbitration	770 501	864 090	963 066	976 810	8.2%	73.3%	1 025 990	1 082 759	1 122 662	4.7%	73.7%
National Economic Development and Labour Council	30 817	39 833	45 980	40 741	9.8%	3.2%	62 114	63 850	64 762	16.7%	4.1%
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>4 536</b>	<b>5 361</b>	<b>3 822</b>	<b>4 701</b>	<b>1.2%</b>	<b>0.4%</b>	<b>404</b>	<b>426</b>	<b>447</b>	<b>-54.4%</b>	<b>0.1%</b>
Employee social benefits	4 536	5 361	3 822	4 701	1.2%	0.4%	404	426	447	-54.4%	0.1%
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>603</b>	<b>652</b>	<b>752</b>	<b>656</b>	<b>2.8%</b>	<b>0.1%</b>	<b>707</b>	<b>745</b>	<b>773</b>	<b>5.6%</b>	<b>0.1%</b>
Vehicle licences	603	652	752	656	2.8%	0.1%	707	745	773	5.6%	0.1%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>102</b>	<b>390</b>	<b>490</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Employee social benefits	102	390	490	–	-100.0%	–	–	–	–	–	–
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>19 719</b>	<b>19 974</b>	<b>20 278</b>	<b>18 930</b>	<b>-1.4%</b>	<b>1.6%</b>	<b>28 095</b>	<b>29 641</b>	<b>30 742</b>	<b>17.5%</b>	<b>1.9%</b>
International Labour Organisation	19 719	19 178	19 241	17 627	-3.7%	1.6%	26 720	28 190	29 237	18.4%	1.8%
African Regional Labour Administration Centre	–	796	1 037	1 303	–	0.1%	1 375	1 451	1 505	4.9%	0.1%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>168 787</b>	<b>173 351</b>	<b>167 877</b>	<b>192 648</b>	<b>4.5%</b>	<b>14.4%</b>	<b>199 179</b>	<b>211 057</b>	<b>218 892</b>	<b>4.3%</b>	<b>14.4%</b>
National Council for the Physically Disabled	296	292	336	–	-100.0%	–	–	–	–	–	–
South African National Council for the Blind	366	357	413	–	-100.0%	–	–	–	–	–	–
Workshops for the Blind	10 638	11 572	9 376	21 525	26.5%	1.1%	22 709	24 412	25 322	5.6%	1.6%
Supported Employment Enterprises	138 568	141 307	136 779	148 923	2.4%	11.6%	153 049	161 468	167 453	4.0%	11.1%
Various civil and labour organisations	18 879	19 823	20 973	22 147	5.5%	1.7%	23 365	25 117	26 054	5.6%	1.7%
Various schools: gifts and donations	40	–	–	53	9.8%	–	56	60	63	5.9%	–
<b>Departmental agencies and accounts</b>											
<b>Social security funds</b>											
<b>Current</b>	<b>19 031</b>	<b>15 917</b>	<b>16 100</b>	<b>40 107</b>	<b>28.2%</b>	<b>1.9%</b>	<b>17 805</b>	<b>18 784</b>	<b>19 482</b>	<b>-21.4%</b>	<b>1.7%</b>
Compensation Fund	19 031	15 917	16 100	40 107	28.2%	1.9%	17 805	18 784	19 482	-21.4%	1.7%
<b>Total</b>	<b>1 073 153</b>	<b>1 179 632</b>	<b>1 296 726</b>	<b>1 329 203</b>	<b>7.4%</b>	<b>100.0%</b>	<b>1 391 363</b>	<b>1 467 472</b>	<b>1 520 188</b>	<b>4.6%</b>	<b>100.0%</b>

## Personnel information

**Table 31.4 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes																		
1. Administration																		
2. Inspection and Enforcement Services																		
3. Public Employment Services																		
4. Labour Policy and Industrial Relations																		
Number of posts estimated for 31 March 2020			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 (%)		
		2018/19			2019/20			2020/21		2021/22		2022/23						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number			Cost	Unit cost
Employment and Labour			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	
Salary level	3 013	126	2 965	1 149.7	0.4	3 350	1 314.1	0.4	3 527	1 490.5	0.4	3 529	1 588.9	0.5	3 368	1 658.0	0.5	
1 – 6	1 459	114	1 436	336.1	0.2	1 624	354.6	0.2	1 732	414.5	0.2	1 744	439.3	0.3	1 580	422.1	0.3	-0.9%
7 – 10	1 216	12	1 197	516.4	0.4	1 303	552.4	0.4	1 352	621.3	0.5	1 338	661.3	0.5	1 337	712.8	0.5	0.9%
11 – 12	262	–	254	208.5	0.8	312	281.8	0.9	331	320.0	1.0	335	345.1	1.0	339	370.9	1.1	2.8%
13 – 16	77	–	78	88.7	1.1	111	125.3	1.1	112	134.6	1.2	112	143.2	1.3	112	152.1	1.4	0.3%
Programme	3 013	126	2 965	1 149.7	0.4	3 350	1 314.1	0.4	3 527	1 490.5	0.4	3 529	1 588.9	0.5	3 368	1 658.0	0.5	0.2%
Programme 1	1 087	126	1 052	367.2	0.3	1 699	418.9	0.2	1 740	457.3	0.3	1 746	487.8	0.3	1 658	505.9	0.3	-0.8%
Programme 2	1 195	–	1 204	432.4	0.4	1 215	522.6	0.4	1 247	565.6	0.5	1 253	603.1	0.5	1 208	625.6	0.5	-0.2%
Programme 3	560	–	559	255.8	0.5	298	272.8	0.9	385	350.1	0.9	380	372.9	1.0	350	386.7	1.1	5.5%
Programme 4	171	–	150	94.3	0.6	138	99.7	0.7	155	117.5	0.8	150	125.1	0.8	152	139.7	0.9	3.3%

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

2. Rand million.

## Departmental receipts

**Table 31.5 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2016/17	2019/20	2020/21	2021/22	2022/23
<b>Departmental receipts</b>	<b>11 702</b>	<b>16 805</b>	<b>10 781</b>	<b>19 561</b>	<b>19 561</b>	<b>18.7%</b>	<b>100.0%</b>	<b>14 691</b>	<b>15 158</b>	<b>16 077</b>	<b>-6.3%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>4 530</b>	<b>4 391</b>	<b>4 640</b>	<b>9 144</b>	<b>9 144</b>	<b>26.4%</b>	<b>38.6%</b>	<b>5 154</b>	<b>5 309</b>	<b>5 465</b>	<b>-15.8%</b>	<b>38.3%</b>
Sales by market establishments	164	153	142	144	144	-4.2%	1.0%	151	156	162	4.0%	0.9%
of which:												
Market establishment: Rental dwellings	43	40	62	32	32	-9.4%	0.3%	36	40	45	12.0%	0.2%
Market establishment: Rental parking (covered and open)	121	113	80	112	112	-2.5%	0.7%	115	116	117	1.5%	0.7%
Administrative fees	2 318	2 057	2 173	3 300	3 300	12.5%	16.7%	2 450	2 550	2 650	-7.1%	16.7%
of which:												
Occupational health and safety licences	2 318	2 057	2 173	2 600	2 600	3.9%	15.5%	2 450	2 550	2 650	0.6%	15.7%
Request information: Promotion of Access to Information Act (2000)	–	–	–	700	700	–	1.2%	–	–	–	-100.0%	1.1%
Other sales	2 048	2 181	2 325	5 700	5 700	40.7%	20.8%	2 553	2 603	2 653	-22.5%	20.6%
of which:												
Services rendered: Commission on insurance and garnishee	2 043	2 179	2 325	2 500	2 500	7.0%	15.4%	2 550	2 600	2 650	2.0%	15.7%
Replacement of security cards	–	–	–	3 200	3 200	–	5.4%	–	–	–	-100.0%	4.9%
Replacement - lost office property	5	2	–	–	–	-100.0%	–	3	3	3	–	–
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>25</b>	<b>45</b>	<b>25</b>	<b>17</b>	<b>17</b>	<b>-12.1%</b>	<b>0.2%</b>	<b>17</b>	<b>19</b>	<b>22</b>	<b>9.0%</b>	<b>0.1%</b>
of which:												
Sales: Scrap	–	3	25	–	–	–	–	1	1	1	–	–
Sales: Wastepaper	25	42	–	17	17	-12.1%	0.1%	16	18	21	7.3%	0.1%
<b>Fines, penalties and forfeits</b>	<b>1 011</b>	<b>2 281</b>	<b>1 988</b>	<b>1 700</b>	<b>1 700</b>	<b>18.9%</b>	<b>11.9%</b>	<b>1 300</b>	<b>1 350</b>	<b>1 400</b>	<b>-6.3%</b>	<b>8.8%</b>
<b>Interest, dividends and rent on land</b>	<b>1 377</b>	<b>1 357</b>	<b>1 233</b>	<b>1 600</b>	<b>1 600</b>	<b>5.1%</b>	<b>9.5%</b>	<b>1 550</b>	<b>1 600</b>	<b>1 650</b>	<b>1.0%</b>	<b>9.8%</b>
Interest	1 377	1 357	1 233	1 600	1 600	5.1%	9.5%	1 550	1 600	1 650	1.0%	9.8%
<b>Sales of capital assets</b>	<b>29</b>	<b>43</b>	<b>76</b>	<b>500</b>	<b>500</b>	<b>158.3%</b>	<b>1.1%</b>	<b>70</b>	<b>80</b>	<b>90</b>	<b>-43.5%</b>	<b>1.1%</b>
<b>Transactions in financial assets and liabilities</b>	<b>4 730</b>	<b>8 688</b>	<b>2 819</b>	<b>6 600</b>	<b>6 600</b>	<b>11.7%</b>	<b>38.8%</b>	<b>6 600</b>	<b>6 800</b>	<b>7 450</b>	<b>4.1%</b>	<b>41.9%</b>
<b>Total</b>	<b>11 702</b>	<b>16 805</b>	<b>10 781</b>	<b>19 561</b>	<b>19 561</b>	<b>18.7%</b>	<b>100.0%</b>	<b>14 691</b>	<b>15 158</b>	<b>16 077</b>	<b>-6.3%</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 31.6 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
R million											
Ministry	32.2	32.3	41.1	39.3	6.9%	4.3%	37.0	39.3	40.3	0.9%	3.7%
Management	255.4	256.4	272.6	268.2	1.6%	31.4%	278.9	296.8	308.1	4.7%	27.7%
Corporate Services	260.2	200.9	225.2	308.3	5.8%	29.6%	329.5	349.1	362.7	5.6%	32.4%
Office of the Chief Financial Officer	105.6	118.1	103.7	129.3	7.0%	13.6%	141.4	150.2	155.7	6.4%	13.9%
Office Accommodation	165.7	161.0	162.3	217.0	9.4%	21.0%	224.8	237.6	246.7	4.4%	22.3%
<b>Total</b>	<b>819.1</b>	<b>768.7</b>	<b>804.9</b>	<b>962.0</b>	<b>5.5%</b>	<b>100.0%</b>	<b>1 011.7</b>	<b>1 073.0</b>	<b>1 113.6</b>	<b>5.0%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				–			(10.8)	(11.2)	(11.8)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>708.6</b>	<b>721.5</b>	<b>751.2</b>	<b>915.6</b>	<b>8.9%</b>	<b>92.3%</b>	<b>965.6</b>	<b>1 026.5</b>	<b>1 064.6</b>	<b>5.2%</b>	<b>95.5%</b>
Compensation of employees	325.9	343.1	367.2	418.9	8.7%	43.4%	457.3	487.8	505.9	6.5%	45.0%
Goods and services <sup>1</sup>	382.7	378.4	383.9	496.6	9.1%	48.9%	508.3	538.8	558.7	4.0%	50.5%
of which:											
Audit costs: External	16.9	16.9	13.2	21.6	8.5%	2.0%	22.9	24.3	25.1	5.0%	2.3%
Communication	21.5	13.2	10.4	22.4	1.3%	2.0%	23.8	24.9	26.0	5.1%	2.3%
Computer services	87.3	53.8	55.0	123.0	12.1%	9.5%	126.7	133.5	138.8	4.1%	12.5%
Operating leases	113.5	135.7	129.7	152.3	10.3%	15.8%	157.0	165.2	171.5	4.0%	15.5%
Property payments	47.9	37.9	38.7	70.9	13.9%	5.8%	74.4	79.7	82.7	5.3%	7.4%
Travel and subsistence	32.0	37.9	42.4	31.1	-1.0%	4.3%	28.7	30.0	31.2	0.1%	2.9%
<b>Transfers and subsidies<sup>1</sup></b>	<b>2.0</b>	<b>2.8</b>	<b>2.3</b>	<b>4.6</b>	<b>31.2%</b>	<b>0.3%</b>	<b>1.0</b>	<b>1.0</b>	<b>1.1</b>	<b>-38.3%</b>	<b>0.2%</b>
Provinces and municipalities	0.6	0.6	0.7	0.7	5.2%	0.1%	0.7	0.7	0.8	5.6%	0.1%
Departmental agencies and accounts	–	–	0.0	–	–	–	–	–	–	–	–
Households	1.5	2.1	1.6	3.9	38.9%	0.3%	0.3	0.3	0.3	-57.5%	0.1%
<b>Payments for capital assets</b>	<b>105.8</b>	<b>44.1</b>	<b>50.0</b>	<b>41.8</b>	<b>-26.6%</b>	<b>7.2%</b>	<b>45.1</b>	<b>45.4</b>	<b>47.9</b>	<b>4.6%</b>	<b>4.3%</b>
Buildings and other fixed structures	29.2	2.4	10.9	16.0	-18.2%	1.7%	16.5	17.8	18.8	5.5%	1.7%
Machinery and equipment	30.3	29.6	39.2	25.8	-5.1%	3.7%	28.5	27.6	29.0	4.0%	2.7%
Software and other intangible assets	46.4	12.1	–	–	-100.0%	1.7%	–	–	–	–	–
<b>Payments for financial assets</b>	<b>2.6</b>	<b>0.2</b>	<b>1.4</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>819.1</b>	<b>768.7</b>	<b>804.9</b>	<b>962.0</b>	<b>5.5%</b>	<b>100.0%</b>	<b>1 011.7</b>	<b>1 073.0</b>	<b>1 113.6</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>29.7%</b>	<b>27.0%</b>	<b>26.1%</b>	<b>28.0%</b>	<b>–</b>	<b>–</b>	<b>27.8%</b>	<b>27.8%</b>	<b>27.8%</b>	<b>–</b>	<b>–</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
Current	1.4	1.8	1.2	3.9	41.0%	0.2%	0.3	0.3	0.3	-57.5%	0.1%
Employee social benefits	1.4	1.8	1.2	3.9	41.0%	0.2%	0.3	0.3	0.3	-57.5%	0.1%
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
Current	0.5	0.6	0.6	0.6	6.5%	0.1%	0.6	0.7	0.7	5.7%	0.1%
Vehicle licences	0.5	0.6	0.6	0.6	6.5%	0.1%	0.6	0.7	0.7	5.7%	0.1%

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

## Personnel information

**Table 31.7 Administration personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2020			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 (%)						
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23					
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost								
Administration			1 087	126		1 052	367.2	0.3	1 699	418.9	0.2	1 740	457.3	0.3	1 746	487.8	0.3	1 658	505.9	0.3		
Salary level																				-0.8%	100.0%	
1 – 6	635	114	609	124.0	0.2	925	132.4	0.1	943	145.6	0.2	957	157.6	0.2	868	153.6	0.2	868	153.6	0.2	-2.1%	54.0%
7 – 10	360	12	348	153.9	0.4	598	170.0	0.3	622	189.0	0.3	614	199.7	0.3	615	213.6	0.3	615	213.6	0.3	0.9%	35.8%
11 – 12	60	–	60	45.8	0.8	112	63.4	0.6	111	66.1	0.6	111	70.3	0.6	111	74.7	0.7	111	74.7	0.7	-0.3%	6.5%
13 – 16	33	–	35	43.5	1.2	64	53.2	0.8	64	56.6	0.9	64	60.2	0.9	64	63.9	1.0	64	63.9	1.0	–	3.7%

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

2. Rand million.

## Programme 2: Inspection and Enforcement Services

### Programme purpose

Realise decent work by regulating non-employment and employment conditions through inspection and enforcement to achieve compliance with all labour market policies.

### Objectives

- Protect vulnerable workers through the inspection and enforcement of labour legislation by ensuring that decent work principles are adhered to by the end of March 2020/21, by:
  - conducting 220 692 compliance inspections
  - serving 85 per cent of non-compliant employers inspected with a notice in terms of relevant employment law within 14 calendar days of inspection
  - referring 60 per cent of employers who fail to comply with a served notice to prosecution within 30 calendar days.
- Increase awareness of employment law by conducting formal advocacy sessions at 2 conferences and 4 seminars each year over the medium term.

### Subprogrammes

- *Management and Support Services: Inspection and Enforcement Services* manages the delegated administrative and financial responsibilities of the office of the deputy director-general, and provides corporate support to line function subprogrammes within the programme.
- *Occupational Health and Safety* promotes health and safety in the workplace by conducting inspections on compliance with the Occupational Health and Safety Act (1993), and regulating dangerous activities and the use of plant and machinery.
- *Registration: Inspection and Enforcement Services* registers incidents relating to labour relations and occupational health and safety, as reported by members of the public, and communicates these to relevant structures within the *Compliance, Monitoring and Enforcement Services* subprogramme for investigation.
- *Compliance, Monitoring and Enforcement Services* ensures that employers and employees comply with labour legislation by conducting regular inspections and following up on reported incidents.
- *Training of Staff: Inspection and Enforcement Services* defrays all expenditure relating to staff training within this programme.
- *Statutory and Advocacy Services* gives effect to legislative enforcement requirements and educates stakeholders on labour legislation.

## Expenditure trends and estimates

**Table 31.8 Inspection and Enforcement Services expenditure trends and estimates by subprogramme and economic classification**

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							Medium-term expenditure estimate				
R million	2016/17	2017/18	2018/19	2019/20	2016/17	2019/20	2020/21	2021/22	2022/23	2019/20	2022/23
Management and Support Services: Inspection and Enforcement Services	6.9	6.8	6.9	6.7	-1.1%	1.3%	7.3	7.8	8.0	6.5%	1.1%
Occupational Health and Safety Registration: Inspection and Enforcement Services	23.9	25.9	27.8	34.5	13.1%	5.2%	36.9	39.3	40.7	5.7%	5.5%
Compliance, Monitoring and Enforcement Services	53.6	61.1	62.5	72.6	10.6%	11.5%	77.0	82.2	85.0	5.4%	11.4%
Training of Staff: Inspection and Enforcement Services	367.8	414.9	439.0	502.3	10.9%	79.6%	539.2	573.8	595.7	5.9%	79.6%
Statutory and Advocacy Services	4.7	5.0	5.7	5.6	6.3%	1.0%	5.9	6.2	6.5	4.9%	0.9%
Total	464.3	520.2	549.2	631.6	10.8%	100.0%	676.9	720.5	747.7	5.8%	100.0%
Change to 2019 Budget estimate				0.4			(2.8)	(3.0)	(3.1)		
Economic classification											
Current payments	428.8	470.6	514.2	614.1	12.7%	93.6%	659.8	702.5	728.6	5.9%	97.4%
Compensation of employees	382.0	406.1	432.4	522.6	11.0%	80.5%	565.6	603.1	625.6	6.2%	83.4%
Goods and services <sup>1</sup> of which:	46.9	64.5	81.7	91.5	25.0%	13.1%	94.3	99.4	103.1	4.0%	14.0%
Communication	1.3	9.1	9.3	15.5	126.1%	1.6%	17.7	18.8	19.8	8.4%	2.6%
Fleet services (including government motor transport)	8.0	8.8	10.4	9.7	6.8%	1.7%	9.5	11.2	11.6	6.1%	1.5%
Consumables: Stationery, printing and office supplies	3.0	2.6	3.0	4.7	15.6%	0.6%	3.4	5.2	5.4	5.1%	0.7%
Property payments	0.3	5.9	6.3	6.9	188.4%	0.9%	6.9	5.8	6.0	-4.6%	0.9%
Travel and subsistence	22.6	25.7	38.6	29.2	8.9%	5.4%	29.3	30.9	31.9	3.0%	4.4%
Training and development	1.2	1.9	2.3	4.4	56.5%	0.4%	4.7	4.9	5.1	4.9%	0.7%
Transfers and subsidies <sup>1</sup>	1.7	1.8	1.4	0.5	-32.3%	0.2%	0.1	0.1	0.1	-44.9%	–
Provinces and municipalities	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Households	1.7	1.8	1.3	0.5	-31.9%	0.2%	0.1	0.1	0.1	-44.9%	–
Payments for capital assets	33.7	47.8	33.7	17.0	-20.5%	6.1%	17.0	17.9	19.0	3.8%	2.6%
Machinery and equipment	33.7	47.8	33.7	17.0	-20.5%	6.1%	17.0	17.9	19.0	3.8%	2.6%
Total	464.3	520.2	549.2	631.6	10.8%	100.0%	676.9	720.5	747.7	5.8%	100.0%
Proportion of total programme expenditure to vote expenditure	16.8%	18.3%	17.8%	18.4%	–	–	18.6%	18.7%	18.6%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	1.5	1.5	1.0	0.5	-29.2%	0.2%	0.1	0.1	0.1	-46.2%	–
Employee social benefits	1.5	1.5	1.0	0.5	-29.2%	0.2%	0.1	0.1	0.1	-46.2%	–

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

## Personnel information

**Table 31.9 Inspection and Enforcement Services personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2020		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 (%)				
		2018/19			2019/20			2020/21		2021/22		2022/23							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			2019/20 - 2022/23			
Inspection and Enforcement Services		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
Salary level	1 195	–	1 204	432.4	0.4	1 215	522.6	0.4	1 247	565.6	0.5	1 253	603.1	0.5	1 208	625.6	0.5	-0.2%	100.0%
1 – 6	666	–	670	180.5	0.3	665	209.7	0.3	706	235.6	0.3	718	251.8	0.4	687	257.6	0.4	1.1%	56.4%
7 – 10	466	–	471	196.1	0.4	476	231.5	0.5	466	242.2	0.5	457	254.8	0.6	443	265.3	0.6	-2.4%	37.4%
11 – 12	48	–	48	40.1	0.8	56	57.0	1.0	57	61.7	1.1	60	68.9	1.1	60	73.2	1.2	2.3%	4.7%
13 – 16	15	–	15	15.8	1.1	18	24.4	1.4	18	26.0	1.4	18	27.6	1.5	18	29.4	1.6	–	1.5%

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

2. Rand million.

## Programme 3: Public Employment Services

### Programme purpose

Assist companies and workers to adjust to changing labour market conditions.

### Objectives

- Provide public employment services by March 2021 by:
  - registering 750 000 work seekers on the Employment Services of South Africa database
  - providing employment counselling to 220 000 work seekers
  - filling 47 500 registered employment opportunities
  - registering 95 000 work opportunities on the Employment Services of South Africa database.
- Contribute to increasing employment opportunities for people with disabilities by providing quarterly funding over the medium term, and monitoring disability organisations on an ongoing basis.

### Subprogrammes

- *Management and Support Services: Public Employment Services* manages delegated administrative and financial responsibilities; coordinates all planning, monitoring and evaluation functions; and provides corporate support to line function subprogrammes.
- *Employer Services* registers work opportunities, facilitates the employment of foreign nationals where such skills do not exist in South Africa, oversees placement, responds to companies in distress, provides a social plan and regulates private employment agencies.
- *Work Seeker Services* registers work seekers, retrenched workers, and work, learning, training and income-generating opportunities on the Employment Services of South Africa database; and facilitates access to employment and income-generating opportunities for the unemployed and underemployed.
- *Designated Groups Special Services* facilitates the transfer of subsidies to national councils and workshops for the blind to promote the employment of people with disabilities.
- *Supported Employment Enterprises* promotes work and employment opportunities for people with disabilities by improving the administration, production and financial management of supported employment enterprises.
- *Productivity South Africa* transfers funds to Productivity South Africa, which promotes workplace productivity, competitiveness and social plan interventions.
- *Unemployment Insurance Fund* provides for the possible future funding of the Unemployment Insurance Fund.
- *Compensation Fund* provides for costs incurred through claims from civil servants for injuries sustained on duty or occupation-related illnesses and diseases, and provides for the funding of claims from the Compensation Fund.
- *Training of Staff: Public Employment Services* defrays all expenditure relating to staff training in the programme to easily identify this expenditure for reporting purposes.

## Expenditure trends and estimates

Table 31.10 Public Employment Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
R million											
Management and Support Services: Public Employment Services	89.5	42.5	48.1	52.0	-16.6%	10.7%	58.2	61.8	64.2	7.3%	8.9%
Employer Services	81.5	76.8	89.5	120.4	13.9%	16.9%	132.8	143.4	148.6	7.3%	20.5%
Work Seeker Services	115.1	130.6	156.6	174.0	14.8%	26.5%	193.2	206.5	214.3	7.2%	29.6%
Designated Groups Special Services	11.3	12.2	10.1	21.5	24.0%	2.5%	22.7	24.4	25.3	5.6%	3.5%
Supported Employment Enterprises	148.7	146.0	142.2	155.7	1.6%	27.3%	160.3	169.3	175.6	4.1%	24.8%
Productivity South Africa	59.1	60.1	78.4	54.6	-2.6%	11.6%	57.1	60.2	62.4	4.6%	8.8%
Unemployment Insurance Fund	—	—	—	0.0	—	—	0.0	0.0	0.0	—	—
Compensation Fund	19.0	15.9	16.1	40.1	28.2%	4.2%	17.8	18.8	19.5	-21.4%	3.6%
Training of Staff: Public Employment Services	0.7	1.4	1.9	1.3	22.4%	0.2%	1.4	1.5	1.5	5.0%	0.2%
<b>Total</b>	<b>524.9</b>	<b>485.5</b>	<b>542.8</b>	<b>619.6</b>	<b>5.7%</b>	<b>100.0%</b>	<b>643.5</b>	<b>685.9</b>	<b>711.4</b>	<b>4.7%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				8.4			(5.5)	(5.8)	(6.1)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>294.6</b>	<b>254.0</b>	<b>297.0</b>	<b>353.0</b>	<b>6.2%</b>	<b>55.2%</b>	<b>386.1</b>	<b>414.9</b>	<b>431.0</b>	<b>6.9%</b>	<b>59.6%</b>
Compensation of employees	272.3	220.4	255.8	312.8	4.7%	48.8%	350.1	372.9	386.8	7.3%	53.5%
Goods and services <sup>1</sup>	22.4	33.6	41.2	40.2	21.6%	6.3%	36.0	42.0	44.2	3.2%	6.1%
of which:											
Minor assets	0.7	0.3	0.5	1.5	32.4%	0.1%	2.5	2.7	2.7	20.3%	0.4%
Communication	1.5	4.1	4.2	3.1	27.8%	0.6%	3.7	3.8	3.8	7.3%	0.5%
Computer services	—	0.0	0.1	2.7	—	0.1%	2.7	2.7	2.7	—	0.4%
Consumables: Stationery, printing and office supplies	1.5	1.2	2.6	2.7	20.2%	0.4%	1.7	2.0	2.0	-8.9%	0.3%
Property payments	0.2	5.9	6.4	2.7	159.0%	0.7%	6.3	8.4	8.6	46.4%	1.0%
Travel and subsistence	8.9	10.8	13.7	12.1	10.7%	2.1%	8.8	11.4	12.9	2.3%	1.7%
<b>Transfers and subsidies<sup>1</sup></b>	<b>229.4</b>	<b>230.8</b>	<b>241.8</b>	<b>265.4</b>	<b>5.0%</b>	<b>44.5%</b>	<b>250.7</b>	<b>264.9</b>	<b>274.7</b>	<b>1.2%</b>	<b>39.7%</b>
Provinces and municipalities	0.0	0.0	—	—	-100.0%	—	—	—	—	—	—
Departmental agencies and accounts	78.1	76.0	94.5	94.7	6.6%	15.8%	74.9	79.0	81.9	-4.7%	12.4%
Non-profit institutions	149.9	153.5	146.9	170.4	4.4%	28.6%	175.8	185.9	192.8	4.2%	27.2%
Households	1.4	1.3	0.4	0.2	-47.5%	0.2%	0.1	0.1	0.1	-33.4%	—
<b>Payments for capital assets</b>	<b>0.9</b>	<b>0.7</b>	<b>4.0</b>	<b>1.3</b>	<b>12.1%</b>	<b>0.3%</b>	<b>6.7</b>	<b>6.0</b>	<b>5.7</b>	<b>65.6%</b>	<b>0.7%</b>
Machinery and equipment	0.9	0.7	4.0	1.3	12.1%	0.3%	6.7	6.0	5.7	65.6%	0.7%
<b>Total</b>	<b>524.9</b>	<b>485.5</b>	<b>542.8</b>	<b>619.6</b>	<b>5.7%</b>	<b>100.0%</b>	<b>643.5</b>	<b>685.9</b>	<b>711.4</b>	<b>4.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>19.0%</b>	<b>17.1%</b>	<b>17.6%</b>	<b>18.0%</b>	<b>—</b>	<b>—</b>	<b>17.7%</b>	<b>17.8%</b>	<b>17.7%</b>	<b>—</b>	<b>—</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>1.2</b>	<b>1.3</b>	<b>0.3</b>	<b>0.2</b>	<b>-45.6%</b>	<b>0.1%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-33.4%</b>	<b>—</b>
Employee social benefits	1.2	1.3	0.3	0.2	-45.6%	0.1%	0.1	0.1	0.1	-33.4%	—
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>59.1</b>	<b>60.1</b>	<b>78.4</b>	<b>54.6</b>	<b>-2.6%</b>	<b>11.6%</b>	<b>57.1</b>	<b>60.2</b>	<b>62.4</b>	<b>4.6%</b>	<b>8.8%</b>
Productivity South Africa	59.1	60.1	78.4	54.6	-2.6%	11.6%	57.1	60.2	62.4	4.6%	8.8%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>149.6</b>	<b>153.2</b>	<b>146.6</b>	<b>170.4</b>	<b>4.5%</b>	<b>28.5%</b>	<b>175.8</b>	<b>185.9</b>	<b>192.8</b>	<b>4.2%</b>	<b>27.2%</b>
South African National Council for the Blind	0.4	0.4	0.4	—	-100.0%	0.1%	—	—	—	—	—
Workshops for the Blind	10.6	11.6	9.4	21.5	26.5%	2.4%	22.7	24.4	25.3	5.6%	3.5%
Supported Employment Enterprises	138.6	141.3	136.8	148.9	2.4%	26.0%	153.0	161.5	167.5	4.0%	23.7%
<b>Departmental agencies and accounts</b>											
<b>Social security funds</b>											
<b>Current</b>	<b>19.0</b>	<b>15.9</b>	<b>16.1</b>	<b>40.1</b>	<b>28.2%</b>	<b>4.2%</b>	<b>17.8</b>	<b>18.8</b>	<b>19.5</b>	<b>-21.4%</b>	<b>3.6%</b>
Compensation Fund	19.0	15.9	16.1	40.1	28.2%	4.2%	17.8	18.8	19.5	-21.4%	3.6%

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

## Personnel information

**Table 31.11 Public Employment Services personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2020			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 (%)						
			2018/19			2019/20			2020/21		2021/22		2022/23									
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost	2019/20 - 2022/23		
Public Employment Services			560	–	–	559	255.8	0.5	298	272.9	0.9	385	350.1	0.9	380	372.9	1.0	350	386.8	1.1	5.5%	100.0%
1 – 6	139	–	138	26.9	0.2	26	10.2	0.4	65	27.7	0.4	57	26.0	0.5	15	7.4	0.5	–16.8%	11.5%			
7 – 10	274	–	274	113.7	0.4	135	95.2	0.7	170	130.5	0.8	172	141.5	0.8	184	161.1	0.9	10.9%	46.8%			
11 – 12	129	–	129	98.7	0.8	119	135.1	1.1	132	157.4	1.2	133	168.9	1.3	133	179.5	1.3	3.8%	36.6%			
13 – 16	18	–	18	16.5	0.9	18	32.3	1.8	18	34.4	1.9	18	36.5	2.0	18	38.8	2.2	–	5.1%			

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

2. Rand million.

## Programme 4: Labour Policy and Industrial Relations

### Programme purpose

Facilitate the establishment of an equitable and sound labour relations environment. Support institutions of social dialogue and promote South Africa's interests in international labour matters. Conduct research and analysis, and evaluate labour policy. Provide statistical data on the labour market.

### Objectives

- Improve employment equity implementation and compliance monitoring mechanisms in the labour market by:
  - publicising the 2019/20 employment equity annual report and public register by 30 June 2020
  - developing the 2020/21 employment equity annual report and public register by 31 March 2021.
- Extend protection to vulnerable workers by publishing a national minimum wage for all sectors by 31 March 2021.
- Promote sound labour relations and centralised collective bargaining through the extension of collective agreements and the registration of all qualifying labour and employer organisations by 31 March 2021.
- Monitor and evaluate the impact of labour legislation to promote an evidence-based labour policy framework through the production of research and labour market trend reports by 31 March 2021.

### Subprogrammes

- *Management and Support Services: Labour Policy and Industrial Relations* manages delegated administrative and financial responsibilities; coordinates all planning, monitoring and evaluation functions; and provides corporate support to line function subprogrammes.
- *Strengthen Civil Society* transfers funds to various civil society organisations that protect vulnerable workers by providing resources, support and expertise to improve the independence and self-reliance of workers in order to contribute to a stable and well-functioning labour market.
- *Collective Bargaining* manages the implementation of the Labour Relations Act (1995) through policies and practices that promote sound labour relations by registering labour organisations and deregistering those that are non-compliant, publishing and extending collective agreements, supporting and advancing participation in collective bargaining structures, and participating in relevant National Economic Development and Labour Council activities.
- *Employment Equity* promotes equity in the labour market through the elimination of unfair discrimination and the promotion of equitable representation in the workplace.

- *Employment Standards* protects vulnerable workers in the labour market by administering the Basic Conditions of Employment Act (1997).
- *Commission for Conciliation, Mediation and Arbitration* transfers funds to the Commission for Conciliation, Mediation and Arbitration, which promotes social justice and fairness in the workplace through dispute prevention and resolution services.
- *Research, Policy and Planning* monitors and evaluates the impact of labour legislation and policies that affect the South African labour market.
- *Labour Market Information and Statistics* collects, collates, analyses and disseminates internal and external labour market statistics on changes in the South African labour market as a result of the implementation of labour legislation.
- *International Labour Matters* contributes to national and global policy formulation and facilitates compliance with international obligations through multilateral and bilateral relations.
- *National Economic Development and Labour Council* transfers funds to the National Economic Development and Labour Council, which promotes economic growth, participation in economic decision-making and social equity through dialogue.

## Expenditure trends and estimates

**Table 31.12 Labour Policy and Industrial Relations 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Management and Support Services: Labour Policy and Industrial Relations	13.9	14.8	22.8	17.0	7.1%	1.5%	18.1	19.1	20.1	5.7%	1.4%
Strengthen Civil Society	18.9	19.8	21.0	22.1	5.5%	1.8%	23.4	25.1	26.1	5.6%	1.8%
Collective Bargaining	13.2	14.2	15.1	16.2	7.3%	1.3%	17.7	18.7	19.7	6.6%	1.4%
Employment Equity	12.9	12.6	12.4	14.7	4.5%	1.2%	15.0	15.9	16.7	4.2%	1.2%
Employment Standards	11.2	12.1	11.7	35.7	47.2%	1.6%	29.0	31.7	40.7	4.5%	2.6%
Commission for Conciliation, Mediation and Arbitration	770.5	864.1	963.1	976.8	8.2%	80.6%	1 026.0	1 082.8	1 122.7	4.7%	78.8%
Research, Policy and Planning	7.9	6.4	8.1	8.5	2.7%	0.7%	12.3	13.0	13.6	16.8%	0.9%
Labour Market Information and Statistics	36.2	43.1	43.1	46.7	8.8%	3.8%	50.8	53.6	56.4	6.5%	3.9%
International Labour Matters	38.0	42.6	46.6	41.5	3.0%	3.8%	51.3	54.2	56.5	10.9%	3.8%
National Economic Development and Labour Council	30.8	39.8	46.0	40.7	9.8%	3.6%	62.1	63.9	64.8	16.7%	4.3%
<b>Total</b>	<b>953.4</b>	<b>1 069.6</b>	<b>1 189.7</b>	<b>1 220.0</b>	<b>8.6%</b>	<b>100.0%</b>	<b>1 305.7</b>	<b>1 377.8</b>	<b>1 437.2</b>	<b>5.6%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				(10.8)			(13.7)	(16.2)	(8.7)		
<b>Economic classification</b>	<b>113.2</b>	<b>125.3</b>	<b>138.3</b>	<b>161.2</b>	<b>12.5%</b>	<b>12.1%</b>	<b>166.0</b>	<b>176.2</b>	<b>192.7</b>	<b>6.1%</b>	<b>13.0%</b>
<b>Current payments</b>	<b>84.5</b>	<b>89.9</b>	<b>94.3</b>	<b>109.5</b>	<b>9.0%</b>	<b>8.5%</b>	<b>117.5</b>	<b>125.1</b>	<b>139.7</b>	<b>8.5%</b>	<b>9.2%</b>
Compensation of employees	28.7	35.4	44.0	51.7	21.7%	3.6%	48.5	51.1	53.0	0.8%	3.8%
Goods and services <sup>1</sup>	3.3	3.5	8.8	17.5	73.8%	0.7%	8.4	8.9	9.3	-19.0%	0.8%
of which:	3.8	2.1	2.8	3.5	-3.4%	0.3%	7.6	8.1	7.9	31.7%	0.5%
Advertising	2.8	2.9	4.2	4.7	19.0%	0.3%	5.0	5.3	5.5	5.4%	0.4%
Consultants: Business and advisory services	1.7	2.1	1.9	2.3	11.1%	0.2%	2.2	2.4	2.5	2.5%	0.2%
Consumables: Stationery, printing and office supplies	8.7	10.9	15.6	12.6	13.1%	1.1%	11.8	12.5	13.1	1.2%	0.9%
Operating leases	2.3	4.7	2.3	2.5	3.5%	0.3%	3.0	3.1	3.3	9.2%	0.2%
Travel and subsistence	840.1	944.3	1 051.3	1 058.7	8.0%	87.9%	1 139.6	1 201.4	1 244.3	5.5%	87.0%
Venues and facilities	0.0	—	—	—	-100.0%	—	—	—	—	—	—
<b>Transfers and subsidies<sup>1</sup></b>	<b>801.3</b>	<b>903.9</b>	<b>1 009.0</b>	<b>1 017.6</b>	<b>8.3%</b>	<b>84.2%</b>	<b>1 088.1</b>	<b>1 146.6</b>	<b>1 187.4</b>	<b>5.3%</b>	<b>83.1%</b>
Provinces and municipalities	19.7	20.0	20.3	18.9	-1.4%	1.8%	28.1	29.6	30.7	17.5%	2.0%
Departmental agencies and accounts	18.9	19.8	21.0	22.2	5.5%	1.8%	23.4	25.2	26.1	5.6%	1.8%
Foreign governments and international organisations	0.1	0.5	1.0	0.1	-18.8%	—	—	—	—	-100.0%	—
Non-profit institutions											
Households											

**Table 31.12 Labour Policy and Industrial Relations expenditure trends and estimates by subprogramme and economic classification**

Table 2018 Labour Policy and Industrial Relations Expenditure trends and estimates by programme and economic classification											
Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome										
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Payments for capital assets	0.1	0.1	0.2	0.1	15.9%	–	0.1	0.1	0.1	4.3%	–
Machinery and equipment	0.1	0.1	0.2	0.1	15.9%	–	0.1	0.1	0.1	4.3%	–
Total	953.4	1 069.6	1 189.7	1 220.0	8.6%	100.0%	1 305.7	1 377.8	1 437.2	5.6%	100.0%
Proportion of total programme expenditure to vote expenditure	34.5%	37.6%	38.5%	35.5%	–	–	35.9%	35.7%	35.8%	–	–
Details of transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	801.3	903.9	1 009.0	1 017.6	8.3%	84.2%	1 088.1	1 146.6	1 187.4	5.3%	83.1%
Commission for Conciliation, Mediation and Arbitration	770.5	864.1	963.1	976.8	8.2%	80.6%	1 026.0	1 082.8	1 122.7	4.7%	78.8%
National Economic Development and Labour Council	30.8	39.8	46.0	40.7	9.8%	3.6%	62.1	63.9	64.8	16.7%	4.3%
Non-profit institutions											
Current	18.9	19.8	21.0	22.1	5.5%	1.8%	23.4	25.1	26.1	5.6%	1.8%
Various civil and labour organisations	18.9	19.8	21.0	22.1	5.5%	1.8%	23.4	25.1	26.1	5.6%	1.8%
Foreign governments and international organisations											
Current	19.7	20.0	20.3	18.9	-1.4%	1.8%	28.1	29.6	30.7	17.5%	2.0%
International Labour Organisation	19.7	19.2	19.2	17.6	-3.7%	1.7%	26.7	28.2	29.2	18.4%	1.9%
African Regional Labour Administration Centre	–	0.8	1.0	1.3	–	0.1%	1.4	1.5	1.5	4.9%	0.1%

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

## Personnel information

**Table 31.13 Labour Policy and Industrial Relations personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Labour Policy and Industrial Relations			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	171	–	150	94.3	0.6	138	99.7	0.7	155	117.5	0.8	150	125.1	0.8	152	139.7	0.9	3.3%	100.0%
1 – 6	19	–	19	4.8	0.3	8	2.3	0.3	18	5.6	0.3	12	4.0	0.3	10	3.6	0.4	7.7%	8.1%
7 – 10	116	–	104	52.7	0.5	94	55.7	0.6	94	59.5	0.6	95	65.4	0.7	95	72.7	0.8	0.4%	63.5%
11 – 12	25	–	17	23.8	1.4	25	26.3	1.1	31	34.7	1.1	31	36.9	1.2	35	43.5	1.2	11.9%	20.5%
13 – 16	11	–	10	12.9	1.3	11	15.4	1.4	12	17.7	1.5	12	18.8	1.6	12	20.0	1.7	2.9%	7.9%

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

2. Rand million.

## Entities

### Compensation Fund

#### Selected performance indicators

**Table 31.14 Compensation Fund performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of compliant active registered non- exempt employers assessed by 31 March each year	Compensation for Occupational Injuries and Diseases Act (1993) services	Priority 3: Consolidating the social wage through reliable and quality basic services	95% (268 218/ 283 685)	45% (172 703/ 386 083)	55% (219 050/ 401 536)	75%	65%	85%	85%



**Table 31.14 Compensation Fund performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of claims adjudicated within specified number of working days of receipt per year	Compensation for Occupational Injuries and Diseases Act (1993) services	Priority 3: Consolidating the social wage through reliable and quality basic services	90% within 60 working days (130 800/ 145 922)	95% within 60 working days (175 624/ 184 100)	94% within 40 working days (146 664/ 156 223)	90% within 30 working days	85% within 30 working days	90% within 15 working days	90% within 10 working days
Percentage of claims benefits finalised within 30 working days of receipt of all required documentation per year	Compensation for Occupational Injuries and Diseases Act (1993) services		— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	85%	85%	90%
Percentage of medical claims finalised within specified number of working days of receipt of invoice per year	Medical benefits		89% (612 960/ 686 385) within 60 working days of receipt	93% (699 441/ 751 364) within 60 working days of receipt	93% (867 381/ 934 742) within 60 working days of receipt	85% within 40 working days of receipt	85% within 30 working days of receipt	90% within 30 working days of receipt	90% within 30 working days of receipt
Percentage of pre-authorisations for specialised medical interventions responded to within 10 working days of receipt per year	Medical benefits		— <sup>1</sup>	79% (1 488/ 1 894)	93% (1 539/ 1 657)	90%	90%	90%	90%
Percentage of compliant requests for assistive devices finalised within 15 working days of receipt per year	Orthotic and medical rehabilitation	Priority 1: Economic transformation and job creation	— <sup>1</sup>	75% (983/ 1 307)	93% (1 079/ 1 160)	85%	60%	70%	80%
Percentage of identified injured workers rehabilitated per year	Orthotic and medical rehabilitation		— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	60%	70%	80%
Number of students eligible for university funding for priority qualifications per year	Orthotic and medical rehabilitation		— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	650	1 350	2 200
Number of people with disabilities funded for technical vocational education and training (including public and private training providers), university, and community education and training programmes per year	Orthotic and medical rehabilitation		— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	100	250	450

1. No historical data available.

### Entity overview

The Compensation Fund is mandated to administer the Compensation for Occupational Injuries and Diseases Act (1993), which makes provision for the compensation of employees who are disabled as a result of occupational injuries or sustain or contract diseases, or the compensation of the nominated beneficiaries of employees who die from such injuries or diseases.

The fund's main focus over the medium term will be on restoring its reputation as a trusted provider of social services to workers. It plans to do this by improving access to social insurance for workers; providing an efficient and effective safety net that strengthens social protection, particularly for vulnerable workers, by rehabilitating, reintegrating and returning to work employees who have been injured or have contracted work-related diseases; and enhancing its capacity to deliver services by improving performance, administration and operational efficiency.

In line with the fund's increased focus on improving operational efficiency, expenditure on claims and pension benefits is expected to increase from R946.3 million in 2019/20 to R1.3 billion in 2022/23 at an average annual rate of 10 per cent. Total expenditure on benefits is expected to increase at an average annual rate of 7.2 per cent, from R3.8 billion in 2019/20 to R4.7 billion in 2022/23. Included in this amount is expenditure for 4 200 university bursaries and 800 bursaries to technical and vocational education and training colleges to upskill unemployed workers who have suffered occupational injuries.

The cost of administering the fund, paying compensation benefits and medical expenses, and rehabilitating and reintegrating injured and diseased workers is funded through levies paid by registered employers and revenue earned from investments. The fund's total revenue in 2019/20 is expected to be R13.2 billion, increasing at an average annual rate of 5.4 per cent to a projected R15.4 billion in 2022/23.

**Programmes/Objectives/Activities****Table 31.15 Compensation 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Administration	1 323.8	10 021.4	5 723.2	2 987.7	31.2%	39.1%	2 685.2	2 833.7	3 032.3	0.5%	38.9%
Compensation for occupational injuries and diseases Act (1993) services	5 590.6	4 825.2	10 076.2	946.3	-44.7%	43.8%	1 121.7	1 189.0	1 260.3	10.0%	15.2%
Medical benefits	47.4	44.3	4 826.8	3 036.4	300.0%	16.9%	3 083.8	3 268.8	3 481.3	4.7%	43.3%
Orthotic and medical rehabilitation	—	—	0.3	65.0	—	0.2%	220.1	233.3	248.5	56.4%	2.6%
<b>Total</b>	<b>6 961.9</b>	<b>14 890.8</b>	<b>20 626.5</b>	<b>7 035.4</b>	<b>0.4%</b>	<b>100.0%</b>	<b>7 110.8</b>	<b>7 524.9</b>	<b>8 022.5</b>	<b>4.5%</b>	<b>100.0%</b>

**Statements of historical financial performance, cash flow and financial position****Table 31.16 Compensation Fund statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20				
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>4 055.8</b>	<b>4 534.5</b>	<b>2 765.3</b>	<b>12 788.3</b>	<b>5 196.8</b>	<b>5 547.0</b>	<b>5 523.2</b>	<b>5 523.2</b>	<b>161.9%</b>
of which:									
Other non-tax revenue	4 055.8	4 534.5	2 765.3	12 788.3	5 196.8	5 547.0	5 523.2	5 523.2	161.9%
<b>Transfers received</b>	<b>8 244.6</b>	<b>8 852.3</b>	<b>9 289.0</b>	<b>6 972.8</b>	<b>9 737.6</b>	<b>8 539.9</b>	<b>7 670.1</b>	<b>7 670.1</b>	<b>91.7%</b>
<b>Total revenue</b>	<b>12 300.4</b>	<b>13 386.8</b>	<b>12 054.3</b>	<b>19 761.2</b>	<b>14 934.3</b>	<b>14 086.9</b>	<b>13 193.3</b>	<b>13 193.3</b>	<b>115.1%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>845.9</b>	<b>1 349.1</b>	<b>1 515.1</b>	<b>10 081.4</b>	<b>2 122.7</b>	<b>15 153.6</b>	<b>3 388.0</b>	<b>3 233.0</b>	<b>378.8%</b>
Compensation of employees	256.5	637.6	653.5	727.4	843.4	857.1	1 118.3	1 118.3	116.3%
Goods and services	547.3	697.0	816.6	6 109.0	1 166.9	11 684.3	2 151.8	2 002.1	437.6%
Depreciation	41.9	10.3	44.6	48.7	112.0	69.5	117.5	112.7	76.4%
Interest, dividends and rent on land	0.3	4.2	0.5	3 196.2	0.5	2 542.6	0.5	—	349 508.1%
<b>Transfers and subsidies</b>	<b>8 855.6</b>	<b>5 500.2</b>	<b>7 791.9</b>	<b>4 705.5</b>	<b>4 415.2</b>	<b>5 353.1</b>	<b>3 798.2</b>	<b>3 802.2</b>	<b>77.9%</b>
<b>Total expenses</b>	<b>9 701.4</b>	<b>6 961.9</b>	<b>9 307.1</b>	<b>14 890.8</b>	<b>6 537.9</b>	<b>20 626.5</b>	<b>7 186.3</b>	<b>7 035.4</b>	<b>151.3%</b>
<b>Surplus/(Deficit)</b>	<b>2 599.0</b>	<b>6 424.9</b>	<b>2 747.2</b>	<b>4 870.4</b>	<b>8 396.4</b>	<b>(6 539.6)</b>	<b>6 007.1</b>	<b>6 157.9</b>	
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>4 807.1</b>	<b>903.6</b>	<b>4 214.0</b>	<b>1 921.7</b>	<b>5 443.8</b>	<b>1 796.2</b>	<b>4 168.0</b>	<b>986.9</b>	<b>30.1%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>1 967.9</b>	<b>112.2</b>	<b>358.1</b>	<b>190.5</b>	<b>506.3</b>	<b>76.8</b>	<b>531.6</b>	<b>239.3</b>	<b>18.4%</b>
Other tax receipts	1 967.9	112.2	358.1	190.5	506.3	76.8	531.6	239.3	18.4%
<b>Transfers received</b>	<b>8 263.6</b>	<b>6 430.9</b>	<b>9 728.2</b>	<b>7 200.5</b>	<b>11 796.3</b>	<b>7 335.5</b>	<b>12 386.1</b>	<b>7 670.1</b>	<b>67.9%</b>
<b>Total receipts</b>	<b>10 231.5</b>	<b>6 543.1</b>	<b>10 086.3</b>	<b>7 391.0</b>	<b>12 302.6</b>	<b>7 412.3</b>	<b>12 917.7</b>	<b>7 909.5</b>	<b>64.2%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>1 146.1</b>	<b>1 404.2</b>	<b>1 419.2</b>	<b>1 792.9</b>	<b>2 058.6</b>	<b>1 675.9</b>	<b>2 125.4</b>	<b>3 120.3</b>	<b>118.4%</b>
Compensation of employees	649.8	637.6	679.0	727.4	843.4	857.1	885.5	1 118.3	109.2%
Goods and services	496.2	762.4	739.9	1 054.3	1 215.0	788.3	1 239.6	2 002.1	124.8%
Interest and rent on land	0.1	4.2	0.2	11.2	0.3	30.6	0.3	—	4 989.3%
<b>Transfers and subsidies</b>	<b>4 278.3</b>	<b>4 235.2</b>	<b>4 453.1</b>	<b>3 676.4</b>	<b>4 800.2</b>	<b>3 940.2</b>	<b>6 624.2</b>	<b>3 802.2</b>	<b>77.7%</b>
<b>Total payments</b>	<b>5 424.5</b>	<b>5 639.5</b>	<b>5 872.3</b>	<b>5 469.3</b>	<b>6 858.8</b>	<b>5 616.2</b>	<b>8 749.7</b>	<b>6 922.6</b>	<b>87.9%</b>
<b>Net cash flow from investing activities</b>	<b>(5 769.8)</b>	<b>(401.8)</b>	<b>(315.1)</b>	<b>(2 285.5)</b>	<b>(330.9)</b>	<b>(2 083.2)</b>	<b>(347.4)</b>	<b>3 975.1</b>	<b>11.8%</b>
Acquisition of property, plant, equipment and intangible assets	(14.2)	(1.6)	(1.6)	(177.2)	(1.7)	(54.7)	(1.8)	(82.8)	1 641.4%
Investment property	—	—	—	—	—	(2.0)	—	—	—
Acquisition of software and other intangible assets	—	(100.2)	—	(9.2)	—	(0.0)	—	—	—
Proceeds from the sale of property, plant, equipment and intangible assets	—	0.0	—	0.1	—	0.2	—	—	—
Other flows from investing activities	(5 755.6)	(300.0)	(313.5)	(2 099.1)	(329.2)	(2 026.6)	(345.6)	4 057.9	5.5%
<b>Net cash flow from financing activities</b>	<b>—</b>	<b>(0.3)</b>	<b>—</b>	<b>24.1</b>	<b>—</b>	<b>45.6</b>	<b>—</b>	<b>—</b>	<b>—</b>
Repayment of finance leases	—	(0.3)	—	(0.7)	—	(1.9)	—	—	—
Other flows from financing activities	—	—	—	24.8	—	47.4	—	—	—
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(962.8)</b>	<b>501.4</b>	<b>3 898.9</b>	<b>(339.6)</b>	<b>5 112.9</b>	<b>(241.5)</b>	<b>3 820.6</b>	<b>4 962.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	101.7	241.1	106.8	556.4	112.1	543.4	118.0	570.5	435.9%
<b>Acquisition of assets</b>	<b>(14.2)</b>	<b>(1.6)</b>	<b>(1.6)</b>	<b>(177.2)</b>	<b>(1.7)</b>	<b>(54.7)</b>	<b>(1.8)</b>	<b>(82.8)</b>	<b>1 641.4%</b>
Investments	44 966.6	55 448.1	47 214.9	63 937.3	49 575.6	66 742.5	52 203.2	70 079.6	132.1%
Inventory	3.0	1.8	3.2	2.0	3.3	1.4	3.5	1.5	50.7%
Loans	—	—	—	348.4	—	344.9	—	362.2	—
Receivables and prepayments	3 574.8	6 187.5	3 753.5	1 974.7	3 941.2	2 563.1	4 150.0	2 691.3	87.0%
Cash and cash equivalents	4.0	588.8	4.2	927.4	4.4	685.9	4.6	720.2	17 135.4%
Taxation	—	—	—	—	—	41.5	—	43.6	—
<b>Total assets</b>	<b>48 650.0</b>	<b>62 467.3</b>	<b>51 082.5</b>	<b>67 746.2</b>	<b>53 636.6</b>	<b>70 922.7</b>	<b>56 479.3</b>	<b>74 468.8</b>	<b>131.3%</b>

**Table 31.16 Compensation Fund statements of historical financial performance, cash flow and financial position**

Statement of financial position										Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20	
Accumulated surplus/(deficit)	18 158.8	26 815.1	19 066.7	31 770.5	20 302.1	25 296.6	21 378.1	27 372.7	141.0%	
Capital and reserves	61.3	200.0	64.3	1 093.8	65.8	1 365.5	69.2	622.4	1 259.4%	
Finance lease	—	1 101.4	—	1 146.4	—	1 629.1	—	1 710.6	—	
Accrued interest	—	—	—	138.2	—	150.6	—	158.1	—	
Trade and other payables	1 195.4	1 222.0	1 255.1	1 333.1	1 317.9	1 061.8	1 387.8	1 114.8	91.8%	
Capitalised value of pensions	19 516.4	20 657.0	20 297.0	—	21 108.9	—	22 227.7	—	24.8%	
Taxation	—	—	—	12.3	—	—	—	—	—	
Provisions	9 718.2	12 471.8	10 399.2	22 852.6	10 841.9	31 923.4	11 416.5	33 519.6	237.8%	
Derivatives financial instruments	—	—	—	9 399.2	—	9 495.7	—	9 970.5	—	
<b>Total equity and liabilities</b>	<b>48 650.0</b>	<b>62 467.3</b>	<b>51 082.5</b>	<b>67 746.2</b>	<b>53 636.6</b>	<b>70 922.7</b>	<b>56 479.3</b>	<b>74 468.8</b>	<b>131.3%</b>	

**Statements of estimates of financial performance, cash flow and financial position****Table 31.17 Compensation Fund statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
	Revised estimate			2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million	2019/20	2016/17 - 2019/20						
<b>Revenue</b>								
Non-tax revenue	5 523.2	6.8%	45.0%	4 751.9	4 989.5	5 189.1	-2.1%	35.7%
Other non-tax revenue	5 523.2	6.8%	45.0%	4 751.9	4 989.5	5 189.1	-2.1%	35.7%
<b>Transfers received</b>	<b>7 670.1</b>	<b>-4.7%</b>	<b>55.0%</b>	<b>9 393.9</b>	<b>9 863.6</b>	<b>10 258.1</b>	<b>10.2%</b>	<b>64.3%</b>
<b>Total revenue</b>	<b>13 193.3</b>	<b>-0.5%</b>	<b>100.0%</b>	<b>14 145.8</b>	<b>14 853.1</b>	<b>15 447.2</b>	<b>5.4%</b>	<b>100.0%</b>
<b>Current expenses</b>	<b>3 233.0</b>	<b>33.8%</b>	<b>51.6%</b>	<b>2 960.9</b>	<b>3 126.0</b>	<b>3 342.7</b>	<b>1.1%</b>	<b>42.7%</b>
Compensation of employees	1 118.3	20.6%	8.5%	953.9	1 025.4	1 107.4	-0.3%	14.2%
Goods and services	2 002.1	42.1%	34.0%	1 945.3	2 062.0	2 195.1	3.1%	27.6%
Depreciation	112.7	122.3%	0.6%	61.8	38.6	40.2	-29.1%	0.9%
<b>Transfers and subsidies</b>	<b>3 802.2</b>	<b>-11.6%</b>	<b>47.7%</b>	<b>4 149.9</b>	<b>4 398.9</b>	<b>4 679.8</b>	<b>7.2%</b>	<b>57.3%</b>
<b>Total expenses</b>	<b>7 035.4</b>	<b>0.4%</b>	<b>100.0%</b>	<b>7 110.8</b>	<b>7 524.9</b>	<b>8 022.5</b>	<b>4.5%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>6 157.9</b>			<b>7 035.0</b>	<b>7 328.2</b>	<b>7 424.7</b>		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>	<b>986.9</b>	<b>3.0%</b>	<b>2.1%</b>	<b>2 611.6</b>	<b>2 655.0</b>	<b>2 567.1</b>	<b>4.3%</b>	<b>2.7%</b>
<b>Receipts</b>								
Non-tax receipts	239.3	28.7%	2.1%	248.9	258.9	271.8	4.3%	2.7%
Other tax receipts	239.3	28.7%	2.1%	248.9	258.9	271.8	4.3%	2.7%
<b>Transfers received</b>	<b>7 670.1</b>	<b>6.0%</b>	<b>97.9%</b>	<b>9 411.7</b>	<b>9 882.4</b>	<b>10 277.6</b>	<b>10.2%</b>	<b>97.3%</b>
<b>Total receipts</b>	<b>7 909.5</b>	<b>6.5%</b>	<b>100.0%</b>	<b>9 660.6</b>	<b>10 141.2</b>	<b>10 549.4</b>	<b>10.1%</b>	<b>100.0%</b>
<b>Current payments</b>	<b>3 120.3</b>	<b>30.5%</b>	<b>21.2%</b>	<b>2 899.1</b>	<b>3 087.4</b>	<b>3 302.5</b>	<b>1.9%</b>	<b>42.2%</b>
Compensation of employees	1 118.3	20.6%	8.5%	953.9	1 025.4	1 107.4	-0.3%	14.3%
Goods and services	2 002.1	38.0%	12.6%	1 945.3	2 062.0	2 195.1	3.1%	27.9%
<b>Transfers and subsidies</b>	<b>3 802.2</b>	<b>-3.5%</b>	<b>39.7%</b>	<b>4 149.9</b>	<b>4 398.9</b>	<b>4 679.8</b>	<b>7.2%</b>	<b>57.8%</b>
<b>Total payment</b>	<b>6 922.6</b>	<b>7.1%</b>	<b>100.0%</b>	<b>7 049.0</b>	<b>7 486.3</b>	<b>7 982.3</b>	<b>4.9%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>	<b>3 975.1</b>	<b>-314.7%</b>	<b>100.0%</b>	<b>4 129.8</b>	<b>4 290.5</b>	<b>4 505.0</b>	<b>4.3%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets	(82.8)	270.6%	2.2%	(86.9)	(91.3)	(95.8)	5.0%	-2.1%
Other flows from investing activities	4 057.9	-338.3%	91.5%	4 216.7	4 381.7	4 600.8	4.3%	102.1%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>4 962.0</b>	<b>114.7%</b>	<b>100.0%</b>	<b>6 741.4</b>	<b>6 945.4</b>	<b>7 072.1</b>	<b>12.5%</b>	<b>100.0%</b>
<b>Statement of financial position</b>								
Carrying value of assets	570.5	33.3%	0.7%	599.1	629.0	660.5	5.0%	0.8%
Acquisition of assets	(82.8)	270.6%	-0.1%	(86.9)	(91.3)	(95.8)	5.0%	-0.1%
Investments	70 079.6	8.1%	92.8%	73 583.6	77 262.8	81 125.9	5.0%	94.1%
Inventory	1.5	-6.7%	0.0%	1.5	1.6	1.7	5.0%	0.0%
Loans	362.2	—	0.4%	380.3	399.3	419.3	5.0%	0.5%
Receivables and prepayments	2 691.3	-24.2%	5.0%	2 825.8	2 967.1	3 115.5	5.0%	3.6%
Cash and cash equivalents	720.2	6.9%	1.1%	756.2	794.0	833.7	5.0%	1.0%
Taxation	43.6	—	0.0%	45.7	48.0	50.4	5.0%	0.1%
<b>Total assets</b>	<b>74 468.8</b>	<b>6.0%</b>	<b>100.0%</b>	<b>78 192.2</b>	<b>82 101.9</b>	<b>86 206.9</b>	<b>5.0%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	27 372.7	0.7%	40.6%	28 741.3	30 178.4	31 687.3	5.0%	36.8%
Capital and reserves	622.4	46.0%	1.2%	653.6	686.2	720.6	5.0%	0.8%
Finance lease	1 710.6	15.8%	2.0%	1 796.1	1 885.9	1 980.2	5.0%	2.3%
Accrued interest	158.1	—	0.2%	163.3	171.5	180.1	4.4%	0.2%
Trade and other payables	1 114.8	-3.0%	1.7%	1 173.3	1 231.9	1 293.5	5.1%	1.5%
Provisions	33 519.6	39.0%	35.9%	35 195.6	36 955.4	38 803.1	5.0%	45.0%
Derivatives financial instruments	9 970.5	—	10.2%	10 469.0	10 992.5	11 542.1	5.0%	13.4%
<b>Total equity and liabilities</b>	<b>74 468.8</b>	<b>6.0%</b>	<b>100.0%</b>	<b>78 192.2</b>	<b>82 101.9</b>	<b>86 206.9</b>	<b>5.0%</b>	<b>100.0%</b>

## Personnel information

**Table 31.18 Compensation Fund personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment															Number		
Compensation Fund	Salary level	Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
				2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
				Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
	1 187	1 187		705	857.1	1.2	1 125	1 118.3	1.0	1 156	953.9	0.8	1 173	1 025.4	0.9	1 187	1 107.4	0.9	-0.3%	100.0%
1 – 6	748	748		319	264.1	0.8	708	186.0	0.3	728	187.2	0.3	739	200.4	0.3	748	213.2	0.3	4.7%	63.0%
7 – 10	400	400		350	544.1	1.6	380	838.8	2.2	390	672.4	1.7	396	718.9	1.8	400	783.0	2.0	-2.3%	33.7%
11 – 12	32	32		30	41.2	1.4	31	85.7	2.8	32	86.4	2.7	32	91.7	2.9	32	97.3	3.0	4.3%	2.7%
13 – 16	7	7		6	7.8	1.3	6	7.8	1.3	6	7.9	1.3	6	14.3	2.4	7	13.9	2.0	21.3%	0.5%

1. Rand million

## Unemployment Insurance Fund

### Selected performance indicators

**Table 31.19 Unemployment Insurance Fund performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Percentage of valid unemployment benefit claims with complete information approved or rejected within the specified timeframe per year	Business operations	Priority 3: Consolidating the social wage through reliable and quality basic services	89% (493 141/ 556 331)	83% (565 293/ 679 988)	94% (628 807 671 188)	90% within 15 working days	92% within 15 working days	95% within 15 working days	95% within 10 working days
Percentage of valid in-service benefit claims with complete information approved or rejected within the specified timeframe per year	Business operations	Priority 3: Consolidating the social wage through reliable and quality basic services	87% (96 891/ 111 186)	71% (99 101/ 139 691)	92% (121 418/ 132 158)	90% within 10 working days	92% within 10 working days	95% within 10 working days	95% within 8 working days
Percentage of valid death benefit claims with complete information approved or rejected within the specified timeframe per year	Business operations	Priority 3: Consolidating the social wage through reliable and quality basic services	89% (85 384/ 95 421)	75% (12 401/ 16 462)	92% (13 179/ 14 397)	90% within 20 working days	90% within 15 working days	90% Within 15 working days	90% within 10 working days
Number of new registered employers per year	Business operations	Priority 2: Education, skills and health	58 351	66 198	64 577	70 000	73 000	76 000	79 000
Number of new registered employees per year	Business operations	Priority 2: Education, skills and health	292 767	296 097	838 922	600 000	700 000	800 000	900 000
Number of Unemployment Insurance Fund beneficiaries provided with learning and/or workplace experience per year	Labour activation programmes	Priority 2: Education, skills and health	6 000	0	3 823	80 000	80 000	80 000	80 000

### Entity overview

The mandate of the Unemployment Insurance Fund is to alleviate poverty by providing effective short-term unemployment insurance to all workers who qualify for unemployment and related benefits, as legislated in the Unemployment Insurance Act (2001). Over the medium term, the fund will focus on providing social insurance benefits and improving coverage to vulnerable groups and contributors.

The fund will review all claims affected by the changes created by the retrospective implementation date of the Unemployment Insurance Amendment Act (2016). Applications from an estimated 1.7 million claimants lodged between 19 January 2017 and 31 December 2018 that were assessed and paid at a lower rate based on the old act need to be reassessed and paid based on the amended act. The fund plans to finalise the reassessment and payment of these retrospective claims by 2020/21. As a result, expenditure on the payment of claims is expected to be R30.6 billion in 2020/21, R24.9 billion in 2021/22 and R27.4 billion in 2022/23.

To ensure the retention and smooth re-entry of contributors into employment, the fund has budgeted an estimated R7.5 billion over the medium term for the implementation of labour activation programmes such as training and business development aimed at enhancing the employability of contributors.

To reduce the time spent by clients in labour centres, the fund has set aside R6.7 million per year over the medium term for the maintenance of the queue management system. A self-service application that can be used on smartphones and unstructured supplementary service data will be implemented in 2020/21 at a projected cost of R2.3 million in an effort to enable clients to use the fund's services without having to visit its offices. A further R10 million has been allocated in 2020/21 for the digitalisation of documents, and R85 million for the implementation of systems applications and products in data processing.

An estimated 20 per cent of the fund's investment portfolio (R33 billion) has been set aside for socially responsible investment in employment creation initiatives in agriculture, education, renewable energy, financial services, health, housing, agro-processing, mining and beneficiation, construction, petroleum, student accommodation, road infrastructure and technology. The Public Investment Corporation manages this investment on behalf of the fund.

The fund is financed through contributions from employees and employers, as legislated in the Unemployment Contributions Act (2002), and through interest earned on investments. Over the medium term, the fund expects to receive an estimated 63.5 per cent (R66.8 billion) of its total revenue through unemployment contributions. Income earned through returns on investments is expected to increase from R11 billion in 2019/20 to R13.9 billion in 2022/23.

### Programmes/Objectives/Activities

**Table 31.20 Unemployment Insurance 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Administration	2 613.7	1 529.5	11 164.9	1 792.5	-11.8%	17.0%	2 050.8	1 927.4	2 029.4	4.2%	6.4%
Business operations	11 986.1	17 712.3	20 013.3	23 876.1	25.8%	81.6%	30 140.4	24 434.1	26 977.5	4.2%	86.7%
Labour activation programmes	146.6	50.1	121.5	1 003.1	89.8%	1.4%	2 403.3	2 503.4	2 603.6	37.4%	6.9%
<b>Total</b>	<b>14 746.4</b>	<b>19 291.9</b>	<b>31 299.6</b>	<b>26 671.7</b>	<b>21.8%</b>	<b>100.0%</b>	<b>34 594.5</b>	<b>28 864.9</b>	<b>31 610.5</b>	<b>5.8%</b>	<b>100.0%</b>

### Statements of historical financial performance, cash flow and financial position

**Table 31.21 Unemployment Insurance Fund statements of historical financial performance, cash flow and financial position**

Statement of financial performance		Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R million	2016/17		2017/18		2018/19		2019/20			2016/17 - 2019/20
<b>Revenue</b>										
<b>Non-tax revenue</b>	<b>9 357.6</b>	<b>9 458.3</b>	<b>10 912.6</b>	<b>13 699.2</b>	<b>10 675.6</b>	<b>10 514.6</b>	<b>11 035.3</b>	<b>11 066.5</b>		<b>106.6%</b>
Sale of goods and services other than capital assets	2.4	3.5	1.9	2.4	1.7	27.8	3.2	24.2		630.2%
of which:										
Sales by market establishment	2.4	3.4	1.9	2.4	1.7	1.7	3.2	3.2		117.2%
Other sales	0.1	0.1	0.0	—	0.0	26.1	0.0	21.1		66 046.2%
Other non-tax revenue	9 355.2	9 454.8	10 910.7	13 696.8	10 674.0	10 486.7	11 032.1	11 042.2		106.5%
<b>Transfers received</b>	<b>17 560.3</b>	<b>17 838.8</b>	<b>19 590.8</b>	<b>18 320.0</b>	<b>19 598.4</b>	<b>19 197.0</b>	<b>20 496.0</b>	<b>20 179.1</b>		<b>97.8%</b>
<b>Total revenue</b>	<b>26 917.9</b>	<b>27 297.1</b>	<b>30 503.4</b>	<b>32 019.1</b>	<b>30 274.0</b>	<b>29 711.6</b>	<b>31 531.2</b>	<b>31 245.6</b>		<b>100.9%</b>
<b>Expenses</b>										
<b>Current expenses</b>	<b>2 576.0</b>	<b>3 853.2</b>	<b>3 283.1</b>	<b>2 858.6</b>	<b>3 361.6</b>	<b>12 077.2</b>	<b>3 595.1</b>	<b>3 540.6</b>		<b>174.2%</b>
Compensation of employees	1 188.7	1 065.9	1 495.0	1 160.7	1 519.1	1 332.8	1 619.4	1 692.5		90.2%
Goods and services	1 259.2	2 737.0	1 604.8	1 649.8	1 649.0	10 694.2	1 762.9	1 635.2		266.4%
Depreciation	128.1	50.4	183.4	48.1	193.5	50.2	212.8	212.8		50.4%
<b>Transfers and subsidies</b>	<b>9 272.6</b>	<b>10 893.2</b>	<b>11 173.6</b>	<b>16 433.3</b>	<b>11 672.6</b>	<b>18 653.4</b>	<b>12 880.8</b>	<b>23 131.1</b>		<b>153.6%</b>
<b>Total expenses</b>	<b>11 848.6</b>	<b>14 746.4</b>	<b>14 456.7</b>	<b>19 291.9</b>	<b>15 034.2</b>	<b>31 299.6</b>	<b>16 475.9</b>	<b>26 671.7</b>		<b>159.1%</b>
<b>Surplus/(Deficit)</b>	<b>15 069.3</b>	<b>12 550.7</b>	<b>16 046.7</b>	<b>12 727.2</b>	<b>15 239.8</b>	<b>(1 588.0)</b>	<b>15 055.3</b>	<b>4 573.8</b>		

**Table 31.21 Unemployment Insurance Fund statements of historical financial performance, cash flow and financial position**

Cash flow statement									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
<b>Cash flow from operating activities</b>	<b>13 196.9</b>	<b>7 570.5</b>	<b>5 460.5</b>	<b>7 309.0</b>	<b>5 046.8</b>	<b>5 591.2</b>	<b>4 514.6</b>	<b>(4 500.7)</b>	<b>56.6%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>7 357.1</b>	<b>495.2</b>	<b>325.2</b>	<b>557.8</b>	<b>482.6</b>	<b>258.5</b>	<b>494.6</b>	<b>460.8</b>	<b>20.5%</b>
Sales of goods and services other than capital assets	2.4	3.5	1.9	2.4	1.7	1.8	3.2	24.2	346.5%
<i>Sales by market establishment</i>	2.4	3.4	1.9	2.4	1.7	1.7	3.2	3.2	117.2%
<i>Other sales</i>	0.1	0.1	0.0	0.0	0.0	0.0	0.0	21.1	29 593.0%
Other tax receipts	7 354.7	491.7	323.3	555.5	480.9	256.8	491.4	436.6	20.1%
<b>Transfers received</b>	<b>17 560.3</b>	<b>17 838.8</b>	<b>19 590.8</b>	<b>18 320.0</b>	<b>19 598.4</b>	<b>19 197.0</b>	<b>20 496.0</b>	<b>20 179.1</b>	<b>97.8%</b>
<b>Total receipts</b>	<b>24 917.4</b>	<b>18 334.0</b>	<b>19 916.1</b>	<b>18 877.8</b>	<b>20 081.0</b>	<b>19 455.6</b>	<b>20 990.5</b>	<b>20 639.9</b>	<b>90.0%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>2 447.9</b>	<b>2 139.7</b>	<b>3 283.1</b>	<b>2 292.8</b>	<b>3 361.6</b>	<b>2 751.7</b>	<b>3 595.1</b>	<b>3 540.6</b>	<b>84.5%</b>
Compensation of employees	1 188.7	1 049.3	1 495.0	1 166.4	1 519.1	1 334.1	1 619.4	1 692.5	90.0%
Goods and services	1 259.2	1 090.4	1 788.1	1 126.3	1 842.4	1 417.6	1 975.7	1 848.0	79.9%
Interest and rent on land	0.0	—	0.0	—	0.0	—	0.0	0.0	25.0%
<b>Transfers and subsidies</b>	<b>9 272.6</b>	<b>8 623.8</b>	<b>11 172.4</b>	<b>9 276.0</b>	<b>11 672.6</b>	<b>11 112.7</b>	<b>12 880.8</b>	<b>21 600.0</b>	<b>112.5%</b>
<b>Total payments</b>	<b>11 720.5</b>	<b>10 763.5</b>	<b>14 455.5</b>	<b>11 568.8</b>	<b>15 034.2</b>	<b>13 864.4</b>	<b>16 475.9</b>	<b>25 140.6</b>	<b>106.3%</b>
<b>Net cash flow from investing activities</b>	<b>(13 602.9)</b>	<b>(10 085.9)</b>	<b>(7 614.5)</b>	<b>(6 387.4)</b>	<b>(52 951.2)</b>	<b>(4 590.5)</b>	<b>(56 948.4)</b>	<b>(56 428.9)</b>	<b>59.1%</b>
Acquisition of property, plant, equipment and intangible assets	(74.6)	(15.8)	(132.7)	(38.3)	(240.1)	(83.3)	(171.6)	(320.5)	74.0%
Investment property	—	—	—	—	(381.5)	(123.2)	(708.0)	(451.8)	52.8%
Acquisition of software and other intangible assets	(70.6)	(195.5)	(89.8)	(26.7)	(92.3)	(15.9)	(178.3)	(13.0)	58.3%
Proceeds from the sale of property, plant, equipment and intangible assets	—	—	—	30.7	—	8.0	—	—	—
Other flows from investing activities	(13 457.7)	(9 874.6)	(7 392.0)	(6 353.1)	(52 237.3)	(4 376.1)	(55 890.5)	(55 643.6)	59.1%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(406.0)</b>	<b>(2 515.4)</b>	<b>(2 154.0)</b>	<b>921.6</b>	<b>(47 904.4)</b>	<b>1 000.7</b>	<b>(52 433.8)</b>	<b>(60 929.5)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	147.2	253.6	251.2	270.3	354.0	408.4	416.5	428.9	116.5%
<i>Acquisition of assets</i>	<i>(74.6)</i>	<i>(15.8)</i>	<i>(132.7)</i>	<i>(38.3)</i>	<i>(240.1)</i>	<i>(83.3)</i>	<i>(171.6)</i>	<i>(320.5)</i>	<i>74.0%</i>
Investments	152 173.1	136 202.9	153 305.2	154 630.6	167 417.5	159 019.9	178 145.7	168 707.9	95.0%
Receivables and prepayments	92.9	1 736.4	60.2	1 669.6	1 723.5	1 821.3	1 846.5	1 912.3	191.8%
Cash and cash equivalents	3 818.6	1 297.4	1 395.4	2 719.0	4 490.4	4 216.9	4 670.7	3 010.2	78.2%
<b>Total assets</b>	<b>156 231.8</b>	<b>139 490.4</b>	<b>155 012.0</b>	<b>159 289.5</b>	<b>173 985.5</b>	<b>165 466.5</b>	<b>185 079.4</b>	<b>174 059.3</b>	<b>95.2%</b>
Accumulated surplus/(deficit)	127 252.7	94 822.3	133 337.4	104 924.5	151 259.6	101 505.2	166 159.4	106 899.9	70.6%
Capital and reserves	24 144.7	38 303.8	14 873.2	40 928.9	6 235.8	42 760.1	100.1	44 898.1	368.0%
Borrowings	—	0.0	—	0.0	—	0.0	—	—	—
Trade and other payables	316.3	350.6	8.6	291.4	3.7	518.3	4.0	544.2	512.4%
Benefits payable	4 492.2	5 949.8	6 765.0	13 118.3	16 459.9	20 656.0	18 789.4	21 688.8	132.1%
Provisions	25.8	27.7	27.7	26.4	26.4	26.9	26.4	28.2	102.7%
Derivatives financial instruments	—	36.1	—	—	—	—	—	—	—
<b>Total equity and liabilities</b>	<b>156 231.8</b>	<b>139 490.4</b>	<b>155 012.0</b>	<b>159 289.5</b>	<b>173 985.5</b>	<b>165 466.5</b>	<b>185 079.4</b>	<b>174 059.3</b>	<b>95.2%</b>

**Statements of estimates of financial performance, cash flow and financial position****Table 31.22 Unemployment Insurance Fund statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>11 066.5</b>	<b>5.4%</b>	<b>37.1%</b>	<b>12 063.2</b>	<b>12 989.0</b>	<b>13 987.1</b>	<b>8.1%</b>	<b>36.5%</b>	
Sale of goods and services other than capital assets	24.2	91.0%	0.0%	30.7	32.2	33.8	11.7%	0.1%	
<i>Sales by market establishment</i>	3.2	- 2.7%	0.0%	3.3	3.5	3.6	5.0%	0.0%	
<i>Other sales</i>	21.1	622.2%	0.0%	27.4	28.8	30.2	12.6%	0.1%	
Other non-tax revenue	11 042.2	5.3%	37.0%	12 032.5	12 956.7	13 953.3	8.1%	36.4%	
<b>Transfers received</b>	<b>20 179.1</b>	<b>4.2%</b>	<b>62.9%</b>	<b>21 208.2</b>	<b>22 268.7</b>	<b>23 337.5</b>	<b>5.0%</b>	<b>63.5%</b>	
<b>Total revenue</b>	<b>31 245.6</b>	<b>4.6%</b>	<b>100.0%</b>	<b>33 271.4</b>	<b>35 257.6</b>	<b>37 324.6</b>	<b>6.1%</b>	<b>100.0%</b>	
<b>Current expenses</b>	<b>3 540.6</b>	<b>- 2.8%</b>	<b>23.2%</b>	<b>3 967.4</b>	<b>3 960.2</b>	<b>4 181.6</b>	<b>5.7%</b>	<b>12.9%</b>	
Compensation of employees	1 692.5	16.7%	6.0%	1 902.7	2 026.3	2 154.0	8.4%	6.4%	
Goods and services	1 635.2	- 15.8%	16.9%	1 841.1	1 933.9	2 027.6	7.4%	6.1%	
Depreciation	212.8	61.7%	0.4%	223.7	—	—	- 100.0%	0.4%	
<b>Transfers and subsidies</b>	<b>23 131.1</b>	<b>28.5%</b>	<b>76.3%</b>	<b>30 627.1</b>	<b>24 904.7</b>	<b>27 428.9</b>	<b>5.8%</b>	<b>87.1%</b>	
<b>Total expenses</b>	<b>26 671.7</b>	<b>21.8%</b>	<b>100.0%</b>	<b>34 594.5</b>	<b>28 864.9</b>	<b>31 610.5</b>	<b>5.8%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>4 573.8</b>			<b>(1 323.1)</b>	<b>6 392.7</b>	<b>5 714.2</b>			

**Table 31.22 Unemployment Insurance Fund statements of estimates of financial performance, cash flow and financial position**

Cash flow statement		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
<b>Cash flow from operating activities</b>	<b>(4 500.7)</b>	<b>-184.1%</b>	<b>2.4%</b>	<b>(10 769.7)</b>	<b>(3 677.5)</b>	<b>(4 905.3)</b>	<b>34.7%</b>	<b>2.5%</b>
<b>Receipts</b>								
<b>Non-tax receipts</b>	<b>460.8</b>	<b>-2.4%</b>	<b>2.3%</b>	<b>489.4</b>	<b>514.0</b>	<b>538.7</b>	<b>5.3%</b>	<b>2.3%</b>
Sales of goods and services other than capital assets	24.2	91.0%	0.0%	30.7	32.2	33.8	11.7%	0.1%
Sales by market establishment	3.2	-2.7%	0.0%	3.3	3.5	3.6	5.0%	0.0%
Other sales	21.1	626.6%	0.0%	27.4	28.8	30.2	12.6%	0.1%
Other tax receipts	436.6	-3.9%	2.3%	458.7	481.8	504.9	5.0%	2.1%
<b>Transfers received</b>	<b>20 179.1</b>	<b>4.2%</b>	<b>97.7%</b>	<b>21 208.2</b>	<b>22 268.7</b>	<b>23 337.5</b>	<b>5.0%</b>	<b>97.7%</b>
<b>Total receipts</b>	<b>20 639.9</b>	<b>4.0%</b>	<b>100.0%</b>	<b>21 697.7</b>	<b>22 782.7</b>	<b>23 876.2</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Current payments</b>	<b>3 540.6</b>	<b>18.3%</b>	<b>12.1%</b>	<b>3 967.4</b>	<b>3 960.2</b>	<b>4 181.6</b>	<b>5.7%</b>	<b>13.9%</b>
Compensation of employees	1 692.5	17.3%	5.9%	1 902.7	2 026.3	2 154.0	8.4%	6.9%
Goods and services	1 848.0	19.2%	6.2%	2 064.8	1 933.9	2 027.6	3.1%	7.0%
Interest and rent on land	0.0	—	0.0%	0.0	0.0	0.0	—	0.0%
<b>Transfers and subsidies</b>	<b>21 600.0</b>	<b>35.8%</b>	<b>55.8%</b>	<b>28 500.0</b>	<b>22 500.0</b>	<b>24 600.0</b>	<b>4.4%</b>	<b>86.1%</b>
<b>Total payment</b>	<b>25 140.6</b>	<b>32.7%</b>	<b>100.0%</b>	<b>32 467.4</b>	<b>26 460.2</b>	<b>28 781.6</b>	<b>4.6%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>	<b>(56 428.9)</b>	<b>77.5%</b>	<b>100.0%</b>	<b>(60 469.7)</b>	<b>(64 242.4)</b>	<b>(66 951.4)</b>	<b>5.9%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets	(320.5)	172.7%	0.8%	(200.0)	—	—	-100.0%	0.2%
Investment property	(451.8)	—	0.9%	(828.3)	—	—	-100.0%	0.5%
Acquisition of software and other intangible assets	(13.0)	-59.5%	0.7%	(25.6)	—	—	-100.0%	0.0%
Other flows from investing activities	(55 643.6)	78.0%	97.8%	(59 415.9)	(64 242.4)	(66 951.4)	6.4%	99.2%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(60 929.5)</b>	<b>189.3%</b>	<b>100.0%</b>	<b>(71 239.5)</b>	<b>(67 919.9)</b>	<b>(71 856.7)</b>	<b>5.7%</b>	<b>100.0%</b>
<b>Statement of financial position</b>								
Carrying value of assets	428.9	19.1%	0.2%	450.3	471.9	494.6	4.9%	0.2%
Acquisition of assets	(320.5)	172.7%	-0.1%	(200.0)	—	—	-100.0%	-0.1%
Investments	168 707.9	7.4%	96.9%	177 143.3	185 646.1	194 557.2	4.9%	96.9%
Receivables and prepayments	1 912.3	3.3%	1.1%	2 008.0	2 104.3	2 205.3	4.9%	1.1%
Cash and cash equivalents	3 010.2	32.4%	1.7%	3 160.7	3 312.4	3 471.4	4.9%	1.7%
<b>Total assets</b>	<b>174 059.3</b>	<b>7.7%</b>	<b>100.0%</b>	<b>182 762.2</b>	<b>191 534.8</b>	<b>200 728.5</b>	<b>4.9%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	106 899.9	4.1%	64.2%	112 244.9	117 632.7	123 279.1	4.9%	61.4%
Capital and reserves	44 898.1	5.4%	26.2%	47 143.0	49 405.9	51 777.4	4.9%	25.8%
Trade and other payables	544.2	15.8%	0.3%	571.4	598.8	627.6	4.9%	0.3%
Benefits payable	21 688.8	53.9%	9.4%	22 773.3	23 866.4	25 012.0	4.9%	12.5%
Provisions	28.2	0.6%	0.0%	29.6	31.0	32.5	4.9%	0.0%
<b>Total equity and liabilities</b>	<b>174 059.3</b>	<b>7.7%</b>	<b>100.0%</b>	<b>182 762.2</b>	<b>191 534.8</b>	<b>200 728.5</b>	<b>4.9%</b>	<b>100.0%</b>

## Personnel information

**Table 31.23 Unemployment Insurance Fund personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			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 (%)	
		2018/19			2019/20			2020/21			2021/22			2022/23					
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Unemployment Insurance Fund																			
Salary level	3 854	3 854	3 726	1 332.8	0.4	3 854	1 692.5	0.4	3 854	1 902.7	0.5	3 854	2 026.3	0.5	3 854	2 154.0	0.6	8.4%	100.0%
1 – 6	2 341	2 341	2 204	514.8	0.2	2 341	788.6	0.3	2 341	884.7	0.4	2 341	942.2	0.4	2 341	1 001.5	0.4	8.3%	60.7%
7 – 10	1 294	1 294	1 317	573.6	0.4	1 294	633.9	0.5	1 294	715.0	0.6	1 294	761.5	0.6	1 294	809.5	0.6	8.5%	33.6%
11 – 12	182	182	168	189.9	1.1	182	209.3	1.2	182	234.8	1.3	182	250.0	1.4	182	265.8	1.5	8.3%	4.7%
13 – 16	37	37	37	54.4	1.5	37	60.8	1.6	37	68.2	1.8	37	72.6	1.9	37	77.2	2.1	8.3%	1.0%

1. Rand million.

## Commission for Conciliation Mediation and Arbitration

### Selected performance indicators

**Table 31.24 Commission for Conciliation Mediation and Arbitration performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of jurisdiction referrals per year	Social services	Priority 1: Economic transformation and job creation	153 043	153 464	193 732	213 105	234 415	257 857	283 643
Percentage of pre-conciliations heard per year	Social services		18% (27 010/ 153 043)	19% (29 172/ 153 464)	15% (28 826/ 193 732)	15%	15%	15%	15%
Percentage of pre-conciliations settled (of jurisdiction cases) per year	Social services		12% (1 799/ 153 043)	13% (19 722/ 153 464)	10% (19 505/ 193 732)	10%	10%	10%	10%
Percentage of conciliations and arbitrations settled (of jurisdiction cases) per year	Social services		41% (63 457/ 153 043)	40% (62 143/ 153 464)	29% (55 569/ 193 732)	29%	29%	29%	29%
Percentage of conciliations and arbitrations heard (of jurisdiction referrals) per year	Social services		37% (56 344/ 153 043)	36% (54 682/ 153 464)	32% (62 933/ 193 732)	32%	32%	32%	32%
Number of finalised cases settled per year	Social services		100 585	101 832	104 945	115 439	126 983	139 681	153 649

### Entity overview

The Commission for Conciliation, Mediation and Arbitration derives its mandate from the Labour Relations Act (1995), and its functions have been expanded to include the adjudication of all labour-related matters pertaining to the National Minimum Wage Act (2018) following its implementation. Over the MTEF period, the commission will focus on providing: capable and quality dispute and enforcement services, proactive and relevant labour market interventions, effective institutional governance to support the commission's strategy, and organisational transformation and development support to prepare the commission for the future.

An estimated 42.2 per cent (R1.4 billion) of the commission's total budget over the medium term is allocated for the provision of proactive dispute prevention and management services. Of this amount, R1.3 billion is set aside for the compensation of 173 full-time commissioners, an estimated 565 part-time commissioners and 286 interpreters. The remainder is earmarked for travel and subsistence, and the hiring of venues for hearings.

To increase its reach, the commission plans to open satellite offices in North West (Mahikeng), and to upgrade the Vaal satellite office in Gauteng to a fully functional regional office. The commission has allocated R31 million over the medium term for the operations of these satellite offices, with a further R26.2 million allocated to assist with the expansion of access to services to rural areas. This is expected to result in an increase in the number of cases finalised and settled per year from 115 439 in 2019/20 to 153 649 in 2022/23.

Over the medium term, the commission is set to receive 97.3 per cent (R3.2 billion) of its projected revenue through transfers from the department, increasing at an average annual rate of 4.7 per cent despite Cabinet-approved reductions to the transfer of R30.4 million over the medium term. The commission will review its spending to find efficiencies in order to mitigate the impact of these reductions.

### Programmes/Objectives/Activities

**Table 31.25 Commission for Conciliation, Mediation and Arbitration expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	406.0	411.5	510.8	536.4	9.7%	51.1%	559.4	590.4	592.3	3.4%	52.7%
Institutional development	35.7	24.9	29.1	40.3	4.1%	3.6%	42.7	45.1	45.5	4.2%	4.0%
Corporate governance	5.2	5.1	5.3	10.4	26.0%	0.7%	11.0	11.6	11.7	4.2%	1.0%
Social services	358.2	410.9	431.2	416.1	5.1%	44.6%	441.3	465.7	504.4	6.6%	42.2%
<b>Total</b>	<b>805.1</b>	<b>852.4</b>	<b>976.4</b>	<b>1 003.2</b>	<b>7.6%</b>	<b>100.0%</b>	<b>1 054.5</b>	<b>1 112.8</b>	<b>1 153.9</b>	<b>4.8%</b>	<b>100.0%</b>



## Statements of historical financial performance

**Table 31.26 Commission for Conciliation, Mediation and Arbitration statements of historical financial performance**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>22.8</b>	<b>23.5</b>	<b>22.8</b>	<b>18.3</b>	<b>25.2</b>	<b>20.8</b>	<b>26.4</b>	<b>26.4</b>	<b>91.5%</b>
Sale of goods and services other than capital assets	4.3	4.6	5.3	6.4	6.1	5.7	7.0	7.0	104.1%
of which:									
Other sales	4.3	4.6	5.3	6.4	6.1	5.7	7.0	7.0	104.1%
Other non-tax revenue	18.5	18.9	17.5	11.9	19.1	15.0	19.3	19.3	87.7%
<b>Transfers received</b>	<b>770.5</b>	<b>773.4</b>	<b>864.1</b>	<b>867.2</b>	<b>963.1</b>	<b>965.9</b>	<b>976.8</b>	<b>976.8</b>	<b>100.2%</b>
<b>Total revenue</b>	<b>793.3</b>	<b>796.9</b>	<b>886.9</b>	<b>885.5</b>	<b>988.2</b>	<b>986.7</b>	<b>1 003.2</b>	<b>1 003.2</b>	<b>100.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>842.8</b>	<b>805.1</b>	<b>892.5</b>	<b>845.0</b>	<b>980.4</b>	<b>968.6</b>	<b>994.9</b>	<b>997.7</b>	<b>97.5%</b>
Compensation of employees	278.6	292.6	463.6	416.2	490.0	521.0	553.7	569.0	100.7%
Goods and services	546.9	496.8	428.9	428.9	490.4	420.3	441.2	428.7	93.0%
Depreciation	17.3	15.8	—	—	—	27.3	—	—	248.2%
<b>Transfers and subsidies</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>7.4</b>	<b>7.8</b>	<b>7.8</b>	<b>8.3</b>	<b>5.5</b>	<b>129.0%</b>
<b>Total expenses</b>	<b>842.8</b>	<b>805.1</b>	<b>892.5</b>	<b>852.4</b>	<b>988.2</b>	<b>976.4</b>	<b>1 003.2</b>	<b>1 003.2</b>	<b>97.6%</b>
<b>Surplus/(Deficit)</b>	<b>(49.0)</b>	<b>(8.0)</b>	<b>(6.0)</b>	<b>33.0</b>	<b>—</b>	<b>10.0</b>	<b>—</b>	<b>—</b>	

## Statements of estimates of financial performance

**Table 31.27 Commission for Conciliation, Mediation and Arbitration statements of estimates of financial performance**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>26.4</b>	<b>3.9%</b>	<b>2.4%</b>	<b>28.5</b>	<b>30.0</b>	<b>31.2</b>	<b>5.8%</b>	<b>2.7%</b>
Sale of goods and services other than capital assets	7.0	15.0%	0.6%	8.1	8.5	8.9	8.1%	0.7%
Other sales	7.0	15.0%	0.6%	8.1	8.5	8.9	8.1%	0.7%
Other non-tax revenue	19.3	0.8%	1.8%	20.4	21.5	22.4	5.0%	1.9%
<b>Transfers received</b>	<b>976.8</b>	<b>8.1%</b>	<b>97.6%</b>	<b>1 026.0</b>	<b>1 082.8</b>	<b>1 122.7</b>	<b>4.7%</b>	<b>97.3%</b>
<b>Total revenue</b>	<b>1 003.2</b>	<b>8.0%</b>	<b>100.0%</b>	<b>1 054.5</b>	<b>1 112.8</b>	<b>1 153.9</b>	<b>4.8%</b>	<b>100.0%</b>
<b>Current expenses</b>	<b>997.7</b>	<b>7.4%</b>	<b>99.4%</b>	<b>1 048.6</b>	<b>1 106.6</b>	<b>1 147.7</b>	<b>4.8%</b>	<b>99.4%</b>
Compensation of employees	569.0	24.8%	48.8%	603.5	638.5	644.5	4.2%	56.8%
Goods and services	428.7	-4.8%	49.4%	445.1	468.1	503.2	5.5%	42.7%
<b>Transfers and subsidies</b>	<b>5.5</b>	<b>—</b>	<b>0.6%</b>	<b>5.9</b>	<b>6.2</b>	<b>6.2</b>	<b>4.2%</b>	<b>0.6%</b>
<b>Total expenses</b>	<b>1 003.2</b>	<b>7.6%</b>	<b>100.0%</b>	<b>1 054.5</b>	<b>1 112.8</b>	<b>1 153.9</b>	<b>4.8%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>—</b>			<b>—</b>	<b>—</b>	<b>—</b>		

## Personnel information

**Table 31.28 Commission for Conciliation, Mediation and Arbitration personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Commission for Conciliation, Mediation and Arbitration			1 008	521.0	0.5	1 017	569.0	0.6	1 017	603.5	0.6	1 017	638.5	0.6	1 017	644.5	0.6	4.2%	100.0%
Salary level	1 017	1 017																	
1 – 6	68	68	65	12.5	0.2	68	12.9	0.2	68	13.7	0.2	68	14.4	0.2	68	14.5	0.2	4.0%	6.7%
7 – 10	791	791	789	333.9	0.4	791	359.3	0.5	791	381.9	0.5	791	404.8	0.5	791	408.7	0.5	4.4%	77.8%
11 – 12	95	95	89	82.9	0.9	95	96.2	1.0	95	101.6	1.1	95	107.2	1.1	95	108.2	1.1	4.0%	9.3%
13 – 16	53	53	56	68.6	1.2	53	74.1	1.4	53	78.3	1.5	53	82.6	1.6	53	83.3	1.6	4.0%	5.2%
17 – 22	10	10	9	23.2	2.6	10	26.5	2.6	10	28.0	2.8	10	29.5	3.0	10	29.8	3.0	4.0%	1.0%

1. Rand million.

## National Economic Development and Labour Council

### Selected performance indicators

**Table 31.29 National Economic Development and Labour Council performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of months taken to conclude council reports on draft legislation or policy from date of tabling at the relevant council structure per year (except where stipulated exclusions apply)	Core operations	Priority 1: Economic transformation and job creation	6	6	6	6	6	6	6
Number of working days taken to resolve section 77 final reports from the date of resolution of all section 77 notices per year	Core operations		5	5	5	5	5	5	5
Number of reports developed on the implementation of the Presidential Jobs Summit agreement per year	Core operations		— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	4	4	4	4

1. No historical data available.

### Entity overview

The National Economic Development and Labour Council is a statutory body governed by the National Economic Development and Labour Council Act (1994), from which it also derives its legislative mandate to promote economic growth and social equity. Government's legislative and policy programme, as well as issues tabled by its constituent chambers, determine the council's work. Over the medium term, the council will continue to focus on accelerating development, and addressing unemployment, inequality and poverty by advancing social dialogue between organised business, organised labour, government and communities. This dialogue is informed by the council's protocol to facilitate consensus on socioeconomic and other issues relating to the labour market.

Cabinet has approved additional funding of R16 million over the MTEF period for the Presidential Jobs Summit secretariat to support the effective implementation, monitoring and evaluation of efforts to create and retain 275 000 jobs each year, and grow the economy. Cabinet has, however, also approved reductions of R2.5 million over the medium term to the council's budget, which will result in the council having to reduce its spending on goods and services, mainly travel and subsistence. Total expenditure over the medium term is expected to be R193.3 million.

Transfers from the department account for an estimated 98.5 per cent (R190.8 million) of the council's total projected revenue over the medium term. The council supplements this with interest earned from its call account and sundry income, which are expected to amount to R2.6 million over the medium term.

### Programmes/Objectives/Activities

**Table 31.30 National Economic Development and Labour Council 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 (%)
	2016/17	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million						2016/17 - 2019/20					2019/20 - 2022/23	
Administration	23.8	25.6	31.4	30.9		9.0%	70.4%	35.2	37.1	38.0	7.2%	61.4%
Core operations	7.4	5.5	12.0	6.1		-6.4%	19.2%	22.9	22.5	21.8	53.0%	29.7%
Capacity building funds	3.3	4.8	3.5	4.6		11.6%	10.4%	4.9	5.1	5.9	8.4%	8.9%
<b>Total</b>	<b>34.6</b>	<b>35.8</b>	<b>46.9</b>	<b>41.5</b>		<b>6.3%</b>	<b>100.0%</b>	<b>62.9</b>	<b>64.7</b>	<b>65.7</b>	<b>16.5%</b>	<b>100.0%</b>

## Statements of historical financial performance

**Table 31.31 National Economic Development and Labour Council statements of historical financial performance**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
<b>Revenue</b>									
Non-tax revenue	0.5	0.6	0.5	0.8	0.5	1.9	0.8	0.8	171.9%
of which:									
Other non-tax revenue	0.5	0.6	0.5	0.8	0.5	1.9	0.8	0.8	171.9%
<b>Transfers received</b>	<b>30.4</b>	<b>30.8</b>	<b>32.0</b>	<b>39.8</b>	<b>33.8</b>	<b>39.6</b>	<b>40.7</b>	<b>40.7</b>	<b>110.2%</b>
<b>Total revenue</b>	<b>31.0</b>	<b>31.4</b>	<b>32.5</b>	<b>40.6</b>	<b>34.4</b>	<b>41.5</b>	<b>41.5</b>	<b>41.5</b>	<b>111.3%</b>
<b>Expenses</b>									
Current expenses	30.9	34.6	32.5	35.8	34.4	46.9	41.5	41.5	114.0%
Compensation of employees	13.5	14.1	14.2	17.5	15.4	21.2	21.5	21.5	115.1%
Goods and services	16.4	19.3	17.3	17.3	18.0	24.1	19.0	19.0	112.9%
Depreciation	1.0	1.1	1.0	1.0	1.0	1.5	1.1	1.1	116.8%
<b>Total expenses</b>	<b>30.9</b>	<b>34.6</b>	<b>32.5</b>	<b>35.8</b>	<b>34.4</b>	<b>46.9</b>	<b>41.5</b>	<b>41.5</b>	<b>114.0%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>(3.0)</b>	<b>-</b>	<b>5.0</b>	<b>-</b>	<b>(5.0)</b>	<b>-</b>	<b>-</b>	

## Statements of estimates of financial performance

**Table 31.32 National Economic Development and Labour Council statements of estimates financial performance**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
<b>Revenue</b>									
Non-tax revenue	0.8	10.8%	2.6%	0.8	0.9	0.9	4.7%	1.5%	
Other non-tax revenue	0.8	10.8%	2.6%	0.8	0.9	0.9	4.7%	1.5%	
<b>Transfers received</b>	<b>40.7</b>	<b>9.8%</b>	<b>97.4%</b>	<b>62.1</b>	<b>63.9</b>	<b>64.8</b>	<b>16.7%</b>	<b>98.5%</b>	
<b>Total revenue</b>	<b>41.5</b>	<b>9.8%</b>	<b>100.0%</b>	<b>62.9</b>	<b>64.7</b>	<b>65.7</b>	<b>16.5%</b>	<b>100.0%</b>	
<b>Current expenses</b>	<b>41.5</b>	<b>6.3%</b>	<b>100.0%</b>	<b>62.9</b>	<b>64.7</b>	<b>65.7</b>	<b>16.5%</b>	<b>100.0%</b>	
Compensation of employees	21.5	15.0%	46.6%	26.4	27.8	28.6	10.1%	45.0%	
Goods and services	19.0	-0.6%	50.4%	35.5	35.8	35.9	23.6%	53.0%	
Depreciation	1.1	-1.7%	3.0%	1.1	1.1	1.1	1.4%	2.0%	
<b>Total expenses</b>	<b>41.5</b>	<b>6.3%</b>	<b>100.0%</b>	<b>62.9</b>	<b>64.7</b>	<b>65.7</b>	<b>16.5%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>-</b>			<b>-</b>	<b>-</b>	<b>-</b>			

## Personnel information

**Table 31.33 National Economic Development and Labour Council personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
National Economic Development and Labour Council																			
Salary level	32	33	33	21.2	0.6	33	21.5	0.7	33	26.4	0.8	33	27.8	0.8	33	28.6	0.9	10.1%	100.0%
1 – 6	4	4	4	0.6	0.2	4	0.8	0.2	4	0.9	0.2	4	1.0	0.2	4	1.0	0.3	10.6%	12.1%
7 – 10	23	23	23	10.5	0.5	23	12.8	0.6	23	15.7	0.7	23	16.5	0.7	23	17.2	0.7	10.2%	69.7%
11 – 12	2	3	3	2.4	0.8	3	2.9	1.0	3	3.6	1.2	3	3.8	1.3	3	4.0	1.3	10.7%	9.1%
13 – 16	3	3	3	4.4	1.5	3	4.9	1.6	3	6.1	2.0	3	6.4	2.1	3	6.4	2.1	9.3%	9.1%
17 – 22	—	—	—	3.2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

1. Rand million.

## Productivity South Africa

### Selected performance indicators

**Table 31.34 Productivity South Africa performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Number of education, training and development facilitators, and skills development facilitators trained per year	Competitiveness improvement services	Priority 1: Economic transformation and job creation	- <sup>1</sup>	327	217	200	200	200	200
Number of companies capacitated with productivity and business efficiency per year	Competitiveness improvement services		5 527	5 523	5 588	3 100	3 110	3 120	3 130

1. No historical data available.

## Entity overview

Productivity South Africa was established in terms of section 31 of the Employment Services Act (2014). Its mandate is to drive employment and productivity, and thereby contribute to South Africa's socioeconomic development and competitiveness.

The reconfiguration of the department to include employment as part of its mandate places the entity in a more strategic position to drive the country's growth and development agenda through increased productivity and competitiveness. Over the medium term, the entity will focus on supporting the country to create a productive, high-income economy that is globally competitive, targeting sectors with the potential for labour absorption. Interventions will include assisting companies to save jobs through the business turnaround and recovery programme in conjunction with the Unemployment Insurance Fund; the workplace challenge programme in partnership with the Department of Trade, Industry and Competition, through which members will be trained in productivity improvement solutions; and the provision of productivity and efficiency training to small, medium and micro enterprises. Total expenditure over the medium term is expected to be R486.2 million, with 56.3 per cent (R266.4 million) of this amount earmarked for the compensation of 110 employees.

To promote workplace productivity, competitiveness and social intervention programmes over the medium term, the entity is set to receive transfers of R179.7 million from the Department of Employment and Labour; R32.5 million from the Department of Trade, Industry and Competition for the workplace challenge programme; and R140 million from the Unemployment Insurance Fund for the business turnaround and recovery programme. Cabinet has approved reductions of R532 000 in 2020/21, R560 000 in 2021/22 and R600 000 in 2022/23 on transfers to the entity. The entity will assess its operations to mitigate the impact of these reductions.

## Programmes/Objectives/Activities

**Table 31.35 Productivity South Africa expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/Total (%)
Administration	40.7	45.0	53.9	51.8	8.4%	48.1%	58.7	62.2	66.0	8.4%	41.3%
Productivity organisational solution	8.7	11.4	11.2	—	-100.0%	7.9%	—	—	—	—	—
Research, innovation and statistics	9.3	10.8	8.7	8.9	-1.3%	9.4%	12.6	13.3	14.1	16.6%	8.3%
Workplace challenge	17.9	16.5	12.9	—	-100.0%	11.8%	—	—	—	—	—
Business turnaround and recovery	32.6	19.1	1.1	20.0	-15.0%	17.2%	44.0	46.6	49.4	35.2%	26.4%
Competitiveness improvement services	—	—	—	22.9	—	5.5%	37.4	39.6	42.0	22.4%	23.9%
<b>Total</b>	<b>109.0</b>	<b>102.7</b>	<b>87.8</b>	<b>103.7</b>	<b>-1.7%</b>	<b>100.0%</b>	<b>152.7</b>	<b>161.9</b>	<b>171.6</b>	<b>18.3%</b>	<b>100.0%</b>

## Statements of historical financial performance

**Table 31.36 Productivity South Africa statements of historical financial performance**

Statement of financial performance									
R million	2016/17		2017/18		2018/19		2019/20		Average: Outcome/Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>37.1</b>	<b>9.2</b>	<b>21.8</b>	<b>6.0</b>	<b>20.7</b>	<b>10.5</b>	<b>35.0</b>	<b>11.1</b>	<b>32.2%</b>
Sale of goods and services other than capital assets	36.9	9.0	21.1	5.5	20.1	10.0	34.4	10.5	31.0%
of which:									
Sales by market establishment	36.9	9.0	21.1	5.5	20.1	10.0	34.4	10.5	31.0%
Other non-tax revenue	0.2	0.3	0.7	0.6	0.6	0.5	0.6	0.6	92.9%
<b>Transfers received</b>	<b>154.6</b>	<b>87.7</b>	<b>138.4</b>	<b>103.0</b>	<b>124.2</b>	<b>77.5</b>	<b>197.4</b>	<b>92.5</b>	<b>58.7%</b>
<b>Total revenue</b>	<b>191.7</b>	<b>96.9</b>	<b>160.1</b>	<b>109.0</b>	<b>144.9</b>	<b>88.0</b>	<b>232.5</b>	<b>103.7</b>	<b>54.5%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>191.7</b>	<b>109.0</b>	<b>160.1</b>	<b>102.7</b>	<b>140.8</b>	<b>83.9</b>	<b>227.9</b>	<b>103.7</b>	<b>55.4%</b>
Compensation of employees	59.9	62.0	67.4	64.9	60.4	60.8	77.2	63.1	94.7%
Goods and services	130.8	46.2	91.9	37.1	79.5	22.4	149.9	39.9	32.2%
Depreciation	0.9	0.6	0.7	0.4	0.4	0.6	0.4	0.6	94.5%
Interest, dividends and rent on land	0.1	0.2	0.1	0.4	0.4	0.1	0.4	0.0	68.2%
<b>Transfers and subsidies</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>4.1</b>	<b>3.8</b>	<b>4.5</b>	<b>—</b>	<b>44.3%</b>
<b>Total expenses</b>	<b>191.7</b>	<b>109.0</b>	<b>160.1</b>	<b>102.7</b>	<b>144.9</b>	<b>87.8</b>	<b>232.5</b>	<b>103.7</b>	<b>55.3%</b>
<b>Surplus/(Deficit)</b>	<b>—</b>	<b>(12.0)</b>	<b>—</b>	<b>6.0</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	

## Statements of estimates of financial performance

**Table 31.37 Productivity South Africa statements of estimates financial performance**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>11.1</b>	<b>6.5%</b>	<b>9.4%</b>	<b>10.8</b>	<b>11.4</b>	<b>12.2</b>	<b>3.0%</b>	<b>8.0%</b>
Sale of goods and services other than capital assets	10.5	5.5%	8.9%	10.1	10.8	11.4	2.8%	7.5%
<i>Sales by market establishment</i>	10.5	5.5%	8.9%	10.1	10.8	11.4	2.8%	7.5%
Other non-tax revenue	0.6	34.3%	0.5%	0.6	0.7	0.7	5.0%	0.5%
<b>Transfers received</b>	<b>92.5</b>	<b>1.8%</b>	<b>90.6%</b>	<b>141.9</b>	<b>150.4</b>	<b>159.4</b>	<b>19.9%</b>	<b>92.0%</b>
<b>Total revenue</b>	<b>103.7</b>	<b>2.3%</b>	<b>100.0%</b>	<b>152.7</b>	<b>161.9</b>	<b>171.6</b>	<b>18.3%</b>	<b>100.0%</b>
<b>Current expenses</b>	<b>103.7</b>	<b>-1.7%</b>	<b>98.9%</b>	<b>152.7</b>	<b>161.9</b>	<b>171.6</b>	<b>18.3%</b>	<b>100.0%</b>
Compensation of employees	63.1	0.6%	62.5%	84.4	88.8	93.2	13.9%	56.3%
Goods and services	39.9	-4.8%	35.6%	67.6	72.3	77.6	24.8%	43.2%
Depreciation	0.6	0.4%	0.6%	0.7	0.7	0.8	5.0%	0.5%
Interest, dividends and rent on land	0.0	-44.5%	0.2%	–	–	–	-100.0%	0.0%
<b>Total expenses</b>	<b>103.7</b>	<b>-1.7%</b>	<b>100.0%</b>	<b>152.7</b>	<b>161.9</b>	<b>171.6</b>	<b>18.3%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>–</b>			<b>–</b>	<b>–</b>	<b>–</b>		

## Personnel information

**Table 31.38 Productivity South Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			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 (%)			
		2018/19			2019/20			2020/21		2021/22		2022/23		2019/20 - 2022/23						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		Number			Cost	Unit cost	
Productivity South Africa		89	89	88	60.8	0.7	83	63.1	0.8	110	84.4	0.8	110	88.8	0.8	110	93.2	0.8	13.9%	100.0%
Salary level	89	89	88	60.8	0.7	83	63.1	0.8	110	84.4	0.8	110	88.8	0.8	110	93.2	0.8	13.9%	100.0%	
1 – 6	6	6	5	0.8	0.2	5	0.9	0.2	6	1.1	0.2	6	1.2	0.2	6	1.3	0.2	12.9%	5.6%	
7 – 10	35	35	36	16.6	0.5	35	17.7	0.5	37	20.0	0.5	37	21.1	0.6	37	22.2	0.6	8.0%	35.8%	
11 – 12	36	36	33	26.6	0.8	32	29.0	0.9	50	41.4	0.8	50	43.5	0.9	50	45.7	0.9	16.3%	43.7%	
13 – 16	12	12	14	16.7	1.2	11	15.5	1.4	17	21.9	1.3	17	23.0	1.4	17	24.1	1.4	15.8%	14.9%	

1. Rand million.

# ◀ 2020 ▶ **BUDGET**

ESTIMATES OF NATIONAL  
EXPENDITURE



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA