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BUDGET 2015

ESTIMATES OF NATIONAL EXPENDITURE

OVERVIEW



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Estimates of National Expenditure

2015

National Treasury

Republic of South Africa

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The 2015 Estimates of National Expenditure e-publications are 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 on www.treasury.gov.za.

Compared to the abridged version of the 2015 ENE, the 2015 ENE e-publications provide more detailed information, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional allocations to provinces and municipalities; departmental public private partnerships; and donor funding. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. In some e-publications more detailed information at the level of site service delivery is included.

Foreword

Some of the tough economic conditions occasioned by the 2008 to 2009 global financial crisis continue to plague most parts of the world: Economic growth remains sluggish, unemployment and inequality levels are elevated, while financial markets tend to reposition themselves substantially at the slightest sign of unsettling news. As an open economy, South Africa is highly susceptible to global economic developments, often disproportionately so. In the face of all of this, the 2015 Medium Term Expenditure Framework (MTEF) response provides for positive real growth in expenditure averaging 2.1 per cent per year. The annual budget reaches R1.6 trillion by 2017/18.

True to the commitment government made in the Medium Term Budget Policy Statement (MTBPS) in October 2014, the budget framework sets out departmental programmes and plans that fit within the broad expenditure envelope published last year. To keep our fiscal accounts firmly on a sustainable path, the MTBPS proposed a fiscal policy package that has trimmed overall spending by R25 billion, which is the combined amount for 2015/16 and 2016/17. Government spending does continue to surpass inflation after these adjustments in both years, but growth is marginally slower. In addition, for 2017/18, R45 billion is placed in an unallocated reserve to cushion our plans against unforeseeable eventualities. Further, to achieve our fiscal objectives, government has had to institute carefully selected tax measures too. These are implemented within the framework of a progressive tax system and have been informed by the work of the Davies Tax Committee. The tax proposals are set out in detail in chapter 4 of the Budget Review.

The process of realigning expenditure in response to the closing of the fiscal space is being actively managed, in the context of government's 2014-2019 medium term strategic framework. Some of our aspirations might take longer to realise. Within government's institutions, more urgent and essential existing programmes are being prioritised above other programmes that are reduced. The implementation of some newly proposed programmes will either be phased in over a longer period or, in some cases, possibly even delayed. Social sector spending and key infrastructure spending, as well as other key areas of spending, continue to grow in real terms.

In addition to the reprioritisation of government programmes, the policy frameworks and implementation methodology of programmes are being re-evaluated, with a focus on service delivery of programmes. In line with the 2013/14 National Treasury instruction on cost containment measures, financing programmes must entail a greater share of goods and services budgets being devoted towards core areas of service delivery. The focus of government programmes is being sharpened, both in terms of spatial distribution, and in terms of their nature and emphasis. Effectiveness and efficiency of expenditure is our guiding mantra.

The spending plans contained in the 2015 Budget do respond to our short term needs for economic growth. However, to achieve our ambition of faster growth, which we unquestionably need for pushing back the frontiers of unemployment, poverty and inequality, we must continue to strive towards shifting the composition of expenditure more towards investment, away from consumption. Institutional spending, as always, is being closely monitored, and the ongoing process of realignment continues. The details of the spending of national government departments and its entities are encompassed in the chapters of this publication.

All the expenditure and service delivery information contained in the chapters of this publication result from a wide ranging intergovernmental consultative process, leading to executive approval of reprioritised and realigned spending allocations. Many people have contributed to making this publication possible, particularly my colleagues in national departments and agencies. Their collaboration and understanding during the budget allocation and document drafting processes has been invaluable. Appreciation is also due to the dedicated team at National Treasury for the publication of this highly valuable resource.



Lungisa Fuzile
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of national Expenditure (ENE) publications provide comprehensive information on how budget resources are generated, how institutions have spent their budgets in previous years, and how institutions plan to spend the resources allocated to them over the MTEF period. Key performance indicators are included for each national government vote and entity showing what the institutions aim to achieve by spending their budget allocations in a particular manner. This information provides Parliament and the public with the necessary tools to hold government accountable against the 14 outcomes set out in the 2014-2019 medium term strategic framework.

The 2015 ENE publications largely retain the scope of information presented in previous years' publications. For ease of comprehension, however, in the 2015 publications information is presented in a more succinct and concise manner in data tables and their accompanying explanatory narratives. The reader can thus more readily understand what each institution is planning to spend its budget on and what it aims to achieve. Each chapter in the abridged 2015 ENE publication relates to a specific budget vote. A separate, more detailed, e-publication is also available for each vote.

Compared to the abridged version of the 2015 ENE, the 2015 ENE e-publications provide more detailed information, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional allocations to provinces and municipalities; departmental public private partnerships; and donor funding. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. In some e-publications more detailed information at the level of site service delivery is included.

A separate 2015 ENE Overview e-publication is also available, which contains a description at the main budget non-interest spending level, summarising the ENE publication information across votes. The 2015 ENE Overview contains this narrative explanation and summary tables; a description of the budgeting approach; and also has a write-up on how to interpret the information that is contained in each section of the publications.

Overview

National Treasury
Republic of South Africa



Introduction

This section provides an overview of the approach to the allocation of government resources; the institutional, macroeconomic and budget framework policy context in which the 2015 Budget has been prepared; and the details of the actual allocations.

The discussion on the approach to the budget describes how the allocation of resources in the 2015 Budget process continues to be determined based on functions of government, while noting that allocations are also detailed at the level of the individual institution.

This is followed by an explanation of the 2014 national macro organisation of the state, which involved the reorganisation of some government institutions, as well as the creation of new ones. It describes the importance of the objectives of functions, and of government departments and agencies, being aligned with broad government policy frameworks – notably the national development plan and the 2014-2019 medium term strategic framework (MTSF). It sets out the broad outcomes that all functions and departments should be striving towards.

The level of government spending is then explained in the context of the constrained global and domestic environment, as well as how resources are optimally allocated within the lowered expenditure ceiling. This is followed by details of the budget framework, which shows expenditure over the medium term according to both function and vote.

A brief overview of 2013/14 expenditure is provided, which includes a breakdown of areas of underspending.

The section ends with the 2015 Budget summary tables.

The process of allocation of resources in the Budget

In the 2015 Budget process, the decisions on the allocation of resources to government institutions were made based on the specific function of government. For this purpose, function budgeting clusters vote programmes of government institutions together if they perform tasks required for a specific function.

Different programmes within an institution may fall under different functions of government. Various institutions, possibly even from different spheres of government, are grouped according to the function that they perform and the associated outcomes they are responsible for achieving. The Social Protection function, for example, includes the national Department of Social Development, the provincial departments of social development, as well as public entities such as the South African Social Security Agency and the National Development Agency. There are eight function groups: Basic Education; Health; Defence, Public Order and Safety; Post School Education and Training; Economic Affairs; Local Economic Development and Social Infrastructure; General Public Services and Social Protection.

Discussions were held for participating institutions in each function to deliberate on how to improve the way resources are utilised in order to achieve the function's outcomes. In a period of fiscal constraint, these discussions necessarily entail an examination of more difficult trade-offs between the financing of different policy objectives. Attention thus focused on efficiency and effectiveness as being the guiding principle of resource usage. Together, the participating institutions examined their individual policies, the manner in which the institutions are arranged for meeting their objectives, and the procedures by which services are delivered.

For each function, recommendations were formulated on how institutional policies and practices could be modified to best achieve their stated outcomes. Key performance indicators are used to target and monitor an institution's progress towards the achievement of outcomes. For example, in the Social

Protection function, the national Department of Social Development measures the ‘total number of child support grant beneficiaries’. Considering future population demographics, the department expects this number to be 11.2 million in 2014/15, increasing to 12.3 million by 2017/18.

In line with institutional performance and outcomes targeted, the budget announces government spending for the next three financial years - that is, the years of the medium term expenditure framework (MTEF). In contrast to the function based process, the Appropriation Bill, tabled by the Minister of Finance as part of the Budget, is set out in terms of each budget vote. Generally, a vote specifies the total amount of money appropriated to a national government department. In some cases a vote may contain more than one national government department. Through the Appropriation Bill, the executive seeks Parliament’s approval and adoption of its national government spending plans for the first year of the MTEF period.

The abridged Estimates of National Expenditure (ENE) publication is the explanatory memorandum to the Appropriation Bill, and therefore contains detailed information regarding the allocations to each national government vote.

The Budget Review publication includes information not only relating to national government vote expenditure; it describes government consolidated expenditure and so also contains information on spending in provinces, local government, social security funds and public entities. Unlike the government’s Main budget expenditure allocations contained in the Appropriation Bill, some of the expenditure undertaken by provinces, social security funds and entities is financed by revenue that these institutions raise from their own activities.

The 2015 ENE publications

ENE publications continue to provide comprehensive information on how budget resources are generated, how institutions have spent their budgets in previous years, and how institutions plan to spend the resources allocated to them over the MTEF period. Key performance indicators are included for each national government vote and entity showing what the institutions aim to achieve by spending their budget allocations in a particular manner. This information provides Parliament and the public with the necessary tools to hold government accountable against the 14 outcomes set out in the MTSF.

The 2015 ENE publications all largely retain the scope of information presented in previous years’ publications. For ease of comprehension, however, in the 2015 publications information is presented in a more succinct and concise manner in data tables and their accompanying explanatory narratives. The reader can thus more readily understand what each institution is planning to spend its budget on and what it aims to achieve. Each chapter in the abridged 2015 ENE publication relates to a specific budget vote. A separate, more detailed, e-publication is also available for each vote.

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The 2014 national macro organisation of the state

Following the appointment of the fifth democratically elected government since 1994, in May 2014 the president appointed ministers and deputy ministers. In line with the new ministerial portfolios, some national government departments have been reorganised. This includes establishing new departments. New votes have accordingly been created, and appropriate tasks and functions have been transferred to these new votes from votes that existed at the time of the 2014 Budget. The table below provides a list of the new votes, and alongside each, the department/s from which the function has been shifted in order to form the basis of the new vote.

Newly created vote	Vote from which all or some functions have been shifted
Planning, Monitoring and Evaluation	The Presidency Performance Monitoring and Evaluation
Water and Sanitation	Human Settlements Water Affairs
Women	Women, Children and People with Disabilities
Small Business Development	Trade and Industry
Telecommunications and Postal Services	Public Enterprises Communications
Communications	Government Communication and Information System The Presidency Home Affairs
Office of the Chief Justice and Judicial Administration ¹	Justice and Constitutional Development

1. This Office was established in 2009. The Office has been included in the Justice and Constitutional Development vote for the 2015 Budget.

Attaining government's outcomes

The 2014 MTSF gives expression to the aims of the new government administration. It is premised on 14 priority outcomes that are linked to the focus areas identified in the national development plan's Vision 2030. Realising these outcomes is necessary to unlock the constraints to South Africa's development and economic growth. A list of the 14 priority outcomes set out in the 2014 MTSF alongside the respective coordinating department, is provided below.

Outcome number	Medium Term Strategic Framework outcomes	Coordinating department/s
1	Quality basic education	Basic Education
2	A long and healthy life for all South Africans	Health
3	All people in South Africa are and feel safe	Defence
4	Decent employment through inclusive economic growth	Trade and Industry
5	A skilled and capable workforce to support an inclusive growth path	Higher Education and Training
6	An efficient, competitive and responsive economic infrastructure network	Transport, and Public Enterprises
7	Comprehensive rural development and land reform	Rural Development and Land Reform
8	Sustainable human settlements and improved quality of household life	Human Settlements
9	A responsive, accountable, effective and efficient developmental local government	Cooperative Governance and Traditional Affairs
10	Protect and enhance our environmental assets and natural resources	Environmental Affairs
11	Create a better South Africa, a better Africa and a better world	International Relations and Cooperation, and Trade and Industry
12	An efficient, effective and development oriented public service	Public Service and Administration
13	An inclusive and responsive social protection system	Social Development
14	Nation building and social cohesion	Arts and Culture

For 2015/16, the budget allocations for all votes, including the above newly created votes, are reflected in the 2015 Appropriation Bill. They will be explained in greater detail in these 2015 ENE publications, together with their related outcomes.

The level of government spending

The robust economic growth experienced from 2002 until the 2008 worldwide economic crisis resulted in substantially increased government revenue inflows. These were used to fund higher expenditure levels, as well as to pay off government debt that had accumulated. Spending increased while total net loan debt decreased from 35.3 per cent of South Africa's annual level of economic output in 2002/03 to 19.4 per cent of the country's GDP in 2008/09. Government spending increased strongly in real terms, that is, after taking inflation into account, at an average annual rate of 9.8 per cent from 2002/03 to 2009/10. Rapidly expanding budgets were used to broaden access to key public services, particularly for the poor. Investments in key spending areas, including social services, and social and economic infrastructure, laid a good foundation for transforming South Africa. When government revenue inflows decreased, the relatively low debt levels in 2008/09 were then increased to stimulate the economy in the face of the global economic downturn.

The world economic recovery from the 2008 recession remains positive, but subdued. This, together with structural challenges in the South African economy, has resulted in muted economic growth in recent years. Sustaining expenditure levels in this economic environment has meant that the annual budget shortfall has exceeded 4 per cent of GDP since 2009/10. By 2013/14, net loan debt levels had increased to approximately 40 per cent of GDP.

To reduce the annual budget deficit and maintain the sustainability of public finance expenditure, budget growth rates have been restrained in recent years. In the 2012 Budget, government committed to an expenditure ceiling that would reinforce sustainable expenditure levels. Expenditure growth would still be above the rate of inflation, but grow slower than in the previous decade. Measures were put in place to allow for the achievement of government outcomes at the same time as tempering spending growth. Government institutions targeted reducing consumption expenditure and wastage. In line with this, National Treasury's Instruction 1 of 2013/14 prescribes cost containment measures that accounting officers of government institutions need to follow, such as the maximum rates at which consultants can be remunerated.

In the face of the muted economic growth, a fiscal package was announced in the 2014 Medium Term Budget Policy Statement. The reforms instituted in the 2015 Budget build on this and previous initiatives introduced, thereby strengthening the focus on improved economic growth and development levels. The economic growth forecast is lower than projected at the time of the 2014 Budget. Fiscal consolidation is thus required to ensure that the annual budget deficit is effectively narrowed and that debt levels are simultaneously managed.

Fiscal reforms being introduced in the 2015 Budget include both spending and tax proposals for the medium term. Spending proposals include reducing the overall growth in spending. The Main budget¹ non-interest² expenditure ceiling for the 2014 Budget limited expenditure to R1.1 trillion in 2015/16 and R1.2 trillion in 2016/17. This has been reduced in order to constrain the growth in spending by an amount of R25 billion – R10 billion in 2015/16 and R15 billion in 2016/17. The reduction in the expenditure ceiling applies proportionately to all spheres of government. It includes reductions made to the equitable share allocations to provinces, as well as to conditional allocations to provinces and municipalities.

To protect spending on core social obligations, the proposed reductions in the expenditure ceiling are focused on specific items. Funding for posts that have been vacant for prolonged periods has been

¹ Main budget level expenditure refers to expenditure financed through revenue collected by national government, which is deposited in the National Revenue Fund. This differs from the consolidated government spending level, which is the basis for discussion in the Budget Review publication. Consolidated expenditure consists of Main budget expenditure, as well as expenditure financed from own revenue raised by the government entities, provinces and social security funds themselves.

² Non-interest expenditure excludes expenditure incurred to pay debt service costs.

targeted; capital project allocations that are projected to underspend have been reduced; and the budgets of the selected non-essential goods and services items are frozen at 2014/15 budget levels. The latter includes budgets for catering, entertainment, and particular categories of consultants.

Reductions of transfer payments to public entities are calculated either by aligning their planned growth rate to inflation, allowing for limited growth above inflation, or by decreasing transfers in order to reduce cash surpluses held by government entities. Surpluses held for specific projects are not impacted, to protect the level of services rendered to the public.

2015 Budget spending levels continue to grow in real terms. This protects the level of services for South Africans, as it provides the funding required for the attainment of the outcomes set out in the MTSF. However, the achievement of some of the outcomes may be slower than originally anticipated.

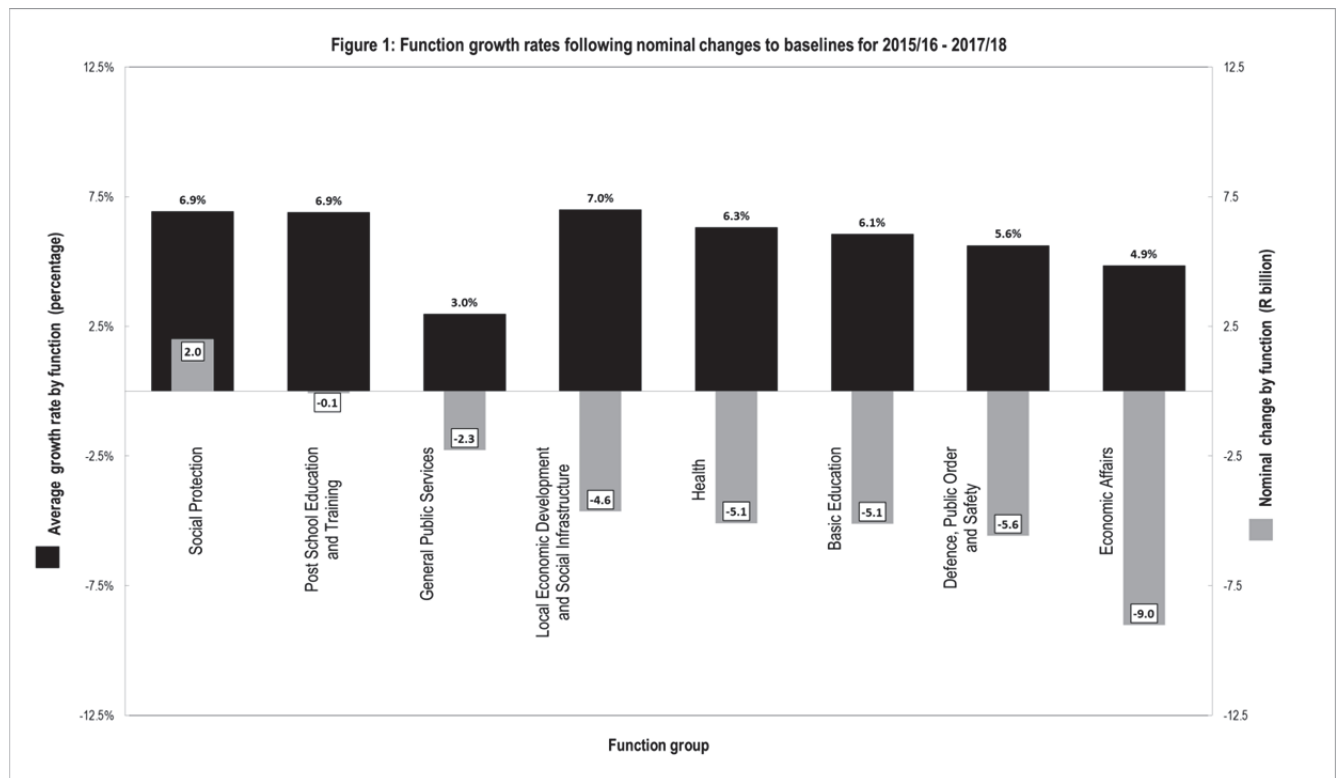
The allocation of resources within the lowered aggregate expenditure ceiling

The outer year for the 2015 MTEF period is 2017/18. The indicative budget baselines for 2017/18 for each vote and for each function were largely determined at the beginning of the 2015 Budget process. This was done by removing any once-off allocations from the existing budget baselines and then applying growth rates to budgetary line items in line with general inflationary projections. On average, the 2017/18 baseline shows a growth of 5 per cent when compared to the 2016/17 baseline. This is required as budget process discussions and decisions cover three financial years, the years of the MTEF period. The initially determined indicative third-year baseline allocations are, however, only used to provide a basis for discussions. They are modified by fiscal framework considerations as decisions are taken throughout the process.

The expenditure ceiling was reduced by R25 billion in the first two years of the 2015 MTEF period, R10 billion in 2015/16 and R15 billion in 2016/17. Resources within the lowered expenditure ceiling of the 2015 Budget amount to R3.95 trillion, exceeding R1 trillion in each year of the 2015 MTEF period. Non-interest expenditure is set to grow at an average annual rate of 7.4 per cent over the 2015 MTEF period. While expenditure growth rates have effectively been moderated, expenditure budgets continue to grow in real terms and adequately fund government's targeted outcomes.

The realisation of a particular priority may result in fewer resources being available for other priorities. Resources have been shifted from less urgent priorities or non-performing programmes. Through careful planning and consultation, some programmes have been rescheduled or their inception deferred in favour of more urgent deliverables. For instance, the Department of Police will extend the timeline of the replacement cycle of its vehicles in order to redirect funds for the prevention of and reaction to crime.

The following graph depicts the growth rates for each function, as well as the Main budget net aggregate reduction in function budget allocation for the period 2015/16 to 2017/18. Main budget allocations include direct charges, such as the provincial equitable share.



The reduced non-interest expenditure ceiling in the Main budget means that all functions, with the exception of Social Protection, have lower levels of planned future expenditure than those announced in the preceding Budget. The decreases to the 2015 MTEF baselines by function are: Post-School Education and Training (R74.3 million); Basic Education (R5.1 billion); Health (R5.1 billion); Local Economic Development and Social Infrastructure (R4.6 billion); Defence, Public Order and Safety (R5.6 billion); Economic Affairs (R9 billion); and General Public Services (R2.3 billion). Given the growth rates already built into the function budget baselines from previous MTEF periods, the function baselines still grow at average rates of between 3 per cent and 7 per cent over the 2015 MTEF. The baseline of the Social Protection function is increased by R2 billion, and grows at an average rate of 6.9 per cent over the 2015 MTEF period. This ensures that social grant payments are adequately provided for.

Allocation details according to function and vote

In the tables that follow, details about additions and reductions to Main budget non-interest expenditure and the net effect on each government function are presented by vote, in line with the Appropriation Bill. These additions and reductions include the shifting of funds required for the reorganisation of departments in accordance with the 2014 national macro organisation of the state. All changes are shown relative to the initial indicative baseline allocations for all three years of the MTEF period.

Reductions shown for 2017/18 reflect a carry-through of the decisions taken throughout the 2015 Budget process to determine the 2017/18 budget baseline. To determine the projected 2017/18 budget baseline level, the considerations are those which inform the fiscal framework stance. The fiscal framework shown in the Budget Review publication thus presents the budget baseline at the level at the end of the process. The modifications made to the 2017/18 baseline throughout the budget process are, however, shown in the tables below to account comprehensively for the budget allocation decisions taken in the 2015 Budget process.

The estimated³ split of the reduction to the provincial equitable share by function is also shown in the tables that follow. It should be noted that provinces have key service delivery mandates in relation to concurrent functions.

Social Protection

The baseline of the Social Protection function increases by R2 billion over the MTEF period, from R493.9 billion to R496 billion. The function aims to reduce poverty by providing income support to the poor, and comprises 14.3 per cent of non-interest expenditure.

Table 1.1 Social Protection

Function ¹ / Vote	2015/16	2016/17	2017/18 ³	MTEF total
R million				
2014 MTEF function baseline²	154 114	163 572	176 258	493 944
2015 MTEF function baseline²	154 493	165 343	176 121	495 957
Annual growth rate (percentage)	7.3%	7.0%	6.5%	6.9%
Net change from the 2014 Baseline (percentage)	0.2%	1.1%	-0.1%	0.4%
Social Development	470	1 907	-47	2 329
South African Social Security Agency: Alignment of its planned growth to institutional capacity	-173	-126	-79	-377
Goods and services: Cost containment measures	-10	-19	-21	-50
Reduction in number of vacant posts	-3	-2	-3	-8
Machinery and equipment: Cost containment measures	-	-1	-1	-2
Employment of personnel: For increasing capacity within the monitoring and evaluation unit; for establishing the early childhood development office to monitor and coordinate the effective delivery of services; and for capturing data and screenings conducted against the child protection register	13	12	12	37
2014 national macro organisation of the state: New deputy minister	5	5	6	16
Food relief: Employment of personnel to oversee the household food and nutrition programme	6	6	6	17
Victim empowerment programmes: Support to domestic non-governmental organisations, setting up safe houses and emergency response teams for crisis intervention and trauma counselling, and the implementation of empowerment programmes and awareness campaigns	7	7	7	21
Project Mikondzo: Monitoring service delivery at the community level	25	25	25	75
Social grants: Anticipated increase in the number of grant beneficiaries	600	2 000	-	2 600
National Treasury	-91	-136	-89	-316
Provincial equitable share: Baseline reduction	-91	-136	-89	-316
Net change to function baseline	378	1 771	-136	2 013

1. The estimated portion of the provincial equitable share allocated to this function is included. This amount is however determined by provincial budgetary processes and is thus subject to change.

2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

3. The modifications made to the 2017/18 function baseline throughout the course of the 2015 MTEF budget process are shown. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

Post-School Education and Training

The baseline of the Post-School Education and Training function is reduced by R74 million for the 2015 MTEF period. The objective of the function is that all South Africans have equitable access to relevant and quality post-school education and training. The function comprises 5.4 per cent of non-interest expenditure.

Table 1.2 Post-School Education and Training

Function ¹ / Vote	2015/16	2016/17	2017/18 ³	MTEF total
R million				
2014 MTEF function baseline²	58 319	62 401	66 009	186 729
2015 MTEF function baseline²	58 298	62 370	65 987	186 655
Annual growth rate (percentage)	7.9%	7.0%	5.8%	6.9%
Net change from the 2014 Baseline (percentage)	-	-0.1%	-	-
Higher Education and Training	-21	-32	-21	-74
Goods and services: Cost containment measures	-11	-18	-20	-48
South African Qualifications Authority: Adequacy of accumulated surplus	-4	-6	-1	-11
Council on Higher Education: Adequacy of accumulated surplus	-3	-5	-	-8
Quality Council for Trades and Occupations: Adequacy of accumulated surplus	-3	-3	-	-5
Machinery and equipment: Cost containment measures	-1	-1	-1	-2
Net change to function baseline	-21	-32	-21	-74

1. The estimated portion of the provincial equitable share allocated to this function is included. This amount is however determined by provincial budgetary processes and is thus subject to change.

2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

3. The modifications made to the 2017/18 function baseline throughout the course of the 2015 MTEF budget process are shown. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

³ An aggregate monetary amount is allocated from the National Revenue Fund for the provincial equitable share. These funds are then allocated to specific function areas through separate provincial budgetary processes. The details of these function allocations by each of the provinces are not known with certainty at present.

Basic Education

The baseline of the Basic Education function is reduced by R5.1 billion over the MTEF period, from R633.6 billion to R628.5 billion in the 2015 MTEF. The objective of the function is to improve the quality of basic education for children, as well as to increase access to basic education. The function comprises 18.1 per cent of non-interest expenditure.

Table 1.3 Basic Education

Function ¹ / Vote	2015/16	2016/17	2017/18 ³	MTEF total
R million				
2014 MTEF function baseline²	199 063	211 484	223 091	633 638
2015 MTEF function baseline²	197 608	209 296	221 624	628 528
Annual growth rate (percentage)	6.4%	5.9%	5.9%	6.1%
Net change from the 2014 Baseline (percentage)	-0.7%	-1.0%	-0.7%	-0.8%
Basic Education	-379	-569	-398	-1 346
Technical secondary schools recapitalisation grant: Funding transferred to the maths, science and technology grant	-244	-257	-270	-771
Education infrastructure grant: Cost containment measures	-214	-319	-209	-742
School infrastructure backlogs allocation-in-kind: Alignment of its planned growth to institutional capacity	-121	-177	-117	-415
Dinaledi schools grant: Funding transferred to the maths, science and technology grant	-116	-122	-129	-367
Kha Ri Gude: Initial targets of reducing illiteracy in 4.7 million adults to be reached by 2015/16	-20	-30	-150	-200
Goods and services: Cost containment measures	-31	-53	-59	-143
Technical secondary schools recapitalisation grant: Cost containment measures	-6	-8	-5	-19
HIV and AIDS (life skills education) grant: Cost containment measures	-5	-8	-5	-18
Dinaledi schools grant: Cost containment measures	-3	-4	-3	-9
Oversight of the Maths, science and technology grant	5	5	6	16
National Education Collaboration Trust: Piloting of interventions to improve the quality of basic education	20	30	150	200
Creation of the Maths, science and technology grant	356	374	393	1 123
National Treasury	-1 075	-1 619	-1 069	-3 764
Provincial equitable share: Baseline reduction	-1 075	-1 619	-1 069	-3 764
Net change to function baseline	-1 454	-2 188	-1 468	-5 110

1. The estimated portion of the provincial equitable share allocated to this function is included. This amount is however determined by provincial budgetary processes and is thus subject to change.

2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

3. The modifications made to the 2017/18 function baseline throughout the course of the 2015 MTEF budget process are shown. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

Health

The baseline of the Health function is reduced by R5.1 billion over the MTEF period, from R488.6 billion to R483.5 billion. The function seeks to improve access to affordable quality health care by ensuring an appropriate balance between preventative care and curative services. The function comprises 13.9 per cent of non-interest expenditure.

Table 1.4 Health

Function ¹ / Vote	2015/16	2016/17	2017/18 ³	MTEF total
R million				
2014 MTEF function baseline²	153 157	162 794	172 618	488 570
2015 MTEF function baseline²	151 725	160 618	171 137	483 480
Annual growth rate (percentage)	6.5%	5.9%	6.5%	6.3%
Net change from the 2014 Baseline (percentage)	-0.9%	-1.3%	-0.9%	-1.0%
Health	-610	-928	-652	-2 190
National tertiary services grant: Alignment of its planned growth to institutional capacity	-238	-353	-234	-824
Goods and services: Cost containment measures	-97	-200	-173	-471
Health facility revitalisation grant: Alignment of its planned growth to institutional capacity	-123	-180	-118	-420
Payments for capital assets: Cost containment measures	-69	-109	-72	-250
National health grant: Health facility revitalisation and national health insurance components:				
Alignment of its planned growth to institutional capacity	-65	-54	-71	-190
Health professions training and development grant: Cost containment measures	-54	-81	-53	-188
Council for Medical Schemes: Adequacy of accumulated surplus	-2	-4	-	-6
National health insurance grant: Cost containment measures	-2	-2	-2	-6
Sector wide procurement programme: Research on alternative medicine supply models and data systems	3	3	3	8
Repair of health infrastructure damaged by disasters	10	-	-	10

Table 1.4 Health

Function ¹ / Vote	2015/16	2016/17	2017/18 ³	MTEF total
R million				
Health				
Forensic chemistry laboratories: Improving capacity through the use of reagents and other consumables to reduce case backlogs	4	4	4	12
International health and development: Establishment of health attaché office in Cuba, and increased World Health Organisation membership fees	4	11	10	24
Port health services unit: Shift from provincial to national government	8	9	9	26
Office of Health Standards Compliance: Establishment of the entity to inspect health care facilities	12	29	45	85
National Treasury	-822	-1 248	-829	-2 899
Provincial equitable share: Baseline reduction	-822	-1 248	-829	-2 899
Net change to function baseline	-1 432	-2 176	-1 481	-5 089

1. The estimated portion of the provincial equitable share allocated to this function is included. This amount is however determined by provincial budgetary processes and is thus subject to change.

2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

3. The modifications made to the 2017/18 function baseline throughout the course of the 2015 MTEF budget process are shown. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

Local Economic Development and Social Infrastructure

The baseline of the Local Economic Development and Social Infrastructure function is reduced by R4.6 billion over the MTEF period, from R602.5 billion to R597.8 billion. The function seeks to boost investment in local industries in order to promote more efficient and competitive markets, as well as to provide infrastructure to low income communities. The function comprises 17.2 per cent of non-interest expenditure.

Table 1.5 Local Economic Development and Social Infrastructure

Function ¹ / Vote	2015/16	2016/17	2017/18 ³	MTEF total
R million				
2014 MTEF function baseline²	190 586	200 881	211 010	602 477
2015 MTEF function baseline²	189 294	198 306	210 235	597 834
Annual growth rate (percentage)	10.3%	4.8%	6.0%	7.0%
Net change from the 2014 Baseline (percentage)	-0.7%	-1.3%	-0.4%	-0.8%
Agriculture, Forestry and Fisheries	-88	-135	-104	-327
Comprehensive agricultural support programme grant: Cost containment measures and completion of projects	-75	-122	-90	-286
Goods and services: Cost containment measures	-10	-11	-12	-32
Reduction in number of vacant posts	-3	-3	-3	-8
Cooperative Governance and Traditional Affairs	-158	-275	-178	-611
Municipal infrastructure grant: Cost containment measures	-142	-219	-120	-481
Provincial disaster grant: Cost containment measures	-101	-104	-103	-307
Municipal disaster grant: Cost containment measures	-115	-126	-116	-358
Municipal systems improvement grant: Cost containment measures	-10	-16	-10	-36
Community work programme: Housing development and social infrastructure	4	-	120	124
Municipal demarcation transition grant: Gauteng and KwaZulu-Natal municipal restructuring costs	39	50	50	139
Repair to municipal infrastructure damaged by disasters	167	140	-	307
Arts and Culture	-55	-85	-54	-194
Goods and services: Cost containment measures	-4	-19	-21	-44
Freedom Park Pretoria: Adequacy of accumulated surplus and cost containment measures	-8	-12	-	-20
Playhouse Company: Adequacy of accumulated surplus	-6	-6	-	-12
Performing arts projects: Cost containment measures	-5	-	-	-5
Reduction in number of vacant posts	-1	-1	-1	-4
Mzansi golden economy: Public art: Cost containment measures	-1	-1	-1	-4
Machinery and equipment for filming and archiving	-	-1	-1	-2
Community library services grant: Cost containment measures	-30	-44	-29	-103
Energy	-117	-173	-124	-413
Integrated national electrification programme grant: Cost containment measures	-76	-129	-76	-281
Eskom: Integrated national electrification programme allocation-in-kind: Cost containment measures	-37	-39	-43	-118
Reduction in number of vacant posts	-3	-3	-3	-9
Goods and services: Cost containment measures	-1	-2	-2	-6

Table 1.5 Local Economic Development and Social Infrastructure

Function ¹ / Vote	2015/16	2016/17	2017/18 ³	MTEF total
R million				
Human Settlements	-714	-1 039	-716	-2 468
Human settlements development grant: Cost containment measures	-561	-721	-504	-1 786
Social Housing Regulatory Authority: Restructuring of capital grant	-200	-200	-200	-600
Municipal human settlements capacity grant: Cost containment measures	-200	-200	-200	-600
Urban settlements development grant: Cost containment measures	-100	-156	-85	-342
Reduction in number of vacant posts	-55	-58	-64	-177
National upgrading support programme: Alignment of its planned growth to institutional capacity	-20	-20	-20	-60
Goods and services: Cost containment measures	-6	-22	-24	-52
Social Housing Regulatory Authority: Adequacy of accumulated surplus	-22	-10	-2	-34
Community Schemes Ombud Services: Adequacy of accumulated surplus	-13	-4	-	-18
Nelson Mandela Bay Metropolitan University: Project completed	-4	-4	-5	-13
Scholarship programme: Students in the built environment sectors	4	4	5	13
Rural Housing Loan Fund: Loans to low income rural households	-	-	50	50
National Urban Reconstruction and Housing Agency: Repayment of the loan facility	61	-	-	61
Housing Development Agency: Project management and informal settlement upgrading support	72	57	100	229
National Housing Finance Corporation: Affordable housing finance for low income households	100	100	100	300
Repair of housing infrastructure damaged by disasters	232	195	134	561
National Treasury	-314	-484	-320	-1 118
Neighbourhood development partnership grant: Alignment of its planned growth to inflationary projections	-22	-38	-22	-82
Local government financial management grant: Providing for growth that is marginally above inflation	-17	-29	-17	-64
Integrated cities development grant: Alignment of its planned growth to institutional capacity	-15	-26	-15	-56
Infrastructure skills development grant: Providing for growth that is marginally above inflation	-5	-8	-5	-18
Goods and services: Cost containment measures	-4	-4	-9	-17
Provincial equitable share: Baseline reduction	-251	-379	-251	-881
Rural Development and Land Reform	-188	-261	-289	-737
Reduction in number of vacant posts	-195	-360	-226	-782
Agricultural land holding account: Restructuring of the account	-278	-311	-140	-728
Goods and services: Cost containment measures	-245	-260	-157	-663
Machinery and equipment: Cost containment measures	-1	-2	-2	-5
Registration of deeds trading account: Cost containment measures	-1	-1	-1	-3
Implementation of an electronic cadastral system	11	10	-	21
Establishment of the Office of the Valuer-General	33	35	76	144
Implementation of the Spatial Planning Land Use Management Act (2013)	27	139	-	165
Settlement of land restitution claims: Administration, research, and payment of claims	461	489	163	1 113
Sport and Recreation South Africa	-27	-38	-34	-99
Mass participation and sport development grant: Cost containment measures	-13	-18	-12	-43
Goods and services: Cost containment measures	-11	-15	-16	-42
Reduction in number of vacant posts	-6	-7	-7	-20
Boxing South Africa: Establishment of an inspectorate unit	2	2	2	7
Transport	-191	-603	-363	-1 158
Public transport infrastructure grant: Cost containment measures	-188	-304	-180	-671
Taxi recapitalisation: Alignment of its planned growth to institutional capacity	-1	-284	-274	-559
Public transport operations grant: Cost containment measures	-113	-168	-111	-392
Passenger Rail Agency of South Africa: Alignment of its planned growth to the agreement for providing new rolling stock	-45	-48	-53	-146
Goods and services: Cost containment measures	-4	-11	-12	-27
Reduction in number of vacant posts	-3	-3	-3	-9
Railway Safety Regulator: Adequacy of accumulated surplus	-	-1	-	-1
Repair to transport infrastructure damaged by disasters	163	215	270	648
Water and Sanitation	561	518	1 406	2 484
Goods and services: Cost containment measures	-24	-42	-46	-113
Reduction in number of vacant posts	-22	-22	-24	-68
Water services operating subsidy grant: Alignment of its planned growth to inflationary projections	-17	-29	-17	-64
Machinery and equipment: Cost containment measures	-3	-6	-6	-15
Repair to water infrastructure damaged by disasters	7	-	-	7
Acid mine drainage: Short term interventions	-	44	50	94
Regional water programme: Housing development, and social infrastructure	-	-	550	550
Rural households infrastructure grant: Cost containment measures	-3	-11	-7	-21
Municipal water infrastructure grant: Alignment of its planned growth to inflationary projections	-76	-116	906	714
Regional bulk infrastructure grant: Shift from the Water Trading Entity	700	700	-	1 400
Net change to function baseline	-1 292	-2 575	-775	-4 643

1. The estimated portion of the provincial equitable share allocated to this function is included. This amount is however determined by provincial budgetary processes and is thus subject to change.

2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

3. The modifications made to the 2017/18 function baseline throughout the course of the 2015 MTEF budget process are shown. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

Defence, Public Order and Safety

The baseline of the Defence, Public Order and Safety function is reduced by R5.6 billion over the MTEF period, from R543.3 billion to R537.7 billion. The function aims to support enhanced domestic and international public protection measures, and comprises 15.5 per cent of non-interest expenditure.

Table 1.6 Defence, Public Order and Safety

Function ¹ / Vote	2015/16	2016/17	2017/18 ³	MTEF total
R million				
2014 MTEF function baseline²	170 170	181 295	191 808	543 272
2015 MTEF function baseline²	168 793	178 694	190 209	537 696
Annual growth rate (percentage)	4.6%	5.9%	6.4%	5.6%
Net change from the 2014 Baseline (percentage)	-0.8%	-1.4%	-0.8%	-1.0%
National Treasury	-14	-27	-9	-50
Financial Intelligence Centre: Retention of personnel, and procurement of information and communication technology	18	20	22	60
Provincial equitable share: Baseline reduction	-32	-47	-31	-110
Correctional Services	-178	-223	-245	-646
Goods and services: Cost containment measures, mainly on audit costs, computer services and contractors	-114	-95	-105	-315
Reduction in number of vacant posts	-43	-38	-40	-121
Payments for capital assets: Information technology equipment	-20	-89	-100	-210
Defence and Military Veterans	-722	-1 062	-985	-2 769
Goods and services: Cost containment measures	-1 377	-1 678	-1 652	-4 708
Special Defence Account: Alignment of its planned growth to inflationary projections	-256	-243	-268	-768
Armaments Corporation of South Africa: Adequacy of accumulated surplus	-129	-199	-35	-362
Military Veterans: Goods and services: Cost containment measures	-25	-43	-48	-116
Spares for military machinery and equipment, and acquisition of transport aircraft to transport troops and equipment to deployment areas	84	262	457	803
Compensation of employees funding requirements	981	840	561	2 382
Independent Police Investigative Directorate	-12	-16	-18	-46
Goods and services: Cost containment measures	-7	-11	-12	-30
Reduction in number of vacant posts	-5	-5	-5	-15
Justice and Constitutional Development	-287	-406	-330	-1 022
Goods and services: Cost containment measures	-129	-255	-279	-664
Capital works projects, mainly due to delays in the execution of capital works projects, and justice modernisation projects: Alignment of its planned growth to institutional capacity	-167	-182	-197	-547
Legal Aid South Africa: Adequacy of accumulated surplus	-62	-93	-	-155
Direct charges: Employment of additional magistrates	-43	-47	-51	-141
Reduction in number of vacant posts	-74	-20	-22	-116
Machinery and equipment: Cost containment measures	-29	-41	-45	-115
Special Investigating Unit: Adequacy of accumulated surplus	-9	-13	-	-22
South African Human Rights Commission: Employment of an additional commissioner and legal staff	7	8	9	25
Office of the Family Advocate: Capacitation of the office	16	16	17	49
Public Protector of South Africa: Employment of additional investigators and permanent retention of 70 investigators previously appointed on contract	15	20	25	60
National Prosecuting Authority: Employment of additional prosecutors	25	27	29	81
Transformation of state legal services: Appointment of the solicitor-general and state attorneys	34	36	38	108
Legal Aid South Africa: Employment of public defenders to complement the increase in magistrates' capacity to reduce case backlogs	39	42	45	127
Capacitation of courts in rural areas: Employment of 67 court administrators	74	79	83	236
Establishment of the Office of the Chief Justice: Compensation of employees and accommodation leases	16	17	18	51
Police	-164	-867	-111	-1 043
Goods and services: Cost containment measures	-366	-586	-635	-1 588
Buildings and other fixed structures: Alignment of its planned growth to institutional capacity	-151	-159	-167	-477
Transport equipment: Extending the replacement cycle of vehicles	-	-494	400	-94
Compensation of employees funding requirements	353	372	391	1 116
Net change to function baseline	-1 377	-2 600	-1 599	-5 576

1. The estimated portion of the provincial equitable share allocated to this function is included. This amount is however determined by provincial budgetary processes and is thus subject to change.

2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

3. The modifications made to the 2017/18 function baseline throughout the course of the 2015 MTEF budget process are shown. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

Economic Affairs

The baseline of the Economic Affairs function is reduced by R9 billion over the MTEF period, from R362.6 billion to R353.6 billion. The objective of the function is to stimulate socioeconomic development through a range of interventions in various sectors of the economy. The function comprises 10.2 per cent of non-interest expenditure.

Table 1.7 Economic Affairs

Function ¹ / Vote	2015/16	2016/17	2017/18 ³	MTEF total
R million				
2014 MTEF function baseline²	114 097	122 578	125 890	362 564
2015 MTEF function baseline²	111 311	118 823	123 419	353 553
Annual growth rate (percentage)	4.0%	6.7%	3.9%	4.9%
Net change from the 2014 Baseline (percentage)	-2.4%	-3.1%	-2.0%	-2.5%
Agriculture, Forestry and Fisheries	-150	-197	-98	-444
Goods and services: Cost containment measures	-45	-76	-84	-205
Agricultural Research Council: Adequacy of accumulated surplus	-77	-117	-1	-195
Reduction in number of vacant posts	-47	-42	-48	-137
Ilima/Letsema projects grant: Alignment of its planned growth to institutional capacity	-11	-16	-11	-38
Machinery and equipment: Cost containment measures	-3	-4	-4	-10
National Agricultural Marketing Council: Adequacy of accumulated surplus	-3	-5	-	-8
LandCare programme grant: Poverty relief and infrastructure development component: Alignment of its planned growth to institutional capacity	-2	-2	-1	-6
National Research Foundation: Adequacy of accumulated surplus	-1	-1	-1	-3
Comprehensive agricultural support programme grant: Repair of agricultural infrastructure damaged by disasters	38	66	53	157
Telecommunications and Postal Services	176	156	233	565
Universal Service and Access Fund: Adequacy of accumulated surplus	-50	-70	-	-120
Goods and services: Cost containment measures	-7	-17	-19	-44
Reduction in number of vacant posts	-11	-12	-13	-36
Universal Service and Access Fund: Broadcasting digital migration: Adequacy of accumulated surplus	-15	-5	-5	-25
National Electronic Media Institute of South Africa: Adequacy of accumulated surplus	-3	-5	-	-8
Universal Service and Access Agency of South Africa: Adequacy of accumulated surplus	-2	-3	-	-5
Machinery and equipment: Cost containment measures	-	-1	-1	-1
South African Post Office: New delivery model	65	-	-	65
Funding of pilot for SA Connect: Broadband policy	200	268	272	740
Cooperative Governance and Traditional Affairs	-129	-457	-	-586
Community work programme: Alignment of its planned growth to institutional capacity	-129	-457	-	-586
Economic Development	-	-32	-27	-58
Reduction in number of vacant posts	-16	-12	-13	-41
Goods and services: Cost containment measures	-4	-12	-13	-29
International Trade Administration Commission: Adequacy of accumulated surplus	-5	-7	-	-12
Inquiry into private health care in South Africa	25	-	-	25
Energy	-390	-517	-350	-1 257
Eskom: Solar water heater project: Alignment of its planned growth to institutional capacity	-302	-365	-296	-962
South African Nuclear Energy Corporation Limited: Adequacy of accumulated surplus	-27	-40	-	-67
Goods and services: Cost containment measures	-14	-39	-43	-97
Reduction in number of vacant posts	-19	-21	-23	-63
South African National Energy Development Institute: Adequacy of accumulated surplus	-24	-36	-	-61
Energy efficiency and demand side management grant: Cost containment measures	-10	-18	-11	-39
National Nuclear Regulator: Adequacy of accumulated surplus	-13	-20	-	-34
Machinery and equipment: Cost containment measures	-	-1	-1	-1
Skills development grants: Learnership programmes, and special training and development projects	4	5	6	15
Nuclear Energy Corporation of South Africa: Decommissioning and decontamination of old strategic nuclear facilities	16	17	18	51
Environmental Affairs	-32	-92	-101	-226
Goods and services: Cost containment measures	-16	-35	-39	-90
Development Bank of Southern Africa: The Green Fund: Adequacy of accumulated surplus	-	-36	-40	-75
Reduction in number of vacant posts	-15	-16	-18	-49
Machinery and equipment: Cost containment measures	-2	-4	-5	-11
Health	-1	-8	-9	-17
Goods and services: Cost containment measures	-1	-8	-8	-17
Labour	8	-50	-55	-96
Goods and services: Cost containment measures	-15	-22	-25	-62
Filling of posts in the current year and reduction in number of vacant posts in the outer years	9	-25	-28	-44
Commission for Conciliation, Mediation and Arbitration: Adequacy of accumulated surplus and cost containment measures	-2	-2	-3	-7
Vehicles required to conduct inspections	17	-	-	16
Mineral Resources	19	21	36	76
Goods and services: Cost containment measures	-13	-22	-25	-60
Mine Health and Safety Council: Adequacy of accumulated surplus	-6	-6	-	-11
Office furniture: Cost containment measures	-	-1	-1	-2
Enforcement of the Minerals and Petroleum Resources Development Act (2002)	10	14	18	42
Shale gas exploration: Consultations, advocacy and research	28	36	44	108

Table 1.7 Economic Affairs

Function ¹ / Vote	2015/16	2016/17	2017/18 ³	MTEF total
R million				
National Treasury	-248	-364	-246	-858
Civilian and military pensions: Lower costs from the shift of retired civil servants from the Medihelp medical scheme to the Government Employees Medical Scheme	-276	-283	-286	-845
Employment Creation Facilitation Fund: Cost containment measures	-	-1	-4	-4
Military pensions and other benefits: Inclusion of non-statutory forces	266	271	273	810
Provincial equitable share: Baseline reduction	-237	-351	-229	-817
Public Works	-18	-76	-52	-146
Expanded public works programme: Integrated grant for provinces, municipalities and the non-state sector: Alignment of its planned growth to institutional capacity	-14	-67	-41	-122
Goods and services: Cost containment measures	-2	-7	-8	-17
Reduction in number of vacant posts	-2	-2	-2	-6
Rural Development and Land Reform	-7	-21	-23	-50
Reduction in number of vacant posts	-7	-20	-23	-50
Science and Technology	-72	-73	-83	-228
Economic competitiveness and support package: Technology research and development; and internship programme projects completed	-15	-20	-25	-60
Goods and services: Cost containment measures	-9	-12	-14	-35
Local manufacturing capacity: Providing for growth that is marginally above inflation	-11	-11	-12	-35
National Research Foundation: Adequacy of accumulated surplus	-9	-9	-10	-28
Research and development infrastructure: Providing for growth that is marginally above inflation	-8	-8	-9	-24
Square Kilometre Array: Adequacy of accumulated surplus	-7	-7	-8	-22
Reduction in number of vacant posts	-11	-3	-4	-18
Strategic science platforms: Providing for growth that is marginally above inflation	-2	-2	-2	-5
Tourism	-63	-23	-25	-112
Goods and services: Cost containment measures	-12	-16	-18	-47
Social responsibility implementation subprogramme: Moderation of growth in the programme	-44	-	-	-44
Reduction in number of vacant posts	-6	-5	-6	-17
Machinery and equipment and transport equipment	-	-2	-2	-3
Trade and Industry	-226	-326	-226	-777
Special economic zones: Alignment of planned growth to institutional capacity	-60	-104	-115	-280
Manufacturing development incentives: Alignment of planned growth to institutional capacity	-68	-70	-72	-210
South African Bureau of Standards: Adequacy of accumulated surplus	-45	-68	-	-113
Reduction in number of vacant posts	-34	-31	-35	-100
Goods and services: Cost containment measures	-19	-33	-36	-88
National Regulator for Compulsory Specifications: Adequacy of accumulated surplus	-24	-36	-	-61
Council for Scientific and Industrial Research: Alignment of its planned growth to institutional capacity	-14	-15	-16	-45
Industrial Development Corporation: Customised sector programme: Alignment of its planned growth to institutional capacity	-10	-10	-11	-31
South African National Accreditation System: Adequacy of accumulated surplus	-12	-17	-	-29
Increasing the international footprint of investment promotion offices on the African continent and in BRICS countries	10	10	10	30
Export Credit Insurance Corporation interest make-up scheme: Support to South African exporters to access new export markets, as well as to diversify South African exports	50	50	50	150
Small Business Development	-5	-27	49	16
2014 national macro organisation of the state: Establishment of department, and interventions to assist SMME businesses and cooperatives	44	46	49	139
Small Enterprise Development Agency: Adequacy of accumulated surplus	-49	-74	-	-123
Water and Sanitation	-1 384	-1 564	-1 497	-4 444
Water Trading Entity: Portion of the accumulated surplus shifted to the regional bulk infrastructure grant and the municipal water infrastructure grant	-1 289	-1 340	-1 249	-3 878
Goods and services: Cost containment measures	-69	-197	-218	-484
Reduction in number of vacant posts	-24	-24	-26	-75
Machinery and equipment: Cost containment measures	-2	-3	-3	-8
Transport	-265	-107	1	-371
Provincial roads maintenance grant: Roads maintenance component: Reprioritisation and cost containment measures	-265	-369	-269	-902
Reduction in number of vacant posts	-25	-26	-29	-81
Goods and services: Cost containment measures	-10	-26	-29	-66
South African Maritime Safety Authority: Adequacy of accumulated surplus	-5	-7	-	-12
Road Traffic Infringement Agency: Adequacy of accumulated surplus	-5	-7	-	-11
Rural roads asset management systems grant: Cost containment measures	-1	-1	-1	-3
South African National Roads Agency: Moloto road upgrade	45	331	329	705
Net change to function baseline	-2 786	-3 755	-2 471	-9 011

1. The estimated portion of the provincial equitable share allocated to this function is included. This amount is however determined by provincial budgetary processes and is thus subject to change.

2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

3. The modifications made to the 2017/18 function baseline throughout the course of the 2015 MTEF budget process are shown. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

General Public Services

The baseline of the General Public Services function is reduced by R2.3 billion over the MTEF period, from R185.9 billion to R183.7 billion. The function aims to deliver an efficient public service through the improvement of general government administrative services. It comprises 5.3 per cent of non-interest expenditure.

Table 1.8 General Public Services

Function ¹ / Vote	2015/16	2016/17	2017/18 ³	MTEF total
R million				
2014 MTEF function baseline²	60 437	61 418	64 080	185 935
2015 MTEF function baseline²	59 383	60 523	63 754	183 659
Annual growth rate (percentage)	1.7%	1.9%	5.3%	3.0%
Net change from the 2014 Baseline (percentage)	-1.7%	-1.5%	-0.5%	-1.2%
The Presidency	-15	-33	-37	-85
Goods and services: Cost containment measures	-11	-28	-31	-69
Reduction in number of vacant posts	-6	-3	-5	-13
Machinery and equipment: Cost containment measures	-2	-4	-5	-11
Direct charge: Deputy President's salary	3	3	3	8
Parliament	-27	-33	-36	-96
Reduction in number of vacant posts	-22	-16	-18	-56
Goods and services: Cost containment measures	-5	-16	-18	-39
Home Affairs	-27	-123	-90	-240
Goods and services: Cost containment measures	-48	-132	-144	-324
Electoral Commission: Adequacy of accumulated surplus	-24	-37	-	-61
Transport equipment: Cost containment measures	-1	-1	-1	-3
Electronic document management system: Computer equipment	10	10	10	30
Implementation of new immigration regulations: Employment of 111 immigration inspectors	36	37	45	118
International Relations and Cooperation	-335	-467	-168	-971
African Renaissance and International Cooperation Fund: Adequacy of accumulated surplus	-213	-316	-2	-530
Goods and services: Cost containment measures	-54	-89	-98	-242
Reduction in number of vacant posts	-68	-62	-68	-198
Communications	-63	-73	-72	-208
Goods and services: Cost containment measures	2	-4	-5	-8
Brand South Africa: Adequacy of accumulated surplus	-3	-4	-	-6
Film and Publication Board: Adequacy of accumulated surplus	-1	-1	-	-1
South African Broadcasting Corporation: Digitisation project completed	-65	-68	-72	-205
2014 national macro organisation of the state: Ministry and Deputy Ministry	4	4	5	13
Public Works	-117	-128	-101	-345
Property Management Trading Entity: Immovable asset management programme: Alignment of its planned growth to institutional capacity	-71	-51	-46	-168
Goods and services: Cost containment measures	-9	-29	-32	-70
Reduction in number of vacant posts	-18	-19	-21	-57
Construction Industry Development Board: Adequacy of accumulated surplus	-16	-24	-	-39
Council for the Built Environment: Adequacy of accumulated surplus	-2	-3	-	-6
Machinery and equipment: Cost containment measures	-1	-2	-2	-5
Planning, Monitoring and Evaluation	-27	-56	-49	-132
National Youth Development Agency: Cost containment measures	-13	-39	-30	-82
Reduction in number of vacant posts	-11	-12	-13	-36
Goods and services: Cost containment measures	-3	-5	-5	-13
Machinery and equipment: Cost containment measures	-	-1	-1	-1
National Treasury	-508	-308	225	-591
Provincial equitable share: Baseline reduction	-121	-180	-119	-421
South African Revenue Service: Adequacy of accumulated surplus	-464	-75	381	-158
Reduction in number of vacant posts	-38	-39	-43	-119
Goods and services: Cost containment measures	-7	-10	-4	-20
Independent Regulatory Board for Auditors: Adequacy of accumulated surplus	-6	-9	-	-15
Information technology and other equipment: Cost containment measures	-1	-3	-3	-7
Cooperative Banks Development Agency: Adequacy of accumulated surplus	-1	-2	-	-3
Accounting Standards Board: Adequacy of accumulated surplus	-	-1	-	-1
Government Pensions Administration Agency: To clear claim backlogs, and capacity for the special pensions oversight function	11	12	13	35
Direct charge: National revenue fund payments	121	-	-	121
Public Enterprises	-8	-7	-8	-24
Goods and services: Cost containment measures	-8	-7	-8	-23

Table 1.8 General Public Services

Function ¹ / Vote	2015/16	2016/17	2017/18 ³	MTEF total
R million				
Public Service and Administration	54	49	45	148
Goods and services: Cost containment measures	-25	-26	-29	-79
Reduction in number of vacant posts	-6	-6	-7	-18
National School of Government: Alignment of its planned growth to institutional capacity	-4	-5	-6	-16
Machinery and equipment: Cost containment measures	-	-	-1	-1
Presidential Public Service Remuneration Review Commission: Extension of commission's term to May 2015	6	-	-	6
Centre for Public Service Innovation: Establishment of a corporate services unit	4	6	6	15
Public Service Commission: Lease costs	11	10	6	27
Public Service Sector Education and Training Authority: Skills development project plans	68	72	75	215
Statistics South Africa	61	349	3	414
Goods and services: Cost containment measures	-10	-17	-19	-46
Reduction in number of vacant posts	-17	-12	-13	-43
Information technology equipment: Cost containment measures	-1	-3	-3	-7
Large sample community survey	89	381	39	509
Cooperative Governance and Traditional Affairs	-39	-60	-35	-134
Goods and services: Cost containment measures	-23	-33	-37	-93
South African Local Government Association: Adequacy of accumulated surplus	-19	-28	-	-47
Machinery and equipment: Cost containment measures	-2	-2	-2	-6
2014 national macro organisation of the state: Department of Traditional Affairs: Deputy Ministry	4	3	3	11
Women	-4	-6	-2	-13
Commission for Gender Equality: Adequacy of accumulated surplus	-3	-5	-	-8
Goods and services: Cost containment measures	-1	-2	-2	-5
Net change to function baseline	-1 055	-895	-326	-2 276

1. The estimated portion of the provincial equitable share allocated to this function is included. This amount is however determined by provincial budgetary processes and is thus subject to change.

2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline presented in the Budget Review, which includes revenue generated from other sources.

3. The modifications made to the 2017/18 function baseline throughout the course of the 2015 MTEF budget process are shown. The fiscal framework shown in the Budget Review publication depicts the budget baseline as it stands at the end of the process.

2013/14 expenditure outcome

National government expenditure for 2013/14 amounted to R582.6 billion of a total adjusted appropriation of R589 billion. The adjusted appropriation excludes direct charges against the National Revenue Fund as these are amounts spent in terms of statutes that do not require parliamentary approval, such as debt service costs.

The underspending for 2013/14, calculated as the difference between the appropriated and actual expenditure, thus amounted to R6.3 billion or 1.1 per cent:

- The Cooperative Governance and Traditional Affairs vote underspent its appropriated budget by R2.1 billion. This was mainly due to local government equitable share funds being withheld to provide for the municipal infrastructure conditional allocation, which was not spent or was returned to the National Revenue Fund in previous financial years.
- Delays in the rollout of the school infrastructure backlogs project resulted in underspending amounting to R608.2 million by the Basic Education vote.
- The Health vote underspent on the national health grant allocations in-kind to provinces by R536.4 million in 2013/14, mainly due to difficulties in contracting general practitioners to work at national health insurance pilot sites, and delays in implementing infrastructure projects under the health facility revitalisation component of this grant.
- The Social Development vote's appropriation was reduced by R2 billion during the 2013/14 adjustments budget. A further amount of R1.4 billion was unspent at year-end by the department. This was largely due to the removal of beneficiaries from the system following an initiative that took place between March 2012 and July 2013 to re-register recipients. The aim was beneficiary biometric identification and to root out fraud and corruption in the administration of social assistance transfers.

Overview of 2015 MTEF expenditure

Consolidated expenditure, excluding debt-service costs, amounts to R3.95 trillion over the 2015 MTEF period. It is distributed as follows: R1.22 trillion in 2015/16, R1.31 trillion in 2016/17, and R1.42 trillion in 2017/18. Of this amount, R3.47 trillion provides for the Main budget non-interest allocation that is allocated between the three spheres of government as follows: R1.66 trillion for national departments, R1.49 trillion for provincial government and R313.7 billion for local government. On average, 89.4 per cent of total Main budget expenditure is non-interest expenditure. It grows at an average annual rate of 7.4 per cent over the 2015 MTEF period. An unallocated reserve is included in the Main budget allocations. It amounts to R5 billion in 2015/16, R15 billion in 2016/17 and R45 billion in 2017/18, to allow for unforeseen expenditure, as well as emerging government policy priorities.

The details of the Main budget are discussed in the pages of this publication, with a summary provided in the tables below.

Summary tables

Table 1: Main budget framework 2011/12 to 2017/18

Table 2: Departmental receipts per vote 2011/12 to 2017/18

Table 3: Expenditure by national vote 2011/12 to 2017/18

Table 4: Expenditure by economic classification 2011/12 to 2017/18

Table 5: Amounts to be appropriated from the National Revenue Fund for 2015/16

Table 6a: Conditional allocations to provinces 2011/12 to 2017/18

Table 6b: Conditional allocations to municipalities 2011/12 to 2017/18

Table 7: Training expenditure per vote 2011/12 to 2017/18

Table 8a: Infrastructure expenditure per vote 2011/12 to 2017/18

Table 8b: Nature of infrastructure investment 2011/12 to 2017/18

Table 9: Personnel expenditure per vote 2011/12 to 2017/18

Table 10: Personnel numbers and cost per vote 2013/14 to 2017/18

Table 1 Main budget framework: 2011/12 to 2017/18

R million	Audited outcome			Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Revenue (National Revenue Fund)							
Tax revenue (gross)	742 649.7	813 825.8	900 013.5	979 000.0	1 081 275.0	1 179 199.4	1 289 711.0
Departmental and other receipts, and repayments	24 401.5	28 467.7	30 626.1	27 006.5	19 037.5	23 301.7	21 142.7
Less: Southern African Customs Union (SACU) payments	-21 760.0	-42 151.3	-43 374.4	-51 737.7	-51 021.9	-36 513.3	-45 444.3
Total revenue	745 291.2	800 142.2	887 265.1	954 268.8	1 049 290.6	1 165 987.9	1 265 409.4
Percentage of GDP	24.2%	24.0%	24.6%	24.6%	25.0%	25.7%	25.7%
Expenditure							
Debt-service costs	76 460.0	88 121.1	101 184.7	115 016.2	126 440.4	140 970.9	153 376.0
Percentage of GDP	2.5%	2.6%	2.8%	3.0%	3.0%	3.1%	3.1%
Current payments ²	150 242.9	162 063.8	179 211.2	190 683.9	197 738.6	210 587.3	222 654.2
Transfers and subsidies	648 449.0	696 837.2	749 459.2	810 255.5	872 977.9	925 645.3	980 145.4
Payments for capital assets ²	11 957.1	13 848.9	14 008.5	15 466.0	16 696.1	17 395.4	19 321.7
Payments for financial assets	2 802.5	4 624.5	3 900.2	3 700.0	3 491.7	345.5	365.1
Unallocated reserves	-	-	-	-	5 000.0	15 000.0	45 000.0
Total expenditure	889 911.5	965 495.6	1 047 763.8	1 135 121.6	1 222 344.7	1 309 944.4	1 420 862.4
Percentage of GDP	28.9%	29.0%	29.0%	29.3%	29.2%	28.9%	28.8%
Main budget balance³	-144 620.2	-165 353.3	-160 498.7	-180 852.8	-173 054.1	-143 956.5	-155 453.0
Percentage of GDP	-4.7%	-5.0%	-4.4%	-4.7%	-4.1%	-3.2%	-3.2%
GDP	3 080 887.0	3 327 630.0	3 609 844.0	3 879 920.1	4 191 752.4	4 538 780.0	4 926 133.5

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

2. Excludes conditional allocations to provinces and local government; these are included in transfers and subsidies.

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

Table 2 Departmental receipts per vote: 2011/12 to 2017/18¹

R million	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimates		
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
1 The Presidency	2.4	9.0	0.9	1.2	1.2	0.9	0.9	1.0
2 Parliament	34.2	38.0	52.4	39.0	39.0	34.1	36.1	38.2
3 Communications	909.6	943.6	1 205.2	976.5	976.5	1 025.1	1 025.4	1 025.9
4 Cooperative Governance and Traditional Affairs	1.1	1.0	1.2	1.0	1.0	1.0	1.1	1.2
5 Home Affairs	911.0	712.1	741.6	365.5	652.5	790.8	814.6	855.3
6 International Relations and Cooperation	82.9	46.7	36.6	46.2	47.9	48.2	48.6	49.2
7 National Treasury	8 610.0	15 735.3	15 351.1	12 418.6	14 511.5	6 057.9	9 608.2	6 683.9
8 Planning, Monitoring and Evaluation	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
9 Public Enterprises	0.1	0.5	0.4	0.2	0.1	0.1	0.1	0.1
10 Public Service and Administration	0.5	0.5	1.3	1.2	1.2	0.9	0.9	1.0
11 Public Works	75.2	53.8	55.5	13.2	13.2	1.9	1.5	1.4
12 Statistics South Africa	3.0	2.7	1.4	4.9	4.9	2.2	2.2	2.3
13 Women	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
14 Basic Education	12.7	8.0	27.2	70.0	70.0	6.1	6.3	6.8
15 Higher Education and Training	10.3	10.9	11.9	10.3	11.3	10.9	11.5	12.2
16 Health	55.3	33.8	71.6	69.8	69.8	32.8	34.8	50.6
17 Social Development	103.2	44.4	89.0	18.0	51.5	57.8	65.0	73.2
18 Correctional Services	146.9	127.0	117.1	126.3	126.3	124.4	130.7	137.2
19 Defence and Military Veterans	4 269.0	1 044.5	853.5	814.9	814.9	818.2	859.1	875.4
20 Independent Police Investigative Directorate	0.1	0.2	0.3	0.2	0.3	0.3	0.3	0.3
21 Justice and Constitutional Development	387.3	457.3	416.1	300.9	300.9	368.7	410.9	423.6
23 Police	288.8	342.0	386.3	313.9	318.3	287.9	297.7	306.3
24 Agriculture, Forestry and Fisheries	177.4	198.0	809.6	186.1	186.1	198.4	211.5	225.4
25 Economic Development	592.9	668.7	1 097.5	900.2	900.2	867.3	908.2	951.1
26 Energy	3.4	390.1	43.5	3.3	3.7	2.9	3.0	3.2
27 Environmental Affairs	18.0	18.5	29.6	29.8	29.8	30.1	31.9	33.7
28 Labour	7.6	15.7	22.6	10.1	10.7	10.9	11.5	12.2
29 Mineral Resources	93.2	93.4	109.0	45.1	53.4	118.4	124.9	131.5
30 Science and Technology	1.4	1.2	1.7	0.1	1.3	0.1	0.1	0.1
32 Telecommunications and Postal Services	1 419.7	2 050.2	1 710.0	1 745.2	1 669.9	1 669.9	1 670.0	1 669.9
33 Tourism	1.9	1.5	4.2	3.5	3.5	1.8	1.8	1.8
34 Trade and Industry	78.7	135.3	71.7	85.0	79.7	83.1	85.4	93.9
35 Transport	312.5	178.3	747.0	233.5	314.7	80.8	80.9	80.9
36 Water and Sanitation	85.6	26.0	66.0	57.0	57.0	26.6	28.3	31.7
37 Arts and Culture	1.0	1.9	0.5	0.7	0.7	0.8	0.8	0.8
38 Human Settlements	0.6	1.0	0.8	1.1	1.1	0.8	0.8	0.8
39 Rural Development and Land Reform	46.2	79.6	104.6	85.1	85.1	88.7	93.2	97.8
40 Sport and Recreation South Africa	0.3	8.7	0.2	0.3	0.1	0.1	0.1	0.1
Total departmental receipts as per Estimates of National Expenditure	18 744.1	23 479.5	24 239.2	18 978.1	21 409.5	12 850.9	16 608.3	13 880.1
Less: Parliament (retained departmental receipts)	34.2	38.0	52.4	39.0	39.0	34.1	36.1	38.2
Plus: South African Revenue Service departmental receipts collection	5 691.6	5 026.1	6 439.3	6 791.6	5 636.0	6 220.7	6 729.5	7 300.8
Total departmental receipts as per Budget Review	24 401.5	28 467.7	30 626.1	25 730.7	27 006.5	19 037.5	23 301.7	21 142.7

1. Departmental receipts include National Revenue Fund receipts, previously classified as extraordinary receipts.

Table 3 Expenditure by national vote: 2011/12 to 2017/18

R million	Audited outcome			Adjusted appropriation
	2011/12	2012/13	2013/14	2014/15
1 The Presidency	387.3	365.3	415.2	484.5
2 Parliament	1 214.8	1 297.9	1 535.5	1 508.2
3 Communications	1 018.1	1 257.9	1 348.4	1 295.3
4 Cooperative Governance and Traditional Affairs	46 221.6	53 434.4	56 401.6	63 453.9
5 Home Affairs	5 687.0	5 443.6	6 909.9	7 144.8
6 International Relations and Cooperation	5 021.8	5 185.1	5 871.3	6 104.3
7 National Treasury	20 272.4	21 019.0	25 107.1	26 703.9
8 Planning, Monitoring and Evaluation	547.3	622.2	646.6	733.8
9 Public Enterprises	343.7	1 364.3	269.4	319.5
10 Public Service and Administration	645.5	703.7	809.1	875.1
11 Public Works	7 061.4	7 203.9	6 022.7	6 121.3
12 Statistics South Africa	3 674.4	1 761.7	1 728.4	2 242.5
13 Women	138.2	150.7	161.6	180.8
14 Basic Education	13 346.2	14 885.9	17 011.1	19 689.9
15 Higher Education and Training	30 024.9	33 473.9	36 370.0	38 988.5
16 Health	26 212.7	28 282.5	30 228.5	34 325.1
17 Social Development	103 166.8	111 144.8	117 110.8	128 597.7
18 Correctional Services	16 276.8	17 313.6	18 700.0	19 721.8
19 Defence and Military Veterans	34 331.4	37 702.2	40 447.5	42 856.9
20 Independent Police Investigative Directorate	153.5	171.4	193.1	234.7
21 Justice and Constitutional Development	10 963.2	12 320.5	13 058.4	14 584.8
22 Office of the Chief Justice and Judicial Administration	507.2	587.9	669.3	574.0
23 Police	57 933.1	63 156.6	68 791.4	72 507.2
24 Agriculture, Forestry and Fisheries	4 920.2	5 813.2	6 111.3	6 692.4
25 Economic Development	577.6	673.5	771.4	696.9
26 Energy	6 174.3	6 659.0	6 477.1	7 437.8
27 Environmental Affairs	4 131.5	4 942.7	5 200.3	5 680.4
28 Labour	2 007.1	2 034.6	2 371.4	2 546.3
29 Mineral Resources	1 029.4	1 173.6	1 387.2	1 475.5
30 Science and Technology	4 403.5	4 973.3	6 169.5	6 479.9
31 Small Business Development	735.5	841.6	1 039.5	1 084.6
32 Telecommunications and Postal Services	1 325.4	1 017.9	1 701.5	1 616.4
33 Tourism	1 250.2	1 372.0	1 512.7	1 583.3
34 Trade and Industry	6 065.5	7 444.8	8 340.7	8 834.2
35 Transport	41 690.9	39 328.2	43 036.8	48 770.7
36 Water and Sanitation	8 450.9	8 907.9	10 505.9	13 647.4
37 Arts and Culture	2 405.8	2 659.3	2 758.2	3 527.7
38 Human Settlements	22 312.9	24 196.9	27 443.3	29 417.6
39 Rural Development and Land Reform	7 997.7	8 919.6	9 454.1	9 455.3
40 Sport and Recreation South Africa	810.6	1 054.1	1 073.0	970.4
Total appropriation by vote	501 438.5	540 861.0	585 160.9	639 165.2
Plus:				
Direct charges against the National Revenue Fund				
President and Deputy President salaries (The Presidency)	4.0	2.6	2.6	5.5
Members' remuneration (Parliament)	357.6	389.1	401.9	481.0
Debt-service costs (National Treasury)	76 460.0	88 121.1	101 184.7	114 485.0
Provincial equitable share (National Treasury)	289 627.6	310 740.7	336 495.3	359 921.8
General fuel levy sharing with metropolitan municipalities (National Treasury)	8 573.1	9 039.7	9 613.4	10 190.2
National Revenue Fund payments (National Treasury) ¹	1 388.3	2 587.2	516.3	310.9
Skills levy and sector education and training authorities (Higher Education and Training)	10 025.3	11 694.5	12 090.2	13 200.0
Magistrates' salaries (Justice and Constitutional Development)	1 326.2	1 314.8	1 510.0	1 874.3
Judges' salaries (Office of the Chief Justice and Judicial Administration)	710.9	744.8	788.7	856.0
Total direct charges against the National Revenue Fund	388 472.9	424 634.5	462 603.0	501 324.6
Unallocated reserves	-	-	-	-
National government projected underspending	-	-	-	-3 650.0
Local government repayment to the National Revenue Fund	-	-	-	-500.0
Total	889 911.5	965 495.6	1 047 763.8	1 136 339.8

1. National Revenue Fund payments were previously classified as extraordinary payments.

Table 3 Expenditure by national vote: 2011/12 to 2017/18

Revised estimate	Medium-term expenditure estimates			R million
	2014/15	2015/16	2016/17	
456.5	510.3	524.7	552.4	1 The Presidency
1 508.2	1 566.9	1 655.4	1 746.5	2 Parliament
1 295.3	1 280.9	1 344.7	1 418.9	3 Communications
61 418.9	69 314.2	73 460.7	77 758.7	4 Cooperative Governance and Traditional Affairs
7 144.8	6 450.8	7 196.2	7 049.6	5 Home Affairs
6 104.3	5 698.6	5 943.6	6 543.3	6 International Relations and Cooperation
25 997.8	26 957.3	25 713.8	27 378.2	7 National Treasury
733.8	717.7	738.6	784.6	8 Planning, Monitoring and Evaluation
319.5	267.5	274.3	289.8	9 Public Enterprises
853.1	930.9	978.4	1 040.2	10 Public Service and Administration
6 031.3	6 411.1	6 935.2	7 367.7	11 Public Works
2 085.2	2 245.2	2 498.9	2 278.0	12 Statistics South Africa
180.8	187.0	196.3	211.9	13 Women
19 580.5	21 511.1	22 528.6	23 860.4	14 Basic Education
38 987.3	41 844.0	44 094.2	46 317.0	15 Higher Education and Training
33 624.3	36 468.0	38 923.5	42 337.2	16 Health
128 397.7	138 168.6	148 106.3	157 917.4	17 Social Development
19 721.8	20 617.6	21 858.3	23 135.3	18 Correctional Services
42 856.9	44 579.4	47 118.7	50 113.5	19 Defence and Military Veterans
234.7	234.8	246.1	259.9	20 Independent Police Investigative Directorate
14 584.8	14 984.0	15 997.8	16 997.0	21 Justice and Constitutional Development
574.0	742.4	804.3	849.9	22 Office of the Chief Justice and Judicial Administration
72 507.2	76 377.1	80 815.6	86 372.7	23 Police
6 692.4	6 383.0	6 342.5	6 777.5	24 Agriculture, Forestry and Fisheries
696.9	885.8	685.7	727.9	25 Economic Development
7 393.0	7 482.1	7 695.0	8 334.3	26 Energy
5 680.4	5 948.0	6 467.5	6 537.9	27 Environmental Affairs
2 509.3	2 686.9	2 998.2	3 162.7	28 Labour
1 475.5	1 618.5	1 684.9	1 732.6	29 Mineral Resources
6 479.9	7 482.1	7 562.2	7 608.6	30 Science and Technology
1 084.6	1 103.2	1 125.2	1 257.4	31 Small Business Development
1 535.4	1 413.3	1 545.7	1 275.3	32 Telecommunications and Postal Services
1 583.3	1 800.2	2 053.3	2 127.6	33 Tourism
8 616.3	9 593.7	10 505.3	9 509.2	34 Trade and Industry
48 770.7	53 357.3	56 132.2	59 327.8	35 Transport
12 939.7	16 446.5	16 361.5	18 204.8	36 Water and Sanitation
3 425.6	3 919.9	4 103.4	4 347.0	37 Arts and Culture
29 117.6	30 943.4	33 206.0	35 246.6	38 Human Settlements
9 355.3	9 379.7	10 392.0	10 888.7	39 Rural Development and Land Reform
961.4	988.5	1 034.4	1 093.6	40 Sport and Recreation South Africa
633 515.9	679 497.5	717 849.0	760 739.6	Total appropriation by vote
				Plus:
5.5	5.7	6.0	6.4	Direct charges against the National Revenue Fund
481.0	503.1	529.8	556.3	President and Deputy President salaries (The Presidency)
115 016.2	126 440.4	140 970.9	153 376.0	Members' remuneration (Parliament)
359 921.8	382 673.5	405 264.6	428 892.5	Debt-service costs (National Treasury)
10 190.2	10 658.9	11 223.8	11 785.0	Provincial equitable share (National Treasury)
310.9	121.0	–	–	General fuel levy sharing with metropolitan municipalities (National Treasury)
13 200.0	14 690.0	16 140.0	17 400.0	National Revenue Fund payments (National Treasury) ¹
				Skills levy and sector education and training authorities (Higher Education and Training)
1 624.3	1 880.8	2 040.2	2 140.5	Magistrates' salaries (Justice and Constitutional Development)
856.0	873.7	920.1	966.1	Judges' salaries (Office of the Chief Justice and Judicial Administration)
501 605.7	537 847.2	577 095.4	615 122.8	Total direct charges against the National Revenue Fund
–	5 000.0	15 000.0	45 000.0	Unallocated reserves
–	–	–	–	National government projected underspending
–	–	–	–	Local government repayment to the National Revenue Fund
1 135 121.6	1 222 344.7	1 309 944.4	1 420 862.4	Total

Table 4 Expenditure by economic classification: 2011/12 to 2017/18

R million	Audited outcome			Adjusted appropriation
	2011/12	2012/13	2013/14	2014/15
Current payments				
Compensation of employees	100 643.5	110 677.5	120 628.3	130 564.8
Salaries and wages	84 534.2	93 017.8	100 551.3	109 757.0
Social contributions	16 109.3	17 659.7	20 077.0	20 807.8
Goods and services	49 506.5	51 293.5	58 525.5	61 423.0
Interest and rent on land	76 552.8	88 214.0	101 242.1	114 535.5
Interest (including interest on unitary payments (PPP))	76 550.7	88 211.2	101 240.8	114 534.1
Rent on land	2.1	2.8	1.4	1.4
Total current payments	226 702.9	250 185.0	280 395.9	306 523.3
Transfers and subsidies to:				
Provinces and municipalities	424 135.2	457 397.4	493 460.6	530 867.5
Provinces	355 824.4	380 928.6	410 572.2	439 705.6
Provincial revenue funds	355 824.4	380 928.6	410 572.2	439 705.6
Provincial agencies and funds	-	-	0.0	-
Municipalities	68 310.9	76 468.8	82 888.4	91 161.8
Municipal bank accounts	68 310.8	76 468.7	82 888.3	91 161.8
Municipal agencies and funds	0.0	0.1	0.0	0.1
Departmental agencies and accounts	73 980.7	74 954.3	80 397.2	87 906.3
Social security funds	38.9	17.0	18.7	35.5
Departmental agencies (non-business entities)	73 941.8	74 937.3	80 378.5	87 870.8
Higher education institutions	19 539.8	21 128.5	22 594.2	24 344.4
Foreign governments and international organisations	1 309.9	1 396.2	1 930.2	1 726.3
Public corporations and private enterprises	22 352.5	25 231.7	28 214.5	33 125.5
Public corporations	19 497.8	21 479.3	23 141.0	27 682.0
Subsidies on products or production	8 189.4	9 290.7	9 366.9	10 429.1
Other transfers to public corporations	11 308.4	12 188.7	13 774.1	17 252.9
Private enterprises	2 854.7	3 752.4	5 073.5	5 443.5
Subsidies on products or production	2 298.8	3 177.8	4 076.3	4 627.3
Other transfers to private enterprises	555.9	574.6	997.2	816.3
Non-profit institutions	2 013.4	2 413.0	2 877.3	3 176.2
Households	105 117.5	114 316.1	119 985.2	132 351.3
Social benefits	99 891.5	107 861.6	113 820.3	125 160.9
Other transfers to households	5 226.1	6 454.4	6 164.9	7 190.5
Total transfers and subsidies	648 449.0	696 837.2	749 459.2	813 497.5
Payments for capital assets				
Buildings and other fixed structures	7 033.5	8 566.1	8 731.6	12 558.5
Buildings	4 482.5	4 893.1	4 932.4	6 545.1
Other fixed structures	2 551.0	3 673.0	3 799.2	6 013.4
Machinery and equipment	4 320.7	5 100.2	4 996.4	3 853.5
Transport equipment	2 016.0	2 275.8	2 291.3	1 504.9
Other machinery and equipment	2 304.7	2 824.3	2 705.1	2 348.6
Heritage assets	0.2	0.0	0.1	-
Specialised military assets	-	22.6	22.0	45.3
Biological assets	3.4	6.2	4.8	7.1
Land and subsoil assets	132.0	91.8	58.2	0.9
Software and other intangible assets	467.2	61.9	195.5	50.8
Total payments for capital assets	11 957.1	13 848.9	14 008.5	16 516.2
Payments for financial assets	2 802.5	4 624.5	3 900.2	3 952.8
Total	889 911.5	965 495.6	1 047 763.8	1 140 489.8
Unallocated reserves	-	-	-	-
National government projected underspending	-	-	-	-3 650.0
Local government repayment to the National Revenue Fund	-	-	-	-500.0
Total	889 911.5	965 495.6	1 047 763.8	1 136 339.8

Table 4 Expenditure by economic classification: 2011/12 to 2017/18

Revised estimate	Medium-term expenditure estimates			R million
	2014/15	2015/16	2016/17	
130 259.7	137 620.2	146 566.9	155 125.4	Current payments
109 462.3	115 254.0	122 934.3	130 348.9	Compensation of employees
20 797.4	22 366.2	23 632.6	24 776.5	Salaries and wages
60 373.7	60 069.3	63 972.4	67 478.4	Social contributions
115 066.7	126 489.5	141 018.9	153 426.4	Goods and services
115 065.2	126 488.0	141 017.2	153 424.6	Interest and rent on land
1.4	1.5	1.7	1.8	Interest (including interest on unitary payments (PPP))
				Rent on land
305 700.1	324 179.0	351 558.2	376 030.2	Total current payments
528 845.1	567 961.9	600 248.1	636 456.0	Transfers and subsidies to:
439 661.3	468 158.9	496 259.1	526 382.5	Provinces and municipalities
439 661.3	468 158.9	496 259.1	526 382.5	Provinces
–	–	–	–	Provincial revenue funds
89 183.9	99 803.0	103 989.0	110 073.5	Provincial agencies and funds
89 183.8	99 802.9	103 988.9	110 073.4	Municipalities
0.1	0.1	0.1	0.1	Municipal bank accounts
87 604.1	95 442.0	101 888.8	108 116.8	Municipal agencies and funds
35.5	21.4	22.6	23.7	Departmental agencies and accounts
87 568.6	95 420.5	101 866.3	108 093.1	Social security funds
24 344.4	26 405.6	27 799.8	29 174.2	Departmental agencies (non-business entities)
1 720.7	1 738.8	1 839.7	1 885.2	Higher education institutions
32 507.6	36 017.7	37 241.7	37 460.0	Foreign governments and international organisations
27 282.0	29 958.4	30 395.4	31 777.7	Public corporations and private enterprises
10 429.1	9 902.6	10 240.7	10 835.0	Public corporations
16 852.9	20 055.8	20 154.7	20 942.7	Subsidies on products or production
5 225.6	6 059.3	6 846.2	5 682.3	Other transfers to public corporations
4 409.4	5 260.0	6 033.4	4 828.8	Private enterprises
816.3	799.2	812.9	853.5	Subsidies on products or production
3 176.2	3 251.2	3 406.5	3 739.7	Other transfers to private enterprises
132 057.3	142 160.8	153 220.7	163 313.5	Non-profit institutions
124 966.9	134 725.5	144 448.4	154 059.9	Households
7 090.5	7 435.3	8 772.3	9 253.6	Social benefits
				Other transfers to households
810 255.5	872 977.9	925 645.3	980 145.4	Total transfers and subsidies
11 503.6	12 964.2	13 582.9	14 455.4	Payments for capital assets
6 131.5	5 783.4	6 441.6	6 940.3	Buildings and other fixed structures
5 372.1	7 180.8	7 141.3	7 515.2	Buildings
3 858.3	3 669.2	3 757.5	4 804.9	Other fixed structures
1 507.7	1 475.2	1 479.6	2 446.0	Machinery and equipment
2 350.6	2 194.0	2 278.0	2 358.9	Transport equipment
–	–	–	–	Other machinery and equipment
45.3	12.1	10.4	9.8	Heritage assets
7.1	8.0	8.5	3.2	Specialised military assets
0.9	–	–	28.7	Biological assets
50.8	42.6	36.1	19.8	Land and subsoil assets
				Software and other intangible assets
15 466.0	16 696.1	17 395.4	19 321.7	Total payments for capital assets
3 700.0	3 491.7	345.5	365.1	Payments for financial assets
1 135 121.6	1 217 344.7	1 294 944.4	1 375 862.4	Total
–	5 000.0	15 000.0	45 000.0	Unallocated reserves
–	–	–	–	National government projected underspending
–	–	–	–	Local government repayment to the National Revenue Fund
1 135 121.6	1 222 344.7	1 309 944.4	1 420 862.4	Total

Table 5 Amounts to be appropriated from the National Revenue Fund for 2015/16

R million	Appropriated (including direct charges)	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	To be appropriated	Increase/ Decrease ¹	
	2014/15							2015/16
1	The Presidency	487.5	503.5	0.1	12.5	–	516.1	28.6
2	Parliament	1 989.2	1 702.0	364.5	3.6	–	2 070.1	80.9
3	Communications	1 283.3	70.1	1 210.2	0.7	–	1 280.9	-2.4
4	Cooperative Governance and Traditional Affairs	63 212.7	2 808.6	66 497.8	7.8	–	69 314.2	6 101.4
5	Home Affairs	6 544.8	4 790.5	1 649.4	10.9	–	6 450.8	-94.0
6	International Relations and Cooperation	5 754.3	4 773.5	641.2	284.0	–	5 698.6	-55.7
7	National Treasury	512 277.5	128 388.5	414 954.5	16.4	3 491.7	546 851.1	34 573.6
8	Planning, Monitoring and Evaluation	208.2	305.0	409.8	2.9	–	717.7	509.5
9	Public Enterprises	256.4	263.8	0.1	3.6	–	267.5	11.1
10	Public Service and Administration	875.1	443.2	485.3	2.3	–	930.9	55.8
11	Public Works	6 121.3	882.8	5 500.2	28.1	–	6 411.1	289.8
12	Statistics South Africa	2 242.5	1 960.4	15.5	269.3	–	2 245.2	2.7
13	Women	218.5	115.8	67.7	3.5	–	187.0	-31.5
14	Basic Education	19 680.1	2 431.9	17 033.9	2 045.4	–	21 511.1	1 831.0
15	Higher Education and Training	52 428.5	7 801.2	48 720.5	12.3	–	56 534.0	4 105.5
16	Health	34 380.0	2 351.5	33 448.5	668.0	–	36 468.0	2 088.0
17	Social Development	128 799.4	764.6	137 394.4	9.6	–	138 168.6	9 369.3
18	Correctional Services	19 721.1	19 514.3	120.5	982.8	–	20 617.6	896.5
19	Defence and Military Veterans	42 831.2	36 162.0	7 830.5	586.9	–	44 579.4	1 748.2
20	Independent Police Investigative Directorate	234.7	234.4	0.4	–	–	234.8	0.1
21	Justice and Constitutional Development	16 495.1	13 304.0	2 335.3	1 225.4	–	16 864.7	369.7
22	Office of the Chief Justice and Judicial Administration	1 394.1	1 547.1	55.3	13.8	–	1 616.2	222.1
23	Police	72 507.2	72 604.4	911.9	2 860.8	–	76 377.1	3 869.8
24	Agriculture, Forestry and Fisheries	6 692.4	2 586.3	3 700.5	96.2	–	6 383.0	-309.4
25	Economic Development	696.9	150.3	733.2	2.2	–	885.8	188.9
26	Energy	7 415.6	492.6	6 985.5	4.0	–	7 482.1	66.5
27	Environmental Affairs	5 668.4	2 127.1	3 662.8	158.1	–	5 948.0	279.6
28	Labour	2 527.3	1 683.8	956.2	46.9	–	2 686.9	159.6
29	Mineral Resources	1 471.3	806.1	800.9	11.5	–	1 618.5	147.3
30	Science and Technology	6 470.2	496.4	6 983.4	2.3	–	7 482.1	1 011.9
31	Small Business Development	1 148.1	166.2	935.8	1.1	–	1 103.2	-45.0
32	Telecommunications and Postal Services	973.2	679.7	728.6	5.1	–	1 413.3	440.1
33	Tourism	1 662.1	403.0	1 391.1	6.1	–	1 800.2	138.1
34	Trade and Industry	8 686.9	1 475.7	8 083.9	34.2	–	9 593.7	906.8
35	Transport	48 726.5	1 061.4	52 291.7	4.1	–	53 357.3	4 630.8
36	Water and Sanitation	12 480.3	3 116.8	6 094.6	7 235.1	–	16 446.5	3 966.2
37	Arts and Culture	3 527.7	640.2	3 272.3	7.4	–	3 919.9	392.1
38	Human Settlements	30 521.4	687.0	30 252.4	4.0	–	30 943.4	422.0
39	Rural Development and Land Reform	9 455.3	3 617.7	5 736.8	25.1	–	9 379.7	-75.6
40	Sport and Recreation South Africa	970.4	265.7	720.7	2.2	–	988.5	18.1
Total	1 139 036.7	324 179.0	872 977.9	16 696.1	3 491.7	1 217 344.7	78 308.0	

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

Table 6a Conditional allocations to provinces: 2011/12 to 2017/18¹

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates		
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
4 Cooperative Governance and Traditional Affairs	15.1	0.9	93.6	197.4	197.4	103.2	111.5	123.4
11 Public Works	2 229.0	2 308.4	610.2	606.9	606.9	591.2	761.7	809.4
14 Basic Education	10 803.0	11 205.9	12 326.3	13 577.0	13 532.6	15 856.5	16 373.0	17 267.3
16 Health	23 989.3	25 882.0	27 487.2	30 164.1	30 164.1	31 857.9	34 338.2	37 495.5
17 Social Development	–	–	–	29.0	29.0	47.5	47.5	–
24 Agriculture, Forestry and Fisheries	1 666.6	2 062.4	2 148.6	2 389.1	2 389.1	2 188.1	2 262.5	2 404.5
35 Transport	11 350.3	12 299.1	13 290.3	14 194.2	14 194.2	14 790.1	15 288.3	16 280.9
37 Arts and Culture	569.9	564.6	594.8	1 016.2	1 016.2	1 311.0	1 367.1	1 452.8
38 Human Settlements	15 121.5	15 395.0	17 028.3	17 084.4	17 084.4	18 202.7	19 884.0	21 060.3
40 Sport and Recreation South Africa	452.0	469.6	497.6	525.6	525.6	537.3	560.7	595.8
Total	66 196.8	70 187.9	74 076.9	79 783.8	79 739.5	85 485.4	90 994.5	97 490.0

1. Details provided in the Division of Revenue Act (2015).

Table 6b Conditional allocations to municipalities: 2011/12 to 2017/18¹

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates		
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
4 Cooperative Governance and Traditional Affairs	11 695.8	14 182.4	14 753.8	15 574.0	14 939.0	15 696.3	16 266.3	17 064.6
7 National Treasury	1 162.0	1 056.3	1 149.2	1 399.7	1 399.7	1 435.3	1 486.5	1 598.3
11 Public Works	363.9	661.5	611.3	594.6	594.6	587.7	664.0	716.4
26 Energy	1 376.6	1 351.4	1 815.5	1 241.6	1 241.6	2 158.2	2 221.9	2 400.3
35 Transport	4 647.1	4 921.7	5 602.2	5 946.1	5 946.1	6 049.9	6 264.2	6 717.2
36 Water and Sanitation	992.3	562.4	1 129.2	1 032.8	989.8	2 305.0	1 765.0	2 399.9
38 Human Settlements	6 267.0	7 392.2	9 076.9	10 584.7	10 484.7	10 654.3	11 175.9	11 823.1
40 Sport and Recreation South Africa	–	123.1	120.0	–	–	–	–	–
Total	26 504.8	30 251.2	34 258.1	36 373.5	35 595.5	38 886.7	39 843.8	42 719.8

1. Details provided in the Division of Revenue Act (2015).

Table 7 Training expenditure per vote: 2011/12 to 2017/18

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates			
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	
1	The Presidency	1.1	2.3	1.8	3.7	3.3	3.5	3.7
2	Parliament	4.5	5.9	7.6	11.4	12.0	12.7	13.3
3	Communications	–	–	–	–	0.0	0.0	0.0
4	Cooperative Governance and Traditional Affairs	1.4	1.7	3.7	2.5	2.7	2.9	3.1
5	Home Affairs	62.2	8.6	18.5	26.7	28.7	30.6	32.6
6	International Relations and Cooperation	11.6	12.0	9.1	28.4	33.1	34.9	36.6
7	National Treasury	8.9	10.5	6.0	9.4	9.1	9.7	10.1
8	Planning, Monitoring and Evaluation	0.7	1.6	0.9	0.8	0.8	1.0	1.0
9	Public Enterprises	3.0	2.0	2.2	2.8	2.0	2.0	2.1
10	Public Service and Administration	3.7	4.9	3.4	4.8	4.2	4.4	4.6
11	Public Works	13.5	13.3	10.2	16.4	12.2	12.8	13.4
12	Statistics South Africa	7.9	17.6	4.3	10.1	12.1	12.1	12.2
13	Women	0.1	0.1	0.6	1.1	0.7	0.7	0.8
14	Basic Education	0.8	1.1	1.0	1.3	1.4	1.5	1.5
15	Higher Education and Training	1.6	1.8	1.0	2.5	2.6	2.7	3.2
16	Health	5.7	5.9	5.9	9.3	7.8	8.1	8.5
17	Social Development	4.0	3.4	2.0	8.4	6.7	7.8	9.2
18	Correctional Services	126.0	116.6	135.6	131.6	134.8	142.9	152.0
19	Defence and Military Veterans	154.8	107.5	159.3	175.4	194.6	190.2	175.9
20	Independent Police Investigative Directorate	1.6	0.8	1.2	2.3	1.2	1.3	1.3
21	Justice and Constitutional Development	6.6	16.8	10.6	71.7	75.2	78.7	83.7
22	Office of the Chief Justice and Judicial Administration	0.0	0.3	0.1	0.5	1.1	1.2	1.3
23	Police	1 507.9	1 623.7	1 668.5	1 785.0	1 838.5	1 893.7	1 914.2
24	Agriculture, Forestry and Fisheries	29.1	32.1	34.5	54.6	42.1	42.3	46.6
25	Economic Development	1.4	0.4	0.3	1.1	1.0	1.0	1.0
26	Energy	2.5	2.1	4.0	4.4	4.3	4.1	4.2
27	Environmental Affairs	16.0	7.4	12.5	8.2	8.7	9.2	9.8
28	Labour	7.6	11.9	20.8	14.8	14.3	14.4	15.1
29	Mineral Resources	3.1	2.3	3.0	6.2	6.7	7.0	7.4
30	Science and Technology	4.2	6.1	5.2	5.0	5.3	5.3	5.6
31	Small Business Development	0.2	0.8	1.3	4.8	2.7	3.0	3.2
32	Telecommunications and Postal Services	10.8	3.9	3.8	5.1	5.4	5.7	5.9
33	Tourism	2.1	3.0	4.3	4.2	2.4	2.6	2.7
34	Trade and Industry	16.1	15.6	10.4	16.0	12.9	12.2	12.9
35	Transport	4.4	5.2	5.4	4.4	3.8	4.0	4.3
36	Water and Sanitation	31.2	31.8	22.4	31.6	37.2	32.9	43.4
37	Arts and Culture	3.5	2.0	1.8	2.1	2.2	2.4	2.5
38	Human Settlements	3.2	2.6	1.9	5.4	5.8	5.5	5.8
39	Rural Development and Land Reform	25.4	21.0	21.9	20.3	131.0	137.1	144.4
40	Sport and Recreation South Africa	0.9	1.6	1.1	1.3	1.4	1.5	1.6
Total		2 089.2	2 108.5	2 208.4	2 495.2	2 672.0	2 745.4	2 800.6

Table 8a Infrastructure expenditure per vote: 2011/12 to 2017/18¹

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
4 Cooperative Governance and Traditional Affairs	11 443.5	13 879.2	14 224.4	14 764.0	14 955.8	15 328.9	16 435.4
5 Home Affairs	78.9	27.6	98.5	151.4	103.2	154.7	185.2
6 International Relations and Cooperation	205.2	113.0	202.9	213.5	211.8	223.7	223.7
7 National Treasury	738.4	578.1	598.0	591.2	607.0	624.0	663.4
11 Public Works	1 011.4	713.0	567.4	510.4	773.3	833.8	883.3
14 Basic Education	6 043.0	6 860.7	8 319.6	10 184.9	11 889.1	12 484.9	13 306.3
15 Higher Education and Training	1 625.3	1 799.9	2 150.0	2 700.0	3 301.2	3 503.0	3 675.7
16 Health	5 683.4	5 524.4	5 442.8	5 844.8	6 188.9	6 425.8	6 846.0
17 Social Development	–	–	–	50.0	50.0	50.0	–
18 Correctional Services	592.4	744.5	583.1	813.0	775.8	788.9	826.3
19 Defence and Military Veterans	530.7	1 381.7	603.4	395.3	940.5	996.7	1 047.7
21 Justice and Constitutional Development	683.6	621.2	387.6	566.8	661.5	920.1	966.1
23 Police	671.1	691.6	868.1	984.9	998.7	1 210.5	1 271.0
24 Agriculture, Forestry and Fisheries	262.2	555.2	461.5	706.9	675.5	416.9	442.6
26 Energy	4 462.3	4 589.1	3 566.1	4 158.2	5 724.7	5 979.0	6 334.9
27 Environmental Affairs	642.8	337.5	405.7	591.4	722.1	846.2	485.1
28 Labour	7.1	8.6	1.5	0.0	–	–	–
30 Science and Technology	417.7	483.7	579.1	992.4	1 043.1	1 047.8	1 099.8
32 Telecommunications and Postal Services	533.9	–	884.2	155.2	226.7	382.1	391.3
34 Trade and Industry	837.3	949.5	1 043.2	940.0	1 330.0	1 820.0	1 034.9
35 Transport	28 101.4	25 016.6	26 712.7	39 269.2	38 550.5	40 588.7	42 903.4
36 Water and Sanitation	3 569.3	5 685.8	5 400.6	6 471.3	8 511.8	9 700.0	9 488.4
37 Arts and Culture	364.3	229.8	350.3	540.1	559.6	594.9	624.6
38 Human Settlements	21 388.5	22 787.2	26 060.8	27 369.1	28 757.0	30 959.9	32 768.5
39 Rural Development and Land Reform	20.8	4.7	2.2	12.6	23.5	4.5	–
Total	89 914.6	93 582.7	99 513.8	118 976.6	127 581.4	135 884.8	141 903.4

Table 8b Nature of infrastructure investment: 2011/12 to 2017/18¹

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
New infrastructure assets	2 752.7	4 212.2	4 641.2	6 377.7	7 500.4	8 920.5	8 511.6
Existing infrastructure assets	3 698.3	5 102.6	4 364.5	4 836.3	6 316.8	7 008.8	6 855.4
Upgrading and additions	2 964.3	3 640.5	3 266.2	3 562.7	4 414.7	4 892.9	4 378.1
Rehabilitation, renovations and refurbishment	405.7	1 271.0	660.9	625.5	1 281.6	1 612.0	1 752.0
Maintenance and repair	328.3	191.0	437.4	648.1	620.5	504.0	725.2
Infrastructure transfers	83 463.6	84 268.0	90 508.1	107 762.6	113 764.2	119 955.5	126 536.4
Current	189.4	398.2	384.6	555.8	318.4	318.1	338.1
Capital	83 274.2	83 869.8	90 123.5	107 206.9	113 445.8	119 637.4	126 198.3
Total Infrastructure	89 914.6	93 582.7	99 513.8	118 976.6	127 581.4	135 884.8	141 903.4
<i>Current infrastructure²</i>	<i>517.6</i>	<i>589.2</i>	<i>822.0</i>	<i>1 203.8</i>	<i>938.9</i>	<i>822.1</i>	<i>1 063.4</i>
<i>Capital infrastructure³</i>	<i>89 397.0</i>	<i>92 993.5</i>	<i>98 691.9</i>	<i>117 772.8</i>	<i>126 642.5</i>	<i>135 062.7</i>	<i>140 840.0</i>

1. Amounts include: mega infrastructure projects and programmes for which the total cost is at least R1 billion over the project life cycle; large projects and programmes for which the total cost is at least R250 million but less than R1 billion over the project life cycle; and small projects and programmes for which the total cost is less than R250 million over the project life cycle. Amounts also include: infrastructure transfers to other spheres, agencies and entities; and maintenance and repair projects.

2. Current infrastructure refers to the maintenance and repairs of existing infrastructure assets and is aimed at maintaining the capacity and effectiveness of an asset at the designed level.

3. Capital infrastructure refers to the construction, replacement, upgrade, rehabilitation, renovation and refurbishment of infrastructure resulting in a new asset or an increase in the capacity, effectiveness and value of an existing one.

Table 9 Personnel expenditure per vote: 2011/12 to 2017/18

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			Average personnel expenditure growth rate (%)
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18	2011/12 -2017/18
1 The Presidency	214.4	241.7	259.5	305.4	305.4	326.4	346.6	365.9	9.3%
2 Parliament	857.9	973.1	1 066.6	1 156.0	1 156.0	1 204.2	1 271.4	1 335.0	7.6%
3 Communications	17.2	17.7	24.7	39.8	39.8	56.0	59.2	62.5	24.1%
4 Cooperative Governance and Traditional Affairs	196.2	216.6	226.8	246.6	246.6	271.8	288.5	306.7	7.7%
5 Home Affairs	1 944.9	2 179.6	2 433.7	2 670.0	2 670.0	2 868.1	3 058.1	3 256.4	9.0%
6 International Relations and Cooperation	1 934.2	2 153.2	2 436.7	2 581.8	2 609.3	2 526.2	2 624.9	2 784.2	6.3%
7 National Treasury	512.3	561.5	602.1	689.0	676.5	725.5	774.8	825.0	8.3%
8 Planning, Monitoring and Evaluation	75.6	104.3	125.2	156.9	156.9	173.6	185.4	199.8	17.6%
9 Public Enterprises	93.9	102.7	124.9	147.1	147.1	152.3	166.2	176.7	11.1%
10 Public Service and Administration	173.9	194.2	230.7	246.5	246.5	277.8	294.0	312.2	10.2%
11 Public Works	1 269.6	1 374.6	1 471.5	1 667.8	1 667.8	475.0	499.6	516.1	-13.9%
12 Statistics South Africa	1 232.8	1 074.9	1 080.1	1 216.8	1 183.8	1 286.6	1 461.6	1 465.3	2.9%
13 Women	31.9	44.9	48.9	61.0	61.0	66.5	71.6	76.1	15.6%
14 Basic Education	295.4	325.2	371.7	414.4	414.4	440.9	470.2	500.0	9.2%
15 Higher Education and Training	5 303.8	5 927.8	6 605.4	7 009.0	7 008.4	7 308.2	7 732.5	8 137.7	7.4%
16 Health	484.6	554.3	628.0	656.5	656.5	772.1	813.8	854.7	9.9%
17 Social Development	289.5	307.4	339.3	380.1	371.3	403.6	428.3	454.3	7.8%
18 Correctional Services	10 851.8	11 337.8	12 190.1	13 315.6	13 315.6	14 034.1	14 964.5	15 901.5	6.6%
19 Defence and Military Veterans	17 569.0	19 688.4	21 332.7	22 476.2	22 476.2	24 595.0	26 239.7	27 725.6	7.9%
20 Independent Police Investigative Directorate	78.1	96.0	105.0	140.5	140.5	169.8	179.2	188.7	15.8%
21 Justice and Constitutional Development	6 646.3	7 188.3	7 923.0	8 996.5	8 746.5	9 307.3	9 812.2	10 403.0	7.8%
22 Office of the Chief Justice and Judicial Administration	912.9	1 005.1	1 090.0	1 133.8	1 133.8	1 279.5	1 353.9	1 426.4	7.7%
23 Police	42 407.5	46 796.3	51 241.8	54 449.0	54 449.0	57 884.9	61 549.1	65 238.3	7.4%
24 Agriculture, Forestry and Fisheries	1 320.7	1 419.1	1 525.0	1 698.4	1 698.4	1 737.8	1 837.2	1 959.5	6.8%
25 Economic Development	48.3	62.1	70.9	76.9	76.9	96.1	97.8	103.5	13.5%
26 Energy	184.8	201.5	228.5	286.0	261.4	289.5	309.8	328.6	10.1%
27 Environmental Affairs	469.1	560.8	659.2	798.8	798.8	915.4	979.0	1 041.9	14.2%
28 Labour	757.9	820.5	866.1	1 011.7	1 053.3	1 079.6	1 330.8	1 413.3	10.9%
29 Mineral Resources	364.6	395.9	435.3	492.0	492.0	528.4	566.6	605.3	8.8%
30 Science and Technology	207.2	221.8	241.6	284.9	284.9	291.3	302.4	321.3	7.6%
31 Small Business Development	40.3	47.1	55.3	84.0	84.0	109.7	114.8	122.2	20.3%
32 Telecommunications and Postal Services	144.8	148.2	158.5	191.5	176.5	191.8	204.7	217.1	7.0%
33 Tourism	135.3	171.2	202.4	229.3	229.3	246.1	259.4	275.7	12.6%
34 Trade and Industry	526.7	623.5	734.0	857.4	857.4	897.7	950.3	1 007.8	11.4%
35 Transport	274.5	287.8	304.4	382.9	382.9	378.6	403.9	428.3	7.7%
36 Water and Sanitation	949.4	1 055.5	1 139.7	1 388.0	1 366.3	1 492.1	1 634.6	1 666.2	9.8%
37 Arts and Culture	163.7	172.7	190.8	209.9	209.9	221.9	236.7	251.5	7.4%
38 Human Settlements	216.2	222.9	240.2	328.8	328.8	322.2	344.8	365.7	9.2%
39 Rural Development and Land Reform	1 373.3	1 727.8	1 541.3	1 999.8	1 999.8	2 115.9	2 241.3	2 391.8	9.7%
40 Sport and Recreation South Africa	73.1	73.7	76.6	88.2	80.4	100.7	107.4	113.5	7.6%
Total	100 643.5	110 677.5	120 628.3	130 564.8	130 259.7	137 620.2	146 566.9	155 125.4	7.5%

Table 10 Personnel numbers and unit cost per vote: 2013/14 to 2017/18

	Number of posts estimated for 31 March 2015		Number and cost of personnel posts filled/ planned for on funded establishment										Average personnel growth rate (%)	Average unit cost growth rate (%)
	Number of funded posts	Number of posts additional to the establishment	Actual		Revised estimate		Medium-term expenditure estimate							
			2013/14		2014/15		2015/16		2016/17		2017/18			
			Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost		
1 The Presidency	701	81	699	371	701	436	690	473	697	497	701	522	-	6.2%
2 Parliament	1 691	13	1 915	557	1 709	676	1 709	705	1 709	744	1 709	781	-	4.9%
3 Communications	393	20	52	476	194	205	401	140	401	148	401	156	27.4%	-8.7%
4 Cooperative Governance and Traditional Affairs	540	-	381	595	540	457	560	485	560	515	560	548	1.2%	6.3%
5 Home Affairs	9 984	76	10 344	235	9 765	273	9 765	294	9 765	313	9 765	333	-	6.8%
6 International Relations and Cooperation	4 588	23	4 724	516	4 552	573	4 552	555	4 571	574	4 592	606	0.3%	1.9%
7 National Treasury	1 252	33	1 292	466	1 301	520	1 153	629	1 153	672	1 153	716	-3.9%	11.2%
8 Planning, Monitoring and Evaluation	314	-	256	489	307	511	314	553	315	588	315	634	0.9%	7.5%
9 Public Enterprises	284	-	247	506	259	568	258	590	258	644	260	679	0.1%	6.2%
10 Public Service and Administration	504	43	564	409	509	484	507	548	507	580	510	612	0.1%	8.1%
11 Public Works ¹	345	199	5 427	271	5 934	281	968	491	952	525	905	570	-46.6%	26.6%
12 Statistics South Africa	3 550	-	3 723	290	3 555	333	4 119	312	11 786	124	3 775	388	2.0%	5.2%
13 Women	115	-	114	429	115	531	117	569	117	612	117	650	0.6%	7.0%
14 Basic Education	797	4	813	457	795	521	795	555	795	592	795	629	-	6.5%
15 Higher Education and Training ²	959	99	38 001	174	38 002	184	38 025	192	38 025	203	38 025	214	0.0%	5.1%
16 Health	1 504	-	1 929	326	1 880	349	1 898	407	1 898	429	1 897	451	0.3%	8.9%
17 Social Development	737	78	866	392	775	479	794	508	798	537	799	569	1.0%	5.9%
18 Correctional Services	42 006	1 526	42 009	290	42 006	317	42 006	334	42 006	356	42 006	379	-	6.1%
19 Defence and Military Veterans	77 605	-	77 183	276	77 605	290	79 445	310	80 342	327	81 108	342	1.5%	5.7%
20 Independent Police Investigative Directorate	393	-	349	301	393	357	414	410	418	429	423	446	2.5%	7.7%
21 Justice and Constitutional Development	28 353	690	26 615	298	26 305	333	28 929	322	28 929	339	28 929	360	3.2%	2.6%
22 Office of the Chief Justice and Judicial Administration	1 714	-	1 601	681	1 714	661	1 763	726	1 763	768	1 763	809	0.9%	6.9%
23 Police	198 010	-	194 852	263	198 010	275	198 042	292	198 062	311	198 062	329	0.0%	6.2%
24 Agriculture, Forestry and Fisheries	6 757	257	6 780	225	6 757	251	6 757	257	6 757	272	6 757	290	-	4.9%
25 Economic Development	166	-	129	550	149	516	149	645	149	656	149	695	-	10.4%
26 Energy	622	-	616	371	622	420	622	465	622	498	622	528	-	7.9%
27 Environmental Affairs	1 998	300	1 734	380	1 842	434	2 124	431	2 124	461	2 124	491	4.9%	4.2%
28 Labour	3 520	17	3 340	259	3 412	309	3 412	316	3 737	356	3 737	378	3.1%	7.0%
29 Mineral Resources	1 182	65	1 173	371	1 180	417	1 197	441	1 203	471	1 209	501	0.8%	6.3%
30 Science and Technology	481	-	465	520	484	589	470	620	470	643	470	684	-1.0%	5.1%
31 Small Business Development	157	-	131	-	168	-	171	-	170	-	171	-	0.6%	-
32 Telecommunications and Postal Services	376	52	490	323	337	524	337	569	337	607	337	644	-	7.1%
33 Tourism	548	-	544	372	548	421	548	449	548	473	548	503	-	6.2%
34 Trade and Industry	1 728	231	1 715	428	1 725	497	1 523	589	1 523	624	1 523	662	-4.1%	10.0%
35 Transport	822	41	822	370	822	466	822	461	822	491	822	521	-	3.8%
36 Water and Sanitation	4 992	209	4 074	280	4 233	323	4 404	339	4 422	370	4 447	375	1.7%	5.1%
37 Arts and Culture	484	42	507	376	526	399	524	423	524	452	524	480	-0.1%	6.4%
38 Human Settlements	850	-	807	298	685	480	645	500	645	535	645	567	-2.0%	5.7%
39 Rural Development and Land Reform	5 376	398	3 958	389	5 045	396	5 152	411	5 168	434	5 168	463	0.8%	5.3%
40 Sport and Recreation South Africa	208	36	216	355	204	394	204	494	204	526	204	556	-	12.2%
Total	406 606	4 533	441 457	14 935	445 665	16 451	446 285	17 810	455 252	18 697	448 027	20 060	0.2%	6.8%

1. Department of Public Works: The implementation functions of the department shift to the Property Management Trading Entity due to the operationalisation of the entity in 2015/16. As a result personnel also move from the department to the Property Management Trading Entity.

2. Department of Higher Education and Training: The administrative function of the Technical and vocational education and training colleges, and of Public Adult Learning Centres shifts from provincial education departments to a national competence.

Information contained in the chapters of the Estimates of National Expenditure

The Estimates of National Expenditure publications describe in detail the planned spending of all national government votes for three years going forward: that is, the years of the medium term expenditure framework (MTEF).

The abridged Estimates of National Expenditure publication is tabled in Parliament by the Minister of Finance on the day the main Budget is tabled. Through an accompanying Appropriation Bill, the executive seeks Parliament's approval and adoption of its spending plans for the new financial year. Amounts allocated for the first year of the new MTEF period are then appropriated from the National Revenue Fund in terms of the Appropriation Act, once approved by the President. The main Budget, determined by the fiscal framework, also includes direct charges against the National Revenue Fund and an unallocated reserve for expenditure related to unforeseen circumstances, as well as emerging government policy priorities.

Information in the Appropriation Bill is divided according to vote. Generally, a vote specifies the total amount appropriated per department. In some cases a vote may contain more than one department. Each chapter in the abridged Estimates of National Expenditure publication relates to a vote. A separate e-publication is also available for each vote.

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

In respect of each vote, the Estimates of National Expenditure publications follow the layout shown below:

Budget summary

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

R million	2015/16				2016/17	2017/18
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total
MTEF allocation						
Administration						
Programme name						
Programme name						
Subtotal						
Direct charge against the National Revenue Fund						
Item						
Total expenditure estimates						
Executive authority	Minister					
Accounting officer	Director General / Chief Operating Officer					
Website address						

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

The **2015/16 total** shows the expenditure allocation per programme and the aggregated vote amount for 2015/16, and corresponds with the information in the 2015 Appropriation Bill.

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

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

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

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

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

For **2016/17** and **2017/18** the expenditure estimates are shown. These estimates are not included in the 2015 Appropriation Bill as they are still only indicative of actual expenditure levels in the two outer years of the MTEF period. Parliament appropriates or authorises expenditure for a single financial year at a time. These forward estimates or indicative allocations do, however, form the basis of the planning of the 2016 Budget.

MTEF allocation shows the expenditure estimates for three years per programme.

Direct charge against the National Revenue Fund is an amount spent in terms of a statute and therefore does not require parliamentary approval. An example is debt service costs. Such items are therefore not contained in the Appropriation Bill, nor are they budgeted for under any programme on a particular vote.

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

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

Vote purpose

The purpose of the vote captures a department's mandate, objectives or administrative functions, as stated in the Appropriation Bill.

Mandate

The department's mandate, as contained in the relevant act(s) or policy document(s) that govern(s) the department's establishment and operations, is described.

Selected performance indicators

This table highlights performance in terms of key indicators for the vote for the past three years, the current year and the three-year MTEF period.

Indicator	Programme	Outcome	Past			Current	Projections	
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17

Managing, monitoring and measuring performance are integral to improving service delivery. The table presents only a selected set of a department or entity's performance indicators and is not intended to provide a comprehensive view of performance. It should, however, contain key performance indicators that form part of

government's performance management system, departmental annual performance plans and ministerial delivery agreements.

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

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

The **Outcome** column links the indicator to one or more of the 14 government outcomes to which it contributes.

The **Past** column shows what level of performance the department actually achieved in the 2011/12, 2012/13 and 2013/14 financial years.

The **Current** column shows what the department projects it will achieve for the 2014/15 financial year.

The **Projections** column shows what the department expects to achieve in the 2015/16, 2016/17 and 2017/18 financial years.

In the selected performance indicators table, a dash (–) means that information is not available. However, in all expenditure and revenue tables, a dash (–) indicates that information is either unavailable or equal to zero. Due to rounding off, the line item figures in the tables may not necessarily add up to the total figures in the table.

Expenditure analysis

This is a narrative discussion, which provides an outline of a department or agency's policy and spending focus over the medium term. A summary is provided of how the department's objectives and spending items are aligned with the objectives of the national development plan, as set out in the 2014-2019 medium term strategic framework.

Significant increases or decreases in expenditure are explained in terms of underlying performance information, service delivery methods, policies, personnel profiles, as well as any other applicable factors. A summary of the key Cabinet approved changes to the vote baseline budget is also provided.

The average annual growth rates in tables are reflected in nominal, not real, terms. In particular instances where inflationary growth has been excluded in order to calculate real growth estimates, the consumer price index has been used to deflate the growth rate.

Expenditure trends

This table shows expenditure outcomes for the last three financial years, together with the revised spending projection for the current financial year, by vote programme and by economic classification. For each year, the Budget appropriations are also provided for comparative purposes.

Programmes														
1. Administration														
2. Programme name														
3. Programme name														
Programme														
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget Average (%)	Outcome/Adjusted appropriation Average (%)
R million	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15	
Programme 1														
Programme 2														
Programme 3														
Subtotal														
Direct charge against the National Revenue Fund														
Total														
Change to 2014														
Budget estimate														
Economic classification														
Current payments														
Compensation of employees														
Goods and services														
<i>of which:</i>														
<i>Catering</i>														
<i>Consultants and professional services: Business and advisory services</i>														
<i>Travel and subsistence</i>														
<i>Economic classification item</i>														
<i>Economic classification item</i>														
<i>Economic classification item</i>														
Transfers and subsidies														
Payments for capital assets														
Payments for financial assets														
Total														

Expenditure is set out over a four-year period, first by **programme** and then by **economic classification**. Expenditure is classified as **current payments, transfers and subsidies, payments for capital assets and payments for financial assets**.

Direct charge against the National Revenue Fund is an amount spent in terms of a statute and therefore does not require parliamentary approval, for example, debt service costs. Thus, such items are not contained in the Appropriation Bill, nor are they budgeted for under any programme on a particular vote.

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

Annual budget shows the total amount voted at the beginning of a financial year.

Adjusted appropriation shows the adjusted total amount that is voted during the course of a financial year. Changes are generally made mid-year at the time of the adjustments budget. These adjustments can only be made in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999). Adjustments were included in an adjustments appropriation bill, which Parliament approved before expenditure could take place. Details were published in Adjusted Estimates of National Expenditure publications.

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

The **Revised estimate** for 2014/15 represents expenditure outcomes in terms of National Treasury's current estimate, arrived at in consultation with the department. This does not imply a change in the amounts voted to departments in the 2014/15 adjusted appropriation; it is merely a more recent estimate of what the department is likely to spend in this financial year.

The **Outcome/Annual budget Average (%)** shows on average, the expenditure audited outcomes as a percentage of the annual budget appropriations for the stated period.

The **Outcome/Adjusted appropriation budget Average (%)** shows on average, the expenditure audited outcomes as a percentage of the annual adjusted budget appropriations for the stated period.

Expenditure estimates

This table shows the revised expenditure estimate for 2014/15 and expenditure estimates over the three-year MTEF period, by vote programme and by economic classification.

Programmes								
1. Administration								
2. Programme name								
3. Programme name								
Programme	Revised estimate 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/ total: Average (%)	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/ total: Average (%)
				2015/16	2016/17	2017/18		
R million								
Programme 1								
Programme 2								
Programme 3								
Subtotal								
Direct charge against the National Revenue Fund								
Total								
Change to 2014 Budget estimate								
Economic classification								
Current payments								
Compensation of employees								
Goods and services								
of which:								
Catering								
Consultants and professional services: Business and advisory services								
Travel and subsistence								
Economic classification item								
Economic classification item								
Economic classification item								
Transfers and subsidies								
Payments for capital assets								
Payments for financial assets								
Total								

Expenditure is set out over a four-year period, first by **programme** then by **economic classification**, that is **current payments, transfers and subsidies, payments for capital assets and payments for financial assets**.

Direct charge against the National Revenue Fund is an amount spent in terms of a statute and therefore does not require parliamentary approval. An example is debt service costs. Such items are therefore not contained in the Appropriation Bill, nor are they budgeted for under any programme on a particular vote.

The **Revised estimate 2014/15** represents expenditure outcomes in terms of National Treasury's current estimate, arrived at in consultation with the department. This does not imply a change in the amounts voted to departments in the 2014/15 adjusted appropriation; it is merely a more recent estimate of what the department is likely to spend in this financial year.

The **Average growth rate (%)** is the growth rate on average over the stated period, shown as a percentage.

The **Expenditure/total: Average (%)** column shows what proportion of total vote expenditure an expenditure item comprises, on average over the stated period. It is expressed as a percentage.

The **Medium-term expenditure estimate** shows estimates for 2015/16, 2016/17 and 2017/18. The spending figures for 2015/16 constitute the proposed appropriation to be funded from the National Revenue Fund. The proposal is contained in the main Appropriation Bill, which has to be considered by Parliament after it has been tabled. The medium term expenditure estimates for 2016/17 and 2017/18 are indicative budget allocations, and will form the basis for the planning of the 2016 Budget.

Personnel information

Personnel information is set out over a five-year period. The number of posts and the costs to the institution are shown, as well as the average unit cost of a post.

Programmes

1. Administration
2. Programme name
3. Programme name

Department	Number of posts estimated for 31 March 2015		Number and cost ² of personnel posts filled / planned for on funded establishment									Number		
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate			Average growth rate (%)	Salary level/total: Average (%)	
			2013/14		2014/15		2015/16		2016/17		2017/18			
			Number	Unit Cost	Number	Unit Cost	Number	Unit Cost	Number	Unit Cost	Number			Unit Cost
Salary level ¹														
1 – 6														
7 – 10														
11 – 12														
13 – 16														
Other														
Programme														
Programme 1														
Programme 2														
Total														

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

2. Rand million.

Details are provided of total departmental personnel numbers according to **salary level**. Summary information is also provided for each **programme**. Significant amounts and trends are elaborated on in the preceding section on expenditure analysis.

Number of funded posts refers to the number of departmental employment positions for which provision is made on the budget.

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

Information is provided on the **number and cost of personnel posts filled/planned for on funded establishment** by salary level, as well as for each **programme**. The **Unit cost** is calculated by dividing the cost by the number of posts.

The **Average growth rate (%)** is shown for the number of posts for the stated period as a percentage.

The **Salary level/total: average (%)** column shows what proportion of the total vote personnel posts the posts within a salary level comprise on average for the stated period. It is shown as a percentage.

Departmental receipts

This table provides details of the revenue collected on the vote over a seven-year period.

	Audited outcome				Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt item/total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt item/total: Average (%)
	2011/12	2012/13	2013/14	2014/15					2015/16	2016/17	2017/18		
R thousand													
Departmental receipts													
Economic classification Item													
Lower level classification Item													
Economic classification Item													
Lower level classification Item													
Lower level classification Item													
Total													

Departmental receipts are set out by economic classification.

Audited outcome is presented as it appears in the department or entity's annual financial statements.

The **Adjusted estimate** for 2014/15 shows the departmental receipt estimate published in the 2014 Adjusted Estimates of National Expenditure publication.

The **Revised estimate** for 2014/15 represents departmental receipt outcomes in terms of National Treasury's current estimate, arrived at in consultation with the department.

The **Average growth rate (%)** show the growth rate for receipts for the stated period as a percentage.

The **Receipt item/total: Average (%)** column shows what proportion of total departmental receipts a revenue item comprises for the stated period on average as a percentage.

Information on each programme

Programme purpose

The purpose of each programme is stated as it is set out in the Appropriation Bill. In terms of the Public Finance Management Act (1999), the programme purpose outlines the activities and functions of the particular programme as per the approved budget programme structure. Programme 1 is the *Administration* programme, which encompasses the administrative activities and functions required to keep the department operating.

Objectives

Objectives are indicated for each programme. Objectives should include an explanation of strategic intent as well as specific interventions and progress measures. These are broadly aligned to departmental strategic and annual performance plans, as informed by the national development plan, and articulated in the 2014-2019 medium term strategic framework, and delivery agreements.

Subprogrammes (per programme)

The key activities carried out by each subprogramme are described. Programme 1 is always *Administration*, and includes spending on the ministry, the director general's office and central corporate services. The *Ministry* subprogramme includes spending on the ministerial and deputy ministerial offices. Where applicable, explanatory notes on transfers to public entities or partner organisations, and on subsidies, incentives or financial assistance programmes, are also provided.

Expenditure trends and estimates (per programme)

Tables for each programme set out expenditure by subprogramme and economic classification over a seven-year period. Significant amounts and trends are elaborated on in the preceding section on Expenditure Analysis.

Subprogramme	Audited outcome			Adjusted appropriation 2014/15	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14		2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2014/15 - 2017/18	
R million											
Subprogramme name											
Subprogramme name											
Subprogramme name											
Total											
Change to 2014											
Budget estimate											
Economic classification											
Current payments											
Economic classification item											
Transfers and subsidies											
Economic classification item											
Payments for capital assets											
Economic classification item											
Payments for financial assets											
Total											
Proportion of total programme expenditure to vote expenditure											

Expenditure is set out over a seven-year period, first by **subprogramme** and then by **economic classification**, that is **current payments, transfers and subsidies, payments for capital assets and payments for financial assets**.

Audited outcome is presented as it appears in the department’s annual financial statements, with amounts reallocated for any subsequent approved changes to the budget programme structure.

Adjusted appropriation shows the adjusted total amount that is voted during the course of a financial year. Changes were made in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999). Details were published in Adjusted Estimates of National Expenditure publications.

The **Average growth rate (%)** is the growth rate on average over the stated period, shown as a percentage.

The **Expenditure/total: Average (%)** column shows what proportion of total programme expenditure an expenditure item comprises on average for the stated period. It is expressed as a percentage.

The **Medium-term expenditure estimate** shows estimates for 2015/16, 2016/17 and 2017/18. The spending figures for 2015/16 constitute the proposed appropriation in the main Appropriation Bill. The medium term expenditure estimates for 2016/17 and 2017/18 are indicative allocations, and will form the basis for the planning of the 2016 Budget.

The Estimates of National Expenditure e-publications for individual votes also contain the following table by programme:

Personnel information (per programme)

Personnel information is set out over a five-year period. The number of posts and the costs to the programme are shown, as well as the average unit cost of a post.

Number of posts estimated for 31 March 2015		Number and cost ² of personnel posts filled / planned for on funded establishment											Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
		2013/14		Unit cost	2014/15		Unit cost	2015/16		Unit cost	2016/17		Unit cost			2017/18		Unit cost
Programme name		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2014/15 - 2017/18	
Salary level ¹																		
1 – 6																		
7 – 10																		
11 – 12																		
13 – 16																		
Other																		

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

2. Rand million.

Details are provided of the total programme personnel numbers according to **salary level**.

Number of funded posts refers to the number of employment positions for which provision is made on the programme budget.

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

Information is provided on the **Number and cost of personnel posts filled/planned for on funded establishment** by salary level, as well as for each **subprogramme**. The **Unit cost** is calculated by dividing the cost by the number of posts.

The **Average growth rate (%)** is shown for the number of posts for the stated period as a percentage.

The **Salary level/total: Average (%)** column shows on average what proportion the posts within a salary level comprise of the programme personnel posts for the stated period.

Public entities and other agencies

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

However, it is important to note that the basis of accounting used by entities is different from that used by departments. As such, the statements of financial performance and financial position of entities are shown in this section of the publications.

Public entity accounts are prepared using an accrual basis of accounting, whereas departmental accounts are prepared using a modified cash basis of accounting.

In the accrual basis of accounting a transaction is recorded whenever there is an economic event regardless of when cash transactions occur. This basis of accounting also includes items that do not involve any flow of cash, such as adjustments made to account for depreciation.

In the cash basis of accounting a transaction is recorded only if cash has been exchanged and at the time that this exchange takes place.

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

- the entity's key legal mandate
- selected performance indicators relating to the entity's mandate
- planned deliverables for the next MTEF period

- key achievements in the previous reporting periods
- reprioritisation and baseline reduction measures implemented
- financial data tables for the entity, focusing on the sources of funding for the entity, key spending areas and expenditure trends, and, if applicable, an analysis of some of the more important items on the entity's balance sheet that relate to the key activities being carried out
- personnel information by salary level.

Additional tables

Summary of expenditure on infrastructure

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

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

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

The Estimates of National Expenditure e-publications for individual votes may also include the following tables:

Summary of conditional allocations to provinces and municipalities

The table provides details of allocations made by the national government to provinces, local government or municipalities, on condition that certain requirements or services are met.

Conditional allocation means an allocation from national government to a province, local government or municipality. The purpose and conditions accompanying the allocation are specified in the 2015 Division of Revenue Bill.

Summary of departmental public private partnerships projects

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

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

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

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

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

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

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

Summary of donor funding

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

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

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

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

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

Photos provided by GCIS.



BUDGET 2015

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national treasury

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